Residence Inn Mountain View

Mortgage Loan Information	
Mortgage Loan Seller:	JPMCB
Original Principal Balance:	$37,900,000
Cut-off Date Principal Balance:	$37,900,000
% of Pool by IPB:	2.8%
Loan Purpose:	Acquisition
Borrower:	Grand Prix Mountain View LLC
Sponsor:	Chatham Lodging, L.P.
Interest Rate:	4.64000%
Note Date:	6/9/2014
Maturity Date:	7/1/2024
Interest-only Period:	60 months
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	IO-Balloon
Call Protection:	L(26),Def(90),O(4)
Lockbox:	CMA
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:	Hotel – Extended Stay
Net Rentable Area (Rooms):	112
Location:	Mountain View, CA
Year Built / Renovated:	1985 / 2011
Occupancy / ADR / RevPAR:	86.0% / $214.03 / $184.13
Occupancy / ADR / RevPAR Date:	5/31/2014
Number of Tenants:	N/A
2011 NOI:	$2,664,402
2012 NOI:	$3,410,565
2013 NOI:	$3,807,840
TTM NOI (as of 5/2014):	$4,106,642
UW Occupancy / ADR / RevPAR:	86.0% / $214.03 / $184.13
UW Revenues:	$7,589,634
UW Expenses:	$3,776,201
UW NOI:	$3,813,433
UW NCF:	$3,813,433
Appraised Value / Per Room:	$57,400,000 / $512,500
Appraisal Date:	5/20/2014

Escrows and Reserves	Initial	Monthly	Initial Cap
Taxes:	$243,307	$27,034	N/A
Insurance:	$26,732	$4,455	N/A
FF&E Reserves:	$25,208	4% of Gross Revenues	N/A
TI/LC:	$0	$0	N/A
Other(1):	$0	Springing	$2,139,783

Financial Information	
Cut-off Date Loan / Room:	$338,393
Maturity Date Loan / Room:	$310,404
Cut-off Date LTV:	66.0%
Maturity Date LTV:	60.6%
UW NCF DSCR:	1.63x
UW NOI Debt Yield:	10.1%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	$37,900,000	75.7%	Purchase Price(2)	$47,607,276	95.1%
Sponsor Equity(2)	12,146,165	24.3	Closing Costs	2,143,642	4.3
			Upfront Reserves	295,247	0.6
Total Sources	**$50,046,165**	**100.0%**	**Total Uses**	**$50,046,165**	**100.0%**

(1) Monthly Other reserves includes a springing CapEx reserve. On a monthly basis commencing on the payment date in December 2014 and continuing until the aggregate amount of funds deposited in the reserve is equal to $590,485 ($5,272 per key), all excess cash flow after the payment of debt service, required reserves and operating expenses, will be swept into a reserve to renovate the public spaces at the property. On a monthly basis commencing on the payment date in December 2015 and continuing until the aggregate amount of funds deposited in the reserve is equal to $1,549,298 ($13,833 per key), all excess cash flow after the payment of debt service, required reserves and operating expenses, will be swept into a reserve to renovate the rooms and corridors at the property.

(2) Purchase Price and Sponsor Equity are based on Chatham's acquisition of the majority interest in the Residence Inn Mountain View from Cerberus Capital Management ("Cerberus"). The total purchase price of the property is approximately $54.8 million. For additional details, please refer to "*The Sponsor*" below.

The Loan. The Residence Inn Mountain View loan has an outstanding principal balance of $37.9 million and is secured by a first mortgage lien on the fee interest in a 112-room extended stay Marriott Residence Inn hotel located in Mountain View, California. The loan has a 10-year term, and subsequent to a five-year interest-only period, will amortize on a 30-year schedule. The borrowing entity for the loan is Grand Prix Mountain View LLC, a Delaware limited liability company and special purpose entity.

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The Sponsor. The loan sponsor and nonrecourse carve-out guarantor is Chatham Lodging, L.P. ("Chatham"). Chatham is a publicly traded (NYSE: CLDT), hotel focused real estate investment trust that owns interests in 77 hotels totaling 10,688 keys, including brands such as Residence Inn, Courtyard and Towneplace Suites by Marriott, Westin, Sheraton and Four Points by Sheraton, Hampton Inn by Hilton and Hyatt House. The guarantor's aggregate liability under the full recourse carveouts for any individual breach or violation of the bankruptcy and insolvency carveouts is limited to 20% of the then-current principal balance of the mortgage loan at the time of breach or violation, and the guarantor's liability for all breaches or violations of the full recourse carveout provisions for bankruptcy and insolvency matters during the term of the loan is limited to 20% of the initial principal balance of the loan.

Chatham has owned a minority interest in the property since 2010, and, as part of this transaction, acquired the majority interest from Cerberus, its previous joint venture partner. Chatham and Cerberus originally acquired the property in connection with a larger portfolio acquisition in 2010 as part of a restructuring plan related to the bankruptcy of Innkeepers USA Inc. Chatham's total purchase price of the property including its initial minority stake is approximately $54.8 million. The property was previously securitized in the JPMCC 2013-INN transaction.

