

Renaissance Providence Downtown Hotel

Mortgage Loan Information

Mortgage Loan Seller:	JPMCB
Original Principal Balance⁽¹⁾:	\$20,000,000
Cut-off Date Principal Balance⁽¹⁾:	\$19,908,869
% of Pool by IPB:	2.1%
Loan Purpose:	Refinance
Borrower:	RP Providence, L.L.C.
Sponsor:	TH Investment Holdings II, LLC
Interest Rate:	5.00000%
Note Date:	2/9/2016
Maturity Date:	3/1/2026
Interest-only Period:	None
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	Balloon
Call Protection:	L(25),Grt1%orYM(91),O(4)
Lockbox:	CMA
Additional Debt:	Yes
Additional Debt Balance:	\$24,886,087
Additional Debt Type:	Pari Passu

Property Information

Single Asset / Portfolio:	Single Asset
Title:	Fee
Property Type - Subtype:	Hotel – Full Service
Net Rentable Area (Rooms):	272
Location:	Providence, RI
Year Built / Renovated:	2007 / 2016
Occupancy / ADR / RevPAR:	73.6% / \$182.17 / \$134.07
Occupancy / ADR / RevPAR Date:	4/30/2016
Number of Tenants:	N/A
2013 NOI:	\$3,790,625
2014 NOI:	\$4,413,431
2015 NOI:	\$4,514,416
TTM NOI (as of 4/2016):	\$4,735,064
UW Occupancy / ADR / RevPAR:	73.6% / \$182.17 / \$134.07
UW Revenues:	\$15,884,844
UW Expenses:	\$11,514,817
UW NOI:	\$4,370,027
UW NCF:	\$4,370,027
Appraised Value / Per Room⁽²⁾:	\$73,000,000 / \$268,382
Appraisal Date:	12/1/2016

Escrows and Reserves

	Initial	Monthly	Initial Cap
Taxes:	\$88,149	\$35,081	N/A
Insurance:	\$0	Springing	N/A
FF&E Reserves⁽³⁾:	\$0	4% of Gross Revenues	N/A
TI/LC:	\$0	\$0	N/A
Other⁽⁴⁾:	\$730,504	Springing	N/A

Financial Information⁽¹⁾

Cut-off Date Loan / Room:	\$164,687
Maturity Date Loan / Room:	\$136,022
Cut-off Date LTV⁽²⁾:	61.4%
Maturity Date LTV⁽²⁾:	50.7%
UW NCF DSCR:	1.51x
UW NOI Debt Yield:	9.8%

Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan ⁽¹⁾	\$45,000,000	99.0%	Payoff Existing Debt	\$44,195,296	97.2%
Sponsor Equity	471,650	1.0	Upfront Reserves	818,653	1.8
			Closing Costs	457,702	1.0
Total Sources	\$45,471,650	100.0%	Total Uses	\$45,471,650	100.0%

- (1) The Renaissance Providence Downtown Hotel Whole Loan is evidenced by two *pari passu* notes with an aggregate original principal balance of \$45.0 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of approximately \$44.8 million Renaissance Providence Downtown Hotel Whole Loan.
- (2) The Appraised Value represents the "as complete" value of \$73.0 million, which assumes that the remaining renovations related to a property improvement plan, with an initial estimated cost of \$5.5 million, have been completed. The estimated amount required to complete the property improvement plan was fully reserved for at loan origination. Based on the "as-is" appraised value of \$70.0 million, the Cut-off Date LTV and the Maturity Date LTV are 64.0% and 52.9%, respectively.
- (3) The monthly FF&E Reserves amount will increase to 5% of gross revenues during any quality assurance trigger period.
- (4) Initial Other Escrows and Reserves of \$730,504 represent a reserve of \$705,504 related to a property improvement plan and a \$25,000 reserve for tank tightness testing related to one underground storage tank at the property, as well as any required remediation in the event the test results reveal any issues with the underground storage tank. On each monthly date, the borrower is required to deposit the estimated installment amount required to complete all work under any property improvement plan required by the franchisor (other than the current property improvement plan).



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The Loan. The Renaissance Providence Downtown Hotel loan is secured by a first mortgage lien on the fee interest in a 272-room full service hotel located in Providence, Rhode Island. The whole loan has an outstanding principal balance as of the Cut-off Date of approximately \$44.8 million (the “Renaissance Providence Downtown Hotel Whole Loan”) which is comprised of two *pari passu* notes, each as described below. Note A-1 is held by the DBJPM 2016-C1 trust and is the controlling note under the related intercreditor agreement, the rights of which will be exercised by the related trustee (or, prior to the occurrence and continuance of a control termination event under the related pooling and servicing agreement, the related directing certificateholder). However, the JPMCC 2016-JP2 Trust will be entitled, under certain circumstances, to be consulted with respect to certain major decisions (which rights will be exercised by the Directing Certificateholder prior to a Control Termination Event. The loan has a 10-year term and will amortize on a 30-year schedule.

