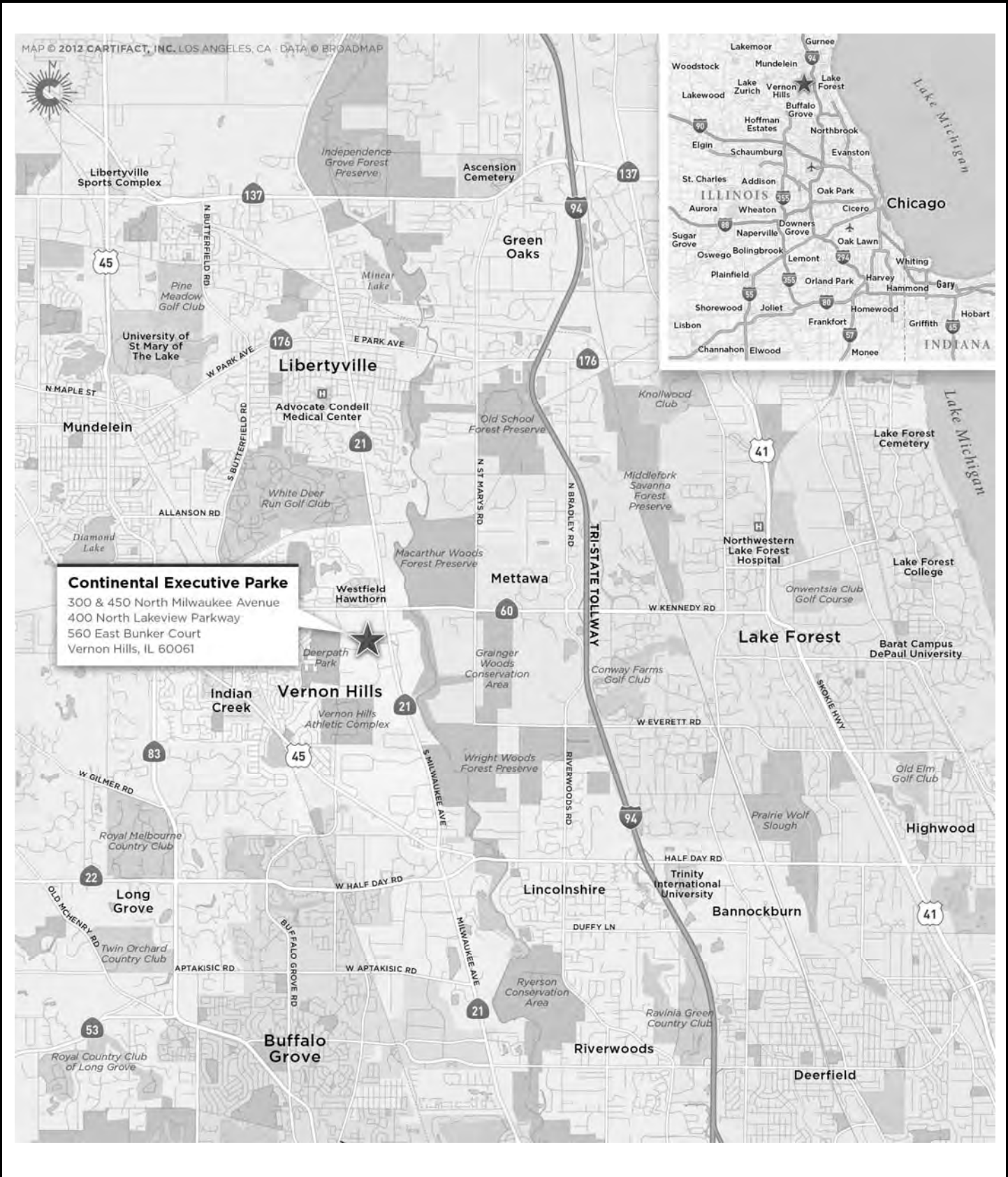


## Mortgage Loan No. 10 – Continental Executive Parke



**Mortgage Loan No. 10 – Continental Executive Parke**



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### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	JPMCB
<b>Original Principal Balance:</b>	\$27,750,000
<b>Cut-off Date Principal Balance:</b>	\$27,688,515
<b>% of Pool by IPB:</b>	2.4%
<b>Loan Purpose:</b>	Acquisition
<b>Borrower:</b>	PWA Continental Executive Parke, LP
<b>Sponsor:</b>	John M. Schneider
<b>Interest Rate:</b>	5.45000%
<b>Note Date:</b>	1/26/2012
<b>Maturity Date:</b>	2/1/2022
<b>Interest-only Period:</b>	None
<b>Original Term:</b>	120 months
<b>Original Amortization:</b>	360 months
<b>Amortization Type:</b>	Balloon
<b>Call Protection:</b>	L(25), Grtr 1% or YM(94), O(1)
<b>Lock Box:</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>	Single Asset
<b>Title:</b>	Fee
<b>Property Type - Subtype:</b>	Mixed Use – Office / Flex
<b>Net Rentable Area (SF):</b>	294,153
<b>Location:</b>	Vernon Hills, IL
<b>Year Built/Renovated:</b>	1990, 1999-2001 / 2008-2010
<b>Occupancy:</b>	93.6%
<b>Occupancy Date:</b>	1/1/2012
<b>Number of Tenants:</b>	6
<b>2009 NOI:</b>	\$2,042,924
<b>2010 NOI:</b>	\$2,355,871
<b>2011 NOI<sup>(1)</sup>:</b>	\$2,654,255
<b>UW Economic Occupancy:</b>	85.0%
<b>UW Revenues:</b>	\$4,545,401
<b>UW Expenses:</b>	\$1,694,641
<b>UW NOI:</b>	\$2,850,759
<b>UW NCF:</b>	\$2,482,361
<b>Appraised Value:</b>	\$37,100,000
<b>Appraisal Date:</b>	12/14/2011

