

## Embassy Suites Kennesaw

### Mortgage Loan Information

|  |                            |
|--|----------------------------|
| <b>Mortgage Loan Seller:</b>                         | JPMCB                      |
| <b>Original Principal Balance<sup>(1)</sup>:</b>     | \$29,500,000               |
| <b>Cut-off Date Principal Balance<sup>(1)</sup>:</b> | \$29,500,000               |
| <b>% of Pool by IPB:</b>                             | 2.3%                       |
| <b>Loan Purpose:</b>                                 | Refinance                  |
| <b>Borrower:</b>                                     | TownPark Hotel, LLC        |
| <b>Sponsor:</b>                                      | Gerald L. Sapp             |
| <b>Interest Rate<sup>(2)</sup>:</b>                  | 5.49804%                   |
| <b>Note Date:</b>                                    | 9/9/2014                   |
| <b>Maturity Date:</b>                                | 10/1/2019                  |
| <b>Interest-only Period:</b>                         | 12 months                  |
| <b>Original Term:</b>                                | 60 months                  |
| <b>Original Amortization<sup>(3)</sup>:</b>          | 360 months                 |
| <b>Amortization Type:</b>                            | IO-Balloon                 |
| <b>Call Protection:</b>                              | L(25),Grtr1%orYM(11),O(24) |
| <b>Lockbox:</b>                                      | CMA                        |
| <b>Additional Debt:</b>                              | Yes                        |
| <b>Additional Debt Balance<sup>(4)</sup>:</b>        | \$5,000,000                |
| <b>Additional Debt Type<sup>(4)</sup>:</b>           | B-Note                     |

### Property Information

|                                       |                            |
|---------------------------------------|----------------------------|
| <b>Single Asset / Portfolio:</b>      | Single Asset               |
| <b>Title:</b>                         | Fee                        |
| <b>Property Type - Subtype:</b>       | Hotel - Full Service       |
| <b>Net Rentable Area (Rooms):</b>     | 192                        |
| <b>Location:</b>                      | Kennesaw, GA               |
| <b>Year Built / Renovated:</b>        | 2009 / N/A                 |
| <b>Occupancy / ADR / RevPAR:</b>      | 78.3% / \$127.63 / \$99.88 |
| <b>Occupancy / ADR / RevPAR Date:</b> | 8/31/2014                  |
| <b>Number of Tenants:</b>             | N/A                        |
| <b>2011 NOI:</b>                      | \$1,978,514                |
| <b>2012 NOI:</b>                      | \$2,713,245                |
| <b>2013 NOI:</b>                      | \$2,935,326                |
| <b>TTM NOI (as of 8/2014):</b>        | \$3,132,772                |
| <b>UW Occupancy / ADR / RevPAR:</b>   | 78.3% / \$127.63 / \$99.88 |
| <b>UW Revenues:</b>                   | \$7,565,842                |
| <b>UW Expenses:</b>                   | \$4,433,871                |
| <b>UW NOI:</b>                        | \$3,131,971                |
| <b>UW NCF:</b>                        | \$3,131,971                |
| <b>Appraised Value / Per Room:</b>    | \$43,800,000 / \$228,125   |
| <b>Appraisal Date:</b>                | 7/1/2014                   |

### Escrows and Reserves

|                           | Initial  | Monthly              | Initial Cap |
|---------------------------|----------|----------------------|-------------|
| <b>Taxes:</b>             | \$48,507 | \$24,254             | N/A         |
| <b>Insurance:</b>         | \$0      | Springing            | N/A         |
| <b>FF&amp;E Reserves:</b> | \$25,005 | 4% of Gross Revenues | N/A         |
| <b>TI/LC:</b>             | \$0      | \$0                  | N/A         |
| <b>Other:</b>             | \$0      | \$0                  | N/A         |

### Financial Information

|                                   | A-Note <sup>(1)</sup> | Whole Loan |
|-----------------------------------|-----------------------|------------|
| <b>Cut-off Date Loan / Room:</b>  | \$153,646             | \$179,688  |
| <b>Maturity Date Loan / Room:</b> | \$146,195             | \$170,974  |
| <b>Cut-off Date LTV:</b>          | 67.4%                 | 78.8%      |
| <b>Maturity Date LTV:</b>         | 64.1%                 | 74.9%      |
| <b>UW NCF DSCR<sup>(5)</sup>:</b> | 1.60x                 | 1.24x      |
| <b>UW NOI Debt Yield:</b>         | 10.6%                 | 9.1%       |

