



SALE ANNOUNCEMENT

\$18,000,000
PERFORMING COMMERCIAL MORTGAGE LOAN SALE

165-KEY
SELECT-SERVICE HOTEL
CHICAGO, IL



\$18,000,000 PERFORMING COMMERCIAL MORTGAGE LOAN SALE

Overview Summary

\$18,000,000 Performing Commercial Mortgage Loan Sale (the “Loan Sale”) conducted by Mission Capital Advisors, LLC (“Mission” or “Loan Sale Advisor”) on behalf of an undisclosed seller (“Seller”).

Sale Structure

Mission has been retained as the exclusive Loan Sale Advisor to the Seller for the sale of a performing loan secured by a first-lien mortgage on a 165-key select-service hotel located in Chicago, IL (the “Loan” or “Asset”). The Loan is 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 the Loan 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 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.

Highlights & Loan Summary

The Loan Sale offers Prospective Bidders an opportunity to acquire a performing loan secured by a 165-key select-service hotel located in Chicago, IL (the “Property”).

- The Property is proximate to several tourism demand drivers including popular bars/restaurants on Division and Rush Streets, the Magnificent Mile (Chicago’s premier shopping corridor), Oak Street Beach, and Lincoln Park. Corporate demand results from 6.7mm square feet of office space within a mile of the hotel.
- The hotel is currently undergoing a \$5.3mm PIP, repositioning as an upscale, independent boutique hotel upon completion. The \$5.3mm renovation budget was reserved at origination with the Borrower contributing \$3.7mm towards the PIP.
- The Loan has a debt yield of 7.95% and NOI DSCR of 1.36x based on T-12 6/30/17 financials. Per the June 2017 STR Report, the hotel had T-12 occupancy of 69.9% and ADR of \$145.28.
- The Property is a select-service hotel featuring a 50-seat bistro serving breakfast, dinner, and cocktails; a 672 square foot meeting room, spa, nail salon, fitness room, and business center.



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Loan Information									
Status	Origination Date	Maturity Date	Original Balance	Current UPB	Interest Rate	Rate Type	IO Period (Months)	Amortization Period (Months)	Purpose
Performing	9/7/16	10/6/21	\$18,000,000	\$18,000,000	5.75%	Fixed	24	360	Acquisition & Renovation

Collateral Information									
Collateral Type	Location	Total Site Size (Acres)	Keys	Number of Buildings	Occupancy TTM	ADR TTM	RevPAR TTM	TTM Date	
Select-Service	Chicago, IL	0.17	165	1	69.90%	\$145.28	\$101.57	Jun-17	

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 Asset (the "Offering Memorandum") prepared by Mission, comprehensive bidding instructions, the terms of sale and the Seller's required form of Agreement for Sale and Purchase of Loan (the "Loan Sale Agreement").

Mission is soliciting non-contingent final bids for the Asset. Prospective Bidders are required to complete final due diligence before submitting **non-contingent offers on the Bid Date (the acceptance of which by Seller will require immediate execution of Loan Sale Agreement by Prospective Bidder accompanied by a 10% non-refundable wire funds deposit)**. 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.

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.

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Timeline

SALE ANNOUNCEMENT DISTRIBUTED	Thursday, August 24, 2017
INITIAL DATA DISTRIBUTION	Friday, August 25, 2017
INDICATIVE BID DATE	Tuesday, September 19, 2017
COMMENTS TO LSA	Tuesday, October 10, 2017
FINAL BID DATE	Wednesday, October 11, 2017
WINNING BIDDER SELECTED	Thursday, October 12, 2017
10% NON-REFUNDABLE DEPOSIT DUE	Monday, October 16, 2017
CLOSING ON OR BEFORE	Monday, October 23, 2017

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.

Mission Capital Contacts

Loan Sale Discussions

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Loan Sale Discussions & Data Requests

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