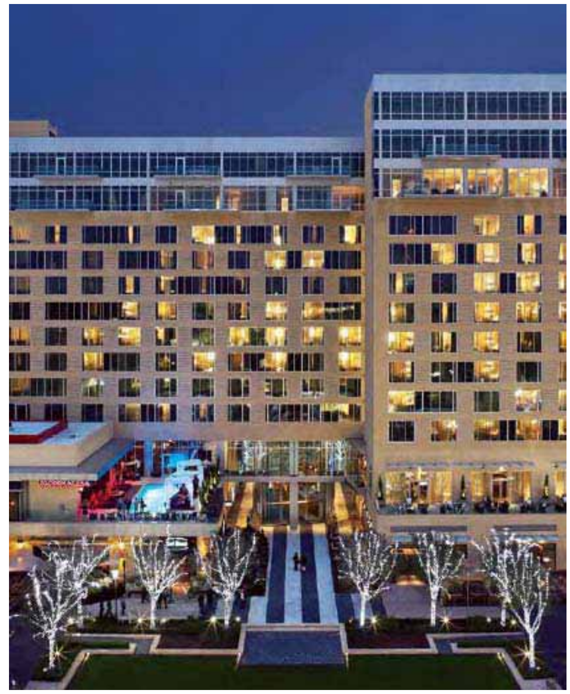
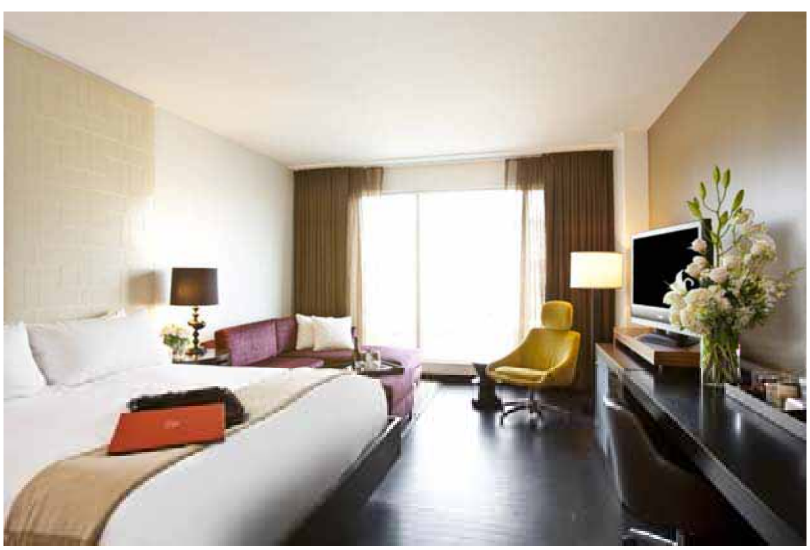
Mortgage Loan No. 7 – Hotel Sorella CITYCENTRE