### Sources and Uses

| Sources               | Proceeds            | % of Total    | Uses                 | Proceeds            | % of Total    |
|-----------------------|---------------------|---------------|----------------------|---------------------|---------------|
| A-Note <sup>(1)</sup> | \$29,500,000        | 84.6%         | Payoff Existing Debt | \$34,292,402        | 98.3%         |
| B-Note <sup>(4)</sup> | 5,000,000           | 14.3          | Closing Costs        | 505,043             | 1.4           |
| Sponsor Equity        | 370,957             | 1.1           | Upfront Reserves     | 73,512              | 0.2           |
| <b>Total Sources</b>  | <b>\$34,870,957</b> | <b>100.0%</b> | <b>Total Uses</b>    | <b>\$34,870,957</b> | <b>100.0%</b> |

(1) Embassy Suites Kennesaw is part of a loan evidenced by one senior note (the "Embassy Suites Kennesaw Mortgage Loan" or "A-Note") and a subordinate note (the "ESK Companion Loan" or "B-Note"), with an aggregate principal balance of \$34,500,000. The A-Note Financial Information presented in the chart above reflects the Cut-off Date balance of the \$29.5 million senior portion of the Embassy Suites Kennesaw Whole Loan, but excludes the \$5.0 million subordinate ESK Companion Loan.

(2) The Interest Rate is 5.498042372881360% when extended to full precision.

(3) The Embassy Suites Kennesaw Whole Loan is structured with an assumed principal payment schedule based on a 360-month amortization period for the whole loan. See Annex F of the Prospectus Supplement.

(4) Amounts allocated to the ESK Companion Loan will be payable to the Class ESK Certificates.

(5) The UW NCF DSCR is calculated using the average of principal and interest payments over the first 12 months following the initial interest-only period based on the assumed principal payment schedule provided on Annex F of the Prospectus Supplement.

**The Loan.** The Embassy Suites Kennesaw loan is secured by a mortgage lien on the fee interest in a full service hotel located in Kennesaw, Georgia. The whole loan has an outstanding principal balance of \$34.5 million (the "Embassy Suites Kennesaw Whole Loan"), which consists of a \$29.5 million Embassy Suites Kennesaw Mortgage Loan and a \$5.0 million subordinate B-Note, the ESK Companion Loan. The Embassy Suites Kennesaw Whole Loan has a five-year term, and subsequent to a one-year interest-only period, will amortize on a 30-year schedule. Principal amortization on the Embassy Suites Kennesaw Whole Loan is allocated to the Embassy Suites Kennesaw Mortgage Loan and the ESK Companion Loan, pro rata, prior to certain defaults as set forth in the Prospectus

## Embassy Suites Kennesaw

Supplement. The Embassy Suites Kennesaw Mortgage Loan and the ESK Companion Loan carry an interest rate of 5.498042372881360% and 10.000000%, respectively. The Embassy Suites Kennesaw Whole Loan is an asset of the trust; however, amounts allocated to the Embassy Suites Kennesaw Mortgage Loan will be payable to the pooled certificates and amounts allocated to the ESK Companion Loan will be payable to the Class ESK Certificates, in each case, as reduced as a result of the payment of additional trust fund expenses and certain other fees and expenses payable in accordance with the Pooling and Servicing Agreement. See “Description of the Mortgage Pool—The ESK Whole Loan” in the Prospectus Supplement. The previously existing debt was securitized in 2012 in the NRF 2012-1 transaction. The borrowing entity for the loan is TownPark Hotel, LLC, a Delaware limited liability company and special purpose entity.

**The Sponsor.** The loan sponsor and nonrecourse carve-out guarantor is Gerald L. Sapp, the owner and CEO of GS Development, LLC. Based in Tifton, Georgia, GS Development, LLC was established in 1999 and is the parent company to GS Hospitality, LLC and GS Management, LLC. GS Development, LLC, together with its affiliated companies, acquire and manage commercial properties throughout the southern United States. To date, Dr. Sapp has, individually or through partnerships, developed 12 hotel projects with Hilton or Marriott franchises, four retail shopping centers, three build-to-suit restaurants and over 500 self storage units throughout Georgia and Florida. Dr. Sapp currently owns five hotels in Georgia and Florida. The loan sponsor developed the property in 2009 for approximately \$43.0 million (approximately \$223,958 per key) and the hotel opened in October 2009.

