



SALE ANNOUNCEMENT

CHESAPEAKE SQUARE MALL REO SALE

CHESAPEAKE, VA

613,809 NRSF
58.40% OCCUPIED

JULY 2017



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CHESAPEAKE SQUARE MALL REO SALE (the “REO Sale”) conducted by Mission Capital Advisors, LLC (“Mission Capital” or “Asset Sale Advisor”) on behalf of CMBS Special Servicer (“Seller”). The REO Sale offers bidders the opportunity to acquire the fee simple and leasehold interests in three anchors and all inline space, as well as the fee interest in an additional anchor site, of a regional mall totaling approximately 613,809 SF located in Chesapeake, VA (the “Property”).

Sale Structure

Mission Capital has been retained as the exclusive Asset Sale Advisor to the Seller for the sale of Chesapeake Square Mall, a 760,420 SF regional mall located 11 miles west of Norfolk in the heart of the Hampton Roads region of Southeastern Virginia.

On behalf of the Seller, Mission Capital is soliciting a call for offers for the purchase of the Property, pursuant to the REO Sale timeline attached hereto. Site visits will be held before the call for offers date.

Purchase and Sale Agreement

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

No obligation to sell shall be binding on seller unless and until a written contract of sale or asset sale agreement is signed and delivered by seller.

JUNE 2017 RENT ROLL	NRSF	OCCUPANCY
Total Mall (Owned and Not Owned)	760,420	66.40%
Owned (including former Macy's Space)	613,809	58.40%
In-Line Only (Owned)	262,896	73.00%

Investment Highlights

The REO Sale offers investors the opportunity to acquire a regional mall with significant in-place cash flow and potential upside through the re-positioning of the asset. The Property serves the affluent Hampton Roads metropolitan area which is experiencing rapid population growth and has a robust local economy. The MSA has a population in excess of 1.7 million and is home to multiple Fortune 500 companies as well as several major military institutions and bases, in addition to being one of the busiest port cities in the world. The immediate submarket surrounding the mall includes the prosperous suburbs along Portsmouth Boulevard - an area with an average household income in excess of \$80,000 per year.

- Chesapeake Square Mall is a 760,420 sf regional mall located 11 miles west of Norfolk in the heart of the Hampton Roads region of Southeastern Virginia. The center is conveniently located off I-664 at the intersection of Portsmouth Boulevard and Taylor Road.
- The mall contains approximately 100 stores, restaurants and kiosks and features 6 anchor spaces, a 10-unit food court plus sit down restaurants Tilted Kilt and Big Woody's Bar & Grill. The Property is the only mall in the area with 6 anchor boxes.
- Current anchors include Burlington Coat Factory (owned), J.C.Penney (owned), Target (not owned) and Cinemark XD (not owned). The property also includes two vacant anchor spaces that were formerly occupied by Sears (owned) and Macy's (ground lease).
- Other specialty stores and eateries include Foot Locker, Bath & Body Works, Chick-fil-A, Victoria's Secret, Kay Jewelers, Funville Playground and Café, Journeys, Lids, Mrs. Fields, New York & Company and Things Remembered.

REO Sale Timeline

The transaction contemplated herein has been scheduled as follows:

EVENT	DATE
SALE ANNOUNCEMENT DISTRIBUTED	MONDAY, JULY 10, 2017
INITIAL DATA DISTRIBUTION	TUESDAY, JULY 11, 2017
COMMENTS TO PSA DUE	TUESDAY, AUGUST 15, 2017
CALL FOR OFFERS	TUESDAY, AUGUST 15, 2017
WINNING BIDDER SELECTED	WEDNESDAY, AUGUST 16, 2017
EARNEST MONEY DEPOSIT DUE	FRIDAY, AUGUST 18, 2017
CLOSING ON OR BEFORE	MONDAY, SEPTEMBER 18, 2017



Asset 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 <https://market.missioncap.com/>. Included in the Due Diligence Materials will be an Offering Memorandum for the Asset (the “Offering Memorandum”) prepared by Mission, comprehensive bidding instructions, the terms of sale and the Seller’s required form of Purchase and Sale Agreement (the “Purchase and Sale Agreement”).

Due diligence information will be provided to Bidders via Mission’s online due diligence site. Such information may include third party 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. The Seller is not to be contacted. Investors are required to strictly adhere to the terms of the Confidentiality Agreement.



CHESAPEAKE SQUARE MALL REO SALE

CHESAPEAKE, VA



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Due diligence information can be found in the data room at market.missioncap.com

Disclaimer:

NO OBLIGATION TO SELL SHALL BE BINDING ON SELLER UNLESS AND UNTIL A WRITTEN CONTRACT OF SALE OR ASSET SALE AGREEMENT IS SIGNED AND DELIVERED BY SELLER. THE SELLER RESERVES THE RIGHT, AT ITS SOLE AND ABSOLUTE DISCRETION, TO WITHDRAW THE ASSET FROM THE ASSET SALE, AT ANY TIME. THIS SALE ANNOUNCEMENT HAS BEEN PREPARED TO ASSIST THE RECIPIENT IN DECIDING WHETHER TO PROCEED WITH FURTHER INVESTIGATION OF THE ASSET. 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 ASSET SALE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.

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