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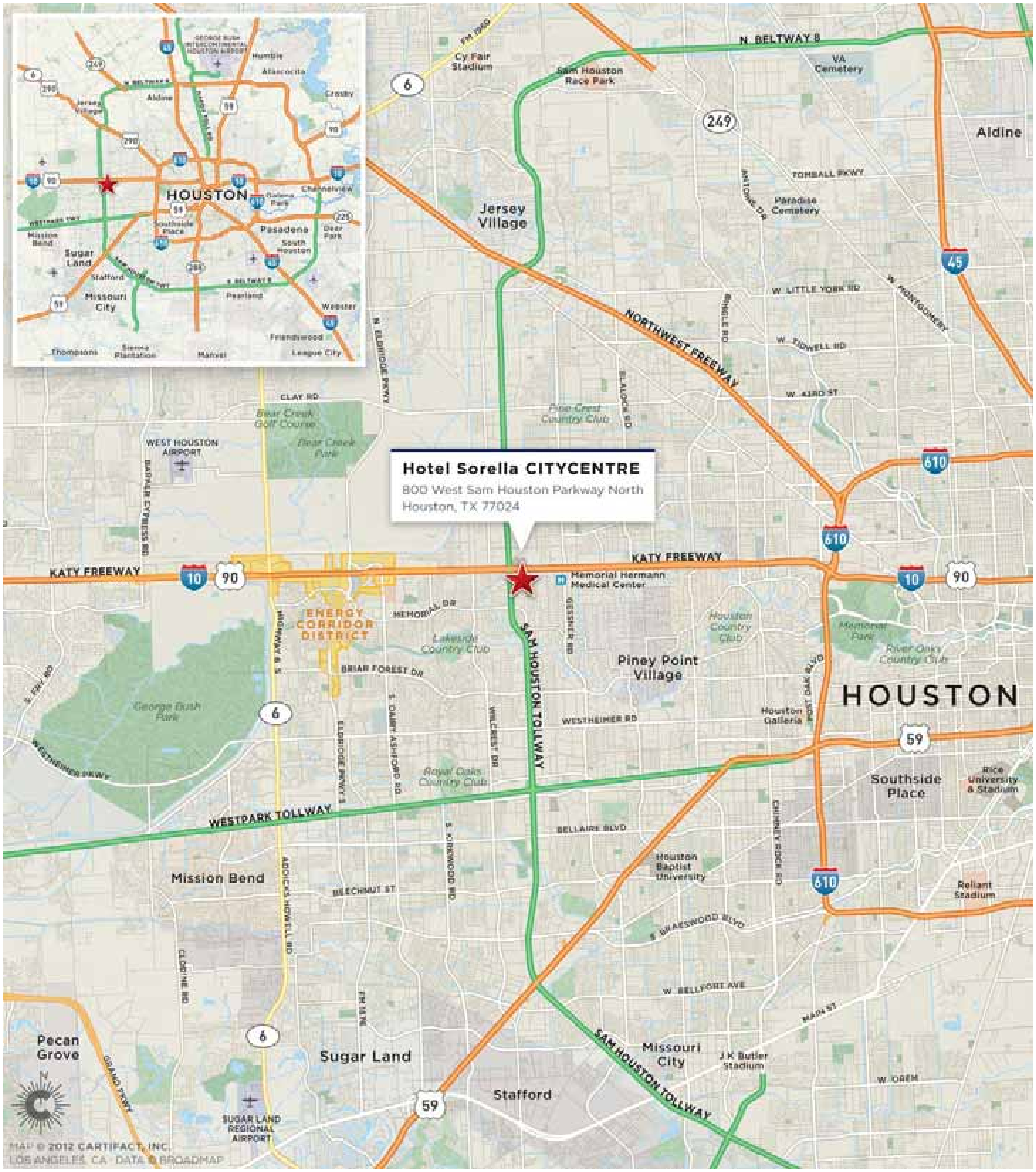

