

SALE ANNOUNCEMENT

\$57,993,463 Performing Commercial Loan Portfolio Sale

COLLATERAL: Industrial, Office, Retail, Medical, Hotel, and Self Storage

LOCATION: AZ (2), CA (9), ID (4), TX (1), WA (1)

PERFORMANCE: Performing (Recently Originated)

GUARANTEES: Full, Limited, and Non-Recourse

SALE: Investors May Bid Loan(s) Individually or In Pool(s)

Overview

\$57,993,463 Performing Commercial Loan Portfolio Sale (the “Loan Sale”) conducted by Mission Capital Advisors, LLC (“Mission” or “Loan Sale Advisor”) on behalf of an unidentified bank Seller (“Seller”).

Sale Structure

Mission has been retained as the exclusive Loan Sale Advisor to the Seller for the sale of a portfolio of performing loans secured by various types of commercial real estate located in AZ, CA, ID, TX, and WA (the “Portfolio”, “Loans” or “Assets”). The Loans are being offered on a sealed bid basis.

On behalf of the Seller, Mission is initially soliciting indicative bids from prospective bidders (the “Prospective Bidders”) for the purchase of **(a) any loan individually, (b) any combination of loans, or (c) the entire Portfolio** pursuant to the Loan Sale timeline attached hereto.

Mission, in conjunction with the Seller, and at the sole and absolute discretion of the Seller, will then invite multiple final bidders (the “Final Bidders”) to complete due diligence and submit non-contingent bids for the Loan.

The sale must be completed according to the timeline attached hereto; investors will be required to finalize the loan sale agreement prior to the final bid date.

Highlights & Loan Summary

The Loan Sale offers Prospective Bidders the opportunity to acquire recently originated performing loans secured by various collateral types located predominately in the western United States.

- The portfolio has an average balance over \$3mm, and a WA Maturity of 3/21/25. The portfolio features a low LTV of 58.3% as well as a strong WA DSCR of 1.80x.
- 13 of the loans have a ten year term with interest fixed for seven years after which point the loans float at an attractive margin. The rate floor is equal to the current fixed rate.
- Loans are “full doc” with covenants requiring financial reporting. Property and borrower/guarantor financials are available for all loans.
- The largest asset is a \$12.5mm loan secured by a single-tenant R&D facility in Santa Clara, CA.
- Final bid round is flexible to accommodate bidder credit and underwriting timelines. Preference will be given to bids received earlier, and closing must occur prior to 11/30/2016.
- Loans are being offered on an individual basis, enabling bidders to target Assets based on their acquisition preference(s).

Loan Sale Process

Prospective Bidders are subject to qualification by Mission and/or Seller (qualification process will be initiated by Mission as deemed necessary). Access to the Due Diligence Materials will be provided to Prospective Bidders solely at the discretion of Mission and/or the Seller and may be withheld for any reason.

The Seller, in conjunction with Mission, have prepared a comprehensive array of due diligence data (the "Due Diligence Materials"), which will be made available to Prospective Bidders that have executed, and are subject to the terms of, the Confidentiality Agreement (the "Confidentiality Agreement"), which can be accessed on the transaction offering email or by visiting www.missioncap.com/transactions. Included in the Due Diligence Materials will be an Offering Memorandum for the Assets (the "Offering Memorandum") prepared by Mission, comprehensive bidding instructions, the terms of sale and the Seller's required form of Loan Sale Agreement for Sale and Purchase of Loan (the "Loan Sale Agreement").

Mission is initially soliciting indicative bids for the Assets. Prospective Bidders are encouraged review the Due Diligence Materials and submit indicative bids in accordance with the proposed timeline

After receipt of indicative bids, Mission, in conjunction with the Seller, will select Final Bidders to complete final due diligence before submitting **non-contingent offers on the Final Bid Date (the acceptance of which by Seller will require immediate execution of pre-negotiated Loan Sale Agreement by Prospective Bidder accompanied by a 10% non-refundable wire funds deposit).**

Additional information will be provided to Bidders via Mission's online due diligence site. Such information may include detailed loan documents, pay histories, environmental reports, litigation documents (if applicable), and financial statements, in both computer file and imaged formats.

Please e-sign or return an executed Confidentiality Agreement to Katie Juarez at kjuarez@missioncap.com. **PLEASE NOTE THAT E-SIGNATURES WILL BE PROCESSED IN TOP PRIORITY WHILE EMAIL SIGNATURES ARE PROCESSED AT THE END OF EACH BUSINESS DAY.**

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

Loan Sale Agreement

The Seller will make its required form of Loan Sale Agreement available to Final Bidders. Pursuant to the Loan Sale Agreement, the Seller is selling its Loan subject only to those representations and warranties explicitly stated in the Loan Sale Agreement. No other representations or warranties, either expressed or implied, shall apply.

Timeline

The transaction contemplated herein has been scheduled as follows:

Loan Sale Timeline	
Event	Date
Sale Announcement Distributed	Friday, September 23, 2016
Initial Data Distribution	Monday, September 26, 2016
Call for Offers	Thursday, October 20, 2016
Final Bidders Selected	Monday, October 24, 2016
Final Due Diligence Period	10/24/16 - TBD
Targeted Close Date	Wednesday, November 30, 2016

Disclaimer

THE SELLER RESERVES THE RIGHT, AT ITS SOLE AND ABSOLUTE DISCRETION, TO WITHDRAW THE ASSETS 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 ASSETS. WHILE THE INFORMATION INCLUDED HEREIN IS BELIEVED TO BE ACCURATE AND RELIABLE, SELLER, MISSION AND THEIR RESPECTIVE SUBSIDIARIES, AFFILIATES, AGENTS, 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 APPLICABLE SELLER TO A PROSPECTIVE BIDDER IN A DEFINITIVE, EXECUTED LOAN SALE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.