### Escrows and Reserves<sup>(2)</sup>

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$361,965	\$60,328	N/A
<b>Insurance:</b>	\$0	Springing	N/A
<b>Replacement Reserves:</b>	\$4,903	\$4,903	N/A
<b>TI/LC:</b>	\$36,770	\$36,770	\$1,323,720
<b>Other:</b>	\$156,359	\$0	N/A

### Financial Information

<b>Cut-off Date Loan/SF:</b>	\$94
<b>Maturity Date Loan/SF:</b>	\$79
<b>Cut-off Date LTV:</b>	74.6%
<b>Maturity Date LTV:</b>	62.4%
<b>UW NCF DSCR:</b>	1.32x
<b>UW NOI Debt Yield:</b>	10.3%

(1) 2011 NOI represents year-to-date annualized through November 30, 2011. Full year 2011 financial statements have not yet been provided by the borrower.

(2) For a full description of Escrows and Reserves, please refer to the "Escrows and Reserves" section herein.

**The Loan.** The Continental Executive Parke loan has an outstanding balance of approximately \$27.7 million and is secured by a first mortgage lien on four buildings located in Vernon Hills, Illinois totaling approximately 294,153 square feet. The original \$27.75 million first mortgage loan, along with borrower equity of approximately \$9.0 million and seller credits of \$803,974, was used to finance the acquisition of Continental Executive Parke for \$36.5 million and pay for upfront reserves and closings costs of \$1.1 million. The loan is structured such that individual buildings may not be released from the collateral.

**The Borrower.** The borrowing entity for the loan is PWA Continental Executive Parke, LP, a Pennsylvania limited partnership and special purpose entity.

