

Humblewood Center

Mortgage Loan Information

Mortgage Loan Seller:	JPMCB
Original Principal Balance:	\$22,150,000
Cut-off Date Principal Balance:	\$22,150,000
% of Pool by IPB:	2.8%
Loan Purpose:	Acquisition
Borrower:	FREP III – Humblewood Center, LLC
Sponsor:	Forge Real Estate Partners III, LP
Interest Rate:	4.57400%
Note Date:	4/7/2017
Maturity Date:	5/1/2022
Interest-only Period:	24 months
Original Term:	60 months
Original Amortization:	360 months
Amortization Type:	IO-Balloon
Call Protection:	L(25),Def(32),O(3)
Lockbox / Cash Management:	Springing / Springing
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):	160,897
Location:	Humble, TX
Year Built / Renovated:	1979-1988 / 2016
Occupancy:	88.2%
Occupancy Date:	4/7/2017
Number of Tenants:	30
2014 NOI⁽¹⁾:	\$2,749,148
2015 NOI⁽¹⁾⁽²⁾:	\$2,349,881
2016 NOI⁽²⁾:	\$2,680,111
TTM NOI⁽³⁾:	N/A
UW Economic Occupancy:	88.8%
UW Revenues:	\$3,719,654
UW Expenses:	\$1,041,724
UW NOI:	\$2,677,930
UW NCF:	\$2,466,630
Appraised Value / Per SF⁽⁴⁾:	\$32,130,000 / \$200
Appraisal Date:	3/4/2017

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$247,149	\$49,430	N/A
Insurance:	\$0	Springing	N/A
Replacement Reserves:	\$5,527	\$5,527	N/A
TI/LC⁽⁵⁾:	\$12,500	\$12,500	\$675,000
Other⁽⁶⁾:	\$604,851	\$0	N/A

Financial Information

Cut-off Date Loan / SF:	\$138
Maturity Date Loan / SF:	\$131
Cut-off Date LTV⁽⁴⁾:	68.9%
Maturity Date LTV⁽⁴⁾:	65.6%
UW NCF DSCR:	1.82x
UW NOI Debt Yield:	12.1%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$22,150,000	59.1%	Purchase Price	\$36,350,000	96.9%
Sponsor Equity	15,347,348	40.9	Upfront Reserves	870,026	2.3
			Closing Costs	277,322	0.7
Total Sources	\$37,497,348	100.0%	Total Uses	\$37,497,348	100.0%

(1) The decrease in 2015 NOI from 2014 NOI is primarily due to a decrease in occupancy from 100.0% to 90.5%.

(2) The increase in 2016 NOI from 2015 NOI is primarily due to the expansion of Conn's from 27,171 square feet to 55,322 square feet in September 2015.

(3) TTM NOI was not available due to the timing of the acquisition.

(4) Appraised Value / Per SF, Cut-off Date LTV and Maturity Date LTV exclude value attributable to the Chick-fil-A and Pappas BBQ release parcels with an aggregate ground lease value of approximately \$4.5 million. Both the Chick-fil-A and Pappas BBQ parcels may be released with no related prepayment of the loan pursuant to the terms outlined in the loan documents as further described in "Release Parcels" below. The "as-is" value as of March 4, 2017 including the appraised value of the release parcels is \$36,590,000, which results in a Cut-off Date LTV and Maturity Date LTV of 60.5% and 57.6%, respectively.

(5) The TI/LC Initial Cap is required to be reduced to \$375,000, provided, among other conditions as outlined in the loan documents, the borrower has entered into a lease for the 11,569 square foot vacant space identified in the loan documents at a rent of \$10.00 per square foot or greater. Additionally, as part of the acquisition, the borrower and seller agreed to escrow \$300,000 of the total Purchase Price to be withheld from the seller until such time a letter of intent with K&G Fashion for the 11,569 square foot space identified in the loan documents has been converted to a fully executed lease. In the event that such letter of intent is not converted to a fully executed lease within 12 months of origination, the escrow agent is to release such funds to the Monthly TI/LC reserve account to be held as additional collateral for the loan.

(6) Initial Other Escrows includes a roof reserve in the amount of \$275,124, a reserve for outstanding tenant improvements and leasing commissions in the amount of \$183,750 and required repairs reserve in the amount of approximately \$145,976.