**The Property.** The Embassy Suites Kennesaw property is a 192-room, full service hotel located in Kennesaw, Georgia, approximately 25 miles northwest of downtown Atlanta. Developed by the loan sponsor in 2009, property amenities include 6,580 square feet of meeting space, a fitness center, an indoor pool, a business center and a Ruth's Chris Steak House. Ruth's Chris Steak House serves lunch and dinner as well as provides room service for hotel guests. Ruth's Chris Steak House has been at the hotel since its opening in 2009 and has a 10-year lease that expires on April 1, 2019 with four, five-year extension options remaining. The property's 192 two-room suites feature a private bedroom, a living room, a work table, a 37-inch HDTV, mini-refrigerator and microwave. The hotel also offers a complimentary local shuttle that provides transportation to businesses and attractions within six miles of the property. The property is managed by Commonwealth Hotels, LLC. Founded in 1986, Commonwealth Hotels, LLC currently manages over 3,900 rooms in 17 states for hotel franchises that include Hilton, Marriott, Hyatt, Starwood, Choice and Intercontinental Hotels Group.

The property is located in Cobb County, just west of the City of Kennesaw in Georgia and is accessible by both Interstate 75 to the west and Interstate 575 to the east. The property is located off of Chastain Road NW as part of The Village of TownPark, a mixed-use development with 65,000 square feet of retail space, restaurants such as Panera Bread and Five Guys and 40 residential units in the Townpark Village Townhomes complex. The property is also approximately 0.7 miles east of Kennesaw State University's main campus and approximately one mile from Simon's Town Center at Cobb. Kennesaw State University is the third largest state university in Georgia with over 24,600 students and the Town Center at Cobb has over 175 stores and is anchored by Macy's, JCPenney, Sears and Belk. The Embassy Suites Kennesaw property is within walking distance of the Town Park commercial office park, a Class A multi-tenant office park that houses several large employers in Kennesaw including Hapag-Lloyd, Wells Fargo, Impact Partnership, Bank of America and Lowe's Home Improvement.

The appraisal identified two new hotel developments planned for the Kennesaw market. There is a 96-room Courtyard by Marriott expected to open in December 2015, approximately 3.7 miles southwest of the property, and a 100-room Hampton Inn & Suites is expected to open in July 2015 approximately 0.4 miles west of the property. In the TTM period which ended on August 31, 2014, the Embassy Suites Kennesaw property achieved a RevPAR penetration index of 128.5%, with an average RevPAR penetration index of 133.9% from 2011 through 2013, based on year-end data provided by a third party data provider and operating statements provided by the borrower.

| Historical Occupancy, ADR, RevPAR |           |          |         |  |          |         |                                   |        |        |
|-----------------------------------|-----------|----------|---------|--|----------|---------|-----------------------------------|--------|--------|
| Competitive Set <sup>(1)</sup>    |           |          |         | Embassy Suites Kennesaw <sup>(2)</sup> |          |         | Penetration Factor <sup>(3)</sup> |        |        |
| Year                              | Occupancy | ADR      | RevPAR  | Occupancy                              | ADR      | RevPAR  | Occupancy                         | ADR    | RevPAR |
| 2011                              | 62.5%     | \$95.90  | \$59.96 | 66.1%                                  | \$116.34 | \$76.90 | 105.8%                            | 121.3% | 128.3% |
| 2012                              | 63.7%     | \$97.18  | \$61.91 | 71.0%                                  | \$120.30 | \$85.45 | 111.5%                            | 123.8% | 138.0% |
| 2013                              | 68.5%     | \$100.88 | \$69.12 | 75.6%                                  | \$123.84 | \$93.67 | 110.4%                            | 122.8% | 135.5% |
| TTM <sup>(4)</sup>                | 74.4%     | \$104.40 | \$77.70 | 78.3%                                  | \$127.63 | \$99.88 | 105.2%                            | 122.3% | 128.5% |

(1) Data provided by a third party data provider. The competitive set contains the following properties: Holiday Inn Express Atlanta Kennesaw, Residence Inn Atlanta Kennesaw Town Center, Springhill Suites Atlanta Kennesaw, Hilton Garden Inn Atlanta Northwest Kennesaw Town Center, Comfort Suites @ Kennesaw State University and Homewood Suites Atlanta Northwest Kennesaw Town Center.

