

2498 Aristocracy Circle  
Lexington, KY 40509

Collateral Asset Summary – Loan No. 17

## LC Hamburg Farms

**Cut-off Date Balance:** \$25,000,000  
**Cut-off Date LTV:** 75.0%  
**U/W NCF DSCR:** 1.26x  
**U/W NOI Debt Yield:** 8.1%

### Mortgage Loan Information

**Loan Seller:** JPMCB  
**Loan Purpose:** Acquisition  
**Borrower Sponsors:** Steven P. Rosenthal; Lee E. Rosenthal  
**Borrower:** West Shore Hamburg LLC  
**Original Balance:** \$25,000,000  
**Cut-off Date Balance:** \$25,000,000  
**% by Initial UPB:** 2.2%  
**Interest Rate:** 4.7500%  
**Payment Date:** 1<sup>st</sup> of each month  
**First Payment Date:** June 1, 2017  
**Maturity Date:** May 1, 2027  
**Amortization:** Interest only for first 60 months; 360 months thereafter  
**Additional Debt:** None  
**Call Protection:** L(25), YM(91), O(4)  
**Lockbox / Cash Management<sup>(1)</sup>:** Springing Soft / Springing

### Reserves

	Initial	Monthly
<b>Taxes:</b>	\$203,764	\$33,961
<b>Insurance:</b>	\$0	Springing
<b>Replacement<sup>(2)</sup>:</b>	\$5,525	\$5,525
<b>Required Repairs:</b>	\$41,250	NAP

### Financial Information

<b>Cut-off Date Balance / Unit:</b>	\$113,122
<b>Balloon Balance / Unit:</b>	\$103,931
<b>Cut-off Date LTV<sup>(4)</sup>:</b>	75.0%
<b>Balloon LTV<sup>(4)</sup>:</b>	68.9%
<b>Underwritten NOI DSCR<sup>(3)</sup>:</b>	1.30x
<b>Underwritten NCF DSCR<sup>(3)</sup>:</b>	1.26x
<b>Underwritten NOI Debt Yield:</b>	8.1%
<b>Underwritten NCF Debt Yield:</b>	7.9%

### Property Information

**Single Asset / Portfolio:** Single Asset  
**Property Type:** Garden Multifamily  
**Collateral:** Fee Simple  
**Location:** Lexington, KY  
**Year Built / Renovated:** 2005 / NAP  
**Total Units:** 221  
**Property Management:** West Shore LLC  
**Underwritten NOI:** \$2,031,155  
**Underwritten NCF:** \$1,964,855  
**"As Is" Appraised Value<sup>(4)</sup>:** \$33,300,000  
**"As Is" Appraisal Date<sup>(4)</sup>:** March 16, 2017  
**"Hypothetical As Is" Appraised Value<sup>(4)</sup>:** \$33,341,250  
**"Hypothetical As Is" Appraisal Date<sup>(4)</sup>:** March 16, 2017

### Historical NOI

<b>Most Recent NOI:</b>	\$1,915,580 (T-12 February 28, 2017)
<b>2016 NOI:</b>	\$1,935,318 (December 31, 2016)
<b>2015 NOI:</b>	\$1,929,914 (December 31, 2015)
<b>2014 NOI<sup>(3)</sup>:</b>	\$1,820,136 (December 31, 2014)

### Historical Occupancy

<b>Most Recent Occupancy:</b>	95.9% (April 1, 2017)
<b>2016 Occupancy:</b>	95.8% (December 31, 2016)
<b>2015 Occupancy:</b>	95.0% (December 31, 2015)
<b>2014 Occupancy<sup>(5)</sup>:</b>	NAV

- (1) A soft lockbox will be triggered upon (a) the occurrence of a Cash Sweep Event or (b) the date the DSCR as calculated in the loan documents based on the trailing three-month period falls below 1.20x. In place cash management will be triggered upon (i) an event of default, (ii) any bankruptcy or insolvency action of the borrower or property manager or (iii) the DSCR as calculated in the loan documents based on the trailing three-month period falls below 1.15x (a "Cash Sweep Event"). In place cash management will be triggered upon the occurrence and continuance of a Cash Sweep Event.
- (2) Replacement reserve is subject to a cap of \$331,500.
- (3) Based on amortizing debt service payments. Based on the current interest only payments, the Underwritten NOI DSCR and Underwritten NCF DSCR are 1.69x and 1.63x, respectively.
- (4) The "Hypothetical As-Is" Appraised Value assumes that amounts sufficient to complete all outstanding deferred maintenance were reserved at origination. At origination, the borrower reserved \$41,250 for deferred maintenance covering all outstanding items noted in the property condition report. Based on the "As Is" Appraised Value, the LC Hamburg Farms Property has a Cut-off Date LTV of 75.1% and Balloon LTV of 69.0%.
- (5) 2014 Occupancy not available due to timing of the acquisition of the property.

## TRANSACTION HIGHLIGHTS

- **Property.** The LC Hamburg Farms property is a 221-unit, Class A, garden-style multifamily complex built in 2005 and located in Lexington, Kentucky. The property is comprised of 24 one-bedroom units and 197 two-bedroom units across 26 two- and three-story apartment buildings. Amenities include a clubhouse, outdoor pool and fitness center. According to the borrower sponsors, approximately \$486,614 (approximately \$2,202 per unit) has been spent on capital improvements since 2014. Recent capital improvements include upgrades to appliances, landscaping, carpet replacement and painting, among others.
- **Location.** The property is part of Hamburg Farms, an approximately 1,200-acre planned development that has been redeveloped over the last 15 years with residential, commercial and institutional uses. The property is adjacent to Hamburg Pavilion, which has more than 1.0 million sf. ft. of retail space less occupied by national retailers, including Target, Best Buy, Dick's Sporting Goods, Kohl's and Regal Cinemas. Additionally, a Walmart Supercenter is located than 1.0 mile south of the property. The University of Kentucky is the largest university in the state with a total of more than 29,000 undergraduate and graduate students enrolled for the spring 2017 semester.
- **Market.** The property is located in the East Fayette County submarket of Lexington, which had an overall multifamily vacancy of 4.5% as of the fourth quarter of 2016. The weighted average underwritten base rent for the LC Hamburg Farms property is approximately \$1,164 per unit, which is below the appraisal's concluded weighted average market rent of \$1,202 per unit for the property.
- **Sponsorship.** Lee E. Rosenthal is the president and founder of West Shore LLC ("West Shore"). West Shore currently owns 1,910 units across seven multifamily properties in Florida and one property in South Carolina. Lee E. Rosenthal was previously responsible for the underwriting, analysis and execution of all acquisitions, dispositions and financing at Northland Investment Corporation ("Northland"), which had a multifamily portfolio of over 22,000 units. Steven P. Rosenthal is the chairman of West Shore and formerly the President and Chief Executive Officer of Northland, where he directed all aspects of Northland's multifamily, development and commercial portfolios.