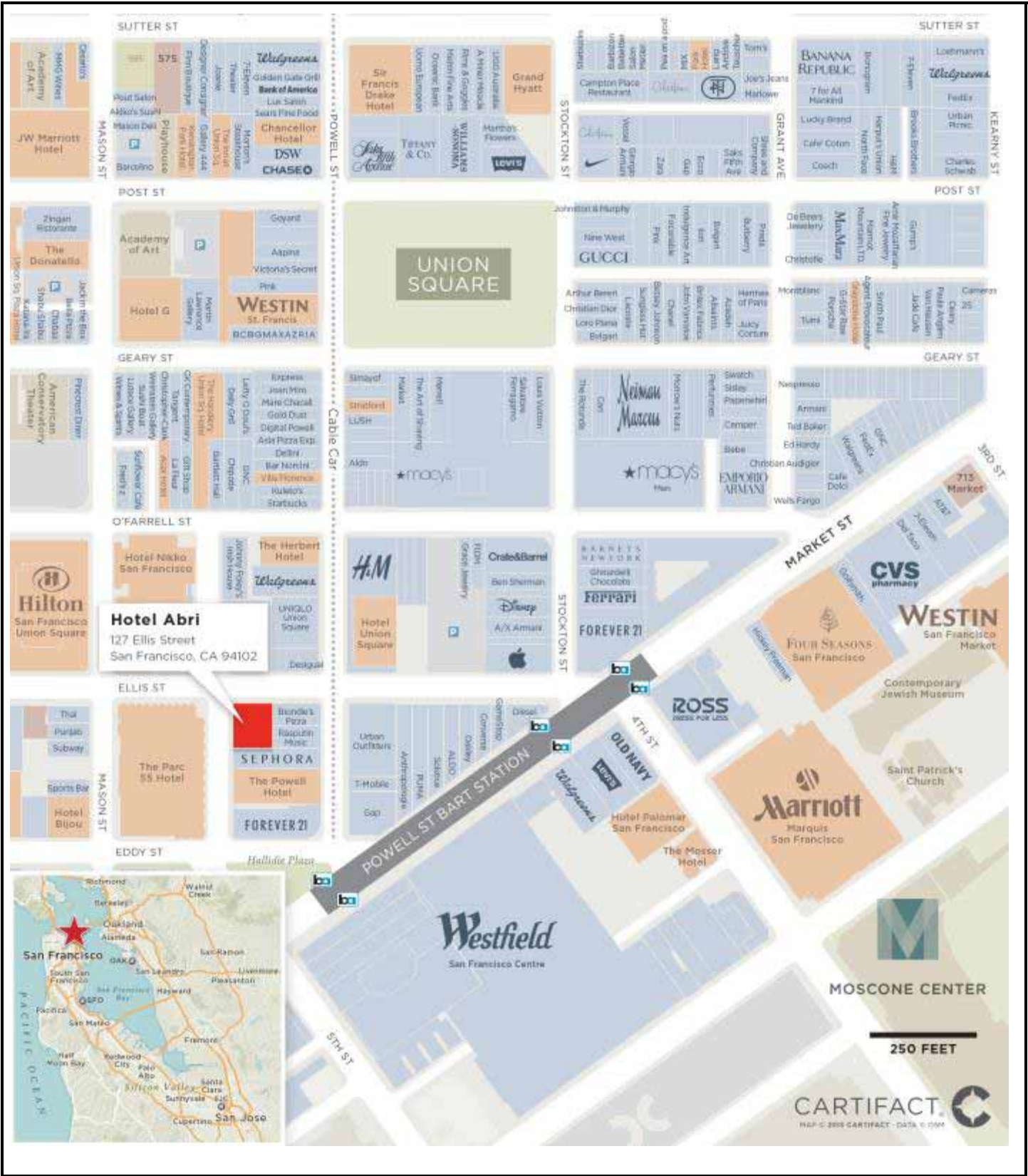


## Hotel Abri





Hotel Abri



## Hotel Abri

### Mortgage Loan Information

<b>Mortgage Loan Seller:</b>	JPMCB
<b>Original Principal Balance:</b>	\$23,000,000
<b>Cut-off Date Principal Balance:</b>	\$22,972,906
<b>% of Pool by IPB:</b>	2.7%
<b>Loan Purpose:</b>	Refinance
<b>Borrower:</b>	SF Hotel A, LLC
<b>Sponsor:</b>	MetWest Real Estate Fund I LLC
<b>Interest Rate:</b>	4.55200%
<b>Note Date:</b>	12/30/2014
<b>Maturity Date:</b>	1/1/2020
<b>Interest-only Period:</b>	None
<b>Original Term:</b>	60 months
<b>Original Amortization:</b>	360 months
<b>Amortization Type:</b>	Balloon
<b>Call Protection:</b>	L(25),Grtr1%orYM(32),O(3)
<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>	Single Asset
<b>Title:</b>	Fee
<b>Property Type - Subtype:</b>	Hotel - Full Service
<b>Net Rentable Area (Rooms):</b>	91
<b>Location:</b>	San Francisco, CA
<b>Year Built / Renovated:</b>	1907 / 2008
<b>Occupancy / ADR / RevPAR:</b>	85.8% / \$206.76 / \$177.33
<b>Occupancy / ADR / RevPAR Date:</b>	11/30/2014
<b>Number of Tenants:</b>	N/A
<b>2011 NOI:</b>	\$1,362,830
<b>2012 NOI:</b>	\$1,416,190
<b>2013 NOI:</b>	\$1,733,922
<b>TTM NOI (as of 11/2014):</b>	\$2,096,640
<b>UW Occupancy / ADR / RevPAR:</b>	85.8% / \$206.76 / \$177.33
<b>UW Revenues:</b>	\$11,025,726
<b>UW Expenses:</b>	\$9,083,633
<b>UW NOI:</b>	\$1,942,093
<b>UW NCF:</b>	\$1,942,093
