

Mortgage Loan No. 12 – Salem Center

Mortgage Loan Information

Mortgage Loan Seller:	JPMCB
Original Principal Balance:	\$33,250,000
Cut-off Date Principal Balance:	\$33,250,000
% of Pool by IPB:	3.1%
Loan Purpose:	Acquisition
Borrower:	OGG Salem Center LLC
Sponsor:	Gregory Greenfield & Associates, LTD.
Interest Rate:	4.75000%
Note Date:	10/30/2012
Maturity Date:	11/1/2017
Interest-only Period:	12 months
Original Term:	60 months
Original Amortization:	360 months
Amortization Type:	IO-Balloon
Call Protection:	L(25), Grtr1%orYM(32),O(3)
Lockbox:	CMA
Additional Debt:	N/A
Additional Debt Balance:	N/A
Additional Debt Type:	N/A

Property Information

Single Asset / Portfolio:	Single Asset
Title⁽¹⁾:	Fee/Leasehold
Property Type - Subtype:	Retail - Regional Mall
Net Rentable Area (SF):	212,007
Location:	Salem, OR
Year Built / Renovated:	1980 - 1985 / 1995
Occupancy⁽²⁾:	82.5%
Occupancy Date:	9/30/2012
Number of Tenants:	54
2009 NOI:	\$4,217,435
2010 NOI:	\$3,997,014
2011 NOI:	\$3,618,668
TTM NOI⁽³⁾:	\$3,761,374
UW Economic Occupancy:	86.9%
UW Revenues:	\$6,688,181
UW Expenses:	\$2,724,990
UW NOI⁽²⁾:	\$3,963,191
UW NCF:	\$3,715,509
Appraised Value / Per SF:	\$44,000,000 / \$208
Appraisal Date:	7/31/2012

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$55,400	\$55,400	N/A
Insurance:	\$0	Springing	N/A
Replacement Reserves:	\$3,535	\$3,535	N/A
TI/LC:	\$15,901	\$15,901	N/A
Other⁽⁴⁾:	\$3,237,510	\$20,449	N/A

Financial Information

Cut-off Date Loan / SF:	\$157
Maturity Date Loan / SF:	\$147
Cut-off Date LTV:	75.6%
Maturity Date LTV:	70.8%
UW NCF DSCR:	1.79x
UW NOI Debt Yield:	11.9%

(1) The property is comprised of fee parcels and seven ground leased parcels owned by different ground lessors with varying maturity dates, all of which have expirations or extension options at least 34 years beyond the loan term.

(2) Occupancy and UW NOI include Ross Dress for Less, which has executed a lease for 29,866 square feet, but is not expected to take occupancy of, or start paying rent for, the leased space until June 2013.

(3) TTM NOI represents the trailing twelve month period ending September 30, 2012.

(4) Initial Other Reserves includes \$426,162 for outstanding tenant improvements and leasing commissions, \$61,348 for an upfront ground rent reserve, a \$2.5 million letter of credit covering general renovations the landlord is performing at the property and a \$250,000 letter of credit covering a free rent reserve with regards to the Ross Dress for Less lease.

The Loan. The Salem Center loan has an outstanding principal balance of approximately \$33.3 million and is secured by a first mortgage lien on a regional mall located in Salem, Oregon. The loan has a five-year term and subsequent to a one-year interest-only period, the loan will amortize on a 30-year schedule. The proceeds of the loan, along with \$11.4 million of sponsor's equity were used to acquire the property for \$43.5 million from General Growth Properties, fund upfront reserves of approximately \$0.6 million and pay closing costs of \$0.6 million. The sponsor is an affiliate of Och-Ziff Capital Management ("Och-Ziff"). Och-Ziff is one of the largest institutional alternative asset managers in the world, with approximately \$31.8 billion in assets under management as of November 1, 2012. The property was previously securitized in LBUBS 2003-C8.

The Property. Salem Center is a 649,624 square foot regional mall, of which 212,007 square feet serves as collateral for the loan. The property, located in Salem, Oregon, was constructed in phases starting in 1980 through 1985 and was last renovated in 1995. Anchors at the property which are not part of the collateral for the loan include Kohl's (80,000 square feet), Nordstrom (72,000 square feet), JCPenney (102,500 square feet) and Macy's (183,500 square feet). The collateral is currently 82.5% occupied by 54 tenants including, Ross Dress for Less, Victoria's Secret, Bath & Body Works, American Eagle Outfitters, Cinebarre Theater and Aéropostale. Ross Dress for Less recently executed a 29,866 square foot lease and is expected to take occupancy and begin paying rent in June 2013. Letters of credit in the aggregate amount of \$2.75 million were taken at closing to cover the current renovation and outstanding landlord obligations.

