

Technology Corners Building Six





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Not Part of Collateral



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## Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	JPMCB
<b>Original Principal Balance<sup>(1)</sup>:</b>	\$60,000,000
<b>Cut-off Date Principal Balance<sup>(1)</sup>:</b>	\$60,000,000
<b>% of Pool by IPB:</b>	6.8%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	MPD Building 6 LLC
<b>Sponsors<sup>(2)</sup>:</b>	Various
<b>Interest Rate:</b>	4.53933%
<b>Note Date:</b>	5/1/2014
<b>Maturity Date:</b>	5/1/2024
<b>Interest-only Period:</b>	60 months
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	360 months
<b>Amortization Type:</b>	IO-Balloon
<b>Call Protection<sup>(6)</sup>:</b>	L(25),Def(88),O(7)
<b>Lockbox:</b>	Hard
<b>Additional Debt:</b>	Yes
<b>Additional Debt Balance:</b>	\$60,000,000 / \$20,000,000
<b>Additional Debt Type:</b>	Pari Passu / Mezzanine Loan

## Property Information

<b>Single Asset / Portfolio:</b>	Single Asset
<b>Title:</b>	Fee
<b>Property Type - Subtype:</b>	Office - Suburban
<b>Net Rentable Area (SF):</b>	232,248
<b>Location:</b>	Sunnyvale, CA
<b>Year Built / Renovated:</b>	2014 / N/A
<b>Occupancy<sup>(3)</sup>:</b>	100.0%
<b>Occupancy Date:</b>	2/1/2014
<b>Number of Tenants:</b>	1
<b>2011 NOI<sup>(4)</sup>:</b>	N/A
<b>2012 NOI<sup>(4)</sup>:</b>	N/A
<b>2013 NOI<sup>(4)</sup>:</b>	N/A
<b>UW Economic Occupancy:</b>	96.5%
<b>UW Revenues<sup>(5)</sup>:</b>	\$12,352,487
<b>UW Expenses:</b>	\$1,477,346
<b>UW NOI<sup>(5)</sup>:</b>	\$10,875,141
<b>UW NCF<sup>(5)</sup>:</b>	\$10,840,304
<b>Appraised Value / Per SF<sup>(7)</sup>:</b>	\$175,000,000 / \$754
<b>Appraisal Date:</b>	10/1/2014

Escrows and Reserves<sup>(8)</sup>

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$0	\$49,200	N/A
<b>Insurance:</b>	\$0	Springing	N/A
<b>Replacement Reserves:</b>	\$0	\$2,903	N/A
<b>TI/LC:</b>	\$0	\$0	N/A
<b>Other:</b>	\$14,985,397	\$0	N/A

Financial Information<sup>(1)</sup>

<b>Cut-off Date Loan / SF:</b>	\$517
<b>Maturity Date Loan / SF:</b>	\$473
<b>Cut-off Date LTV<sup>(7)</sup>:</b>	68.6%
<b>Maturity Date LTV<sup>(7)</sup>:</b>	62.8%
<b>UW NCF DSCR<sup>(5)</sup>:</b>	1.48x
<b>UW NOI Debt Yield<sup>(6)</sup>:</b>	9.1%

## Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan <sup>(1)</sup>	\$120,000,000	85.7%	Payoff Existing Debt	\$74,064,205	52.9%
Mezzanine Loan	20,000,000	14.3	Return of Equity	50,409,308	36.0
			Upfront Reserves	14,985,397	10.7
			Closing Costs	541,090	0.4
<b>Total Sources</b>	<b>\$140,000,000</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>\$140,000,000</b>	<b>100.0%</b>

(1) Technology Corners Building Six is part of a loan evidenced by two *pari passu* notes with an aggregate original principal balance of \$120.0 million. The Financial Information presented in the chart above reflects the Cut-off Date balance of the \$120.0 million Technology Corners Building Six Whole Loan.

(2) For a full description of the loan sponsors, please refer to "The Sponsors" below.

(3) Google, the sole tenant at the property, has accepted possession of its space, but has not yet taken occupancy. Google's lease begins in June 2014, and they are expected to begin paying rent in November 2014.

(4) Historical NOI is not available because the property was built in 2014.

(5) UW Revenues, UW NOI and UW NCF assume a straight-line average of contractual rent due under the Google lease. Based on the in-place rent, the UW NOI and UW NCF are \$9,406,720 and \$9,371,883, respectively, and result in an UW NCF DSCR and UW NOI Debt Yield of 1.28x and 7.8%, respectively.

(6) The lockout period will be at least 25 payment dates beginning with and including the first payment date of June 1, 2014. Defeasance of the full \$120.0 million Technology Corners Building Six Whole Loan is permitted after the date that is two years from the closing date of the securitization that includes the last *pari passu* note to be securitized.