Mission Capital Contacts

Loan Sale Discussions

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Exhibit A – Detailed Loan Portfolio and Loan Portfolio Stratification

Individual Loans Offered For Sale

ID	Current UPB	Current Rate	Rate Type	Prepayment	Note Date	Maturity Date	Orig. LTV	Orig. DSCR	Collateral Type	City	State
CA-1	\$12,435,258	4.15%	Fixed	Step Down	12/22/2015	1/1/2023	59.0%	2.03x	Office	Santa Clara	CA
CA-2	\$6,241,596	3.95%	Variable	Step Down	4/14/2016	5/1/2026	68.3%	1.45x	Industrial	San Diego	CA
CA-3	\$6,187,802	3.96%	Variable	Step Down	9/14/2015	10/1/2025	62.0%	1.48x	Industrial	Norwalk	CA
TX-1	\$4,877,157	4.25%	Fixed	Step Down	3/27/2015	3/20/2025	64.0%	1.29x	Retail	McKinney	TX
WA-1	\$3,879,462	4.03%	Variable	Step Down	8/5/2015	8/1/2025	58.0%	1.59x	Retail	Bellingham	WA
CA-4	\$3,358,607	3.95%	Variable	Step Down	2/8/2016	2/5/2026	57.1%	1.80x	Industrial	Norco	CA
CA-5	\$2,963,477	3.95%	Variable	Step Down	2/8/2016	2/5/2026	56.9%	1.86x	Industrial	Costa Mesa	CA
ID-1	\$2,932,134	3.91%	Variable	Step Down	9/29/2015	9/22/2025	46.0%	2.89x	Medical	Meridian	ID
CA-6	\$2,627,803	4.15%	Variable	Step Down	5/3/2016	4/26/2026	61.8%	1.57x	Office	San Diego	CA
AZ-1	\$2,463,740	4.26%	Variable	Step Down	2/11/2016	2/1/2026	50.8%	1.96x	Industrial	Phoenix	AZ
AZ-2	\$2,156,445	3.90%	Variable	Step Down	10/7/2015	10/7/2025	49.0%	2.03x	Industrial	Phoenix	AZ
ID-2	\$1,759,094	3.91%	Variable	Step Down	9/30/2015	9/22/2025	57.0%	2.12x	Medical	Boise	ID
CA-7	\$1,657,413	3.99%	Variable	Step Down	1/7/2016	12/9/2025	55.2%	1.76x	Industrial	El Cajon	CA
CA-8	\$1,577,704	3.97%	Variable	Step Down	2/4/2016	1/28/2026	65.0%	4.47x	Industrial	El Cajon	CA
ID-3	\$1,544,877	4.50%	Fixed	Step Down	6/11/2015	6/15/2025	60.0%	1.44x	Hotel	Nampa	ID
ID-4	\$1,037,895	4.00%	Fixed	None	1/10/2005	2/10/2024	11.0%	2.34x	Office	Meridian	ID
CA-9	\$293,000	4.12%	Variable	Step Down	8/27/2015	8/25/2025	61.0%	1.58x	Self Storage	San Bernardino	CA

Portfolio Stratification

Collateral Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon	% Balance Current
Industrial	8	47.1%	\$26,606,783	45.9%	\$3,325,848	\$26,975,000	1/8/2016	1/12/2026	4.0%	100.0%
Office	3	17.6%	\$16,100,956	27.8%	\$5,366,985	\$16,627,120	4/29/2015	8/12/2023	4.1%	100.0%
Retail	2	11.8%	\$8,756,620	15.1%	\$4,378,310	\$8,975,000	5/24/2015	5/18/2025	4.2%	100.0%
Medical	2	11.8%	\$4,691,227	8.1%	\$2,345,614	\$4,800,000	9/29/2015	9/22/2025	3.9%	100.0%
Hotel	1	5.9%	\$1,544,877	2.7%	\$1,544,877	\$1,600,000	6/11/2015	6/15/2025	4.5%	100.0%
Self Storage	1	5.9%	\$293,000	0.5%	\$293,000	\$1,200,000	8/27/2015	8/25/2025	4.1%	100.0%
Grand Total	17	100.0%	\$57,993,463	100.0%	\$3,411,380	\$60,177,120	9/10/2015	3/21/2025	4.1%	100.0%

Collateral State	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon	% Balance Current
CA	9	52.9%	\$37,342,659	64.4%	\$4,149,184	\$38,730,000	1/12/2016	1/18/2025	4.0%	100.0%
ID	4	23.5%	\$7,273,999	12.5%	\$1,818,500	\$7,777,120	2/24/2014	6/8/2025	4.0%	100.0%
TX	1	5.9%	\$4,877,157	8.4%	\$4,877,157	\$5,000,000	3/27/2015	3/20/2025	4.3%	100.0%
AZ	2	11.8%	\$4,620,185	8.0%	\$2,310,092	\$4,695,000	12/13/2015	12/8/2025	4.1%	100.0%
WA	1	5.9%	\$3,879,462	6.7%	\$3,879,462	\$3,975,000	8/5/2015	8/1/2025	4.0%	100.0%
Grand Total	17	100.0%	\$57,993,463	100.0%	\$3,411,380	\$60,177,120	9/10/2015	3/21/2025	4.1%	100.0%