J.P.Morgan

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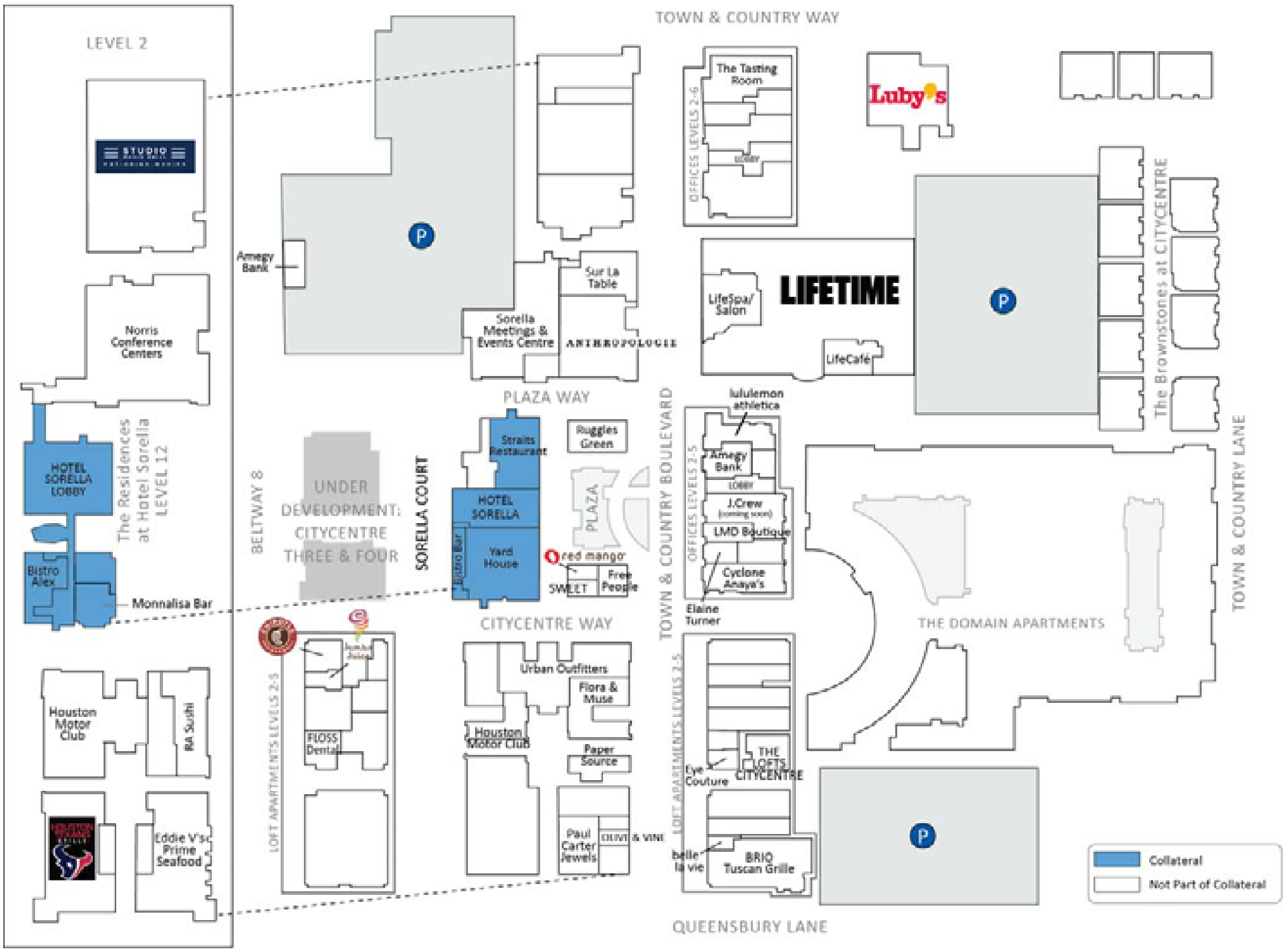

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Mortgage Loan Information

Mortgage Loan Seller:	JPMCB
Original Principal Balance:	$50,500,000
Cut-off Date Principal Balance:	$50,336,731
% of Pool by IPB:	4.4%
Loan Purpose:	Refinance
Borrower:	CityCentre Hotel Partners, L.P.
Sponsor:	Bradley R. Freels
Interest Rate:	5.15000%
Note Date:	6/4/2012
Maturity Date:	7/1/2022
Interest-only Period:	None
Original Term:	120 months
Original Amortization:	360 months
Amortization Type:	Balloon
Call Protection:	L(25),Grtr1%orYM(94),O(1)
Lockbox:	Hard
Additional Debt:	N/A
Additional Debt Balance:	N/A
Additional Debt Type:	N/A

Property Information

Single Asset/Portfolio:	Single Asset
Title:	Fee/Leasehold
Property Type - Subtype:	Hotel - Full Service
Rooms(1):	244
Location:	Houston, TX
Year Built/Renovated:	2009 / N/A
Occupancy(1):	74.7%
Occupancy Date:	6/30/2012
Number of Tenants:	2
2009 NOI:	N/A
2010 NOI:	$3,147,269
2011 NOI:	$4,667,926
TTM NOI(2):	$5,367,172
UW Economic Occupancy:	74.7%
UW Revenues:	$18,464,803
UW Expenses:	$13,042,946
UW NOI:	$5,421,857
UW NCF:	$5,421,857
Appraised Value / Per Room(3):	$76,800,000 / $301,176
Appraisal Date:	4/27/2012

Escrows and Reserves(4)

	Initial	Monthly	Initial Cap
Taxes:	$483,603	$69,000	N/A
Insurance:	$76,260	$15,000	N/A
FF&E Reserves:	$45,000	3% of EGI	$1,000,000
TI/LC:	$1,225	$1,225	$30,000
Replacement Reserves:	$370	$370	$9,000

Financial Information

Cut-off Date Loan/Room(3):	$197,399
Maturity Date Loan/Room(3):	$163,611
Cut-off Date LTV:	65.5%
Maturity Date LTV:	54.3%
UW NCF DSCR:	1.64x
UW NOI Debt Yield:	10.8%

(1) Rooms and Occupancy reflect 244 hotel rooms and does not include the 11 condominium units on the 11th floor of the property that are included in the collateral.
(2) TTM NOI represents the trailing twelve months ending June 30, 2012.
(3) Based on 255 units (244 hotel rooms and 11 condominium units).
(4) For a full description of Escrows and Reserves, please refer to the *"Escrows and Reserves"* section herein.