(2) Based on operating statements provided by the borrower.

(3) Penetration Factor is calculated based on data provided by a third party data provider for the competitive set and operating statements for the property provided by the borrower.

(4) TTM represents trailing twelve-month period ending on August 31, 2014.

## Embassy Suites Kennesaw

| Competitive Hotels Profile <sup>(1)</sup>         |                 |             |                    |            |            |            |                                     |                 |                |
|---|-----------------|-------------|--------------------|------------|------------|------------|-------------------------------------|-----------------|----------------|
| Property  | 2013 Market Mix |             |                    |            |            |            | 2013 Estimated Operating Statistics |                 |                |
|   | Rooms           | Year Built  | Meeting Space (SF) | Meeting    |            | Leisure    | Occupancy                           | ADR             | RevPAR         |
| <b>Embassy Suites Kennesaw</b>                    | <b>192</b>      | <b>2009</b> | <b>6,580</b>       | <b>60%</b> | <b>21%</b> | <b>19%</b> | <b>75.6%</b>                        | <b>\$123.84</b> | <b>\$93.67</b> |
| Holiday Inn Express Atlanta-Kennesaw              | 147             | 1988        | 1,872              | 60%        | 15%        | 25%        | 68.0%                               | \$97.00         | \$65.96        |
| Residence Inn Atlanta Kennesaw/Town Center        | 120             | 1997        | 720                | 75%        | 5%         | 20%        | 75.0%                               | \$105.00        | \$78.75        |
| SpringHill Suites Atlanta Kennesaw                | 90              | 2000        | 364                | 70%        | 10%        | 20%        | 70.0%                               | \$100.00        | \$70.00        |
| Hilton Garden Inn Atlanta NW/Kennesaw Town Center | 114             | 2005        | 3,300              | 60%        | 20%        | 20%        | 73.0%                               | \$113.00        | \$82.49        |
| Comfort Suites At Kennesaw State University       | 70              | 2007        | -                  | 65%        | 5%         | 30%        | 60.0%                               | \$80.00         | \$48.00        |
| Homewood Suites by Hilton Atl NW-Kennesaw         | 100             | 2008        | 945                | 75%        | 5%         | 20%        | 75.0%                               | \$105.00        | \$78.75        |
| <b>Total<sup>(2)</sup></b>                        | <b>641</b>      |             |                    |            |            |            |                                     |                 |                |

(1) Based on the appraisal.

(2) Excludes the subject property.