<b>Appraised Value / Per Room:</b>	\$44,000,000 / \$483,516
<b>Appraisal Date:</b>	12/1/2014

### Escrows and Reserves<sup>(1)</sup>

	Initial	Monthly	Initial Cap
<b>Taxes:</b>	\$0	\$24,450	N/A
<b>Insurance:</b>	\$0	Springing	N/A
<b>FF&amp;E Reserves:</b>	\$44,819	4% of Gross Revenues	\$450,000
<b>TI/LC:</b>	\$0	\$0	N/A
<b>Other:</b>	\$639,458	\$0	N/A

### Financial Information

<b>Cut-off Date Loan / Room:</b>	\$252,450
<b>Maturity Date Loan / Room:</b>	\$231,470
<b>Cut-off Date LTV:</b>	52.2%
<b>Maturity Date LTV:</b>	47.9%
<b>UW NCF DSCR:</b>	1.38x
<b>UW NOI Debt Yield:</b>	8.5%

### Sources and Uses

Sources	Proceeds	% of Total	Uses	Proceeds	% of Total
Mortgage Loan	\$23,000,000	100.0%	Payoff Existing Debt	\$15,112,492	65.7%
			Return of Equity	6,638,653	28.9
			Upfront Reserves	684,277	3.0
			Closing Costs	564,579	2.5
<b>Total Sources</b>	<b>\$23,000,000</b>	<b>100.0%</b>	<b>Total Uses</b>	<b>\$23,000,000</b>	<b>100.0%</b>

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

**The Loan.** The Hotel Abri loan has an outstanding principal balance of approximately \$23.0 million and is secured by a first mortgage lien on the fee interest in a 91-room full service hotel located in San Francisco, California. The loan has a five-year term and will amortize on a 30-year schedule.

**The Borrower.** The borrowing entity for the loan is SF Hotel A, LLC, a Delaware limited liability company and a special purpose entity.

