

## Oakland Square and Oakland Plaza

### Mortgage Loan Information

|  |   |
|--|---|
| <b>Mortgage Loan Seller:</b>           | Barclays / RAIT Funding, LLC                              |
| <b>Original Principal Balance:</b>     | \$35,000,000  |
| <b>Cut-off Date Principal Balance:</b> | \$35,000,000  |
| <b>% of Pool by IPB:</b>               | 2.8%  |
| <b>Loan Purpose:</b>                   | Acquisition   |
| <b>Borrowers:</b>                      | Oakland Plaza Owner, LLC<br>and Oakland Square Owner, LLC |
| <b>Sponsor:</b>                        | RAIT Partnership, L.P.                                    |
| <b>Interest Rate:</b>                  | 4.97000%  |
| <b>Note Date:</b>                      | 9/15/2014   |
| <b>Maturity Date:</b>                  | 10/1/2021   |
| <b>Interest-only Period:</b>           | 24 months   |
| <b>Original Term:</b>                  | 84 months   |
| <b>Original Amortization:</b>          | 360 months  |
| <b>Amortization Type:</b>              | IO-Balloon  |
| <b>Call Protection:</b>                | L(24),Def(56),O(4)  |
| <b>Lockbox:</b>                        | CMA   |
| <b>Additional Debt:</b>                | N/A   |
| <b>Additional Debt Balance:</b>        | N/A   |
| <b>Additional Debt Type:</b>           | N/A   |

### Property Information

|  |                      |
|--|----------------------|
| <b>Single Asset / Portfolio:</b>             | Portfolio            |
| <b>Title:</b>                                | Fee                  |
| <b>Property Type - Subtype:</b>              | Retail - Anchored    |
| <b>Net Rentable Area (SF):</b>               | 392,237              |
| <b>Location:</b>                             | Troy, MI             |
| <b>Year Built / Renovated<sup>(1)</sup>:</b> | Various / Various    |
| <b>Occupancy<sup>(2)</sup>:</b>              | 96.3%                |
| <b>Occupancy Date:</b>                       | 8/31/2014            |
| <b>Number of Tenants:</b>                    | 26                   |
| <b>2011 NOI:</b>                             | \$3,323,972          |
| <b>2012 NOI:</b>                             | \$3,607,199          |
| <b>2013 NOI:</b>                             | \$3,410,178          |
| <b>TTM NOI (as of 7/2014):</b>               | \$3,619,591          |
| <b>UW Economic Occupancy<sup>(2)</sup>:</b>  | 91.6%                |
| <b>UW Revenues<sup>(3)</sup>:</b>            | \$5,922,595          |
| <b>UW Expenses:</b>                          | \$2,166,942          |
| <b>UW NOI:</b>                               | \$3,755,654          |
| <b>UW NCF:</b>                               | \$3,394,756          |
| <b>Appraised Value / Per SF:</b>             | \$51,090,000 / \$130 |
| <b>Appraisal Date:</b>                       | 8/8/2014             |

### Escrows and Reserves

|                              | Initial     | Monthly  | Initial Cap |
|------------------------------|-------------|----------|-------------|
| <b>Taxes:</b>                | \$164,640   | \$54,880 | N/A         |
| <b>Insurance:</b>            | \$43,026    | \$3,663  | N/A         |
| <b>Replacement Reserves:</b> | \$0         | \$5,659  | N/A         |
| <b>TI/LC:</b>                | \$0         | \$24,416 | N/A         |
| <b>Other<sup>(4)</sup>:</b>  | \$1,218,394 | \$0      | N/A         |

### Financial Information

|                                 |       |
|---------------------------------|-------|
| <b>Cut-off Date Loan / SF:</b>  | \$89  |
| <b>Maturity Date Loan / SF:</b> | \$82  |
| <b>Cut-off Date LTV:</b>        | 68.5% |
| <b>Maturity Date LTV:</b>       | 63.1% |
| <b>UW NCF DSCR:</b>             | 1.51x |
| <b>UW NOI Debt Yield:</b>       | 10.7% |

### Sources and Uses

| Sources              | Proceeds            | % of Total    | Uses              | Proceeds            | % of Total    |
|----------------------|---------------------|---------------|-------------------|---------------------|---------------|
| Mortgage Loan        | \$35,000,000        | 65.1%         | Purchase Price    | \$50,833,200        | 94.5%         |
| Borrowers Equity     | 18,773,640          | 34.9          | Closing Costs     | 1,514,380           | 2.8           |
|                      |                     |               | Upfront Reserves  | 1,426,060           | 2.7           |
| <b>Total Sources</b> | <b>\$53,773,640</b> | <b>100.0%</b> | <b>Total Uses</b> | <b>\$53,773,640</b> | <b>100.0%</b> |

(1) Oakland Square was built in 1986 and renovated in 1997. Oakland Plaza was built in 1979.

