

# SALE ANNOUNCEMENT

## \$24,740,808 Performing Loan Portfolio

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<b>COLLATERAL:</b>	Multifamily, Retail, Condo/Townhouse
<b>LOCATION:</b>	CA, OK, TX, UT, WA
<b>PERFORMANCE:</b>	Performing
<b>SALE:</b>	Investors May Bid Loan(s) Individually or In Pool(s)

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### Overview

\$24,740,808 Loan Portfolio Sale (the “Loan Sale”) conducted by Mission Capital Advisors, LLC (“Mission” or “Loan Sale Advisor”) on behalf of an unidentified 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 commercial real estate located predominately in the Western United States (the “Portfolio” or “Loans”). 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. Preference will be given to portfolio bids.

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 Loans.

### Highlights & Asset Summary

The Loan Sale offers Prospective Bidders the opportunity to acquire Loans secured by commercial real estate located predominately in the Western United States.

- The Portfolio consists of 18 bank originated and serviced performing first-lien loans with pristine payment histories.
- Collateral is predominantly multifamily (82.7% by balance).
- The Portfolio has a weighted average coupon of 4.2%, weighted average origination in 2013, weighted average maturity in 2038 and average balance of \$1.37mm.
- Approximately 87% (16 loans) of the Portfolio by balance include prepayment penalty provisions.
- The majority of Loans are secured by collateral located in California (37.1% by balance), Washington (31.2%), and Utah (18.3%).
- Detailed Portfolio stratifications may be found in Exhibit A (pg. 4 -5).

## Sale Structure

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](http://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 Assets (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](mailto: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 Assets 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	Thursday, May 25, 2017
Initial Data Distribution	Friday, May 26, 2017
Indicative Bid Date	Thursday, June 8, 2017
Acceptance of or Comments to LSA Due	Thursday, June 22, 2017
Best & Final Bid Date	Thursday, June 29, 2017
Winning Bidder Selected	Friday, June 30, 2017
10% Non-Refundable Deposit Due	Thursday, July 6, 2017
Closing Date	Thursday, July 13, 2017

## Mission Capital Contacts

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## Disclaimer

NO OBLIGATION TO SELL SHALL BE BINDING ON SELLER UNLESS AND UNTIL A WRITTEN CONTRACT OF SALE OR LOAN SALE AGREEMENT IS SIGNED AND DELIVERED BY SELLER. 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.

## Exhibit A – Portfolio Stratifications

Delinquency Status	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread
0-29 DPD	18	100.0%	\$24,740,808	100.0%	\$1,374,489	\$26,491,300	11/9/13	10/21/38	4.2%	2.7%
<b>Grand Total</b>	<b>18</b>	<b>100.0%</b>	<b>\$24,740,808</b>	<b>100.0%</b>	<b>\$1,374,489</b>	<b>\$26,491,300</b>	<b>11/9/13</b>	<b>10/21/38</b>	<b>4.2%</b>	<b>2.7%</b>

Balance Bucket	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread
\$0,000 - \$500,000	1	5.6%	\$491,706	2.0%	\$491,706	\$535,000	12/20/12	1/1/43	4.2%	3.0%
\$500,000 - \$1,000,000	6	33.3%	\$4,740,307	19.2%	\$790,051	\$5,052,800	8/23/13	9/10/43	4.3%	2.8%
\$1,000,000 - \$1,500,000	6	33.3%	\$6,973,292	28.2%	\$1,162,215	\$7,466,000	9/8/13	10/13/39	4.5%	2.7%
> \$1,500,000	5	27.8%	\$12,535,503	50.7%	\$2,507,101	\$13,437,500	1/25/14	3/31/36	3.9%	2.6%
<b>Grand Total</b>	<b>18</b>	<b>100.0%</b>	<b>\$24,740,808</b>	<b>100.0%</b>	<b>\$1,374,489</b>	<b>\$26,491,300</b>	<b>11/9/13</b>	<b>10/21/38</b>	<b>4.2%</b>	<b>2.7%</b>

Rate Bucket	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread
< 4.00%	3	16.7%	\$5,118,128	20.7%	\$1,706,043	\$5,500,000	10/27/14	12/14/27	3.6%	2.3%
4.01% - 4.25%	8	44.4%	\$12,545,224	50.7%	\$1,568,153	\$13,451,300	8/25/13	7/13/40	4.1%	2.8%
4.26% - 4.50%	3	16.7%	\$2,406,685	9.7%	\$802,228	\$2,564,000	8/19/13	9/1/43	4.4%	2.8%
4.51% - 4.75%	3	16.7%	\$3,388,386	13.7%	\$1,129,462	\$3,615,000	5/29/13	6/23/43	4.7%	2.7%
4.76% - 5.00%	1	5.6%	\$1,282,384	5.2%	\$1,282,384	\$1,361,000	8/30/13	10/1/43	5.0%	2.8%
<b>Grand Total</b>	<b>18</b>	<b>100.0%</b>	<b>\$24,740,808</b>	<b>100.0%</b>	<b>\$1,374,489</b>	<b>\$26,491,300</b>	<b>11/9/13</b>	<b>10/21/38</b>	<b>4.2%</b>	<b>2.7%</b>