(7) The Technology Corners Building Six Appraised Value reflects the "Market Value Upon Stabilization" of \$175,000,000, which will be achieved when Google begins paying rent in November 2014 and tenant improvements are completed. The "As-Is" value for the property, which contemplates the property being completed to a "warm shell" condition, is \$155,000,000 and results in a corresponding Cut-off Date LTV and Maturity Date LTV of 77.4% and 70.9%, respectively. The appraisal also concluded an aggregate "Hypothetical Market Value as Dark or Vacant" of \$124,600,000 (approximately \$536 per square foot).

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

## Technology Corners Building Six

**The Loan.** The Technology Corners Building Six loan is secured by a first mortgage lien on a five-story, 232,248 square foot office building located in Sunnyvale, California in Silicon Valley. The whole loan has an outstanding principal balance of \$120.0 million (the “Technology Corners Building Six 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 \$60.0 million and is being contributed to the JPMCC 2014-C20 Trust. Note A-2, with an outstanding principal balance as of the Cut-off Date of \$60.0 million, is currently held by JPMCB and is expected to be contributed to a future securitized trust. The holder of Note A-1 (the “Controlling Noteholder”) will be the Trustee of the JPMCC 2014-C20 Trust. The Trustee (or, prior to the occurrence and continuance of a Control Event, the Directing Certificateholder) will be entitled to exercise all of the rights of the Controlling Noteholder with respect to the Technology Corners Building Six Whole Loan; however, the holder of Note A-2 will be entitled, under certain circumstances, to consult with respect to certain major decisions. The Technology Corners Building Six Whole Loan has a 10-year term, and subsequent to a five-year interest-only period, will amortize on a 30-year schedule.

**The Borrower.** The borrowing entity for the Technology Corners Building Six Whole Loan is MPD Building 6 LLC, a Delaware limited liability company and special purpose entity.

**The Sponsors.** The loan sponsors and nonrecourse carve-out guarantors are Joseph K. Paul and Jay Paul Revocable Living Trust dated November 9, 1999, as amended and restated on March 19, 2010. Joseph K. Paul is the principal of Jay Paul Company, a privately held real estate firm based in San Francisco, California. Founded in 1975, the Jay Paul Company concentrates on the acquisition, development and management of properties throughout California. With a specific focus on technology firms, Jay Paul Company has developed over eight million square feet of commercial space that is primarily leased to technology companies including Microsoft, Amazon, Hewlett Packard Company, Motorola Mobility, GoDaddy.com and Baidu. The loan sponsors spent approximately \$115.6 million to build the property, which excludes the acquisition cost of the land.

**The Property.** Technology Corners Building Six is a 232,248 square foot, Class A office building located in Sunnyvale, California that was completed in 2014 and is 100% leased to Google, Inc. (“Google”). The property was built to LEED Gold standards and has approximately 45,000 square foot floor plates. The property is part of an approximately 23 acre, six-building office campus, which includes a two-story, 15,660 square foot amenities building and four other office buildings totaling 700,328 square feet, which are not included in the collateral for the Technology Corners Building Six Whole Loan. The other buildings were constructed in 2001, and all are 100% occupied by Google, with leases through September 2024. The high quality construction, combined with the close proximity to buildings of similar quality, has created a desirable research and development location for technology tenants.

As of February 1, 2014, the property was 100% leased by Google (NASDAQ: GOOG, rated Aa2 / AA by Moody's and S&P), a global technology company that is primarily focused on areas such as search, advertising, operating systems and platforms enterprise and hardware products. Google provides its products and services in more than 100 languages and in more than 50 countries, regions and territories, and since going public in August 2004, Google has grown its market cap to approximately \$380 billion as of May 2014. Google's lease begins in June 2014 and runs through September 2024. Although Google has accepted possession of its space, the company is still in the process of completing tenant improvements and is expected to take occupancy in the first quarter of 2015. Google will commence paying rent in November 2014, and rent abatements from June 2014 to October 2014, totaling approximately \$4.1 million, were reserved at origination. Google's lease is triple net and has contractual rent increases of 3% annually during the lease term, and the lease has one seven-year renewal option at 100% of fair market value. The loan sponsors provided Google with \$11.6 million for tenant improvements at the property, and has informed the lender that Google is expected to contribute an additional \$50 million towards the build-out of its space. According to the loan sponsors, in total, Google is projected to spend approximately \$150 million on improvements across the larger campus.

The property is located at the intersection of Highways 237 and 101, and is approximately five miles southeast of Google's headquarters in Mountain View, California. According to the appraisal, the property is located within the Sunnyvale submarket of the Silicon Valley office market. Silicon Valley is home to 16 Fortune 500 corporations, including Apple, Hewlett-Packard Company, Intel Corporation, Cisco Systems, Oracle Corporation, Ebay and Yahoo. The Silicon Valley average household income is \$122,424, which is 76.0% above the U.S. average, with 43.5% of households earning over \$100,000, which is above the U.S. average of 19.5%. Additionally, over 45.0% of Silicon Valley's population has a bachelor's or advanced degree, compared to 28.0% nationwide. As of the fourth quarter of 2013, the Sunnyvale submarket contains approximately 7.5 million square feet of office space and reported a vacancy rate of 5.3% with asking rents of approximately \$3.80 per square foot triple-net monthly (\$45.60 per square foot annually). There is approximately one million square feet of office space under construction in the Sunnyvale submarket. This includes 300,000 square feet of space owned by the Jay Paul Company that is currently under development.

