

SALE ANNOUNCEMENT

\$8,564,984 Small Balance Loan Portfolio Sale

COLLATERAL:	Multifamily and Mixed-Use
LOCATION:	Concentration in CA (54.1%); AZ, IL, MA, NJ, NY, OR
PERFORMANCE:	Performing (60.2%) and Non-Performing (39.8%)

Overview

\$8,564,984 Small Balance 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 loans secured by multifamily and mixed-use properties located in numerous states with a concentration in CA (the “Portfolio”, “Loans” or “Assets”). The Assets 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 Capital, 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 Assets.

Highlights & Sale Summary

The Loan Sale offers Prospective Bidders the opportunity to acquire a portfolio of small balance loans secured by various real estate and business assets.

- The Portfolio has an average balance of approximately \$600,000 and a WA Maturity of July 2035.
- The portfolio has a WAC of 3.9% with a WA Spread of 2.6%.
- All loans are currently operating under their original loan terms, as none of the loans have been modified since origination.
- The portfolio exhibits strong amortization with current loan balance down approximately 22% since origination.
- Detailed Portfolio stratifications may be found in Exhibit A (pg. 4-5). The Loan Sale must be closed in accordance with the timeline attached hereto.

Delinquency Status	Count	UPB	WA		WA Rate
			Origination	Maturity	
0-29 DPD	10	\$4,872,966	10/29/06	1/26/34	3.9%
30-59 DPD	1	\$281,356	11/17/06	12/1/36	4.2%
60-89 DPD	1	\$296,117	1/17/07	2/1/37	4.7%
90+ DPD	2	\$3,114,545	5/18/07	6/17/37	3.6%
Grand Total	14	\$8,564,984	1/13/07	7/2/35	3.9%

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. Included in the Due Diligence Materials will be an Offering Memorandum for the Loans (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 Loans (the “Loan Sale Agreement”).

Mission is initially soliciting indicative bids for the Loans. 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 Mission Capital at nda@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 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.

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.

Timeline

The transaction contemplated herein has been scheduled as follows:

Loan Sale Timeline	
Event	Date
Sale Announcement Distributed	Wednesday, March 14, 2018
Initial Data Distribution	Wednesday, March 14, 2018
Indicative Bid Date	Wednesday, March 28, 2018
Best & Final Bid Date	Wednesday, April 18, 2018
Winning Bidder Selected	Thursday, April 19, 2018
10% Non-Refundable Deposit Due	Friday, April 20, 2018
Closing Date on or Before	Friday, April 27, 2018

Mission Capital Contacts

Asset Sale Discussions

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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 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.