The Loan. The Hotel Sorella CITYCENTRE loan has an outstanding principal balance of approximately $50.3 million and is secured by a first mortgage lien on a three-unit condominium building located in Houston, Texas that includes a 244-room full service boutique hotel unit, a portion of the residential unit comprised of 11 sub-units that are leased on a short-term and long-term basis, a retail unit consisting of two leased restaurants, and a leasehold interest in 14,584 square feet of conference space in an adjacent office building connected to the hotel via a sky-bridge. The loan has a 10-year term and amortizes on a 30-year schedule. Proceeds from the loan were used to repay existing debt of approximately $45.9 million, pay closing costs of $1.1 million, fund upfront reserves of $0.6 million and return $2.9 million of equity to the sponsor. The debt repaid proceeds of a syndicated construction loan led by Amegy Bank Corp., with an original principal balance of $50.5 million.

The Borrower. The borrowing entity for the loan is CityCentre Hotel Partners, L.P., a Texas limited partnership and special purpose entity.

The Sponsor. The loan's sponsor and nonrecourse carve-out guarantor is Bradley R. Freels. Mr. Freels is the Chairman and CEO of Midway Companies ("Midway"), a Houston-based privately owned real estate development and investment firm. Midway has a portfolio of mixed use, office, industrial, hotel and master-planned residential communities totaling approximately 36 million square feet located across 23 states and northern Mexico.

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The Property. Hotel Sorella is a newly constructed 244-room, full service hotel located in Houston, Texas that opened in the fourth quarter of 2009. The sponsor developed the property in 2009 for a total cost of $79.0 million ($309,804 per key). The property is located in the Memorial area of Houston, at the intersection of Interstate 10 and Beltway 8. There are approximately 332,000 people within a five mile radius of the property. Hotel amenities include a fitness center, spa, business center, 22,406 square feet of meeting space (includes meeting space within the hotel and 14,584 square feet of leasehold conference space in an adjacent office building connected to the hotel via a sky-bridge that is leased through February 2041 including extensions), one restaurant (in addition to the two restaurants in the retail space) and two bars. The hotel was ranked 12th in Conde Nast Traveler Readers' Choice Awards in 2011 and was on their Top 500 Hotels Gold List in 2012.

The property is part of a 37-acre, 1.8 million square foot mixed use development called CITYCENTRE. The development includes Class A office, high-end retail and multifamily rentals. The office component of the development consists of two towers totaling 225,000 square feet that are reported to be 100% leased. A third tower totaling 120,000 square feet is currently under construction with an expected completion date in the fall of 2012 and is reported to be 62% pre-leased. The retail component of the development consists of 400,000 square feet of retail, dining and entertainment options. Retail tenants include Anthropologie, J. Crew, Urban Outfitters and Lululemon Athletica as well as over 15 restaurants. The multifamily component consists of two apartment buildings with a total of 620 units that have reported occupancies above 95% and 35 brownstone townhomes. In addition, there are an additional 11 residential condominium sub-units owned by an affiliate of the borrower that are not collateral for the loan which are located above the hotel and above the 11 residential condominium sub-units that are collateral for the loan. Both the collateral and non-collateral residential condominium sub-units are subject to a residential sub-condominium regime. The development also includes a 149,000 square foot Lifetime Fitness Center that features indoor and outdoor pools, basketball courts, squash courts, an indoor rock climbing wall and a full service spa.

In addition to the 244 room hotel unit, collateral for the loan includes 11 residential condominium sub-units and a retail unit leased to two restaurants. The residential units are located on the 11th floor of the building above the hotel. The residential units are leased on a short-term and long-term basis or are used as upgrades for hotel guests. The units are managed by the same management company as the hotel and revenues and expenses associated with the units are included in the hotel's operating statements. Total revenue for the residential units totaled $498,250 for the trailing twelve months ending June 2012 and represent approximately 2.7% of total underwritten revenue for the property. The retail unit of the property consists of 14,645 square feet and is leased to two restaurants, Straits Restaurant and Yard House. An affiliate of the borrower holds a 90% interest in the Straits Restaurant and receives 90% of the restaurant's net operating income in addition to the rental payments. These payments are addressed in the tenants lease and are paid as additional rent, which serve as additional cash flow for the loan.