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The Market. The property is located in the downtown area of Salem, Oregon. The area has access to Interstate 5, a major highway that provides access to the north and south of the Salem metro area. The property has a primary trade area consisting of an approximately five mile radius that contains approximately 212,000 people with an average household income of \$54,557. The secondary trade area consists of an approximately 25 mile radius that contains approximately 546,000 people with an average household income of \$58,216. According to the appraisal, the property is located in the Salem retail submarket which reported a vacancy rate of 10.5% and average asking rental rates for non-anchor retail space of \$16.00 per square foot as of the second quarter of 2012. The appraisal identified four competitive properties ranging in size from approximately 142,000 square feet to 755,000 square feet which reported an average vacancy rate of approximately 3.5%.

Tenant Summary ⁽¹⁾							
Tenant	Ratings ⁽²⁾ Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Sales PSF ⁽³⁾	Occupancy Cost	Lease Expiration Date
Cinebarre Theater ⁽⁴⁾	B3 / B+ / B-	38,000	17.9%	\$10.00	\$472,100	11.5%	5/31/2014
Ross Dress for Less ⁽⁵⁾	NA / BBB+ / NA	29,866	14.1%	\$11.00	N/A	N/A	1/31/2024
Famous Footwear ⁽⁶⁾	NA / NA / NA	6,560	3.1%	\$15.24	\$170	9.0%	12/31/2012
Deb	NA / NA / NA	5,927	2.8%	\$8.90	\$111	8.0%	2/28/2015
Maurices	NA / NA / NA	4,927	2.3%	\$19.76	\$268	7.4%	1/31/2020
American Eagle Outfitters	NA / NA / NA	4,894	2.3%	\$39.84	\$393	10.1%	1/31/2017
Victoria's Secret	Ba2 / BB+ / BB+	4,548	2.1%	\$24.00	\$583	4.1%	1/31/2016
Buckle	NA / NA / NA	4,527	2.1%	\$34.91	\$466	7.5%	1/31/2015
The Picture People	NA / NA / NA	3,759	1.8%	\$12.25	\$129	9.5%	7/31/2017
Chico's	NA / NA / NA	3,749	1.8%	\$35.00	N/A	N/A	11/30/2022

(1) Based on the underwritten rent roll.

(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) Sales PSF are as of the trailing twelve months ending June 30, 2012.

(4) Sales PSF reflects sales per screen for Cinebarre Theater. Sales per screen is based on a total of seven screens.

(5) Ross Dress for Less has an executed lease for 29,866, but is not expected to take occupancy of, or start paying rent for, the leased space until June 2013.

(6) Famous Footwear's lease expired on September 30, 2012. The tenant is currently negotiating a five year lease renewal and is paying month-to-month rent until the lease is executed.

Operating History and Underwritten Net Cash Flow							
	2009	2010	2011	TTM ⁽¹⁾	Underwritten	Per Square Foot	% ⁽²⁾
Rents in Place ⁽³⁾	\$3,630,283	\$3,605,696	\$3,632,299	\$3,705,853	\$4,066,847	\$19.18	54.2%
Vacant Income	0	0	0	0	983,480	4.64	13.1
Gross Potential Rent	\$3,630,283	\$3,605,696	\$3,632,299	\$3,705,853	\$5,050,327	\$23.82	67.3%
Total Reimbursements	2,638,176	2,448,076	2,239,447	2,198,033	2,458,228	11.60	32.7
Net Rental Income	\$6,268,459	\$6,053,772	\$5,871,746	\$5,903,886	\$7,508,555	\$35.42	100.0%
(Vacancy/Credit Loss)	(9,690)	(6,137)	(61,234)	11,030	(983,480)	(4.64)	(13.1)
Other Income	205,293	331,477	146,599	163,106	163,106	0.77	2.2
Effective Gross Income	\$6,464,062	\$6,379,112	\$5,957,111	\$6,078,022	\$6,688,181	\$31.55	89.1%
Total Expenses	\$2,246,627	\$2,382,098	\$2,338,443	\$2,316,648	\$2,724,990	\$12.85	40.7%
Net Operating Income	\$4,217,435	\$3,997,014	\$3,618,668	\$3,761,374	\$3,963,191	\$18.69	59.3%
Total TI/LC, Capex/RR	0	0	0	0	247,682	1.17	3.7
Net Cash Flow	\$4,217,435	\$3,997,014	\$3,618,668	\$3,761,374	\$3,715,509	\$17.53	55.6%
Occupancy	84.8%	84.4%	84.5%	78.6%	82.5%		

(1) TTM column represents the trailing twelve months ending September 30, 2012.

(2) Percentage column represents percent of Net Rental Income for all revenue lines and represents percent of Effective Gross Income for the remainder of fields.

(3) Underwritten Rents in Place are higher than the TTM due to a recently executed 29,866 square foot Ross Dress for Less lease and 3,749 square foot Chico's lease. Chico's took occupancy on December 1, 2012 and Ross Dress for Less is expected to take occupancy on June 1, 2013.