Whole Loan Summary				
Note	Original Balance	Cut-off Date Balance	Note Holder	Controlling Piece
A-1	\$25,000,000	\$24,886,087	DBJPM 2016-C1	Yes
A-2	20,000,000	19,908,869	JPMCC 2016-JP2	No
Total	\$45,000,000	\$44,794,956		

The previously existing debt was securitized in the JPMCC 2014-FL5 transaction. The borrowing entity for the loan is RP Providence, L.L.C., a Delaware limited liability company and special purpose entity. The loan sponsor and nonrecourse carve-out guarantor is TH Investment Holdings II, LLC, a fund of The Procaccianti Group (“TPG”). Founded in 1964, TPG is a second generation privately-held real estate investment and management company. Since 1964, TPG has owned or managed real estate assets with more than 50 million square feet and a value exceeding \$5.0 billion. TPG’s current portfolio includes 66 hotel properties located in 26 states totaling 18,496 guest rooms and approximately 20.0 million square feet.

In December 2012, TPG and their equity partner Rockpoint Group, LLC, acquired the property through a discounted note sale for approximately \$30.0 million. Upon acquisition, TPG and Rockpoint Group, LLC executed a new 20-year franchise agreement with Marriott to retain the Renaissance brand and were able to significantly improve the operating margins since taking over management. The loan proceeds from 2014 facilitated TPG’s buyout of Rockpoint Group, LLC’s ownership stake at origination. In 2014, TPG commenced an approximately \$5.5 million (\$20,248 per room) property improvement plan to renovate the restaurant, bar and lounge spaces, fully reconfigure and renovate the lobby and check-in area, renovate the guestroom corridors and elevator lobbies and upgrade the fitness center, guestrooms and guestroom bathrooms. The renovations are expected to be completed by December 2016 and the remaining renovations will provide upgrades to the concierge lounge, boardrooms and meeting spaces.

The Property. The Renaissance Providence Downtown Hotel is a nine-story, 272-room full service hotel located on 5 Avenue of the Arts in Providence, Rhode Island and situated on approximately 0.68 acres. The property was built in 2007 as a Renaissance brand hotel as part of an adaptive reuse of the façade and exterior of the historic Masonic Temple Building, which was originally built in 1929 in downtown Providence. The reconstruction commenced in 2004 and approximately \$100.0 million was spent on the redevelopment project over the three years.

The property features modern hotel amenities against the backdrop of a historic setting with architecture restored from the original building. The hotel has one full service restaurant and lounge, the Public Kitchen & Bar, which serves breakfast, lunch, dinner and 24-hour room service. Upon taking over ownership and management of the Renaissance Providence, TPG leased out the restaurant space to the Downtown Restaurant Group, LLC, who has operated the Public Kitchen & Bar since December 2012 and whose lease has two five-year renewal options remaining. The Downtown Restaurant Group, LLC currently operates three other restaurants in the area. The hotel also provides approximately 11,415 square feet of meeting space, including the 4,900 square foot Symphony Ballroom and 1,775 square feet of pre-function space. Additional hotel amenities include a fully equipped fitness center with changing rooms, a full-service business center, a club/concierge lounge, a gift shop and news stand and valet parking. Valet parking is made available to hotel guests through a third-party operated valet service, which utilizes up to 150 parking spaces leased from the Providence Place Mall garage pursuant to the parking lease. The valet parking agreement commenced in May 2013 and has automatic one-year renewal terms. The parking lease commenced in April 2008 and expires in March 2018.

The property has 264 standard rooms and eight suites. The 2,000 square foot Presidential Suite features living room, dining room, den, kitchen, screening room, two bathrooms and views of the Rhode Island State House. The standard rooms average 400 square feet in size, feature 12-foot ceilings with amenities including HD flat-screen TVs with cable, internet access, dual telephone lines with voicemail, desk with ergonomic chair, mini-fridge, in-room hairdryers, irons and ironing boards and alarm clocks with iPod connections.

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The Market. The Renaissance Providence Downtown Hotel is located in downtown Providence immediately off of Interstate 95. The property is situated between Park and Francis Streets and is adjacent to the Rhode Island State House and several guest rooms at the hotel offer views of the State House. The Renaissance Providence is also adjacent to Veterans Memorial Auditorium, which is home to the Rhode Island Philharmonic Orchestra, the Festival Ballet Providence and a number of touring company performances. The property is a block away from the Providence Place Mall and is also approximately 1.2 miles from Brown University, which has over 8,500 students.

The appraisal did not identify any confirmed hotel projects in the pipeline for the immediate area that would serve as direct competition to the Renaissance Providence Downtown Hotel.

Historical Occupancy, ADR, RevPAR									
Year	Competitive Set ⁽¹⁾			Renaissance Providence Downtown Hotel ⁽²⁾			Penetration Factor ⁽³⁾		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2013	69.5%	\$138.02	\$95.95	73.1%	\$162.82	\$119.09	105.2%	118.0%	124.1%
2014	69.5%	\$144.88	\$100.70	74.3%	\$170.14	\$126.37	106.9%	117.4%	125.5%
2015	71.2%	\$157.61	\$112.16	72.2%	\$180.15	\$130.09	101.4%	114.3%	116.0%
TTM ⁽⁴⁾	71.3%	\$159.15	\$113.52	73.6%	\$182.17	\$134.07	103.2%	114.5%	118.1%

(1) Data provided by a third-party data provider. The competitive set contains the following properties: Hilton Providence, Marriott Providence Downtown, Curio Collection Providence Biltmore Hotel, Omni Providence Hotel and Courtyard Providence Downtown.