(2) Occupancy and UW Economic Occupancy both include a 21,677 square foot lease for Michael's. The lease was executed in January 2014. The lease states that if the lease has not commenced prior to October 2014, there will be no rent due until April 2015. The lender escrowed \$209,753 in a free rent reserve relating to outstanding rent and reimbursement obligations during the free rent period under the Michael's lease.

(3) UW Revenue includes rent under the Michael's lease. At loan origination, \$209,753 was escrowed for a free rent reserve in respect of the Michael's lease covering the free rent period from loan origination through March 2015.

(4) At loan origination: (i) a total of \$625,039 was escrowed for a TI/LC reserve relating to outstanding tenant improvement obligations under the Michael's lease, (ii) \$97,353 was escrowed for a leasing commission reserve relating to outstanding leasing commission obligations under the Michael's lease, (iii) \$209,753 was escrowed for a free rent reserve relating to outstanding rent and reimbursement obligations during a free rent period under the Michael's lease and (iv) \$286,250 was escrowed for an immediate repair reserve.

## Oakland Square and Oakland Plaza

**The Loan.** The Oakland Square and Oakland Plaza loan is secured by a first mortgage lien on 392,237 square foot anchored retail center located in Troy, Michigan. The whole loan has an outstanding principal balance of \$35.0 million (the "Oakland Square and Oakland Plaza Whole Loan"), which is comprised of two *pari passu* notes, Note A-1 and Note A-2. Note A-1 has an outstanding principal balance as of the Cut-off Date of \$17.5 million and will be contributed to the JPMBB 2014-C24 trust by RAIT Funding, LLC. Note A-2 has an outstanding principal balance as of the Cut-off Date of \$17.5 million and will be contributed to the JPMBB 2014-C24 trust by Barclays. The Oakland Square and Oakland Plaza Whole Loan has a seven-year term and, subsequent to a 24-month interest-only period, will amortize on a 30-year schedule. The Oakland Square and Oakland Plaza Whole Loan's sponsor and nonrecourse carve-out guarantor is RAIT Partnership, L.P., a Delaware limited partnership ("RAIT Partnership"). RAIT Partnership is an affiliate of RAIT Funding, LLC, a sponsor and a mortgage loan seller to the JPMBB 2014-C24 Trust. RAIT Partnership's commercial real estate portfolio consists of 7,046 multifamily units, 2.2 million square feet of commercial office space, and 1.42 million square feet of retail space, as of the end of the second quarter 2014. See "*Risk Factors – Risks Related to the Offered Certificates – Potential Conflicts of Interest – Potential Conflicts of Interest of the Sponsors and the Mortgage Loan Sellers*" in the Prospectus Supplement.

**The Properties.** The 392,237 square foot Oakland Square and Oakland Plaza Portfolio is comprised of two anchored retail centers located in Troy, Michigan, consisting of the Oakland Square retail center ("Oakland Square") and the Oakland Plaza retail center ("Oakland Plaza"). Oakland Square is 220,726 square feet and is located at 500 John R Road, Troy, Oakland County, Michigan. The Oakland Square main improvements were constructed in 1986 and an additional outbuilding (leased to Chuck E. Cheese's) was constructed in 1997. Oakland Square is currently 100.0% occupied and is anchored by Kohl's, Bed Bath & Beyond and Chuck E. Cheese's. Kohl's, which occupies 94,345 square feet, owns its own improvements and ground leases the land from the applicable borrower.