**The Sponsor.** The loan's sponsor and nonrecourse carve-out guarantor is John M. Schneider, Chief Executive Officer of PWA Real Estate ("PWA"), a subsidiary of Private Wealth Advisors (the "Company"), a private company specializing in asset management and financial planning for high net worth individuals. As of October 2011, John M. Schneider reported a net worth of approximately \$20.5 million and liquidity of \$2.2 million. The Company is headquartered in Pittsburgh, PA and was founded in 2003. The Company focuses their investment strategy on long-term holds and currently has approximately \$770 million in total assets under management. The Company provides its clients with the opportunity to invest in commercial real estate investments that are not generally available to individual investors. PWA's real estate arm, founded by the Sponsor, John M. Schneider, acquires and manages integrated multi-tenant, office, retail, and industrial properties ranging from \$10 to \$30 million throughout the Midwest. PWA Real Estate also operates several multifamily, student housing, and medical office properties in Pennsylvania, Georgia, Ohio and Indiana.

## Mortgage Loan No. 10 – Continental Executive Parke

**The Property.** The four buildings were constructed between 1990 and 2001 and range from 44,336 square feet to 101,353 square feet. The buildings are situated within the larger Continental Executive Business Parke, a two million square foot office/industrial park that provides tenants with immediate access to I-94, the main thoroughfare serving Chicago's central business district. The buildings are Continental Executive Parke I ("CEP I"), Continental Executive Parke II ("CEP II"), Continental Executive Parke III ("CEP III") and Continental Executive Parke IV ("CEP IV"). The collateral is currently 93.6% occupied and is leased to six tenants. Since 2006 approximately \$8.0 million has been spent on capital improvements across the buildings.

The three largest tenants at the property are Baxter Credit Union ("Baxter"), CDW Corp ("CDW") and Parkson Corporation ("Parkson"). Baxter, a non-profit organization and one of the nation's top 100 credit unions, is headquartered at the property. Baxter provides customers access to VISA credit and checkcards, home equity loans, ATMs, and online banking. Baxter serves over 140,000 members and has service centers across the country and in Puerto Rico. Baxter has been in occupancy at the property since 1999, expanded into the CEP IV building from CEP I in 2007 and has a lease expiration date of April 30, 2020. CDW's is the second largest tenant and occupies 75,444 square feet at the property. Though CDW's corporate headquarters are located across the street, the executive offices are located in CEP III. CDW is a reseller of computer hardware, software and supplies. CDW was acquired by Chicago-based Madison Dearborn Partners, LLC in 2007. They have been in occupancy since 2005 with a lease expiration date of February 29, 2016. The third largest tenant is Parkson, which is headquartered in Florida. Parkson occupies 39,803 square feet and is a provider of advanced solutions in water, wastewater recycling and treatment. Parkson has offices in Florida, Illinois, Quebec, Mumbai and the United Arab Emirates. They have been in occupancy in CEP II since 2004 and have a lease expiration date of April 30, 2018.

Continental Executive Parke is located within the Central Northwest office submarket, which is part of the Chicago MSA. According to the appraisal, the area immediately surrounding the collateral is a high income suburb of Chicago. As of 2011, population and median household income were approximately 49,262 and \$95,645 within a three-mile radius, respectively, and 135,458 and \$96,455 within a five-mile radius, respectively. As of year-end 2011, the Central Northwest submarket had an overall inventory of approximately 5.9 million square feet, of which 1.5 million square feet or 25.4% were Class A properties. During the same period, the submarket reported a vacancy rate of 11.6% and a quoted rental rate of \$18.75 per square foot for Class A properties. Total absorption and completed construction within the submarket were 65,681 square feet and 24,341 square feet, respectively.

Building Summary							
Building	Building Type – Subtype	Net Rentable Area (SF)	Occupancy <sup>(1)</sup>	Year Built	Type	Largest Tenant	Largest Tenant Expiration Date
CEP IV	Office – Suburban	101,353	100.0%	2001	Single-tenant	Baxter Credit Union	4/30/2020
CEP III	Office – Suburban	75,444	100.0%	2000	Single-tenant	CDW Corp	2/29/2016
CEP II	Industrial – Flex	73,020	99.0%	1990	Multi-tenant	Parkson Corporation	4/30/2018
CEP I	Office – Suburban	44,336	59.0%	1999	Multi-tenant	Wonderlic	12/31/2018
<b>Total/Weighted Average</b>		<b>294,153</b>	<b>93.6%</b>				

(1) Occupancy is as of January 1, 2012.

