

The Outlet Shoppes of the Bluegrass



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Mortgage Loan Information

Mortgage Loan Seller:	JPMCB
Original Principal Balance⁽¹⁾:	\$32,500,000
Cut-off Date Principal Balance⁽¹⁾:	\$32,406,939
% of Pool by IPB:	3.9%
Loan Purpose:	Refinance
Borrower:	Bluegrass Outlet Shoppes CMBS, LLC
Sponsors⁽²⁾:	Various
Interest Rate:	4.04500%
Note Date:	11/24/2014
Maturity Date:	12/1/2024
Interest-only Period:	None
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	Balloon
Call Protection:	L(25),Grtr1%orYM(91),O(4)
Lockbox:	CMA
Additional Debt:	Yes
Additional Debt Balance:	\$44,871,146
Additional Debt Type:	Pari Passu

Property Information

Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type - Subtype:	Retail - Outlet Center
Net Rentable Area (SF):	374,683
Location:	Simpsonville, KY
Year Built / Renovated:	2014 / N/A
Occupancy:	97.5%
Occupancy Date:	10/1/2014
Number of Tenants:	88
2011 NOI⁽³⁾:	N/A
2012 NOI⁽³⁾:	N/A
2013 NOI⁽³⁾:	N/A
TTM NOI⁽³⁾:	N/A
UW Economic Occupancy:	97.5%
UW Revenues:	\$12,708,777
UW Expenses:	\$3,976,907
UW NOI:	\$8,731,870
UW NCF:	\$8,169,433
Appraised Value / Per SF:	\$123,000,000 / \$328
Appraisal Date:	11/2/2014

Escrows and Reserves⁽⁴⁾

	Initial	Monthly	Initial Cap
Taxes:	\$124,895	\$62,448	N/A
Insurance:	\$0	Springing	N/A
Replacement Reserves:	\$0	Springing	\$150,000
TI/LC:	\$0	Springing	N/A
Other:	\$6,958,372	\$0	N/A

Financial Information⁽¹⁾

Cut-off Date Loan / SF:	\$206
Maturity Date Loan / SF:	\$163
Cut-off Date LTV:	62.8%
Maturity Date LTV:	49.7%
UW NCF DSCR:	1.83x
UW NOI Debt Yield:	11.3%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan ⁽¹⁾	\$77,500,000	100.0%	Payoff Existing Debt	\$47,988,196	61.9%
			Return of Equity	19,330,251	24.9
			Upfront Reserves	7,083,267	9.1
			Closing Costs	3,098,287	4.0
Total Sources	\$77,500,000	100.0%	Total Uses	\$77,500,000	100.0%

(1) The Outlet Shoppes of the Bluegrass is part of a loan evidenced by two pari passu notes with an aggregate original principal balance of \$77.5 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the approximately \$77.3 million The Outlet Shoppes of the Bluegrass Whole Loan.

(2) For a full description of the loan sponsors, please refer to "The Sponsors" below.

(3) Historical NOI is not available because the property was built in 2014.

(4) For a full description of Escrows and Reserves, please refer to "Escrows and Reserves" below.

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The Loan. The Outlet Shoppes of the Bluegrass loan is secured by a first mortgage lien on a 374,683 square foot regional outlet mall located in Simpsonville, Kentucky. The whole loan has an aggregate Cut-off Date principal balance of approximately \$77.3 million ("The Outlet Shoppes of the Bluegrass Whole Loan"), which is comprised of two *pari passu* notes, Note A-1 and Note A-2. Note A-2, with an outstanding principal balance as of the Cut-off Date of approximately \$32.4 million, is being contributed to the JPMBB 2015-C27 Trust. Note A-1 has an outstanding principal balance as of the Cut-off Date of approximately \$44.9 million and was contributed to the JPMBB 2014-C26 Trust. The holder of Note A-1 (the "Controlling Noteholder") is the trustee of the JPMBB 2014-C26 Trust. The trustee of the JPMBB 2014-C26 Trust (or, prior to the occurrence and continuance of a control event under the JPMBB 2014-C26 pooling and servicing agreement, the directing certificateholder under the JPMBB 2014-C26 pooling and servicing agreement) will be entitled to exercise all of the rights of the Controlling Noteholder with respect to The Outlet Shoppes of the Bluegrass Whole Loan; however, the holder of Note A-2 will be entitled, under certain circumstances, to consult with respect to certain major decisions. The Outlet Shoppes of the Bluegrass Whole Loan has a 10-year term and amortizes on a 30-year schedule.

