

Boulevard Square



Boulevard Square
10800-11500 Pines Boulevard
Pembroke Pines, FL 33026

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Mortgage Loan Information

Mortgage Loan Seller:	JPMCB
Original Principal Balance:	\$45,500,000
Cut-off Date Principal Balance:	\$45,500,000
% of Pool by IPB:	3.4%
Loan Purpose:	Refinance
Borrower:	CP Pembroke Pines, LLC
Sponsor:	Robert M. Cornfeld
Interest Rate:	4.32700%
Note Date:	6/22/2015
Maturity Date:	7/1/2025
Interest-only Period:	36 months
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	IO-Balloon
Call Protection:	L(24),Def(93),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:	Fee
Property Type - Subtype:	Retail - Anchored
Net Rentable Area (SF):	220,597
Location:	Pembroke Pines, FL
Year Built / Renovated:	2000 / N/A
Occupancy:	88.3%
Occupancy Date:	3/31/2015
Number of Tenants:	34
2012 NOI:	\$3,352,125
2013 NOI:	\$3,156,334
2014 NOI:	\$3,247,602
UW Economic Occupancy:	91.2%
UW Revenues:	\$5,251,155
UW Expenses:	\$1,803,092
UW NOI:	\$3,448,062
UW NCF:	\$3,256,428
Appraised Value / Per SF ⁽¹⁾ :	\$59,000,000 / \$267
Appraisal Date:	5/1/2016

Escrows and Reserves⁽²⁾

	Initial	Monthly	Initial Cap
Taxes:	\$647,334	\$80,917	N/A
Insurance:	\$0	Springing	N/A
Replacement Reserves:	\$5,147	\$5,147	N/A
TI/LC:	\$13,787	\$13,787	\$827,239
Other:	\$2,500,000	Springing	N/A

Financial Information

Cut-off Date Loan / SF:	\$206
Maturity Date Loan / SF:	\$180
Cut-off Date LTV ⁽¹⁾ :	77.1%
Maturity Date LTV ⁽¹⁾ :	67.2%
UW NCF DSCR:	1.20x
UW NOI Debt Yield:	7.6%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$45,500,000	92.9%	Payoff Existing Debt	\$45,000,000	91.9%
Sponsor Equity	3,453,544	7.1	Upfront Reserves	3,166,268	6.5
			Closing Costs	787,276	1.6
Total Sources	\$48,953,544	100.0%	Total Uses	\$48,953,544	100.0%

(1) The Appraised Value / Per SF, Cut-off Date LTV and Maturity Date LTV are calculated based on the "as-stabilized value" which assumes the anchor space previously vacated by Office Max has been re-leased. The "as-is" value as of April 22, 2015 is \$55.3 million, which results in a Cut-off Date LTV and Maturity Date LTV of 82.3% and 71.7%.

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

The Loan. The Boulevard Square loan has an outstanding principal balance of \$45.5 million and is secured by a first mortgage lien on a 220,597 square foot anchored retail shopping center located in Pembroke Pines, Florida. The loan has a 10-year term and, subsequent to a three-year interest-only period, will amortize on a 30-year schedule.

The Borrower. The borrowing entity for the loan is CP Pembroke Pines, LLC, a Delaware limited liability company and special purpose entity.

The Sponsor. The loan sponsor and nonrecourse carve-out guarantor is Robert M. Cornfeld, a principal of The Cornfeld Group. The Cornfeld Group is a family owned real estate investment and management company that has invested in South Florida for over 40 years. Currently headquartered in Hollywood, Florida, the firm has grown its portfolio to over 45 properties located throughout Florida, the Southern United States and the Midwestern United States.

Boulevard Square

The Property. Boulevard Square is a 220,597 square foot anchored retail shopping center located in Pembroke Pines, Florida. The property was originally developed in 2000 and is comprised of two buildings located on approximately 25.3 acres along Pines Boulevard. Pines Boulevard is a major east-west thoroughfare that provides direct access to Interstate 75 to the west and the Florida Turnpike to the east. The property is shadow anchored by CVS Pharmacy, Bahama Breeze and Boulevard Mini Storage, which are not part of the collateral but share the parking lot with the retail center. The property contains 1,189 parking spaces with an overall parking ratio of 5.39 spaces.