Historical and Current Occupancy			
2009	2010	2011 <sup>(1)</sup>	Current <sup>(2)</sup>
74.2%	79.4%	93.6%	93.6%

(1) 2011 Occupancy represents year-to-date annualized through November 30, 2011.

(2) Current Occupancy is as of January 1, 2012.

## Mortgage Loan No. 10 – Continental Executive Parke

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

Tenant	Ratings <sup>(2)</sup> Moody's/S&P/Fitch	Net Rentable Area (SF)	% of Total NRA	Base Rent PSF	Lease Expiration Date
Baxter Credit Union	NA / NA / NA	101,353	34.5%	\$15.48	4/30/2020
CDW Corp	B2 / B / NA	75,444	25.6%	\$13.73	2/29/2016
Parkson Corporation	NA / NA / NA	39,803	13.5%	\$7.00	4/30/2018 <sup>(3)</sup>
Wonderlic	NA / NA / NA	26,116	8.9%	\$13.06	12/31/2018
Mercury Insurance Services	NA / NA / A	23,654	8.0%	\$10.00	4/30/2018 <sup>(4)</sup>
R.A. Pearson Co	NA / NA / NA	9,038	3.1%	\$12.00	2/28/2015

(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) Parkson can terminate its lease at any time after June 30, 2013 with 365-days notice and a termination fee equal to 6 months base rent, operating expenses and the unamortized landlord leasing costs. The lease termination fee will be required to be deposited by the borrower into a termination fee reserve.

(4) Mercury Insurance Services can accelerate the expiration date of its lease to the day before the fifth anniversary of its lease commencement by delivering written notice to the borrower on or before the fourth anniversary of its lease start date. If Mercury elects to accelerate its lease expiration date, it is required to pay an acceleration payment equal to unamortized leasing costs associated with its space and the amortized rent due in the last three months prior to the fifth anniversary of the lease commencement. The lease termination fee will be required to be deposited by the borrower into a termination fee reserve.

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	18,745	6.4%	NAP	NAP	18,745	6.4%	NAP	NAP
2012 & MTM	0	0	0.0	\$0	0.0%	18,745	6.4%	\$0	0.0%
2013	0	0	0.0	0	0.0	18,745	6.4%	\$0	0.0%
2014	0	0	0.0	0	0.0	18,745	6.4%	\$0	0.0%
2015	1	9,038	3.1	108,456	3.0	27,783	9.4%	\$108,456	3.0%
2016	1	75,444	25.6	1,035,967	29.0	103,227	35.1%	\$1,144,423	32.1%
2017	0	0	0.0	0	0.0	103,227	35.1%	\$1,144,423	32.1%
2018	3	89,573	30.5	856,309	24.0	192,800	65.5%	\$2,000,732	56.1%
2019	0	0	0.0	0	0.0	192,800	65.5%	\$2,000,732	56.1%
2020	1	101,353	34.5	1,568,513	43.9	294,153	100.0%	\$3,569,245	100.0%
2021	0	0	0.0	0	0.0	294,153	100.0%	\$3,569,245	100.0%
2022	0	0	0.0	0	0.0	294,153	100.0%	\$3,569,245	100.0%
2023 & Beyond	0	0	0.0	0	0.0	294,153	100.0%	\$3,569,245	100.0%
<b>Total</b>	<b>6</b>	<b>294,153</b>	<b>100.0%</b>	<b>\$3,569,245</b>	<b>100.0%</b>				

(1) Based on the underwritten rent roll.

