

Fitch Upgrades One Class of JPMCC 2012-FL2

Written by Australian Business

CHICAGO--([BUSINESS WIRE](#))--Fitch Ratings has upgraded one class of J.P. Morgan Chase Commercial Mortgage Securities Trust 2012-FL2 floating-rate commercial mortgage pass-through certificates. A detailed list of rating actions follows at the end of this press release.

KEY RATING DRIVERS

The upgrade reflects increased credit enhancement due to paydown of approximately 70% since Fitch's last review. Additionally, the remaining collateral has shown a nearly 20% increase in 2013 net cash flow (NCF) compared to Fitch's issuance NCF. There are no delinquent or specially serviced loans.

RATING SENSITIVITIES

The Rating Outlooks are expected to remain Stable. Further upgrades will be limited due to the transaction's asset concentration and relatively short expected life. Additional information on rating sensitivity is available in the report 'JPMCC 2012-FL2', dated Oct. 2, 2012.

Only two of the pool's original six floating rate loans remain outstanding: The Ashford Hotel Portfolio and Wyvernwood Apartments. The other four original loans have paid in full.

The largest loan is the Ashford Hotel Portfolio (55.5%) which is backed by a portfolio of nine hotels, totaling 1,337 keys, located across six states. The first mortgage, along with \$60,000,000 of mezzanine debt and approximately \$5 million of new sponsor equity, was used to refinance a previous loan which was originally securitized in the WBCMT 2007-WHL8 transaction. The loan is sponsored by Ashford Hospitality Trust, a publicly traded hotel REIT that owns a total of 127 properties across the U.S. comprising over 27,600 rooms. Remington Lodging and Hospitality, LLC, a sponsor affiliated company, manages seven of the nine properties. The remaining properties are managed by their respective flags. As of YE 2013 the servicer reported NCF was up approximately 23.5%

compared to Fitch NCF at issuance.

The Wyvernwood Apartments is a 143-building, 1,187-unit multifamily development located in the Boyle Heights neighborhood of Los Angeles, CA. Originally built in 1939, the property was acquired by the current sponsor, the Fifteen Group, in 1998 and last renovated in 2000. With the exception of 2010, when occupancy dropped to 86%, the property has generally maintained occupancy levels in the 94%-98% range. Occupancy as of the TTM June 2013 period was 97.1%.

Fitch has upgraded the following class:

--\$42 million class B to 'AAAsf' from 'AAsf'; Outlook Stable.

Fitch has affirmed the following classes:

--\$14 million class A at 'AAAsf'; Outlook Stable;

--\$35 million class C at 'Asf'; Outlook Stable;

--\$35 million class D at 'BBB-sf'; Outlook Stable;

--\$9.3 million class E at 'BB+sf'; Outlook Stable;

--\$135.3 million interest-only class X-EXT at 'BB+sf'; Outlook Stable.

Fitch does not rate the interest-only class X-CP.

A comparison of the transaction's Representations, Warranties, and Enforcement (RW&E) mechanisms to those of typical RW&Es for the asset class is available in the following report: JPMCC 2012-FL2 - Appendix dated Oct. 2, 2012.

Additional information is available at 'www.fitchratings.com'.

Applicable Criteria and Related Research:

--'Global Structured Finance Rating Criteria' (May 2014);

--'Surveillance Criteria for U.S. CREL CDOs and CMBS Large Loan Floating-Rate Transactions' (Nov. 2013).

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Surveillance Criteria for U.S. CREL CDOs and CMBS Large Loan Floating-Rate Transactions

http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=723059

Global Structured Finance Rating Criteria

http://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=748821

Additional Disclosure

Solicitation Status

http://www.fitchratings.com/gws/en/disclosure/solicitation?pr_id=838975

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