## Technology Corners Building Six

Tenant	Ratings <sup>(2)</sup> Moody's/S&P/Fitch	Tenant Summary <sup>(1)</sup> Net Rentable			Lease Expiration Date
		Area (SF)	% of Total NRA	Base Rent PSF <sup>(3)</sup>	
Google	Aa2 / AA / NA	232,248	100.0%	\$48.75	9/30/2024

(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) Base Rent PSF is based on the straight-line average contractual rent due under the Google lease. In-place rent is \$42.00 per square foot.

Lease Rollover Schedule <sup>(1)</sup>									
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	0	0.0%	NAP	NAP	0	0.0%	NAP	NAP
2014 & MTM	0	0	0.0	\$0	0.0%	0	0.0%	\$0	0.0%
2015	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2016	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2017	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2018	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2019	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2020	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2021	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2022	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2023	0	0	0.0	0	0.0	0	0.0%	\$0	0.0%
2024	1	232,248	100.0	11,323,158	100.0	232,248	100.0%	\$11,323,158	100.0%
2025 & Beyond	0	0	0.0	0	0.0	232,248	100.0%	\$11,323,158	100.0%
<b>Total</b>	<b>1</b>	<b>232,248</b>	<b>100.0%</b>	<b>\$11,323,158</b>	<b>100.0%</b>				

(1) Based on the underwritten rent roll.

Underwritten Net Cash Flow <sup>(1)</sup>			
	Underwritten	Per Square Foot	% <sup>(2)</sup>
Rents in Place <sup>(3)</sup>	\$11,323,158	\$48.75	88.5%
Vacant Income	0	0.00	0.0
<b>Gross Potential Rent</b>	<b>\$11,323,158</b>	<b>\$48.75</b>	<b>88.5%</b>
Total Reimbursements	1,477,346	6.36	11.5
<b>Net Rental Income</b>	<b>\$12,800,504</b>	<b>\$55.12</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	(448,018)	(1.93)	(3.5)
Other Income	0	0.00	0.0
<b>Effective Gross Income</b>	<b>\$12,352,487</b>	<b>\$53.19</b>	<b>96.5%</b>
<b>Total Expenses</b>	<b>\$1,477,346</b>	<b>\$6.36</b>	<b>12.0%</b>
<b>Net Operating Income</b>	<b>\$10,875,141</b>	<b>\$46.83</b>	<b>88.0%</b>
Total TI/LC, Capex/RR	34,837	0.15	0.3
<b>Net Cash Flow</b>	<b>\$10,840,304</b>	<b>\$46.68</b>	<b>87.8%</b>

(1) The property was constructed in 2014, and as such, historical financials are not available.

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

(3) Underwritten Rents in Place is based on the straight-line average contractual rent due under the Google lease. Current Rents in Place are \$9,754,416 (\$42.00 per square foot).

**Property Management.** The property is managed by Paul Holdings, Inc., an affiliate of the borrower.

**Escrows and Reserves.** At origination, the borrower deposited into escrow \$10,921,057 for outstanding tenant improvements and \$4,064,340 for outstanding rent abatements.

**Technology Corners Building Six**

*Tax Escrows* - On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$49,200.

*Insurance Escrows* - The requirement for the borrower to make monthly deposits into 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 \$2,903 (approximately \$0.15 per square foot annually) for replacement reserves.

**Lockbox / Cash Management.** The loan is structured with a hard lockbox and in-place cash management. At origination, the borrower was required to send a tenant direction letter to the tenant at the property instructing it to deposit all rents and payments into the lockbox account. All funds in the lockbox account are swept daily to a segregated cash management account under the control of the lender. To the extent there is a Cash Sweep Event, all excess cash flow after payment of the mortgage and mezzanine debt service, required reserves and operating expenses will be held as additional collateral for the loan. The lender will have a first priority security interest in the cash management account.

A "Cash Sweep Event" means: (i) the occurrence of an event of default, (ii) any bankruptcy action of the borrower or property manager, (iii) Google's credit rating is withdrawn or downgraded to BBB- (or its equivalent) or lower by two or more rating agencies, including Moody's, S&P or Fitch or (iv) Google has not renewed its lease or the space has not been leased to another investment grade tenant by the payment date in December 2022.

**Additional Debt.** A mezzanine loan of \$20.0 million secured by the equity interests in the borrower was provided by JPMCB and is anticipated to be sold to a third party investor. We cannot assure you that the mezzanine loan will be sold to a third party investor or at all. The mezzanine loan has a coterminous maturity with the mortgage loan. The mezzanine loan is interest-only for the term of the loan and has a 7.75000% coupon. Including the mezzanine loan, the Cut-off Date LTV is 80.0%, the UW NCF DSCR is 1.22x and the UW NOI Debt Yield is 7.8%.