**The Sponsor.** The loan sponsor and nonrecourse carve-out guarantor is MetWest Real Estate Fund I LLC, an affiliate of MetWest Realty Advisors ("MetWest"). MetWest is a commercial real estate private equity firm based in Los Angeles and is an affiliate of MetWest Ventures, a multi-strategy asset management platform that includes credit strategies, equity strategies, a CLO and bank loan management platform and its real estate and hospitality businesses. MetWest Ventures was founded by Richard Hollander, who has partnered with management teams who have managed assets for several of the largest U.S. pension plans, creating related investment strategies that have totaled more than \$80 billion in assets under management since 1992.

## Hotel Abri

MetWest acquired the hotel in January 2012 for approximately \$22.3 million. Since acquiring the hotel, MetWest replaced the hotel manager, shifted the property's marketing strategy to focus on group sales and acquired Puccini & Pinetti, the hotel restaurant, in May 2014, which was previously leased. Under MetWest's ownership, net cash flow has improved by over 53.8% from approximately \$1.4 million as of 2011 to approximately \$2.1 million as of the trailing twelve months ending November 30, 2014.

**The Property.** Hotel Abri is a 91-room, full service boutique hotel located in the Union Square neighborhood of downtown San Francisco, California. The property was built in 1907 and was formerly known as the Monticello Inn. Following the acquisition of the property by the previous owner in December 2006, an extensive \$11.4 million renovation was completed in October 2008 to convert the property to its current use as Hotel Abri. Since MetWest's acquisition of the property in 2012, there has been approximately \$500,000 invested in capital expenditures, which have been primarily used to improve Puccini & Pinetti. MetWest is also planning to spend an additional \$876,932 in capital improvements over the next three years.

Hotel Abri features 91 guestrooms, inclusive of 28 suites, as well as a restaurant and bar, sundry shop, business center and an approximately 408 square foot boardroom. Puccini & Pinetti is an Italian restaurant and bar that is located on the ground floor of the hotel with street frontage and a private entrance separate from the hotel. Hotel Abri's two retail tenants are Cold Stone Creamery, which leases approximately 850 square feet of space through January 2016, and Subway, which leases approximately 725 square feet through January 2016. The hotel also offers concierge services, valet parking and a laundry/dry cleaning service.

Hotel Abri is situated at the intersection of Ellis Street and Cyril Magnin Street in the Union Square neighborhood of downtown San Francisco, California. The downtown San Francisco hotel market has exhibited strong growth as high barriers to entry and a lack of new supply have allowed hotels to increase rates. The hotel offers easy access to the two cable car routes in the north-south direction along Powell Street from downtown Union Square to Fisherman's Wharf, as well as one route in the east-west direction along California Street from the Financial District, through Chinatown and over Nob Hill to Van Ness Avenue. Additionally, Hotel Abri is located eight blocks east of U.S. Route 101, which is a major thoroughfare providing direct access to the Golden Gate Bridge, Marin County, San Francisco International Airport and San Jose. The hotel caters predominantly to transient travelers, given its location, as well as substantial volumes of commercial and meeting and group guests due to its location and access to the nearby Moscone Convention Center, which features over 700,000 square feet of exhibit hall space and 107 meeting rooms.

Year	Historical Occupancy, ADR, RevPAR								
	Competitive Set <sup>(1)</sup>			Hotel Abri <sup>(2)</sup>			Penetration Factor <sup>(3)</sup>		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
2011	79.7%	\$159.31	\$127.00	79.3%	\$164.74	\$130.64	99.5%	103.4%	102.9%
2012	80.3%	\$180.06	\$144.53	84.9%	\$168.94	\$143.48	105.7%	93.8%	99.3%
2013	83.1%	\$193.78	\$160.96	87.6%	\$182.44	\$159.88	105.4%	94.1%	99.3%
TTM <sup>(4)</sup>	83.6%	\$209.91	\$175.38	85.8%	\$206.76	\$177.33	102.6%	98.5%	101.1%

(1) Data provided by a third party data provider. The competitive set contains the following properties: Kimpton Serrano Hotel, Hotel Union Square, Kimpton Hotel Triton, Joie De Vivre Hotel Rex, Villa Florence Hotel and Orchard Hotel.