Exhibit A – Portfolio Stratifications

Pool	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days PD	Balance 90+ Days PD
Bulk Pool	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Delinquency Status	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days PD	Balance 90+ Days PD
0-29 DPD	10	71.4%	\$4,872,966	56.9%	\$487,297	\$6,365,750	10/29/06	1/26/34	3.9%	2.7%	4	100.0%	0.0%	0.0%
30-59 DPD	1	7.1%	\$281,356	3.3%	\$281,356	\$370,000	11/17/06	12/1/36	4.2%	2.9%	41	0.0%	100.0%	0.0%
60-89 DPD	1	7.1%	\$296,117	3.5%	\$296,117	\$360,000	1/17/07	2/1/37	4.7%	3.4%	72	0.0%	100.0%	0.0%
90+ DPD	2	14.3%	\$3,114,545	36.4%	\$1,557,273	\$3,940,000	5/18/07	6/17/37	3.6%	2.4%	252	0.0%	0.0%	100.0%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Balance Bucket	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days PD	Balance 90+ Days PD
< \$300,000	4	28.6%	\$1,050,497	12.3%	\$262,624	\$1,392,000	5/24/06	6/6/36	4.2%	3.0%	31	45.0%	55.0%	0.0%
\$300,000 - \$400,000	2	14.3%	\$675,719	7.9%	\$337,859	\$830,000	1/15/08	1/31/38	4.1%	2.8%	13	100.0%	0.0%	0.0%
\$400,000 - \$500,000	4	28.6%	\$1,768,114	20.6%	\$442,028	\$2,315,000	9/22/06	10/4/36	3.7%	2.5%	108	73.5%	0.0%	26.5%
> \$700,000	4	28.6%	\$5,070,655	59.2%	\$1,267,664	\$6,498,750	2/22/07	7/11/34	3.8%	2.6%	119	47.8%	0.0%	52.2%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Rate Bucket	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days PD	Balance 90+ Days PD
< 3.75%	3	21.4%	\$3,546,474	41.4%	\$1,182,158	\$4,465,000	6/3/07	6/30/37	3.6%	2.4%	222	12.2%	0.0%	87.8%
3.76% - 4.00%	7	50.0%	\$3,211,238	37.5%	\$458,748	\$4,210,750	10/23/06	8/8/32	3.9%	2.7%	5	100.0%	0.0%	0.0%
> 4.00%	4	28.6%	\$1,807,273	21.1%	\$451,818	\$2,360,000	9/7/06	9/24/36	4.3%	3.0%	21	68.0%	32.0%	0.0%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Rate Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days PD	Balance 90+ Days PD
Floating	9	64.3%	\$6,323,795	73.8%	\$702,644	\$8,025,000	3/6/07	3/27/37	3.9%	2.6%	132	41.6%	9.1%	49.3%
Fixed to Floating	5	35.7%	\$2,241,189	26.2%	\$448,238	\$3,010,750	8/20/06	8/9/30	3.9%	2.7%	2	100.0%	0.0%	0.0%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Payment Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days PD	Balance 90+ Days PD
P&I	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Vintage	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days PD	Balance 90+ Days PD
Pre 2006	3	21.4%	\$1,588,635	18.5%	\$529,545	\$2,174,500	11/1/05	11/20/35	4.1%	2.8%	0	100.0%	0.0%	0.0%
2006	3	21.4%	\$918,676	10.7%	\$306,225	\$1,307,500	4/26/06	5/4/36	4.0%	2.7%	13	69.4%	30.6%	0.0%
2007	7	50.0%	\$5,713,638	66.7%	\$816,234	\$7,123,750	6/2/07	2/5/35	3.8%	2.6%	144	40.3%	5.2%	54.5%
2008	1	7.1%	\$344,035	4.0%	\$344,035	\$430,000	2/26/08	3/1/38	4.2%	2.8%	13	100.0%	0.0%	0.0%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Modification Flag	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days PD	Balance 90+ Days PD
No	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

BK Flag	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days PD	Balance 90+ Days PD
No	12	85.7%	\$7,833,627	91.5%	\$652,802	\$9,978,250	2/5/07	6/1/35	3.8%	2.6%	105	56.5%	3.8%	39.8%
Completed	1	7.1%	\$450,001	5.3%	\$450,001	\$687,500	1/27/06	2/1/36	4.0%	2.7%	0	100.0%	0.0%	0.0%
Active	1	7.1%	\$281,356	3.3%	\$281,356	\$370,000	11/17/06	12/1/36	4.2%	2.9%	41	0.0%	100.0%	0.0%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Exhibit A – Portfolio Stratifications – Cont'd

Lien Position	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days	Balance 90+ Days
First	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Primary Collateral Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days	Balance 90+ Days
CRE	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%

Primary Collateral State	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Origination	WA Maturity	WA Rate	WA Spread	WA Days	Balance Current	Balance 30-90 Days	Balance 90+ Days
CA	7	50.0%	\$4,634,424	54.1%	\$662,061	\$6,059,500	3/14/07	4/5/37	3.9%	2.6%	137	30.5%	12.5%	57.1%
NY	2	14.3%	\$1,225,653	14.3%	\$612,826	\$1,488,750	3/23/07	3/9/26	3.6%	2.6%	155	61.7%	0.0%	38.3%
NJ	1	7.1%	\$885,764	10.3%	\$885,764	\$1,200,000	12/6/05	1/1/36	4.2%	3.0%	0	100.0%	0.0%	0.0%
IL	1	7.1%	\$782,730	9.1%	\$782,730	\$950,000	6/28/07	7/1/37	4.0%	2.7%	13	100.0%	0.0%	0.0%
AZ	1	7.1%	\$431,929	5.0%	\$431,929	\$525,000	9/25/07	10/1/37	3.6%	2.4%	0	100.0%	0.0%	0.0%
OR	1	7.1%	\$417,166	4.9%	\$417,166	\$562,500	11/22/05	12/1/35	3.8%	2.6%	0	100.0%	0.0%	0.0%
MA	1	7.1%	\$187,319	2.2%	\$187,319	\$250,000	1/26/06	2/1/36	3.8%	2.6%	0	100.0%	0.0%	0.0%
Grand Total	14	100.0%	\$8,564,984	100.0%	\$611,785	\$11,035,750	1/13/07	7/2/35	3.9%	2.6%	98	56.9%	6.7%	36.4%