The Borrower. The borrowing entity for The Outlet Shoppes of the Bluegrass Whole Loan is Bluegrass Outlet Shoppes CMBS, LLC, a Delaware limited liability company and special purpose entity.

The Sponsors. The loan sponsor is a joint venture between CBL & Associates Limited Partnership ("CBL") and Horizon Group Properties, L.P. ("Horizon"). CBL was founded in 1978 and is headquartered in Chattanooga, Tennessee. CBL (NYSE: CBL, rated Baa3/BBB- by Moody's and Fitch) is one of the largest REITs in the United States. As of December 31, 2013, CBL owned controlling interests in 75 regional malls or outlet centers. Horizon is a publicly traded REIT founded in 1998 and headquartered in Rosemont, Illinois. The firm engages in the ownership, operation, and development of shopping centers in the United States. The loan sponsor has a current basis in the property of approximately \$79.9 million.

The Property. The Outlet Shoppes of the Bluegrass is a 374,683 square foot one-level outlet mall located in Simpsonville, Kentucky. The property opened in July 2014 and is located on approximately 36.1 acres. The property is anchored by Saks Fifth Avenue Off 5th (24,558 square feet) and also includes several smaller anchors including Nike (14,355 square feet), Old Navy (13,266 square feet) and Polo Ralph Lauren (12,317 square feet), as well as several high-end tenants including Coach and Gucci. The Gucci and Saks Fifth Avenue Off 5th stores are the only locations in the state. The property has approximately 1,885 parking spaces which are included in the collateral, resulting in a parking ratio of approximately 5.03 spaces per 1,000 square feet of net rentable area.

The property opened in July 2014 at 95.0% occupancy and subsequently signed new leases with Gucci, Kate Spade and Tumi bringing occupancy up to 97.5% by October 1, 2014. In addition to its anchors, the property's in-line tenants generally consist of national tenants such as American Eagle, Under Armour, Tommy Hilfiger, Gap and Banana Republic.

The Outlet Shoppes of the Bluegrass is the only premium outlet center in Kentucky and is located in Simpsonville, which is between Louisville and Lexington on Interstate 64. Simpsonville is located in the Louisville metropolitan statistical area and is approximately 22 miles east of the Louisville central business district and approximately 55 miles west of Lexington. The property's central location allows the center to draw from both markets. In addition, there are 50,000 college students located within a 40-mile radius. Regional access to the area is provided by Interstates 64, 65, and 71 and according to the appraisal, the property benefits from an average traffic count of 68,000 cars per day. According to the appraisal, the primary trade area within a 40-mile radius contained an estimated 1,418,229 people, with a median household income of \$66,083 in 2014. The property's secondary trade area spans up to a 50-mile radius and contains an estimated 2,000,742 people with a median household income of \$65,226. The appraisal concluded that market rents were generally in-line with the rents in-place at the property of \$24.08 per square foot. According to the appraisal, the property's primary and secondary competition consists of the six properties detailed in the table below. The closest outlet center is 83 miles from the property.

Competitive Set Summary ⁽¹⁾					
Property	Year Built / Renovated	Total GLA	Est. Occ.	Proximity (miles)	Anchor Tenants
The Paddock Shops	2001 / N/A	365,302	98%	13.9	Old Navy, Ulta, BB&B, Earth Fair, Office Depot
Springhurst Towne Center	1997 / N/A	798,035	95%	12.6	Meijer, Target, Kohl's, Dick's, TJ Maxx
Shelbyville Road Plaza	1954 / 2007	388,803	90%	15.4	Ross, Nordstroms, Feeder's Supply, Nike, Guitar Center
Plaza at Fayette	2006 / N/A	216,841	99%	47.2	Old Navy, Kirkland's, Gordman's, Cinemark, Guitar Center
Cincinnati Premium Outlets	2009 / N/A	425,000	100%	100.0	Gap Brands, Adidas, Reebok, Saks, Nike
Edinburgh Premium Outlets	1989 / 1994	377,772	100%	83.0	Hilfiger, Dress Barn, Gap Brands, Rue21, Nike, VF

(1) Per the appraisal.