## Operating History and Underwritten Net Cash Flow

	2009	2010	2011 <sup>(1)</sup>	Underwritten	Per Square Foot	% <sup>(2)</sup>
Rents in Place	\$2,288,719	\$2,892,065	\$3,081,241	\$3,569,245	\$12.13	66.7%
Vacant Income	0	0	0	222,315	0.76	4.2
<b>Gross Potential Rent</b>	<b>\$2,288,719</b>	<b>\$2,892,065</b>	<b>\$3,081,241</b>	<b>\$3,791,560</b>	<b>\$12.89</b>	<b>70.9%</b>
Total Reimbursements	1,260,955	1,049,152	1,188,425	1,555,970	5.29	29.1
<b>Net Rental Income</b>	<b>\$3,549,674</b>	<b>\$3,941,217</b>	<b>\$4,269,666</b>	<b>\$5,347,530</b>	<b>\$18.18</b>	<b>100.0%</b>
(Vacancy/Credit Loss)	0	(84,542)	(8,336)	(802,130)	(2.73)	(15.0)
Other Income	0	0	0	0	0.00	0.0
<b>Effective Gross Income</b>	<b>\$3,549,674</b>	<b>\$3,856,675</b>	<b>\$4,261,330</b>	<b>\$4,545,401</b>	<b>\$15.45</b>	<b>85.0%</b>
<b>Total Expenses</b>	<b>\$1,506,750</b>	<b>\$1,500,804</b>	<b>\$1,607,075</b>	<b>\$1,694,641</b>	<b>\$5.76</b>	<b>37.3%</b>
<b>Net Operating Income</b>	<b>\$2,042,924</b>	<b>\$2,355,871</b>	<b>\$2,654,255</b>	<b>\$2,850,759</b>	<b>\$9.69</b>	<b>62.7%</b>
Total TI/LC, Capex/RR	0	0	0	368,398	1.25	8.1
<b>Net Cash Flow</b>	<b>\$2,042,924</b>	<b>\$2,355,871</b>	<b>\$2,654,255</b>	<b>\$2,482,361</b>	<b>\$8.44</b>	<b>54.6%</b>

(1) The 2011 column represents the year-to-date through November 30, 2011 annualized.

(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.

**Mortgage Loan No. 10 – Continental Executive Parke**

**Property Management.** The properties are managed by PWA Real Estate, LLC, an affiliate of the sponsor. PWA Real Estate, LLC, has sub-management agreement with NAI Hiffman Asset Management, LLC, a third-party manager who has managed the buildings for over 10 years.

**Escrows and Reserves.** At closing the borrower was required to deposit \$361,965 for property taxes, \$36,770 for tenant improvements and leasing commissions, and \$4,903 in escrow for replacement reserves. In addition, the borrower was required to deposit \$156,359 for a free rent reserve associated with the Wonderlic lease. Wonderlic is currently paying 50% abated rent through January 2013, at which point it commences paying full rent. In light of the collected reserve, full contractual rent has been underwritten for Wonderlic. On a monthly basis, the borrower is required to deposit \$36,770 for tenant improvements and leasing commissions and \$4,903 for replacement reserves. The tenant improvements and leasing commissions reserve fund is subject to a cap of \$1,323,720. On a monthly basis, the borrower is required to escrow 1/12 of the estimated annual real estate tax which currently is \$60,328. The requirement to make monthly deposits for insurance premiums is waived so long as (i) no event of default has occurred and is continuing; (ii) the borrower has provided the lender with satisfactory evidence that the property is insured pursuant to a blanket policy in accordance with the loan documents.

**Lock Box / Cash Management.** The loan is structured with a CMA lockbox. The borrower was required to set up a lockbox account at closing and send tenant direction letters to all tenants instructing them to deposit all rent and payments into the lockbox account controlled by the lender. However, funds in the lockbox account are returned to an account designated by the borrower until the occurrence of a Cash Sweep Event (as defined below). In a Cash Sweep Event, the borrower will establish a segregated cash management account to be held in trust and for the benefit of the lender. The lender will have a first priority security interest in the cash management account. Cash Sweep Event means the occurrence of (i) an event of default under the loan documents, (ii) any bankruptcy action of the borrower or manager, (iii) the DSCR based on the immediately preceding trailing three month period falls below 1.10x, (iv) a Baxter trigger event as outlined in the loan documents or (v) a CDW trigger event has occurred as outlined in the loan documents.