As of March 31, 2015, the property was 88.3% occupied by 34 tenants and anchored by Sports Authority, RossDress for Less, TJ Maxx, You-Fit Health Club and Kirkland's Home. The largest tenant, Sports Authority, leases 17.0% of the net rentable area through October 2025 and has occupied the space since October 2000. Sports Authority exercised its second extension option in April 2013 and the lease contains three additional five-year extension options. Sports Authority is one of the largest sporting goods and apparel retailers in the United States and is headquartered in Englewood, Colorado. Originally founded in 1928, the company was taken private in May 2006 by private equity firm Leonard Green & Partners, L.P. Sports Authority accounts for approximately 13.7% of the in place base rent at the property. The second largest tenant, RossDress for Less, leases 13.7% of the net rentable area through January 2021 and has occupied the space since August 1999. In August 2014, the tenant exercised its second extension option and the lease contains two additional five-year extension options. RossDress for Less is a publicly traded discount clothing retailer headquartered in Dublin, California. As of January 31, 2015, the company employed approximately 71,400 people across 1,210 locations in 33 states. RossDress for Less accounts for approximately 12.7% of the in place base rent at the property and reported January 2015 trailing 12-month sales of \$527 per square foot with an occupancy cost of 2.5%. The reported trailing 12-month sales per square foot compare favorably to the overall chain average of \$220 per square foot, per the July 2014 Retail Maxim report. The third largest tenant, TJ Maxx, leases 13.6% of the net rentable area through January 2024 and has occupied the space since August 2000. The tenant exercised its second extension option in August 2013 and the lease contains three additional five-year extension options. TJ Maxx is an American department store selling off-price apparel and home goods. TJ Maxx was founded in 1976 and is currently headquartered in Framingham, Massachusetts. TJ Maxx is a subsidiary of The TJX Companies, Inc. a publicly traded company with 3,395 total stores and approximately 198,000 employees as of January 31, 2015. TJ Maxx accounts for approximately 9.4% of the in place base rent at the property and reported October 2014 trailing 12-month sales of approximately \$387 per square foot with an occupancy cost of 2.8%. Other tenants at the property include You-Fit Health Club (11.3% of the net rentable area, lease expiration April 2024, 10.2% of the in-place base rent) and Kirkland's Home (4.6% of the net rentable area, lease expiration January 2016, 6.3% of the in place base rent).

Boulevard Square is centrally located within Pembroke Pines along Pines Boulevard, approximately 9.7 miles west of downtown Hollywood, Florida. The property is located within the retail corridor of Pembroke Pines and is across the street from Pembroke Lakes Mall, a 1.1 million square foot regional shopping center owned by General Growth Properties. The mall features four anchor tenants, JCPenney, Macy's, Dillard's and Sears, and serves as an attraction for the area. Other national retailers with a presence within a three-mile radius include Home Depot, Michaels, Target, Dick's Sporting Goods and Bed Bath & Beyond. According to the appraisal, the property's three-mile trade area contained approximately 146,497 people with an average household income of \$70,760 as of 2014. As of year-end 2014, the Cooper City/Pembroke Pines/Miramar submarket contained approximately 8.9 million square feet of retail space and a vacancy rate of 6.9%. The appraisal identified five directly competitive retail properties built between 1984 and 2007 and ranging in size from 68,170 square feet to 289,117 square feet. The comparable retail properties reported occupancies ranging from 86.5% to 100.0% with a weighted average occupancy of approximately 94.4%. Average asking rents for the comparable properties range from \$24.25 to \$28.25 per square foot. Over the next five years, REIS concluded approximately 306,000 square feet of new supply will be delivered in the Cooper City/Pembroke Pines/Miramar submarket.

Historical and Current Occupancy ⁽¹⁾			
2012	2013	2014	Current ⁽²⁾
93.9%	86.5%	90.9%	88.3%

(1) Historical Occupancies are as of December 31 of each respective year.

(2) Current Occupancy is as of March 31, 2015.