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Historical and Current Occupancy ⁽¹⁾			
2011	2012	2013	Current ⁽²⁾
N/A	N/A	N/A	97.5%

(1) 2011, 2012 and 2013 Occupancy figures are not available because the property opened in 2014.

(2) Current Occupancy is as of October 1, 2014.

Based on reported sales for 88 tenants at the property for the period from August through December 2014, total sales were approximately \$82.7 million. Using the loan sponsors' estimates of sales dispersion by month, tenants would achieve total sales of approximately \$172.5 million or \$472 per square foot. The sensitivity chart below offers projections based upon a range of haircuts to the estimated sales extrapolated from the first five months of operations. Sixty-seven tenants at the property have termination options based on sales thresholds, which are generally exercisable between 2017 and 2020.

Preliminary Sales Sensitivity			
Haircut	Estimated Total Sales ⁽¹⁾	Sales PSF	Occupancy Cost
0%	\$172,514,568	\$472	6.7%
10%	\$155,263,111	\$425	7.4%
20%	\$138,011,654	\$378	8.3%
30%	\$120,760,197	\$331	9.5%

(1) Estimated Total Sales were calculated based on five months (August through December 2014) of sales, taking into account the projected sales distribution at the property. This information includes reported sales data for 88 tenants which include 10 tenants where all five months of reported sales data is not available. Because the Estimated Total Sales were based on a limited number of months of sales data, the actual sales at the property during a 12 month period may be materially lower than the estimate. Additionally, the Estimated Total Sales were calculated taking into account an estimate of the monthly distribution of total sales during a calendar year. The actual sales distribution at the property during any calendar year may be materially different from the monthly sales distribution used in determining the Estimated Total Sales.

Tenant Summary ⁽¹⁾					
Tenant	Ratings ⁽²⁾	Net Rentable	% of	Base	Lease
	Moody's/S&P/Fitch	Area (SF)	Total NRA	Rent PSF	Expiration Date
Saks Fifth Avenue Off 5th ⁽³⁾⁽⁴⁾	B1 / B+ / NA	24,558	6.6%	\$9.00	7/31/2024
Nike	A1 / AA- / NA	14,355	3.8%	\$21.00	1/31/2020
Old Navy	Baa3 / BBB- / BBB-	13,266	3.5%	\$17.50	7/31/2019
Polo Ralph Lauren ⁽³⁾⁽⁵⁾	A3 / A / NA	12,317	3.3%	\$16.67	1/31/2025
American Eagle	NA / NA / NA	9,194	2.5%	\$21.42	1/31/2020
Under Armour ⁽⁶⁾	NA / NA / NA	8,847	2.4%	\$23.18	7/31/2019
Tommy Hilfiger ⁽⁷⁾	Ba3 / BB+ / NA	8,039	2.1%	\$22.00	8/31/2019
Gap	Baa3 / BBB- / BBB-	7,836	2.1%	\$18.95	7/31/2019
Banana Republic	Baa3 / BBB- / BBB-	7,729	2.1%	\$19.00	7/31/2019
Coach ⁽³⁾⁽⁸⁾	NA / NA / NA	7,651	2.0%	\$39.21	1/31/2025

(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) Tenant pays percent-in-lieu ("PIL") for entire lease term. PIL is based on the minimum PIL payment per the leases or estimated sales provided by the borrower and these tenants will pay PIL for their entire lease terms.

(4) If gross sales for the fifth lease year are less than \$7.0 million, the tenant will have the right to terminate the lease with 90 days' notice.

(5) If gross sales for the fifth lease year are less than or equal to \$500 per square foot, the tenant will have the right to terminate the lease with 60 days' notice.