The Property. The Residence Inn Mountain View loan is secured by the fee interest in a 112-guest room, extended stay hotel situated on approximately 2.83 acres. The property is located in Mountain View, California, and is approximately three miles southeast of Stanford University, one of the world's leading teaching and research universities, 11 miles northwest of the San Jose International Airport and nine miles from Levi's Stadium, the new San Francisco 49ers stadium that opened in August 2014. The property originally opened in 1985 and was extensively renovated in 2011. Amenities at the property include an outdoor pool, outdoor picnic areas with gas grills, basketball court and tennis court. The suite style guestrooms feature plasma televisions, full service kitchens including dishwashers, stoves and refrigerators, dining areas and fireplaces. The property is a Generation One Residence Inn, which are generally characterized by exterior corridors, and was the original Residence Inn design when the concept was introduced by Marriott in the 1980's. From 2009 to 2011 approximately $3.3 million ($29,257 per room) in capital expenditures have been made at the property, the majority of which was spent on room and exterior improvements.

The property is located along El Camino Real West near US Highway 101, which connects downtown San Francisco to San Jose, Interstate 280 and California Highway 85. El Camino Real West is a central artery of the San Francisco Peninsula communities through which it passes. Mountain View measures roughly 12 square miles and is well located in relation to several major tech companies in the Silicon Valley area, which is home to 18 of the Fortune 500 corporations including Google, Apple, Facebook and Oracle. The Silicon Valley average household income is $122,434, which is 75.8% above the U.S average, with 43.5% of households earning over $100,000, which is above the U.S. average of 19.5%. Additionally, approximately 45.0% of Silicon Valley's population has a bachelor's or advanced degree, compared to 28.1% nationwide. According to the appraisal, the property generated approximately 65% of its room nights from extended stay business, 33% from transient business and 2% from meeting and group business. According to the appraisal, there are two new hotels under construction that are expected to be only partially competitive with the property. The first is the 174-key Hilton Garden Inn Palo Alto, which is expected to open in the fourth quarter of 2015. This new select service property is anticipated to only be partially competitive with the Residence Inn Mountain View, as there is already a Hilton Garden Inn located closer to the property. The second is the 180-key Residence Inn Cupertino, which will be located across the street from the Apple campus in Cupertino. This will be the newest Residence Inn in Silicon Valley, but due to its distance from the subject property, it is expected to be partially competitive with the Residence Inn Mountain View.

The loan sponsor plans to expand on the property with the construction of 52 new guestrooms and the demolition of 16 existing guestrooms, which will temporarily reduce the room count at the hotel, but will ultimately result in a net increase of 36 guestrooms. The total expected cost of the expansion is approximately $7.0 million. The expansion is scheduled to begin in January 2015 and it is estimated to take 18 months to complete. Prior to beginning the expansion, the borrower is required to deposit cash or letter of credit equal to either (i) 125% of the total budgeted expansion costs or (ii) 110% of the total budgeted expansion costs, if the budget includes a contingency of not less than 10% of the total costs. The borrower will also be required to deposit cash or a letter of credit equal to approximately $984,228 to be used for any cash flow shortfalls that may be incurred during the property expansion.

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Historical Occupancy, ADR, RevPAR									
	Competitive Set[1]			Residence Inn Mountain View[2]			Penetration Factor[3]		
Year	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2011	78.1%	$122.32	$95.56	80.0%	$168.65	$134.85	102.3%	137.9%	141.1%
2012	79.1%	$131.92	$104.34	84.5%	$189.86	$160.45	106.9%	143.9%	153.8%
2013	84.7%	$143.30	$121.32	86.1%	$205.11	$176.60	101.7%	143.1%	145.6%
TTM[4]	85.3%	$150.30	$128.15	86.0%	$214.03	$184.13	100.8%	142.4%	143.7%

(1) Data provided by industry research specialists. The competitive set contains the following properties: Country Inn & Suites Sunnyvale, Joie de Vivre Hotel Avante, Hotel Aria, Staybridge Suites Sunnyvale, Extended Stay America San Jose Mountain View, Hilton Garden Inn Mountain View and Larkspur Landing Sunnyvale.
(2) Based on operating statements provided by the borrower.
(3) Penetration Factor is calculated based on data provided by industry research specialists for the competitive set and borrower provided operating statements for the property.
(4) The TTM row represents the trailing twelve-month period ending May 31, 2014.