(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 operating statements for the property provided by the borrower.

(4) TTM represents trailing twelve-month period ending on November 30, 2014.

## Hotel Abri

Competitive Hotels Profile <sup>(1)</sup>									
Property	Rooms	Year Built	Meeting Space (SF)	2014 Market Mix			2014 Estimated Operating Statistics		
				Commercial	Meeting & Group	Leisure	Occupancy	ADR	RevPAR
<b>Hotel Abri</b>	<b>91</b>	<b>1907</b>	<b>408</b>	<b>25%</b>	<b>20%</b>	<b>55%</b>	<b>84.0%</b>	<b>\$205.00</b>	<b>\$172.20</b>
Kimpton Serrano Hotel	236	1928	2,153	45%	20%	35%	86.0%	\$230.00	\$197.80
Hotel Union Square	131	1913	0	40%	10%	50%	80.0%	\$225.00	\$180.00
Kimpton Hotel Triton	140	1920	475	40%	15%	45%	86.0%	\$200.00	\$172.00
Joie De Vivre Hotel Rex	94	1907	1,715	30%	10%	60%	82.0%	\$190.00	\$155.80
Villa Florence Hotel	182	1915	1,625	35%	20%	45%	78.0%	\$200.00	\$156.00
Orchard Hotel	104	2000	580	25%	15%	60%	86.0%	\$210.00	\$180.60
<b>Total<sup>(2)</sup></b>	<b>887</b>								

(1) Based on the appraisal.

(2) Excludes the subject property.

Operating History and Underwritten Net Cash Flow <sup>(1)</sup>							
	2011	2012	2013	TTM <sup>(2)</sup>	Underwritten	Per Room <sup>(3)</sup>	% of Total Revenue <sup>(4)</sup>
Occupancy	79.3%	84.9%	87.6%	85.8%	85.8%		
ADR	\$164.74	\$168.94	\$182.44	\$206.76	\$206.76		
RevPAR <sup>(5)</sup>	\$130.64	\$143.48	\$159.88	\$177.33	\$177.33		
Room Revenue	\$4,339,160	\$4,661,075	\$5,310,368	\$5,889,890	\$5,889,890	\$64,724	53.4%
Food and Beverage	27,291	14,847	17,654	2,752,091	4,703,534	51,687	42.7
Other Department Revenues	713,439	709,790	736,619	628,191	432,302	4,751	3.9
<b>Total Revenue</b>	<b>\$5,079,890</b>	<b>\$5,385,712</b>	<b>\$6,064,641</b>	<b>\$9,270,172</b>	<b>\$11,025,726</b>	<b>\$121,162</b>	<b>100.0%</b>
Room Expense	\$1,567,178	\$1,675,656	\$1,783,568	\$1,864,829	\$1,864,829	\$20,493	31.7%
Food and Beverage Expense	2,755	2,809	1,792	2,039,078	3,492,549	38,380	74.3
Other Departmental Expenses	167,610	196,933	203,266	185,451	185,451	2,038	42.9
<b>Departmental Expenses</b>	<b>\$1,737,543</b>	<b>\$1,875,398</b>	<b>\$1,988,626</b>	<b>\$4,089,358</b>	<b>\$5,542,829</b>	<b>\$60,910</b>	<b>50.3%</b>
<b>Departmental Profit</b>	<b>\$3,342,347</b>	<b>\$3,510,314</b>	<b>\$4,076,015</b>	<b>\$5,180,814</b>	<b>\$5,482,897</b>	<b>\$60,252</b>	<b>49.7%</b>
<b>Operating Expenses</b>	<b>\$1,264,450</b>	<b>\$1,200,976</b>	<b>\$1,373,183</b>	<b>\$1,896,319</b>	<b>\$2,220,761</b>	<b>\$24,404</b>	<b>20.1%</b>
<b>Gross Operating Profit</b>	<b>\$2,077,897</b>	<b>\$2,309,338</b>	<b>\$2,702,832</b>	<b>\$3,284,495</b>	<b>\$3,262,136</b>	<b>\$35,848</b>	<b>29.6%</b>
Management Fee	\$176,930	\$162,015	\$181,940	\$277,303	\$330,772	\$3,635	3.0%
Fixed Expenses	334,941	515,705	544,384	539,745	548,243	6,025	5.0
FF&E	203,196	215,428	242,586	370,807	441,029	4,846	4.0
<b>Total Other Expenses</b>	<b>\$715,067</b>	<b>\$893,148</b>	<b>\$968,910</b>	<b>\$1,187,855</b>	<b>\$1,320,043</b>	<b>\$14,506</b>	<b>12.0%</b>
<b>Net Operating Income</b>	<b>\$1,362,830</b>	<b>\$1,416,190</b>	<b>\$1,733,922</b>	<b>\$2,096,640</b>	<b>\$1,942,093</b>	<b>\$21,342</b>	<b>17.6%</b>
<b>Net Cash Flow<sup>(5)</sup></b>	<b>\$1,362,830</b>	<b>\$1,416,190</b>	<b>\$1,733,922</b>	<b>\$2,096,640</b>	<b>\$1,942,093</b>	<b>\$21,342</b>	<b>17.6%</b>