| Operating History and Underwritten Net Cash Flow <sup>(1)</sup> |                    |                    |                    |                    |                    |                         |                                   |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|-------------------------|-----------------------------------|
|   | 2011               | 2012               | 2013               | TTM <sup>(2)</sup> | Underwritten       | Per Room <sup>(3)</sup> | % of Total Revenue <sup>(4)</sup> |
| Occupancy   | 66.1%              | 71.0%              | 75.6%              | 78.3%              | 78.3%              |                         |                                   |
| ADR   | \$116.34           | \$120.30           | \$123.84           | \$127.63           | \$127.63           |                         |                                   |
| RevPAR <sup>(5)</sup>   | \$76.90            | \$85.45            | \$93.67            | \$99.88            | \$99.88            |                         |                                   |
| Room Revenue  | \$5,389,273        | \$5,988,242        | \$6,564,539        | \$6,999,301        | \$6,999,301        | \$36,455                | 92.5%                             |
| Food and Beverage   | 221,932            | 365,495            | 386,120            | 391,361            | 391,361            | 2,038                   | 5.2                               |
| Other Department Revenues                                       | 168,291            | 186,038            | 175,053            | 175,180            | 175,180            | 912                     | 2.3                               |
| <b>Total Revenue</b>  | <b>\$5,779,496</b> | <b>\$6,539,775</b> | <b>\$7,125,712</b> | <b>\$7,565,842</b> | <b>\$7,565,842</b> | <b>\$39,405</b>         | <b>100.0%</b>                     |
| Room Expense  | \$1,409,022        | \$1,479,811        | \$1,666,453        | \$1,732,515        | \$1,732,515        | \$9,024                 | 24.8%                             |
| Food and Beverage Expense                                       | 3,562              | 2,239              | 567                | 59                 | 59                 | 0                       | 0.0                               |
| Other Departmental Expenses                                     | 55,737             | 62,255             | 77,862             | 82,096             | 82,096             | 428                     | 46.9                              |
| <b>Departmental Expenses</b>                                    | <b>\$1,468,321</b> | <b>\$1,544,305</b> | <b>\$1,744,882</b> | <b>\$1,814,669</b> | <b>\$1,814,669</b> | <b>\$9,451</b>          | <b>24.0%</b>                      |
| <b>Departmental Profit</b>                                      | <b>\$4,311,175</b> | <b>\$4,995,470</b> | <b>\$5,380,830</b> | <b>\$5,751,173</b> | <b>\$5,751,173</b> | <b>\$29,954</b>         | <b>76.0%</b>                      |
| <b>Operating Expenses</b>                                       | <b>\$1,586,660</b> | <b>\$1,510,877</b> | <b>\$1,607,972</b> | <b>\$1,732,842</b> | <b>\$1,732,842</b> | <b>\$9,025</b>          | <b>22.9%</b>                      |
| <b>Gross Operating Profit</b>                                   | <b>\$2,724,515</b> | <b>\$3,484,593</b> | <b>\$3,772,858</b> | <b>\$4,018,330</b> | <b>\$4,018,330</b> | <b>\$20,929</b>         | <b>53.1%</b>                      |
| Management Fee  | \$183,895          | \$196,223          | \$213,763          | \$226,174          | \$226,975          | \$1,182                 | 3.0%                              |
| Fixed Expenses  | 330,926            | 313,534            | 338,741            | 356,750            | 356,750            | 1,858                   | 4.7                               |
| FF&E  | 231,180            | 261,591            | 285,028            | 302,634            | 302,634            | 1,576                   | 4.0                               |
| <b>Total Other Expenses</b>                                     | <b>\$746,001</b>   | <b>\$771,348</b>   | <b>\$837,532</b>   | <b>\$885,558</b>   | <b>\$886,359</b>   | <b>\$4,616</b>          | <b>11.7%</b>                      |
| <b>Net Operating Income</b>                                     | <b>\$1,978,514</b> | <b>\$2,713,245</b> | <b>\$2,935,326</b> | <b>\$3,132,772</b> | <b>\$3,131,971</b> | <b>\$16,312</b>         | <b>41.4%</b>                      |
| <b>Net Cash Flow<sup>(5)</sup></b>                              | <b>\$1,978,514</b> | <b>\$2,713,245</b> | <b>\$2,935,326</b> | <b>\$3,132,772</b> | <b>\$3,131,971</b> | <b>\$16,312</b>         | <b>41.4%</b>                      |

(1) The information provided in the table reflects the cash flow from operations of the hotel.

(2) The TTM column represents the trailing twelve-month period ending on August 31, 2014.

(3) Per Room values are based on 192 rooms.

(4) % of Total Revenue column for Room Expense, Food and Beverage Expense and Other Departmental Expenses is based on their corresponding revenue line item.

(5) The property was built in 2009. Historical RevPAR for 2010 was \$62.13 and Net Cash Flow was approximately \$1.5 million.

**Franchise Agreement.** The Embassy Suites Kennesaw property is subject to a franchise agreement with Promus Hotels, Inc., a subsidiary of Hilton Hotels Corporation, which is set to expire on June 29, 2028 with no extension options. The agreement provides for a contractual monthly program fee equal to 4.0% of gross rooms revenue and a monthly royalty fee equal to 4.0% of gross rooms revenue.

**Embassy Suites Kennesaw**

**Shared Appreciation Agreement.** In connection with the previous debt of approximately \$33.8 million that was originated in April 2012 and secured by the property, the borrower and an affiliate of the prior lender entered into a shared profit arrangement based on a future sale, transfer or refinancing of the property. In connection with the mortgage loan, an affiliate of the prior lender was repaid in full and released all liens on the property. At origination of the mortgage loan, JPMCB received a signed estoppel and subordination agreement from an affiliate of the prior lender which subordinated the shared appreciation agreement to the lien of the mortgage loan. Under the prior shared appreciation agreement, an affiliate of the prior lender may require the borrower to convert its shared appreciation interests into membership interests in the borrower without the lender's consent, provided that the lender receives 30 days' prior written notice that such conversion does not result in a change of control or management of the borrower and the transfer complies with any "know your customer" or OFAC searches required by the lender. See "*Description of the Mortgage Pool – Mortgaged Property Considerations—Additional Considerations*" in the Prospectus Supplement for additional information.