

SALE ANNOUNCEMENT

\$11.8 MILLION NON-PERFORMING CRE LOAN SALE

Sale: \$11,840,164 Non-Performing Loan (Deed-In-Lieu Possibility)

Collateral: Adjacent Office Buildings

Location: Harrisburg, PA

OVERVIEW

On behalf of an undisclosed seller (the “**Seller**”), Mission Capital Advisors, LLC (“**Mission Capital**” or “**Loan Sale Advisor**”) is pleased to announce the sale (the “**Loan Sale**”) of a \$11,840,164 non-performing loan (the “**Loan**,” or “**Asset**”) secured by two office properties in Harrisburg, PA (collectively, the “**Properties**” or “**Collateral**”).

SALE STRUCTURE

Mission Capital is soliciting bids from prospective bidders (the “Prospective Bidders”) for the purchase of the Loan, via the Ten-X platform. The Ten-X auction begins on Monday, September 18, 2023, and ends on Wednesday, September 20, 2023.

Investors can view the deal offering summary, sign the confidentiality agreement, download the data room materials, and place a bid via the Ten-X platform.

The link to the deal on Ten-X is as follows: <https://www.ten-x.com/listing/1800-linglestown-rd-harrisburg-pa-17110/29098282/>

HIGHLIGHTS & SALE SUMMARY

Loan Sale highlights are as follows:

- The Loan was originated in December 2016 as a 10-year fixed rate loan with an original balance of \$13.75 million. The current balance on the loan is \$11,840,164.
- The Loan is secured by two adjacent 4-story office buildings totaling 154,761 square feet. Built in 2001, the larger of the two buildings is designed for a single tenant to occupy the full 102,000 square feet. The smaller 52,761 square foot office building is intended for multi-tenancy. Suite sizes range from 800 sf to 4,569 sf.
- The properties have a combined 795 parking spaces and sit on 10.45 acres. The Property has 6.5 acres of BOR zoning and 3.9 acres of R-1 Low Density zoning.
- The Property generated \$1.9mm of NOI in 2020 and \$2.2mm of NOI in 2021.
- The Property is currently 95.34% vacant. Its main tenant, a large insurance firm, vacated in 2020 due to downsizing related to COVID-19. The Lender recently received a Letter of Intent from a buyer interested in acquiring a 99-year easement for the current rooftop tenant’s lease.
- Per discussions with the Lender, a deed-in-lieu of foreclosure has been partially negotiated (with no lender representations and warrants made).
- The site contains three parcels, with each building sitting on its own parcel, allowing the purchaser flexibility to sell off individual buildings.
- The Offering is significantly below replacement cost.

| Collateral Summaries | | |
|--------------------------|---------------|--------------|
| | Building 1 | Building 2 |
| Property Type | Single Tenant | Multi-Tenant |
| NRA (SF) | 102,000 | 52,761 |
| Stories | 4 | 4 |
| Year Built | 2000 | 1989 |
| Parking Spaces | 525 | 270 |
| Site Size (Acres) | 6.85 | 3.60 |
| Combined Appraised Value | \$19,750,000 | |
| Combined Value PSF | \$128.03 | |
| Appraisal Date | 12/12/2016 | |

LOAN SALE PROCESS

The Sale will be held via an online auction, which will be conducted on Ten-X, in accordance with the Participation Terms: (https://www.ten-x.com/company/legal/participation-terms?gclid=Cj0KCQjwoK2mBhDzARIsADGbjoe6JcETLKEB2pUu5ZExVqf0JoNhlcmY7qUqu5HnnOMycMZK8QjZ_WkaAoLkEALw_wcB&utm_source=Google&utm_medium=PaidSearch&utm_campaign=TenX_DSA-AccountProspecting-NA-03012021&utm_content=SIID0000-PID0092-NON-v0-TID0000&utm_term=NA--&utm_name=NA-NA-NA-NA&ef_id=Y7ipHQAALiC1wOj:20230803170938:s).

Due diligence materials are available to qualified prospective bidders via an electronic data room hosted by Ten-X. Prospective bidders will be required to electronically execute a confidentiality agreement prior to being allowed access to the materials. All due diligence must be conducted prior to signing the purchase and sale agreement.

Prospective bidders will be required to register with Ten-X to bid. Each bidder will be required to provide current contact information, submit proof of funds up to the full amount they plan to bid, and agree to the Auction Terms and Conditions. In order to participate in an auction, the Seller requires bidders to provide proof of their liquidity in an amount of at least their anticipated maximum bid for the Asset. Such liquidity must be in the form of cash, or cash equivalents, and must be available immediately without restriction.

This will be a reserve auction and the Property will have a reserve price ("Reserve Price"). The starting bid is not the Reserve Price. The seller can accept or reject any bid. All bidders agree to execute the non-negotiable purchase and sale agreement, which will be posted to the electronic data room prior to bidding commencement, should they be awarded the deal.

Following the auction, the winning bidder will be contacted by phone and email to go over specifics of the sale, including the execution of the purchase agreement and all documentation involved in the purchase. The winning bidder must be available by telephone within two hours of the sale.

All inquiries should be directed through Mission Capital and/or Ten-X. Neither the Seller, any Borrower, Borrower affiliates or Guarantors are to be contacted. Investors are required to strictly adhere to the terms of the Confidentiality Agreement.

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DISCLAIMER

NO OBLIGATION TO SELL SHALL BE BINDING ON SELLER UNLESS AND UNTIL A WRITTEN CONTRACT OF SALE OR LOAN PURCHASE AGREEMENT IS SIGNED AND DELIVERED BY SELLER. THE SELLER RESERVES THE RIGHT, IN ITS SOLE AND ABSOLUTE DISCRETION, TO WITHDRAW THE LOANS FROM THE LOAN SALE, AT ANY TIME. THIS SALE ANNOUNCEMENT HAS BEEN PREPARED TO ASSIST THE RECIPIENT IN DECIDING WHETHER TO PROCEED WITH FURTHER INVESTIGATION OF THE LOANS. WHILE THE INFORMATION INCLUDED HEREIN IS BELIEVED TO BE ACCURATE AND RELIABLE, SELLER, MISSION CAPITAL AND THEIR RESPECTIVE SUBSIDIARIES, AFFILIATES, AGENTS, ATTORNEYS, ASSIGNEES, OFFICERS, TRUSTEES, DIRECTORS, SERVICERS AND EMPLOYEES MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, INCLUDING BUT NOT LIMITED TO THE VALIDITY OR PRIORITY OF ANY LIENS AND THE VALUE OF ANY COLLATERAL. ONLY THOSE REPRESENTATIONS AND WARRANTIES THAT ARE MADE BY THE SELLER TO A PROSPECTIVE BIDDER IN A DEFINITIVE, EXECUTED LOAN PURCHASE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.