Humblewood Center

The Loan. The Humblewood Center loan has an outstanding principal balance as of the Cut-off Date of \$22.15 million and is secured by a first mortgage lien on the borrower's fee interest in a 160,897 square foot shopping center located in Humble, Texas. The loan has a five-year term, and subsequent to a two-year interest-only period, will amortize on a 30-year schedule. The borrowing entity for the loan is FREP III - Humblewood Center, LLC which is a Delaware limited liability company and special purpose entity.

The loan sponsor and nonrecourse carve-out guarantor is Forge Real Estate Partners III, LP ("**Forge**"), a privately-owned real estate investment firm based in Tampa, Florida. Forge was founded in 2000 and has since sponsored three real estate-oriented closed-end private equity funds focused on direct real estate investment, real estate development and redevelopment and real estate collateralized-debt acquisitions from financial institutions. The loan sponsor owns eight retail centers comprising over 1.0 million square feet across Texas, Florida, North Carolina, and Georgia.

The Property. The Humblewood Center property is a 160,897 square foot anchored retail shopping center situated on a 17.4 acre parcel located in Humble, Texas. The improvements were built in phases between 1979 and 1988, most recently renovated in 2016 and consist of six single-story buildings and three pad sites. The property contains 927 surface parking spaces for an overall parking ratio of approximately 5.76 spaces per 1,000 square feet. The property is located on the southwest corner of FM 1960 and Interstate 59 across from Deerbrook Mall, a retail center in the surrounding area. The well-established retail trade area benefits from traffic counts exceeding 129,000 vehicles per day along Interstate 59.

As of April 7, 2017, the property was 88.2% occupied by 30 tenants including a variety of national and regional tenants. The property is anchored by Conn's and junior anchored by Petco, Walgreens and Skechers, which account for 42.5% of underwritten base rent and 55.1% of net rentable area, in the aggregate. Other national tenants at the property include, IHOP, AT&T, The Vitamin Shoppe, H&R Block, FedEx Kinko's and GameStop. The largest tenant, Conn's, leases 55,322 square feet (34.4% of net rentable area) through September 2026 and has been in occupancy since 1997. In September 2015, Conn's extended its lease through September 2026 and expanded from 27,171 square feet to its current footprint. Conn's is a specialty retailer of furniture, mattresses, home appliances and consumer electronics with more than 100 retail locations throughout the United States. Conn's accounts for 21.5% of underwritten base rent at the property and its lease contains three remaining five-year extension options. The second largest tenant at the property, Petco, leases 12,500 square feet (7.8% of the net rentable area) through January 2027 and has been in occupancy since September 2016. Petco is a privately held pet and pet products retailer with more than 1,430 stores across the United States, Mexico and Puerto Rico. Petco accounts for 6.7% of underwritten base rent at the property and its lease contains two remaining five-year extension options. The third largest tenant at the property, Walgreens, leases 10,575 square feet (6.6% of the net rentable area) through January 2021 and has occupied its space since May 1979. Walgreens operates the largest drug retailing chain in the United States. As of February 2016, the company operated 8,177 stores in all 50 states, Washington DC, Puerto Rico and the Virgin Islands. Walgreens recently executed a five-year lease extension through January 2021 and has no remaining extension options. Walgreens accounts for 6.1% of underwritten base rent at the property.

Outside of the anchor and junior anchor tenants, no individual tenant occupies more than 3.2% of net rentable area or accounts for more than 4.8% in underwritten base rent. The property features three additional pad sites occupied by Burger King, Chick-fil-A and Pappas BBQ. Burger King occupies its pad site through May 2019 pursuant to a ground lease and accounts for 2.2% of underwritten base rent. The Chick-fil-A and Pappas BBQ parcels, also occupied pursuant to a ground lease for each individual pad site, may be released with no related prepayment of the loan as further described in "*Release Parcels*" below.

The Market. The Humblewood Center property is located in Humble, Texas, within Harris County. The property is approximately 25.0 miles northeast of the Houston central business district. The property is conveniently located along Interstate 59, which provides access to downtown Houston, as well as George Bush International Airport, approximately 2.5 miles from the property. The property is located directly across from the 1.2 million square foot super-regional Deerbrook Mall. The Deerbrook mall is anchored by Dillard's, Macy's, JCPenney and Sears. Other local demand drivers include the Kingwood Medical Center and Memorial Hermann Northeast Hospital. According to the appraisal, the 2016 estimated population within a one-, three- and five-mile radius of the property was approximately 5,797, 40,411 and 127,130, respectively, with an average household income of \$55,909, \$65,427 and \$79,036, respectively.