Rate Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread
Fixed with Resets	16	88.9%	\$21,565,557	87.2%	\$1,347,847	\$23,141,300	8/25/13	12/16/40	4.2%	2.7%
Fixed	2	11.1%	\$3,175,250	12.8%	\$1,587,625	\$3,350,000	4/8/15	2/29/24	4.0%	NAP
<b>Grand Total</b>	<b>18</b>	<b>100.0%</b>	<b>\$24,740,808</b>	<b>100.0%</b>	<b>\$1,374,489</b>	<b>\$26,491,300</b>	<b>11/9/13</b>	<b>10/21/38</b>	<b>4.2%</b>	<b>2.7%</b>

Prepayment Flag	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread
Yes	16	88.9%	\$21,543,219	87.1%	\$1,346,451	\$23,039,300	12/7/13	2/16/38	4.1%	2.6%
No	2	11.1%	\$3,197,589	12.9%	\$1,598,795	\$3,452,000	5/8/13	5/13/43	4.2%	2.8%
<b>Grand Total</b>	<b>18</b>	<b>100.0%</b>	<b>\$24,740,808</b>	<b>100.0%</b>	<b>\$1,374,489</b>	<b>\$26,491,300</b>	<b>11/9/13</b>	<b>10/21/38</b>	<b>4.2%</b>	<b>2.7%</b>

Payment Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread
P&I	18	100.0%	\$24,740,808	100.0%	\$1,374,489	\$26,491,300	11/9/13	10/21/38	4.2%	2.7%
<b>Grand Total</b>	<b>18</b>	<b>100.0%</b>	<b>\$24,740,808</b>	<b>100.0%</b>	<b>\$1,374,489</b>	<b>\$26,491,300</b>	<b>11/9/13</b>	<b>10/21/38</b>	<b>4.2%</b>	<b>2.7%</b>

## Exhibit A – Portfolio Stratifications Cont.

Vintage	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread
2012	1	5.6%	\$491,706	2.0%	\$491,706	\$535,000	12/20/12	1/1/43	4.2%	3.0%
2013	13	72.2%	\$17,155,255	69.3%	\$1,319,635	\$18,406,300	5/29/13	6/14/43	4.3%	2.7%
2014	3	16.7%	\$5,118,128	20.7%	\$1,706,043	\$5,500,000	10/27/14	12/14/27	3.6%	2.3%
2015	1	5.6%	\$1,975,718	8.0%	\$1,975,718	\$2,050,000	6/23/15	7/10/25	4.1%	NAP
<b>Grand Total</b>	<b>18</b>	<b>100.0%</b>	<b>\$24,740,808</b>	<b>100.0%</b>	<b>\$1,374,489</b>	<b>\$26,491,300</b>	<b>11/9/13</b>	<b>10/21/38</b>	<b>4.2%</b>	<b>2.7%</b>

Primary Collateral Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread
Multifamily	15	83.3%	\$20,450,239	82.7%	\$1,363,349	\$21,941,300	9/7/13	11/4/40	4.1%	2.6%
Retail	2	11.1%	\$3,175,250	12.8%	\$1,587,625	\$3,350,000	4/8/15	2/29/24	4.0%	NAP
Condo/Townhouse	1	5.6%	\$1,115,319	4.5%	\$1,115,319	\$1,200,000	1/11/13	2/1/43	4.7%	2.8%
<b>Grand Total</b>	<b>18</b>	<b>100.0%</b>	<b>\$24,740,808</b>	<b>100.0%</b>	<b>\$1,374,489</b>	<b>\$26,491,300</b>	<b>11/9/13</b>	<b>10/21/38</b>	<b>4.2%</b>	<b>2.7%</b>

Primary Collateral State	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread
CA	6	33.3%	\$9,189,493	37.1%	\$1,531,582	\$9,838,000	2/24/14	12/2/36	4.2%	2.6%
WA	5	27.8%	\$7,714,240	31.2%	\$1,542,848	\$8,313,300	4/20/13	4/30/43	4.1%	2.8%
UT	5	27.8%	\$4,535,106	18.3%	\$907,021	\$4,840,000	6/25/13	7/20/43	4.5%	2.8%
TX	1	5.6%	\$2,102,437	8.5%	\$2,102,437	\$2,200,000	10/29/14	11/1/29	3.6%	2.3%
OK	1	5.6%	\$1,199,532	4.8%	\$1,199,532	\$1,300,000	12/5/14	12/5/21	3.8%	NAP
<b>Grand Total</b>	<b>18</b>	<b>100.0%</b>	<b>\$24,740,808</b>	<b>100.0%</b>	<b>\$1,374,489</b>	<b>\$26,491,300</b>	<b>11/9/13</b>	<b>10/21/38</b>	<b>4.2%</b>	<b>2.7%</b>