(6) If gross sales for the third lease year are less than \$2.0 million, the tenant will have the right to terminate the lease with 60 days' notice.

(7) If gross sales for the third lease year are less than approximately \$2.2 million, the tenant will have the right to terminate the lease with 90 days' notice.

(8) If gross sales for the fourth lease year are less than \$5.0 million, the tenant will have the right to terminate the lease with 90 days' notice.

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Percent-in-lieu Rent Schedule				
Tenant	Estimated Year One Sales ⁽¹⁾	Estimated Sales PSF ⁽¹⁾	PIL	Underwritten Rent
Gucci	\$7,500,300	\$1,604	5.00%	\$375,015
Coach	10,000,000	\$1,307	3.00%	300,000
Saks Fifth Avenue Off 5th	6,314,914	\$257	3.50%	221,022
Polo Ralph Lauren ⁽²⁾	7,184,933	\$583	3.00%	205,284
Total	\$31,000,147			\$1,101,321

(1) Based on estimates provided by the loan sponsors given experience managing other outlet centers as well as discussions with leasing agents.

(2) Polo Ralph Lauren will pay 3.00% percent-in-lieu rent if sales are below \$500 PSF; 2.00% percent-in-lieu rent if sales are between \$500 PSF and \$1,000 PSF and 1.00% percent-in-lieu rent if sales are in excess of \$1,000 PSF.

Of the 88 tenants, 73 tenants representing 336,589 square feet have co-tenancy provisions. These provisions generally require a minimum occupancy at the property ranging from 65.0%-85.0%. Twenty-eight of these tenants representing 150,425 square feet require that key tenants remain at the property which generally include Sak's Fifth Avenue Off 5th, Coach, Nike and Tommy Hilfiger. If these co-tenancy clauses are not met, these tenants begin paying alternate rent which is a percentage of gross sales generally ranging from 1.0% to 50.0%.

Lease Rollover Schedule ⁽¹⁾									
Year	Number of Leases Expiring	Net Rentable Area Expiring	% of NRA Expiring	Base Rent Expiring	% of Base Rent Expiring	Cumulative Net Rentable Area Expiring	Cumulative % of NRA Expiring	Cumulative Base Rent Expiring	Cumulative % of Base Rent Expiring
Vacant	NAP	9,315	2.5%	NAP	NAP	9,315	2.5%	NAP	NAP
2015 & MTM	1	3,402	0.9	\$85,050	0.9%	12,717	3.4%	\$85,050	0.9%
2016	0	0	0.0	0	0.0	12,717	3.4%	\$85,050	0.9%
2017	1	2,073	0.6	55,000	0.6	14,790	3.9%	\$140,050	1.6%
2018	0	0	0.0	0	0.0	14,790	3.9%	\$140,050	1.6%
2019	14	69,430	18.5	1,550,739	17.2	84,220	22.5%	\$1,690,789	18.7%
2020	11	54,686	14.6	1,512,189	16.8	138,906	37.1%	\$3,202,979	35.5%
2021	0	0	0.0	0	0.0	138,906	37.1%	\$3,202,979	35.5%
2022	0	0	0.0	0	0.0	138,906	37.1%	\$3,202,979	35.5%
2023	0	0	0.0	0	0.0	138,906	37.1%	\$3,202,979	35.5%
2024	39	137,130	36.6	3,416,882	37.9	276,036	73.7%	\$6,619,861	73.4%
2025	22	98,647	26.3	2,403,626	26.6	374,683	100.0%	\$9,023,487	100.0%
2026 & Beyond	0	0	0	0	0	374,683	100.0%	\$9,023,487	100.0%
Total	88	374,683	100.0%	\$9,023,487	100.0%				

(1) Based on the underwritten rent roll.