Oakland Plaza is a 171,511-square foot anchored retail property located at 260-396 John R Road, Troy, Oakland County, Michigan, adjacent to Oakland Square. The improvements were constructed in 1979. Oakland Plaza is anchored by TJ Maxx, Michael's and Planet Fitness and, as of August 31, 2014, the property is 91.4% occupied including the Michael's space which is under construction. Michael's signed a new 10-year, triple net lease at \$12.00 per square foot for the first 60 months of the lease term in January 2014, which lease is anticipated to commence between loan origination and April 2015. Oakland Plaza's 171,511 square feet of net rentable area includes one tenant, Chase Bank (3,303 square feet), which is located on an outparcel.

Both Oakland Square and Oakland Plaza are located across the street from the Oakland Mall, a 1.5 million square foot regional mall anchored by Sears, Macy's, and JCPenney.

**The Market.** Oakland Square and Oakland Plaza are both located in the Troy, Michigan submarket, approximately 20 miles north-northwest of the Detroit central business district. Oakland Square and Oakland Plaza are located at the northeast intersection of John R Road and 14 Mile Road, across the street from the Oakland Mall and approximately one mile from Interstate-75. According to the appraisal, as of the end of the first quarter of 2014, the Troy retail submarket had an average overall vacancy rate of approximately 6.6% and average asking rents of \$14.46 per square foot.

### Tenant Summary<sup>(1)</sup>

| Tenant                            | Ratings <sup>(2)</sup><br>Moody's/S&P/Fitch | Net<br>Rentable<br>Area (SF) | % of<br>Total<br>NRA | Base Rent<br>PSF | Sales<br>PSF <sup>(3)</sup> | Occupancy<br>Costs <sup>(3)</sup> | Lease Expiration<br>Date |
|-----------------------------------|---|------------------------------|----------------------|------------------|-----------------------------|-----------------------------------|--------------------------|
| Kohl's <sup>(4)</sup>             | Baa1 / BBB+ / BBB+                          | 94,345                       | 24.1%                | N/A              | \$233                       | N/A                               | 10/31/2016               |
| DSW                               | NA / NA / NA                                | 50,500                       | 12.9%                | \$10.83          | \$279                       | 5.5%                              | 2/28/2018                |
| Bed Bath & Beyond                 | Baa1 / A- / NA                              | 36,416                       | 9.3%                 | \$10.92          | \$298                       | 5.1%                              | 1/31/2017                |
| TJ Maxx                           | A3 / A+ / NA                                | 31,469                       | 8.0%                 | \$9.25           | \$283                       | 5.4%                              | 1/31/2023                |
| Planet Fitness                    | B1 / NA / NA                                | 27,400                       | 7.0%                 | \$7.89           | N/A                         | N/A                               | 11/30/2021               |
| Michael's <sup>(5)</sup>          | NA / B / NA                                 | 21,677                       | 5.5%                 | \$12.00          | N/A                         | N/A                               | 2/28/2025                |
| Chuck E. Cheese's                 | NA / NA / NA                                | 17,825                       | 4.5%                 | \$12.82          | \$88                        | 21.8%                             | 3/31/2022                |
| Pier 1 Imports                    | NA / B+ / NA                                | 14,579                       | 3.7%                 | \$9.00           | \$105                       | 15.4%                             | 9/30/2017                |
| Five Below                        | NA / NA / NA                                | 10,880                       | 2.8%                 | \$13.00          | \$199                       | 8.8%                              | 1/31/2021                |
| Ulta Salon, Cosmetics & Fragrance | NA / NA / NA                                | 10,760                       | 2.7%                 | \$19.50          | N/A                         | N/A                               | 2/29/2020                |

(1) Based on the underwritten rent roll. Assumes no tenant exercises an early termination option.

(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 sales for the trailing twelve month period ending July 31, 2014.

(4) Kohl's owns its own improvements but ground leases the land from the borrowers.

(5) The Michael's lease was executed in January 2014. The lease states that if the lease has not commenced prior to October 2014, there will be no rent due until April 2015. The lender escrowed \$209,753 in a free rent reserve relating to outstanding rent and reimbursement obligations during the free rent period under the Michael's lease.