The property is located in Houston's Northeast retail submarket, which, according to the appraisal, consists of approximately 15.1 million square feet. As of the fourth quarter of 2016, the Northeast retail submarket had an overall vacancy rate of 4.0% and average asking rents of \$15.22 per square foot. The appraisal identified five comparable properties in the surrounding area, built between 1978 and 2014 and ranging in size from 47,326 to 164,140 square feet. Occupancies at the comparable properties ranged from 62.0% to 100.0% with a weighted average occupancy of 86.1%. Recently quoted rental rates at the comparable retail properties ranged from \$20.00 per square foot to \$40.00 per square foot with a weighted average of \$25.61 per square foot. The appraisal's concluded market rent for the anchor, junior anchor and multitenant pad in-line space is equal to \$11.00, \$15.50-\$22.00 and \$21.00-\$39.00 per square foot, respectively, each in-line with underwritten base rent with respect to each tenant classification. The appraisal did not identify any proposed or newly constructed properties that are expected to be directly competitive with the property.

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Tenant Summary ⁽¹⁾								
Tenant	Ratings ⁽²⁾ Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	% of Total Base Rent	Sales PSF ⁽³⁾	Occupancy Costs ⁽³⁾	Lease Expiration Date
Conn's	B3 / B / NA	55,322	34.4%	\$10.84	21.5%	N/A	N/A	9/30/2026
Petco	NA / B / NA	12,500	7.8%	\$15.00	6.7%	N/A	N/A	1/31/2027
Walgreens	Baa2 / BBB / BBB	10,575	6.6%	\$16.00	6.1%	N/A	N/A	1/31/2021
Skechers ⁽⁴⁾	NA / NA / NA	10,250	6.4%	\$22.00	8.1%	N/A	N/A	2/28/2027
IHOP	NA / NA / NA	5,170	3.2%	\$14.16	2.6%	\$630	2.2%	12/31/2019
AT&T	Baa1 / BBB+ / A-	4,125	2.6%	\$26.40	3.9%	N/A	N/A	11/30/2020
Jason's Deli	NA / NA / NA	4,029	2.5%	\$29.00	4.2%	\$685	4.2%	7/31/2019
CiCi's Pizza	NA / NA / NA	4,000	2.5%	\$25.42	3.7%	N/A	N/A	6/30/2020
The Vitamin Shoppe	NA / NA / NA	3,525	2.2%	\$38.00	4.8%	N/A	N/A	6/30/2024
New Hawaiian Grill Restaurant	NA / NA / NA	3,190	2.0%	\$32.00	3.7%	N/A	N/A	7/31/2021

(1) Based on the underwritten rent roll dated April 7, 2017.

(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 represent tenant reported sales for the 12-month period ending September 30, 2016 for IHOP and March 31, 2016 for Jason's Deli.

(4) Skechers took occupancy in February 2017 and has the right to terminate its lease if, within 60 days following August 31, 2021, the tenant delivers a written statement showing the tenant's aggregate gross sales for the period of September 2020 through August 2021 have been less than \$1,500,000, and a written notice, such termination to be effective as of February 28, 2022.

Lease Rollover Schedule ⁽¹⁾⁽²⁾									
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	19,059	11.8%	NAP	NAP	19,059	11.8%	NAP	NAP
2017 & MTM	1	672	0.4	\$44,802	1.6%	19,731	12.3%	\$44,802	1.6%
2018	8	13,453	8.4	391,144	14.1	33,184	20.6%	\$435,946	15.7%
2019	4	10,279	6.4	293,201	10.5	43,463	27.0%	\$729,147	26.2%
2020	4	12,084	7.5	344,345	12.4	55,547	34.5%	\$1,073,492	38.6%
2021	7	21,753	13.5	510,348	18.3	77,300	48.0%	\$1,583,840	56.9%
2022	1	2,000	1.2	53,000	1.9	79,300	49.3%	\$1,636,840	58.8%
2023	0	0	0.0	0	0.0	79,300	49.3%	\$1,636,840	58.8%
2024	1	3,525	2.2	133,950	4.8	82,825	51.5%	\$1,770,790	63.6%
2025	1	0	0.0	0	0.0	82,825	51.5%	\$1,770,790	63.6%
2026	1	55,322	34.4	599,690	21.5	138,147	85.9%	\$2,370,481	85.2%
2027	2	22,750	14.1	413,000	14.8	160,897	100.0%	\$2,783,481	100.0%
2028 & Beyond	0	0	0.0	0	0.0	160,897	100.0%	\$2,783,481	100.0%
Total	30	160,897	100.0%	\$2,783,481	100.0%				

(1) Based on the underwritten rent roll dated April 7, 2017.