(1) The information provided in the table reflects the cash flow from operations of the hotel.

(2) The TTM column represents the trailing twelve-month period ending on November 30, 2014.

(3) Per Room values are based on 91 rooms.

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

(5) Historical RevPAR for 2008, 2009 and 2010 was \$15.52, \$89.22 and \$91.71, respectively, and Net Cash Flow was approximately (\$1.1 million), \$182,459 and \$320,643, respectively.

**Property Management.** The property is managed by HRI Lodging, Incorporated by virtue of a sub-management agreement between HRI Lodging, Incorporated and MetWest Terra Hospitality, LLC, an affiliate of the loan sponsor. HRI Lodging Incorporated, on behalf of MetWest Terra Hospitality, LLC currently manages five hotels: Hotel Abri, Lodge at Tiburon, Toll House Hotel, Casa Madrona and The Inn at Jackson Hole. The company also manages three restaurants: Tiburon Tavern, Verge, Puccini & Pinetti, which are located inside the Lodge at Tiburon, Toll House Hotel and Hotel Abri, respectively. The management agreement commenced January 10, 2012 and has a 20-year term with two 10-year extension options. The sub-management agreement commenced on May 1, 2013 and continues until terminated by the parties.



## Hotel Abri

**Escrows and Reserves.** At origination, the borrower deposited into escrow \$639,458 for a required repairs reserve that will be primarily used for elevator renovations and \$44,819 for FF&E reserves.

**Tax Escrows** - On a monthly basis, the borrower is required to escrow 1/12 of the annual estimated tax payments, which currently equates to \$24,450.

**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 under an approved blanket policy in accordance with the loan documents.

**FF&E Reserves** - On a monthly basis, the borrower is required to deposit an amount equal to 4.0% of gross revenues from the hotel for the calendar month two months prior to such payment date for FF&E. The reserve is subject to a cap of \$450,000.

**Lockbox / Cash Management.** The loan is structured with a CMA lockbox. The borrower and property manager were required to direct credit card companies to deliver all receipts directly into the lockbox account controlled by the lender. All funds in the lockbox account are returned to an account controlled by the borrower until the occurrence of a Cash Sweep Event. During a Cash Sweep Event, all funds on deposit in the lockbox account will be swept on a daily basis to a cash management account established upon the occurrence of a Cash Sweep Event, and all excess cash flows after payment of debt service, required reserves and operating expenses is required to be held as additional collateral for the loan.

A "Cash Sweep Event" means (i) the debt service coverage ratio as calculated in the loan documents based on the trailing twelve-month period falls below 1.20x, (ii) there is an event of default under the loan documents or (iii) the borrower, the property manager or the concessionaire which operates the food and beverage outlets becomes the subject of a bankruptcy, insolvency or similar action.