

2741 Faudree Road  
Odessa, TX 79765

Collateral Asset Summary – Loan No. 16

## Faudree Ranch

**Cut-off Date Balance:** \$25,125,000  
**Cut-off Date LTV:** 66.2%  
**U/W NCF DSCR:** 1.65x  
**U/W NOI Debt Yield:** 10.2%

### Mortgage Loan Information

**Loan Seller:** JPMCB  
**Loan Purpose:** Acquisition  
**Borrower Sponsors:** Robert A. Blau; Adam H. Jacobson  
**Borrower:** Faudree Ranch Apartments Odessa, LLC  
**Original Balance:** \$25,125,000  
**Cut-off Date Balance:** \$25,125,000  
**% by Initial UPB:** 2.2%  
**Interest Rate:** 4.3000%  
**Payment Date:** 1<sup>st</sup> of each month  
**First Payment Date:** July 1, 2017  
**Maturity Date:** June 1, 2022  
**Amortization:** Interest only for first 24 months; 360 months thereafter  
**Additional Debt<sup>(1)</sup>:** Future Mezzanine Debt Permitted  
**Call Protection:** L(25), YM1(29), O(6)  
**Lockbox / Cash Management<sup>(2)</sup>:** Springing Soft / Springing

### Property Information

**Single Asset / Portfolio:** Single Asset  
**Property Type:** Garden Multifamily  
**Collateral:** Fee Simple  
**Location:** Odessa, TX  
**Year Built / Renovated:** 2014 / NAP  
**Total Units:** 300  
**Property Management:** GREP Central, LP  
**Underwritten NOI:** \$2,551,782  
**Underwritten NCF:** \$2,461,782  
**Appraised Value:** \$37,980,000  
**Appraisal Date:** April 12, 2017

### Historical NOI<sup>(5)</sup>

**Most Recent NOI:** \$2,680,174 (T-12 March 31, 2017)  
**2016 NOI:** \$2,883,384 (December 31, 2016)  
**2015 NOI:** NAV  
**2014 NOI:** NAV

### Reserves

	Initial	Monthly
<b>Taxes:</b>	\$219,060	\$47,323
<b>Insurance:</b>	\$1,116	\$1,116
<b>Replacement<sup>(3)</sup>:</b>	\$0	\$7,500
<b>TI/LC:</b>	\$0	\$0

### Historical Occupancy<sup>(5)</sup>

**Most Recent Occupancy:** 98.3% (April 11, 2017)  
**2016 Occupancy:** 94.1% (December 31, 2016)  
**2015 Occupancy:** NAV  
**2014 Occupancy:** NAV

### Financial Information

<b>Cut-off Date Balance / Unit:</b>	\$83,750
<b>Balloon Balance / Unit:</b>	\$79,532
<b>Cut-off Date LTV:</b>	66.2%
<b>Balloon LTV:</b>	62.8%
<b>Underwritten NOI DSCR<sup>(4)</sup>:</b>	1.71x
<b>Underwritten NCF DSCR<sup>(4)</sup>:</b>	1.65x
<b>Underwritten NOI Debt Yield:</b>	10.2%
<b>Underwritten NCF Debt Yield:</b>	9.8%

- (1) Mezzanine debt is permitted provided, among other things, (i) a combined LTV ratio of less than or equal to 66.0% and (ii) a combined DSCR greater than or equal to 1.50x.
- (2) The borrower is required to establish a lockbox upon the earlier of (i) Cash Sweep Event (as defined below) or (ii) the date the DSCR is less than 1.30x. In place cash management will be triggered upon (i) an event of default, (ii) a bankruptcy or insolvency of the borrower or manager or (iii) if the DSCR falls below 1.25x based on a trailing three-month period ("Cash Sweep Event").
- (3) Replacement reserves are subject to a cap of \$270,000.
- (4) Based on amortizing debt service payments. Based on the current interest only payments, the Underwritten NOI DSCR and Underwritten NCF DSCR are 2.33x and 2.25x, respectively.
- (5) The property was constructed in 2014, and there is no Historical NOI or Historical Occupancy for 2014 and 2015.

## TRANSACTION HIGHLIGHTS

- **Property.** The Faudree Ranch property is a 300-unit Class A, apartment community built in 2014 and located in Odessa, Texas. The property is comprised of 12 three-story buildings with a unit mix consisting of 120 one-bedroom units, 156 two-bedroom units and 24 three-bedroom units. Unit amenities include granite countertops, garden tubs, stainless steel appliance packages and a washer and dryer connection. Property amenities include a swimming pool, hot tub, clubhouse with fitness and business center, sand volleyball court, bocce ball court, putting green, picnic area and dog park. Additionally, the property contains 600 parking spaces comprised of 300 surface parking spaces, 72 enclosed garage spaces and 228 carport spaces, resulting in a parking ratio of 2.0 spaces per unit.
- **Location/Market.** The property is located in Odessa, Texas and is adjacent to the Odessa Country Club and benefits from access to major highways. The property benefits from its proximity to Parks Legado Town Center, a 68-acre mixed-use town center, and Chimney Rock Shopping Center, a 340,000 sq. ft. power center anchored by Best Buy, Marshalls and Kirkland's Home Décor. According to the appraiser, the estimated 2016 population and average household income in a one-, three- and five-mile radius are 3,792, 17,554 and 45,674 and \$120,093, \$102,458 and \$82,906, respectively. According to the appraisal, as of the fourth quarter of 2016, the Midland/Odessa submarket had an average occupancy of 89.4% and average asking rents of \$908 per unit.
- **Institutional Management.** The property will be managed by GREP Central, LP, a subsidiary of Greystar, which has a current portfolio of approximately \$15.0 billion and over 60,000 units under management. According to the property manager, the portfolio includes thirteen properties in the Midland/Odessa market totaling 2,640 units.
- **Experienced Sponsors:** The borrower sponsors are Adam H. Jacobson and Robert A. Blau. Adam H. Jacobson has been actively engaged as principal, investor and advisor within the real estate industry. Adam is the founder of JB Howell Enterprise Inc. ("JB Howell"), which was established in 1984. JB Howell was responsible for over three billion dollars in debt and equity placement in its first decade. Robert A. Blau is the managing director of RABCO Asset Management, which was established in 2000 to advise high net worth individuals on equity and real estate investments. The borrower sponsors contributed approximately \$13.4 million in equity to facilitate the acquisition of the property.