Historical Occupancy, ADR, RevPAR

	Competitive Set(1)			Hotel Sorella(2)			Penetration Factor		
Year	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2010	56.3%	$114.71	$64.56	67.5%	$147.43	$99.54	119.9%	128.5%	154.2%
2011	62.1%	$120.31	$74.70	72.3%	$177.29	$128.19	116.4%	147.4%	171.6%
TTM(3)	64.3%	$127.37	$81.83	74.7%	$183.35	$137.05	116.2%	144.0%	167.5%

(1) Data provided by Smith Travel Research.
(2) Based on operating statements provided by the borrower.
(3) TTM represents the period ending June 30, 2012.

Hotel Sorella's primary competitive set, as defined by the appraiser, consists of three hotels totaling 891 rooms. Additionally, per the appraisal, no new hotels are expected within the property's competitive submarket at this time. The table below provides a summary of the properties in the competitive set and estimated performance.

Competitive Hotels Profile(1)

				2011 Estimated Market Mix			2011 Estimated Operating Statistics		
Property	Rooms	Year Built	Meeting Space (SF)	Commercial	Meeting & Group	Leisure	Occupancy	ADR	RevPAR
Hotel Sorella	**244**	**2009**	**22,406**	**65%**	**25%**	**10%**	**72.3%**	**$177.29**	**$128.19**
Westin Houston Memorial City	285	2011	30,000	60%	30%	10%	50%	$125.00	$62.50
Omni Houston at Westside	400	1983	25,000	60%	30%	10%	64%	$134.00	$85.76
Marriott Houston Energy Corridor	206	2010	4,258	60%	30%	10%	56%	$130.00	$72.80
Total	**1,135**								

(1) Per the appraisal.

Franchise Agreement. None. The hotel is not flagged.

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Retail Tenant Summary[1]					
Tenant	Ratings Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Lease Expiration Date
Yard House USA, Inc.	Baa2 / BBB / BBB	8,531	58.3%	$42.00	11/30/2019
Straits Houston City Center, LLC	NA / NA / NA	6,114	41.7%	$51.97	10/31/2024

(1) Based on the underwritten retail rent roll.

Operating History and Underwritten Net Cash Flow[1]						
	2010	2011	TTM[2]	Underwritten	Per Room[3]	% of Total Revenue[4]
Occupancy	67.5%	72.3%	74.7%	74.7%		
ADR	$147.43	$177.29	$183.35	$183.35		
RevPAR	$99.54	$128.19	$137.05	$137.05		
Room Revenue	$8,864,666	$11,417,006	$12,238,813	$12,205,374	$50,022	66.1%
Food and Beverage	3,887,606	3,465,013	3,378,801	3,378,801	13,848	18.3
Other Hotel Revenue	338,547	632,450	1,037,188	1,199,499	4,916	6.5
Retail Revenue[5]	841,998	1,071,698	1,182,879	1,182,879	NA	6.4
Condominium Revenue[6]	31,398	361,811	498,250	498,250	NA	2.7
Total Revenue	**$13,964,215**	**$16,947,977**	**$18,335,932**	**$18,464,803**	**$75,675**	**100.0%**
Room Expense	2,045,039	2,472,755	2,601,148	2,594,041	10,631	21.3%
Food and Beverage Expense	2,974,023	2,671,514	2,684,307	2,684,307	11,001	79.4
Other Departmental Expenses	225,678	216,908	220,550	220,550	904	18.4
Retail Expense	245,186	250,389	271,988	271,988	NA	23.0
Condominium Expense	9,458	165,391	231,204	231,204	NA	46.4
Departmental Profit	**$8,464,832**	**$11,171,021**	**$12,326,736**	**$12,462,714**	**$51,077**	**67.5%**
Operating Expenses	3,270,568	3,876,918	4,134,158	4,122,862	16,897	22.3
Gross Operating Profit	**$5,194,263**	**$7,294,102**	**$8,192,578**	**$8,339,852**	**$34,180**	**45.2%**
Fixed Expenses	1,019,519	1,286,472	1,352,481	1,440,810	5,905	7.8
Management Fee	468,907	661,785	739,487	738,592	3,027	4.0
FF&E	558,569	677,919	733,437	738,592	3,027	4.0
Total Other Expenses	**$2,046,994**	**$2,626,176**	**$2,825,406**	**$2,917,994**	**$11,959**	**15.8%**
Net Operating Income	**$3,147,269**	**$4,667,926**	**$5,367,172**	**$5,421,857**	**$22,221**	**29.4%**
Net Cash Flow	**$3,147,269**	**$4,667,926**	**$5,367,172**	**$5,421,857**	**$22,221**	**29.4%**