(2) Certain tenants may have termination or contraction options (which may become exercisable prior to the originally stated expiration date of the tenant lease) that are not considered in the above Lease Rollover Schedule.

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Operating History and Underwritten Net Cash Flow						
	2014	2015	2016	Underwritten	Per Square Foot	% ⁽¹⁾
Rents in Place ⁽²⁾	\$2,684,734	\$2,575,247	\$2,890,190	\$2,783,481	\$17.30	66.8%
Vacant Income	0	0	0	465,654	2.89	11.2
Gross Potential Rent	\$2,684,734	\$2,575,247	\$2,890,190	\$3,249,135	\$20.19	78.0%
CAM Reimbursements	937,343	734,397	871,720	871,720	5.42	20.9
Percentage Rent	57,025	66,399	43,855	43,855	0.27	1.1
Net Rental Income	\$3,679,102	\$3,376,043	\$3,805,765	\$4,164,710	\$25.88	100.0%
(Vacancy/Credit Loss)	3,234	(39)	0	(465,654)	(2.89)	(11.2)
Other Income	33,731	22,813	20,598	20,598	0.13	0.5
Effective Gross Income	\$3,716,067	\$3,398,817	\$3,826,363	\$3,719,654	\$23.12	89.3%
Total Expenses	\$966,919	\$1,048,936	\$1,146,252	\$1,041,724	\$6.47	28.0%
Net Operating Income⁽³⁾	\$2,749,148	\$2,349,881	\$2,680,111	\$2,677,930	\$16.64	72.0%
Total TI/LC, Capex/RR	0	0	0	211,299	1.31	5.7
Net Cash Flow	\$2,749,148	\$2,349,881	\$2,680,111	\$2,466,630	\$15.33	66.3%
Occupancy⁽⁴⁾	100.0%	90.5%	88.2%	88.8%		

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

(2) Rents in Place does not include rental income associated with the Chick-fil-A and Pappas BBQ release parcels.

(3) The decrease in 2015 Net Operating Income from 2014 Net Operating Income is primarily due to a decrease in occupancy from 100.0% to 90.5%. The increase in 2015 Net Operating Income to 2016 Net Operating Income is primarily due to the expansion of Conn's from 27,171 square feet to 55,322 square feet in September 2015.

(4) Historical occupancies are as of December 31 of each respective year. Underwritten occupancy represents economic occupancy.

Release Parcels. The borrower may obtain the release of the parcels ground leased to Pappas BBQ and/or Chick-fil-A (together, the "Release Parcels") at any time (including during the lockout period) without any principal prepayment of the loan so long as, among other conditions: (i) the borrower conveys the Release Parcels to an entity other than the borrower; (ii) the borrower delivers a REMIC opinion, if required by the lender; (iii) the borrower provides evidence that the remaining parking will be in compliance with legal requirements; and (iv) the borrower and the owner(s) of the Release Parcels enter into and record a reciprocal easement agreement or other agreement reasonably acceptable to the lender providing for easements and similar rights. The related appraisal attributed an aggregate value of \$4,460,000 to the Release Parcels, which was not considered in the calculation of the appraised value of the property. See "Description of the Mortgage Pool—Certain Terms of the Mortgage Loans—Partial Releases" in the Prospectus for additional information.

Purchase Option. The property is subject to a Deed, Restrictions and Option agreement (the "REA"), to which the borrower and the owner of a tract that is contiguous to the property are parties. During the period designated by the REA (December 31, 2036 to December 31, 2037), the parties to the REA may request an extension of the REA and, if either party and its "institutional lender" (as defined in the REA) does not execute an extension upon request, the other party to the REA has the right to purchase the applicable tract(s) in accordance with the terms of the REA. See "Description of the Mortgage Pool—Certain Terms of the Mortgage Loans—Purchase Options and Rights of First Refusal" in the Prospectus for additional information.