## Oakland Square and Oakland Plaza

### Operating History and Underwritten Net Cash Flow

|                                   | 2011               | 2012               | 2013               | TTM <sup>(1)</sup> | Underwritten <sup>(2)</sup> | Per Square Foot | % <sup>(3)</sup> |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------|-----------------|------------------|
| Rents in Place <sup>(4)</sup>     | \$3,659,788        | \$3,794,389        | \$3,760,356        | \$3,786,015        | \$4,031,066                 | \$ 10.28        | 62.6%            |
| Vacant Income                     | 0                  | 0                  | 0                  | 0                  | 382,289                     | 0.97            | 5.9              |
| Other Income                      | (48,036)           | 22,224             | (7,841)            | 77,532             | 3,600                       | 0.01            | 0.1              |
| <b>Gross Potential Rent</b>       | <b>\$3,611,752</b> | <b>\$3,816,613</b> | <b>\$3,752,515</b> | <b>\$3,863,547</b> | <b>\$4,416,955</b>          | <b>\$11.26</b>  | <b>68.6%</b>     |
| Total Reimbursements              | 1,848,653          | 1,882,941          | 1,722,063          | 1,799,892          | 2,021,996                   | 5.16            | 31.4             |
| <b>Net Rental Income</b>          | <b>\$5,460,405</b> | <b>\$5,699,554</b> | <b>\$5,474,578</b> | <b>\$5,663,439</b> | <b>\$6,438,951</b>          | <b>\$16.42</b>  | <b>100.0%</b>    |
| (Vacancy/Credit Loss)             | 0                  | (497)              | 0                  | 0                  | (540,226)                   | (1.38)          | (8.4)            |
| Other Income                      | 104,748            | 28,237             | 81,803             | 96,298             | 23,870                      | 0.06            | 0.4              |
| Percentage Rent                   | 473                | 1,126              | 646                | 34                 | 0                           | 0.00            | 0.0              |
| <b>Effective Gross Income</b>     | <b>\$5,565,626</b> | <b>\$5,728,420</b> | <b>\$5,557,027</b> | <b>\$5,759,771</b> | <b>\$5,922,595</b>          | <b>\$15.10</b>  | <b>92.0%</b>     |
| <b>Total Expenses</b>             | <b>\$2,241,654</b> | <b>\$2,121,221</b> | <b>\$2,146,849</b> | <b>\$2,140,180</b> | <b>\$2,166,942</b>          | <b>\$5.52</b>   | <b>36.6%</b>     |
| <b>Net Operating Income</b>       | <b>\$3,323,972</b> | <b>\$3,607,199</b> | <b>\$3,410,178</b> | <b>\$3,619,591</b> | <b>\$3,755,654</b>          | <b>\$9.57</b>   | <b>63.4%</b>     |
| Total TI/LC, Capex/RR             | 44,145             | 44,145             | 44,145             | 0                  | 360,897                     | 0.92            | 6.1              |
| <b>Net Cash Flow</b>              | <b>\$3,279,827</b> | <b>\$3,563,054</b> | <b>\$3,366,033</b> | <b>\$3,619,591</b> | <b>\$3,394,756</b>          | <b>\$8.65</b>   | <b>57.3%</b>     |
| <b>Occupancy<sup>(5)(6)</sup></b> | <b>94.0%</b>       | <b>95.7%</b>       | <b>94.3%</b>       | <b>96.3%</b>       | <b>91.6%</b>                |                 |                  |

(1) TTM represents the trailing twelve-month period ending July 31, 2014.

(2) Underwritten cash flow includes rent for Michael's. The Michael's lease was executed in January 2014 and is anticipated to commence between loan origination and April 2015. A free rent reserve of \$209,753 was escrowed relating to outstanding rent and reimbursement obligations during a free rent period under the Michael's lease.

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

(4) Underwritten Rents in Place includes contractual rent steps through March 15, 2015.

(5) Occupancy and UW Economic Occupancy both include a 21,677 square foot lease for Michael's.

(6) TTM Occupancy is as of August 31, 2014.

**Release of Individual Property.** The borrowers are permitted to obtain a release of the Oakland Plaza mortgaged property from the lien of the related mortgage after the earlier of the second anniversary of the securitization Closing Date or the fourth anniversary of the origination date of the related mortgage loan, subject to the satisfaction of various conditions, including (i) the related borrowers defease a portion of the mortgage loan in an amount equal to \$23,037,015 (125% of the allocated loan amount) for the property; (ii) after giving effect to such release, (a) the debt service coverage ratio is at least equal to 1.50x and (b) the loan-to-value ratio with respect to the Oakland Square mortgaged property is not greater than 70.0%; (iii) the borrowers must deliver rating agency confirmation with respect to the partial defeasance; and (iv) the borrowers must deliver a REMIC opinion.