Boulevard Square

Tenant	Ratings ⁽²⁾ Moody's / S&P/ Fitch	Tenant Summary ⁽¹⁾			Sales PSF	Occupancy Costs	Lease Expiration Date
		Net Rentable Area (SF)	% of Total NRA	Base Rent PSF			
Sports Authority	NA / NA / NA	37,413	17.0%	\$13.00	NAV	NAV	10/31/2025
RossDress for Less ⁽³⁾	A3 / A- / NA	30,137	13.7%	\$15.00	\$527.00	2.5%	1/31/2021
TJ Maxx ⁽⁴⁾	A3 / A+ / NA	29,980	13.6%	\$11.15	\$387.48	2.8%	1/31/2024
You-Fit Health Club	NA / NA / NA	24,970	11.3%	\$14.50	NAV	NAV	4/30/2024
Kirkland's Home ⁽³⁾	NA / NA / NA	10,115	4.6%	\$22.00	\$229.60	9.6%	1/31/2016
America's Best Contacts	NA / NA / NA	6,517	3.0%	\$17.70	NAV	NAV	4/30/2024
The Avenue ⁽⁵⁾	NA / NA / NA	5,336	2.4%	\$25.00	\$171.89	14.5%	1/31/2020
Pembroke Pines MRI	NA / NA / NA	5,087	2.3%	\$33.00	NAV	NAV	3/31/2016
Denny's ⁽⁵⁾	NA / NA / NA	3,913	1.8%	\$24.20	\$422.24	5.2%	7/31/2020
Vitamin Shoppe ⁽⁶⁾	NA / NA / NA	3,696	1.7%	\$35.69	\$632.47	5.5%	10/31/2016

(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 and Occupancy Costs for RossDress for Less and Kirkland's Home are presented as of the trailing 12-month period ended January 2015.

(4) Sales PSF and Occupancy Costs for TJ Maxx are presented as of the trailing 12-month period ended October 2014.

(5) Sales PSF and Occupancy Costs for The Avenue and Denny's are presented as of the trailing 12-month period ended December 2014.

(6) Sales PSF and Occupancy Costs for Vitamin Shoppe are presented as of the trailing 12-month period ended March 2015.

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	25,843	11.7%	NAP	NAP	25,843	11.7%	NAP	NAP
2015 & MTM	6	10,235	4.6	\$261,424	7.4%	36,078	16.4%	\$261,424	7.4%
2016	9	26,393	12.0	718,174	20.2	62,471	28.3%	\$979,598	27.6%
2017	1	1,221	0.6	28,303	0.8	63,692	28.9%	\$1,007,901	28.4%
2018	5	10,998	5.0	358,253	10.1	74,690	33.9%	\$1,366,154	38.4%
2019	1	1,200	0.5	34,608	1.0	75,890	34.4%	\$1,400,762	39.4%
2020	4	11,677	5.3	290,142	8.2	87,567	39.7%	\$1,690,903	47.6%
2021	3	32,354	14.7	512,413	14.4	119,921	54.4%	\$2,203,317	62.0%
2022	1	1,796	0.8	52,084	1.5	121,717	55.2%	\$2,255,401	63.5%
2023	0	0	0.0	0	0.0	121,717	55.2%	\$2,255,401	63.5%
2024	3	61,467	27.9	811,693	22.8	183,184	83.0%	\$3,067,094	86.3%
2025 & Beyond	1	37,413	17.0	486,369	13.7	220,597	100.0%	\$3,553,463	100.0%
Total	34	220,597	100.0%	\$3,553,463	100.0%				

(1) Based on the underwritten rent roll.

Operating History and Underwritten Net Cash Flow

	2012	2013	2014	Underwritten	Per Square Foot	% ⁽¹⁾
Rents in Place	\$3,372,686	\$3,321,399	\$3,469,159	\$3,553,463	\$16.11	61.7%
Vacant Income	0	0	0	505,599	2.29	8.8
Gross Potential Rent	\$3,372,686	\$3,321,399	\$3,469,159	\$4,059,061	\$18.40	70.5%
Total Reimbursements	2,091,191	2,159,383	2,291,049	1,697,692	7.70	29.5
Net Rental Income	\$5,463,877	\$5,480,782	\$5,760,208	\$5,756,753	\$26.10	100.0%
(Vacancy/Credit Loss)	(399,582)	(607,699)	(732,682)	(505,599)	(2.29)	(8.8)
Other Income	0	0	0	0	0.00	0.0
Effective Gross Income	\$5,064,295	\$4,873,083	\$5,027,526	\$5,251,155	\$23.80	91.2%
Total Expenses	\$1,712,170	\$1,716,749	\$1,779,924	\$1,803,092	\$8.17	34.3%
Net Operating Income	\$3,352,125	\$3,156,334	\$3,247,602	\$3,448,062	\$15.63	65.7%
Total TI/LC, Capex/RR	0	0	0	191,634	0.87	3.6
Net Cash Flow	\$3,352,125	\$3,156,334	\$3,247,602	\$3,256,428	\$14.76	62.0%

(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.