(2) Based on operating statements provided by the borrower.

(3) Penetration Factor is calculated based on data provided by a third-party data provider for the competitive set and borrower-provided operating statements for the mortgaged property.

(4) TTM represents the trailing 12-month period ending on April 30, 2016.

Competitive Hotels Profile ⁽¹⁾									
Property	Rooms	Year Opened	Meeting Space (SF)	2015 Estimated Market Mix			2015 Estimated Operating Statistics		
				Commercial	Meeting and Group	Leisure	Occupancy	ADR	RevPAR
Renaissance Providence Downtown Hotel	272	2007	11,415	50%	25%	25%	70%	\$180.83	\$127.39
Marriott Providence Downtown	351	1975	11,000	55%	20%	25%	79%	\$165.00	\$130.35
Providence Biltmore Hotel	292	1922	19,000	40%	35%	25%	71%	\$155.00	\$110.05
Hilton Providence	274	1969	8,500	55%	30%	15%	71%	\$145.00	\$102.95
Courtyard Providence Downtown	216	1999	2,700	50%	35%	15%	75%	\$145.00	\$108.75
Omni Providence Hotel	564	1994	22,000	50%	40%	10%	69%	\$160.00	\$110.40
Total⁽²⁾	1,697								

(1) Based on the appraisal.

(2) Excludes the Renaissance Providence Downtown Hotel property.

Renaissance Providence Downtown Hotel

Operating History and Underwritten Net Cash Flow							
	2013	2014	2015	TTM ⁽¹⁾	Underwritten	Per Room ⁽²⁾	% of Total Revenue ⁽³⁾
Occupancy ⁽⁴⁾	73.1%	74.3%	72.2%	73.6%	73.6%		
ADR	\$162.82	\$170.14	\$180.15	\$182.17	\$182.17		
RevPAR	\$119.09	\$126.37	\$130.09	\$134.07	\$134.07		
Room Revenue	\$11,823,297	\$12,511,188	\$12,915,379	\$13,310,621	\$13,310,621	\$48,936	83.8%
Food and Beverage Revenue	1,765,971	2,019,514	1,951,653	1,946,325	1,946,325	7,156	12.3
Other Rental Revenue	494,419	614,654	606,293	627,898	627,898	2,308	4.0
Total Revenue	\$14,083,687	\$15,145,356	\$15,473,325	\$15,884,844	\$15,884,844	\$58,400	100.0%
Room Expense	\$2,871,415	\$2,860,318	\$2,944,969	\$3,038,603	\$3,091,152	\$11,365	23.2%
Food and Beverage Expense	1,214,614	1,247,192	1,203,521	1,212,775	1,212,775	4,459	62.3
Other Departmental Expenses	140,601	39,780	37,363	36,941	36,941	136	5.9
Departmental Expenses	\$4,226,630	\$4,147,290	\$4,185,853	\$4,288,319	\$4,340,868	\$15,959	27.3%
Departmental Profit	\$9,857,057	\$10,998,066	\$11,287,472	\$11,596,525	\$11,543,976	\$42,441	72.7%
Operating Expenses	\$4,755,640	\$5,070,609	\$5,193,301	\$5,247,391	\$5,194,004	\$19,096	32.7%
Gross Operating Profit	\$5,101,417	\$5,927,457	\$6,094,171	\$6,349,134	\$6,349,971	\$23,345	40.0%
Management Fees	\$418,007	\$459,182	\$465,171	\$476,960	\$476,545	\$1,752	3.0%
Property Taxes	216,591	320,550	354,494	354,994	722,642	2,657	4.5
Property Insurance	112,847	117,576	129,037	133,235	131,876	485	0.8
Other Expenses	0	10,904	12,120	13,487	13,487	50	0.1
FF&E	563,347	605,814	618,933	635,394	635,394	2,336	4.0
Total Other Expenses	\$1,310,792	\$1,514,026	\$1,579,755	\$1,614,070	\$1,979,944	\$7,279	12.5%
Net Operating Income	\$3,790,625	\$4,413,431	\$4,514,416	\$4,735,064	\$4,370,027	\$16,066	27.5%
Net Cash Flow	\$3,790,625	\$4,413,431	\$4,514,416	\$4,735,064	\$4,370,027	\$16,066	27.5%

(1) TTM column represents the trailing 12-month period ending on April 30, 2016.

(2) Per Room values based on 272 guest rooms.

(3) % of Total Revenue for Room Expense, Food and Beverage Expense and Other Departmental Expenses is based on their corresponding revenue line items.

(4) Historical Occupancies are as of December 31 of each respective year. TTM Occupancy is as of March 31, 2016. Underwritten Occupancy represents economic occupancy.