Competitive Hotels Profile[1]								
			2013 Estimated Market Mix			2013 Estimated Operating Statistics		
Property	Rooms	Year Built	Extended Stay	Meeting & Group	Transient	Occupancy	ADR	RevPAR
Residence Inn Mountain View	**112**	**1985**	**65%**	**2%**	**33%**	**86%**	**$205.11**	**$176.60**
Extended Stay America San Jose Mountain View	132	1997	60%	0%	40%	87%	$90.00	$78.30
Joie de Vivre Hotel Avante	91	1985	2%	0%	98%	84%	$180.00	$151.20
Hilton Garden Inn Mountain View	160	1999	2%	5%	93%	85%	$174.00	$147.90
Larkspur Landing Sunnyvale	126	1998	60%	5%	35%	82%	$129.00	$105.78
Country Inn & Suites Sunnyvale	180	1987	2%	5%	93%	82%	$140.00	$114.80
Staybridge Suites Sunnyvale	138	1989	65%	0%	35%	88%	$152.00	$133.76
Total[2]	**827**							

(1) Based on the appraisal.
(2) Excludes the subject property.

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Operating History and Underwritten Net Cash Flow	2011	2012	2013	TTM[1]	Underwritten	Per Room[2]	% of Total Revenue[3]
Occupancy	80.0%	84.5%	86.1%	86.0%	86.0%		
ADR	$168.65	$189.86	$205.11	$214.03	$214.03		
RevPAR[4]	$134.85	$160.45	$176.60	$184.13	$184.13		
Room Revenue	$5,512,561	$6,577,322	$7,219,488	$7,527,078	$7,527,078	$67,206	99.2%
Other Department Revenues	91,257	86,058	139,061	119,406	62,556	559	0.8
Total Revenue	**$5,603,818**	**$6,663,380**	**$7,358,549**	**$7,646,484**	**$7,589,634**	**$67,765**	**100.0%**
Room Expense	$839,497	$904,098	$993,680	$979,710	$979,710	$8,747	13.0%
Other Departmental Expenses	52,023	54,912	58,966	59,139	59,139	528	94.5
Departmental Expenses	**$891,520**	**$959,010**	**$1,052,646**	**$1,038,849**	**$1,038,849**	**$9,275**	**13.7%**
Departmental Profit	**$4,712,298**	**$5,704,370**	**$6,305,903**	**$6,607,635**	**$6,550,785**	**$58,489**	**86.3%**
Operating Expenses	**$1,098,093**	**$1,199,131**	**$1,298,185**	**$1,329,965**	**$1,318,434**	**$11,772**	**17.4%**
Gross Operating Profit	**$3,614,205**	**$4,505,239**	**$5,007,718**	**$5,277,670**	**$5,232,350**	**$46,717**	**68.9%**
Management Fees[5]	$168,115	$199,901	$220,756	$158,603	$227,689	$2,033	3.0%
Franchise Fees	276,993	329,782	362,073	377,494	413,989	3,696	5.5
Property Taxes	258,082	266,653	290,219	295,252	438,238	3,913	5.8
Property Insurance	22,462	31,802	32,488	33,819	35,416	316	0.5
FF&E[6]	224,153	266,535	294,342	305,859	303,585	2,711	4.0
Total Other Expenses	**$949,803**	**$1,094,674**	**$1,199,878**	**$1,171,028**	**$1,418,918**	**$12,669**	**18.7%**
Net Operating Income	**$2,664,402**	**$3,410,565**	**$3,807,840**	**$4,106,642**	**$3,813,433**	**$34,049**	**50.2%**
Net Cash Flow[4]	**$2,664,402**	**$3,410,565**	**$3,807,840**	**$4,106,642**	**$3,813,433**	**$34,049**	**50.2%**

(1) The TTM column represents the trailing twelve months ending May 31, 2014.
(2) Per Room values based on 112 guest rooms.
(3) % of Total Revenue column for Room Expense and Other Departmental Expenses is based on their corresponding revenue line item.
(4) Historical RevPAR for 2008, 2009 and 2010 was $134.23, $102.31 and $123.20, respectively, and Net Cash Flow was approximately $2.7 million, $1.7 million and $2.3 million, respectively.
(5) Historical Management Fees were adjusted to 3.0% of Total Revenue.
(6) Historical FF&E was adjusted to 4.0% of Total Revenue.

Franchise Agreement. In conjunction with the closing of the acquisition, a 15-year franchise agreement with Marriott was executed with an expiration of June 2029. Marriott is entitled to a contractual franchise fee equal to 5.5% of room revenue, as well as a marketing fee equal to 2.5% of room revenue.

The franchise agreement requires the borrower to complete two separate property improvement plans (each, a "PIP"). The first PIP is for the renovation of the hotel's public spaces and must be completed by June 2016. The first PIP is expected to cost $590,485 ($5,272 per key). Upon completion of the first PIP, a new, 20-year franchise agreement through 2036 will be executed. The second PIP is related to renovations of the hotel's rooms and corridors and must be completed by June 2017. The second PIP is expected to cost approximately $1.5 million ($13,833 per key). Both PIPs will be funded by an excess cash flow sweep, which will commence on each of December 1, 2014 and December 1, 2015, respectively.