Property Management. The property is managed by Select Strategies-Brokerage, Florida Division, LLC ("Select Strategies"). The current management agreement has an initial term expiring in November 2016 with two remaining renewals of two years each. Select Strategies is entitled to a base management fee of 4.0% of gross revenues. The management fees are subordinate to the liens and interest of the Boulevard Square mortgage loan.

Boulevard Square

Escrows and Reserves. At origination, the borrower was required to deposit into escrow \$2.5 million for the specified anchor tenant reserve fund, \$647,334 for real estate taxes, \$13,787 for future tenant improvements and leasing commissions and \$5,147 for replacement reserves.

Tax Escrows - On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$80,917.

Insurance Escrows - The requirement for the borrower to make monthly deposits to the insurance escrow is waived so long as no event of default exists and the borrower provides satisfactory evidence that the property is insured as part of a blanket policy in accordance with the loan documents.

Replacement Reserves - On a monthly basis, the borrower is required to escrow \$5,147 (approximately \$0.28 per square foot annually) for replacement reserves.

TI/LC Reserves - On a monthly basis, the borrower is required to deposit \$13,787 (approximately \$0.75 per square foot annually) on a monthly basis into the TI/LC escrow. The reserve is subject to a cap of \$827,239 (\$3.75 per square foot).

Specific Anchor Tenant Reserve – At origination of the loan, \$2,500,000 was reserved as additional security for the loan pending the leasing of the currently vacant anchor space, previously occupied by Office Max. Upon execution of one or more anchor leases pursuant to the terms more fully described in the loan agreement, the funds are required to be released to the borrower on a pro rata basis for the space occupied less TI/LC, free rent or gap rent negotiated as part of the new lease.

Anchor Tenant Rollover Reserve - Upon the occurrence of an Anchor Tenant Trigger (as defined below), all excess cash flow after payment of debt service, required reserves and operating expenses is required to be deposited into a reserve for tenant improvements and leasing commissions related to the anchor tenant vacant space.

Lockbox / Cash Management. The loan is structured with a CMA lockbox. Tenant direction letters were required to be sent to all tenants upon the origination of the loan 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 (as defined below). During a Cash Sweep Event, all funds in the lockbox account are swept within one business day to a segregated cash management account under the control of the lender. To the extent there is a Cash Sweep Event continuing, all excess cash flow after payment of the mortgage debt service, required reserves and operating expenses will be held as additional collateral for the loan. The lender has a first priority security interest in the cash management account.

An "Anchor Tenant Trigger" means occurrence of any of the following: (a) Kirkland's Home (or any other tenant that exceeds 23,000 square feet) does not renew its respective lease prior to the notice deadline for renewal in the lease, (b) any such tenant "goes dark", ceases to be open for business, vacates or abandons its respective premises or (c) any such tenant becomes subject to a bankruptcy or insolvency action.

A "Cash Sweep Event" means the occurrence of: (a) an event of default, (b) any bankruptcy or insolvency action of the borrower or the property manager, (c) the debt service coverage ratio (calculated in accordance with the loan documents) based on the immediately preceding trailing three month period falls below 1.10x or (d) an Anchor Tenant Trigger.

Permitted Mezzanine Debt. The loan agreement permits certain direct and indirect owners of the borrower to obtain a mezzanine loan (or a refinancing of a mezzanine loan) secured by the ownership interests in the borrower upon certain terms and conditions set forth in the loan agreement, which include, without limitation: (i) no event of default has occurred and is continuing, (ii) the combined loan-to-value ratio of the property does not exceed 80.0%, (iii) the debt service coverage ratio, as calculated in the loan documents and including the mezzanine loan, is not less than 1.25x, (iv) the aggregate debt yield, as calculated in the loan documents and including the mezzanine loan, is not less than 9.5%, (v) an acceptable intercreditor agreement has been executed and (vi) the subordinate mezzanine loan is subject to a rating agency confirmation.