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Underwritten Net Cash Flow			
	Underwritten	Per Square Foot	% ⁽¹⁾
Rents in Place ⁽²⁾	\$9,023,487	\$24.08	75.3%
Vacant Income	204,930	0.55	1.7
Gross Potential Rent	\$9,228,417	\$24.63	77.0%
Total Reimbursements	2,749,646	7.34	23.0
Net Rental Income	\$11,978,063	\$31.97	100.0%
(Vacancy/Credit Loss)	(298,657)	(0.80)	(2.5)
Other Income ⁽³⁾	1,029,371	2.75	8.6
Effective Gross Income	\$12,708,777	\$33.92	106.1%
Total Expenses	\$3,976,907	\$10.61	31.3%
Net Operating Income	\$8,731,870	\$23.30	68.7%
Total TI/LC, Capex/RR	562,437	1.50	4.4
Net Cash Flow	\$8,169,433	\$21.80	64.3%

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

(2) Underwritten Rents in Place are based on October 1, 2014 rent roll, with underwritten rent bumps totaling \$40,927 through November 2015. Four tenants pay PIL, which comprises approximately \$1.1 million of Underwritten Rents in Place based on estimated sales of approximately \$31.0 million. PIL tenants include Saks Fifth Avenue Off 5th, Coach, Gucci and Polo Ralph Lauren.

(3) Other income primarily includes tenant marketing income including signage and branding income.

Property Management. The property is managed by Horizon Group Properties, L.P., an affiliate of one of the loan sponsors.

Escrows and Reserves. At origination, the borrower deposited into escrow approximately \$7.0 million for outstanding tenant improvement and leasing commissions associated with 62 tenants and \$124,895 for real estate taxes.

Tax Escrows - On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$62,448.

Insurance Escrows - The requirement for the borrower to make monthly deposits to the insurance escrow is waived so long as no event of default or Cash Sweep Event exists and so long as the borrower provides satisfactory evidence that the property is insured under an acceptable blanket policy.

Replacement Reserves - The requirement for the borrower to make monthly deposits to the replacement reserve is waived through September 30, 2015 so long as no event of default exists. At any time after September 30, 2015, the requirement for the borrower to make monthly deposits to the replacement reserve is waived so long as the debt service coverage ratio as calculated in the loan documents based on the trailing twelve months does not fall below 1.30x for the two consecutive calendar quarters preceding the date of determination (a "Replacement Reserve DSCR Trigger") and no event of default exists. Following the occurrence and during the continuance of a Replacement Reserve DSCR Trigger or an event of default, the borrower is required to deposit \$6,250 per month (approximately \$0.20 per square foot annually) for replacement reserves. The reserve is subject to a cap of \$150,000 (approximately \$0.40 per square foot).

TI/LC Reserves - On a monthly basis commencing on December 1, 2017, the borrower is required to escrow \$43,123 (approximately \$1.38 per square foot annually) for tenant improvements and leasing commissions.

Lockbox / Cash Management. The loan is structured with a CMA lockbox. The borrower and/or manager was required to send tenant direction letters to all tenants instructing them to deposit all rents and payments into the lockbox account controlled by the lender. The funds are then returned to an account controlled by the borrower until the occurrence of a Cash Sweep Event. During the continuance of a Cash Sweep Event, all rents will be swept daily to a segregated cash management account and held in trust and for the benefit of the lender. The lender will have a first priority security interest in the cash management account. Upon the occurrence and during the continuance of a Cash Sweep Event, all excess cash after payment of debt service, required reserves and budgeted operating expenses will be held as additional security for the loan.

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A “Cash Sweep Event” means: (i) the occurrence and continuance of an event of default, (ii) any bankruptcy action of the borrower or manager or (iii) the debt service coverage ratio as calculated in the loan documents based on the trailing twelve months falls below 1.20x.

Release of Outparcel. At any time during the term of the loan, the borrower is permitted to release an unimproved release parcel in accordance with certain terms and conditions set forth in the loan documents.

Phase II Development. The area surrounding the shopping center can accommodate additional improvements that will not be included as collateral for the loan. According to the loan sponsors, 57,800 square feet of space is planned to be built adjacent to the shopping center. Leasing is currently underway and tenants will include complementary retail stores and restaurants. Construction is estimated to commence in the first quarter of 2015 and will be built on land that is not part of the collateral for the loan. There is also an outparcel containing 0.3 acres that may be developed which is not part of the collateral for the loan. There is currently no development activity with respect to the outparcel. The appraiser has allocated no value to either of these parcels or their related development potential.