(1) The property opened in the fourth quarter of 2009.
(2) TTM column represents the trailing twelve months ending June 30, 2012.
(3) Per Room values based on 244 hotel rooms. Does not reflect the 14,645 square feet of retail space or the 11 condominium units.
(4) % of Total Revenue column for Room Expense, Food and Beverage Expense, Other Departmental Expenses, Retail Expense and Condominium Expense is based on each expense's respective corresponding revenue line item.
(5) Reflects income from 14,645 square feet of retail space that is leased to two restaurant tenants. Retail Revenue also includes net operating income from the Straits Restaurant, which an affiliate of the sponsor holds a 90% interest in.
(6) Reflects income from 11 residential condominium sub-units located on the 11th floor of the building. The units are leased on a short-term and long-term basis or are used as upgrades for hotel guests.

Property Management. The hotel is managed by Hotel Valencia Corporation, which is part of the Valencia Group. The Valencia Group is a Houston-based company that specializes in management, development, branding and repositioning of full service, boutique and independent hotels owned by the Valencia Group as well as third parties. The terms of the management agreement call for a base management fee of 4.0% of gross revenues and an incentive fee equal to 20.0% of cash flow that exceeds a breakpoint of 8.0% annual non-compounding cumulative return on the owners outstanding equity balance in the property.

Escrows and Reserves. At closing, the borrower deposited into escrow $483,603 for real estate taxes, $76,260 for insurance costs, $45,000 for FF&E reserves, $1,225 for tenant improvements and leasing commissions and $370 for replacement reserves.

Tax Escrows - The borrower is required to escrow 1/12 of the annual estimated tax payments monthly, which currently equates to $69,000.

Insurance Escrows - The borrower is required to escrow 1/12 of the annual estimated annual insurance payments monthly, which currently equates to $15,000.

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FF&E Reserves - On a monthly basis, the borrower is required to deposit (a) (i) on each payment date through July 1, 2015, 1/12th of 3.0% of gross income from operations with respect to the hotel component (excluding meeting space revenue) calculated on the calendar month that is two months prior to the payment date (ii) commencing on the payment date occurring on August 1, 2015 and each payment date thereafter, 1/12th of 4.0% of gross income from operations with respect to the hotel component (excluding meeting space revenue) calculated on the calendar month that is two months prior to the payment date, plus (b) 2.0% of gross meeting space revenue for the calendar month occurring two months prior to such payment date.

Replacement Reserves - On a monthly basis, the borrower is required to escrow $370 (approximately $0.30 per square foot on the retail space annually) for replacement reserves. The reserve is subject to a cap of $9,000 (approximately $0.61 per square foot on the retail space).

TI/LC Reserves - On a monthly basis, the borrower is required to escrow $1,225 (approximately $1.00 per square foot on the retail space annually) for tenant improvement and leasing commissions. The reserve is subject to a cap of $30,000 (approximately $2.05 per square foot on the retail space).

Lockbox / Cash Management. The loan is structured with a Hard lockbox and in-place cash management. The borrower was required to send credit card payment direction letters to all credit card companies or credit card clearing backs and any tenants under leases instructing them to deposit all rents and revenues into a lockbox account controlled by the lender. All funds in the lockbox account are swept daily to a cash management account under the control of the lender and disbursed during each interest period of the loan term in accordance with the loan documents. To the extent (i) the DSCR based on the immediately preceding trailing six month period falls below 1.15x, (ii) there is an event of default under the loan documents or (iii) the borrower or property manager becomes the subject of a bankruptcy, insolvency or similar action, all excess cash flow will be deposited into the lockbox and shall be deemed additional collateral for the loan.

Release Provisions. No portion of the collateral may be released during the loan term.