

# SALE ANNOUNCEMENT

## \$13,120,282 PERFORMING AND RE-PERFORMING LOAN PORTFOLIO SALE

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CRE, SFR, LAND & BUSINESS ASSETS  
GEORGIA, NORTH CAROLINA, VIRGINIA

INDICATIVE BID DATE: TUESDAY, APRIL 30, 2019

FINAL BID DATE: TUESDAY, MAY 21, 2019



<b>Sale:</b>	<b>\$13,120,282 Performing and Re-Performing Loan Portfolio Sale</b>
<b>Collateral:</b>	<b>CRE, SFR, Land and Business Assets</b>
<b>Location:</b>	<b>Georgia, North Carolina, Virginia</b>
<b>Performance:</b>	<b>Performing and Re-Performing</b>

## Overview Summary

\$13,120,282 Performing and Re-Performing Loan Portfolio Sale (the “Loan Sale” or “Asset 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 an unidentified Seller for the sale of three loan relationships (the “Loan Relationships”, “Loans”, or collectively, the “Portfolio”) consisting of a: (i) 21-loan relationship with a total unpaid principal balance of \$10,185,743 secured by 21 real estate assets (the “NC Relationship”), (ii) single loan with an unpaid principal balance of \$2,249,424 secured by a daycare facility (the “VA Loan”), and (iii) three-loan relationship with a total unpaid principal balance of \$685,115 secured by 5 real estate and business assets (the “GA Relationship”). Collateral for the Loan Relationships is further detailed in Exhibit A. The Loan Relationships 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 (i) any loan relationship individually, (ii) any combination of loan relationships, or (iii) the entire Portfolio pursuant to the Loan Sale timeline attached below.

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 final bids for the Loan Relationships.

## Sale Highlights

The Loan Sale offers Prospective Bidders the opportunity to acquire three performing and re-performing Loan Relationships secured by collateral located in Georgia, North Carolina, and Virginia respectively as detailed in Exhibit A and below.

### NC Relationship

- The Loans are currently performing under a Chapter 11 Bankruptcy Plan confirmed on January 9, 2019.
- The Loans are secured by a total of 21 commercial properties located in North Carolina, including 19 office buildings, one child daycare facility/school, and one multifamily property. Of the 19 office buildings, 14 are leased to government agencies and 11 are located in office business parks.

### VA Loan

- The Loan is currently performing and secured by an owner-occupied franchised daycare facility located in Virginia Beach, VA.
- The subject site is well located, being adjacent to a Food Lion anchored shopping center and near a heavily trafficked intersection that has a vehicle count of 12,000 VPD.

### GA Relationship

- The Loans are performing and secured by three single family residences (one partially completed), lake-front land, and the accounts receivables of two borrower-affiliated companies.

Loan Information						
Relationship	UPB	# Loans	# Collateral	Collateral Description	Rate	Maturity Date
NC Relationship	\$10,185,743	21	21	19 office buildings, one child daycare center, one multifamily property	6.50%	1/23/2026
VA Loan	\$2,249,424	1	1	Franchise child daycare facility	5.75%	8/1/2032
GA Relationship	\$685,115	3	5	Lake-front land, 3 vacant single family residences, accounts receivables	6.05%	7/29/2021

## 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 [market.missioncap.com](http://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 Agreement for Sale and Purchase of the Loan (the “Loan Sale Agreement”).

Mission is soliciting non-contingent final bids for the Loans. Prospective Bidders are encouraged 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 [nda@missioncap.com](mailto:nda@missioncap.com)

**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 for review to Bidders. Pursuant to the Loan Sale Agreement, the Seller is selling its Loans 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.

## Loan Sale Timeline

The transaction contemplated herein has been scheduled as follows:

Event	Date
Sale Announcement Distributed	Tuesday, April 9, 2019
Initial Data Distribution	Tuesday, April 9, 2019
Indicative Bid Date	Tuesday, April 30, 2019
Acceptance of or Comments to LSA Due	Wednesday, May 8, 2019
Final Bid Date	Tuesday, May 21, 2019
Winning Bidder Selected	Wednesday, May 22, 2019
10% Non-Refundable Deposit Due	Friday, May 24, 2019
Closing Date on or Before	Friday, May 31, 2019

## Contact Information

### MISSION CAPITAL ADVISORS, LLC

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Due diligence information can be found in the data room at [market.missioncap.com](http://market.missioncap.com)

Disclaimer:

NO OBLIGATION TO SELL SHALL BE BINDING ON SELLER UNLESS AND UNTIL A WRITTEN CONTRACT OF SALE OR PURCHASE AND 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 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 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 ASSET SALE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.

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## Exhibit A – Collateral Information

Collateral Information						
Relationship	Property Type	City, State	Year Built/Renovated	SF (GBA)	# Units	# of Buildings
NC Relationship	Office Building	Concord, NC	2005	12,540	1	1
NC Relationship	Office Building	Boone, NC	2006-2007	9,248	1	2
NC Relationship	Office Building	Winston-Salem, NC	2001	11,747	1	1
NC Relationship	Office Building	Durham, NC	2000	8,010	1	1
NC Relationship	Office Building	Harrisburg, NC	2005/2008	11,041	2	1
NC Relationship	Office Building	Fayetteville, NC	2002	7,173	1	1
NC Relationship	Office Building	Smithfield, NC	1999	6,518	1	1
NC Relationship	Office Building	Burlington, NC	2000	5,508	1	1
NC Relationship	Office Building	Elizabethtown, NC	2000	4,829	1	1
NC Relationship	Office Building	Lexington, NC	1997	4,963	1	1
NC Relationship	Office Building	Henderson, NC	1998	4,320	1	1
NC Relationship	Office Building	Fayetteville, NC	2003	3,876	1	1
NC Relationship	Office Building	Burlington, NC	2000	4,173	1	1
NC Relationship	Office Building	Fayetteville, NC	2003-2004	3,838	2	1
NC Relationship	Office Building	Selma, NC	1984	5,670	2	1
NC Relationship	Daycare	Kenly, NC	1993	4,399	2	1
NC Relationship	Multifamily	Selma, NC	1910	7,629	1	3
NC Relationship	Office Building	Smithfield, NC	1989	3,100	1	1
NC Relationship	Office Building	Louisburg, NC	1999	3,196	1	1
NC Relationship	Office Building	Elizabeth City, NC	2005	2,495	1	1
NC Relationship	Office Building	Oxford, NC	1995	3,784	1	1

## Exhibit A – Collateral Information (continued)

Collateral Information						
Loan	Collateral Type	City, State	Year Built	Gross SF	# of Buildings	# of Stories
VA Loan	Daycare (franchised)	Virginia Beach, VA	2007	19,540	2	1 and 2

Collateral Information						
Relationship	Collateral Type	City, State	Year Built	Size	# Br/ # Ba	# of Stories
GA Relationship	Lake-front Land	Gainesville, GA	NAP	4.53 Acres	NAP	NAP
GA Relationship	Single-Family Residential (partially completed)	Clayton, GA	Initiated in 2006	3,463 SF	4/4 (scheduled)	2
GA Relationship	Single-Family Residential	Gainesville, GA	1963	1,612 SF	3/2	1
GA Relationship	Single-Family Residential	Gainesville, GA	1940	784 SF	2/1	1
GA Relationship	Business Assets (AR)	Georgia-based	NAP	NAP	NAP	NAP