

# SALE ANNOUNCEMENT

## \$7,090,415 TAX LIEN PORTFOLIO SALE

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PROPERTY TAX LIENS  
NEW JERSEY

OCTOBER 2018



<b>Sale:</b>	4Q18 - TL_NJ_\$7.1mm - New Jersey Tax Lien Portfolio
<b>Assets:</b>	Property Tax Liens
<b>Location:</b>	New Jersey

## Overview

\$7,090,415 New Jersey Tax Lien Portfolio Sale (the “Tax Lien Sale”) conducted by Mission Capital Advisors, LLC (“Mission” or “Tax Lien Sale Advisor”) on behalf of an unidentified Seller (“Seller”).

## Sale Structure

Mission has been retained as the Tax Lien Sale Advisor for the sale of a portfolio of tax liens issued on various real estate properties located throughout the state of New Jersey (the “Tax Liens” or “Portfolio”). The Tax Liens are being offered on a sealed bid basis.

On behalf of the Seller, Mission is initially soliciting indicative bids from prospective bidders for the purchase of the entire portfolio pursuant to the Tax Lien Sale Timeline below.

Mission, in conjunction with the Seller, and at the sole and absolute discretion of the Seller, will then invite multiple bidders to complete final due diligence and submit non-contingent final bids for the Portfolio.

## Highlights

The Tax Lien Sale offers Prospective Bidders the opportunity to acquire Tax Liens on properties in multiple counties across the state of New Jersey.

- The NJ tax certificates were purchased in the issuance years of 1997 through 2018.
- 45.25% of the Portfolio by redemptive value is currently in foreclosure.
- 78.72% of the Tax Liens by redemptive value are on residential properties.
- The Tax Liens are on properties located in 19 different counties with 22.40% by redemptive balance in Essex and 12.41% by redemptive balance in Mercer County.
- Seller is offering their remaining New Jersey tax lien holdings. Seller realized approximately \$1.5mm in redemptions on this portfolio during September 2018.

## Tax Lien Sale Timeline

The transaction contemplated herein has been scheduled as follows:

Event	Date
Sale Announcement Distributed	Tuesday, October 9, 2018
Initial Data Distribution	Tuesday, October 9, 2018
Indicative Bid Date	Monday, October 29, 2018
Best & Final Bid Date	Thursday, November 8, 2018
Winning Bidder Selected	Friday, November 9, 2018
Closing Date and Begin Transfer Process	Monday, November 12, 2018

## Portfolio Summary

Portfolio Summary	
Portfolio Redemptive Value	\$7,090,415
Portfolio Face Value	\$3,117,170
Unique Parcels	200
Number of Liens	1,664
AVG Lien Redemptive Value	\$4,261
Min Lien Redemptive Value	\$0.01
Max Lien Redemptive Value	\$291,197
AVG Lien Face Value	\$1,873
Min Lien Face Value	\$0
Max Lien Face Value	\$109,366

## Tax Lien 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 comprehensive bidding instructions, the terms of sale and Mission’s standard form of the Purchase and Sale of the Tax Liens (“Asset Sale Agreement”).

Mission is soliciting non-contingent final bids for the Portfolio. 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 Asset Sale Agreement by Prospective Bidder)**.

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.

## Asset Sale Agreement

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

## 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 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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## Exhibit A - Portfolio Stratifications

(Data as of 9/30/2018)

Total Redemptive Balance Bucket	Count	Count %	Redemptive Balance	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
\$0,000 - \$2,000	693	41.65%	\$735,695	10.38%	\$1,062	\$365,238	11.72%	16.42%
\$2,000 - \$4,000	446	26.80%	\$1,262,201	17.80%	\$2,830	\$564,335	18.10%	3.76%
\$4,000 - \$6,000	239	14.36%	\$1,155,794	16.30%	\$4,836	\$514,968	16.52%	4.97%
\$6,000 - \$8,000	98	5.89%	\$680,986	9.60%	\$6,949	\$307,399	9.86%	9.49%
\$8,000 - \$10,000	64	3.85%	\$571,558	8.06%	\$8,931	\$234,041	7.51%	10.76%
\$10,000 - \$12,000	35	2.10%	\$382,435	5.39%	\$10,927	\$175,976	5.65%	8.61%
\$12,000 - \$14,000	20	1.20%	\$261,353	3.69%	\$13,068	\$105,200	3.37%	11.54%
\$14,000 - \$16,000	8	0.48%	\$118,064	1.67%	\$14,758	\$50,668	1.63%	13.14%
\$16,000 - \$18,000	13	0.78%	\$221,636	3.13%	\$17,049	\$75,390	2.42%	26.82%
\$18,000 - \$20,000	11	0.66%	\$208,036	2.93%	\$18,912	\$101,925	3.27%	10.82%
> \$20,000	37	2.22%	\$1,492,655	21.05%	\$40,342	\$622,031	19.95%	192.79%
<b>Grand Total</b>	<b>1,664</b>	<b>100.00%</b>	<b>\$7,090,415</b>	<b>100.00%</b>	<b>\$4,261</b>	<b>\$3,117,170</b>	<b>100.00%</b>	<b>47.81%</b>

Interest Rate Bucket	Count	Count %	Redemptive Balance	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
0.00%	109	6.55%	\$894,987	12.62%	\$8,211	\$262,751	8.43%	25.25%
0.01% - 2.00%	9	0.54%	\$50,554	0.71%	\$5,617	\$35,298	1.13%	6.71%
2.01% - 4.00%	3	0.18%	\$11,451	0.16%	\$3,817	\$5,731	0.18%	8.21%
4.01% - 6.00%	1	0.06%	\$8,532	0.12%	\$8,532	\$4,520	0.15%	11.47%
6.01% - 8.00%	42	2.52%	\$24,407	0.34%	\$581	\$13,864	0.44%	4.28%
8.01% - 10.00%	6	0.36%	\$25,636	0.36%	\$4,273	\$10,933	0.35%	7.35%
10.01% - 12.00%	6	0.36%	\$11,987	0.17%	\$1,998	\$6,292	0.20%	1.47%
12.01% - 14.00%	11	0.66%	\$56,497	0.80%	\$5,136	\$20,819	0.67%	15.23%
14.01% - 16.00%	16	0.96%	\$377,529	5.32%	\$23,596	\$140,773	4.52%	693.60%
16.01% - 18.00%	1,461	87.80%	\$5,628,835	79.39%	\$3,853	\$2,616,190	83.93%	9.39%
<b>Grand Total</b>	<b>1,664</b>	<b>100.00%</b>	<b>\$7,090,415</b>	<b>100.00%</b>	<b>\$4,261</b>	<b>\$3,117,170</b>	<b>100.00%</b>	<b>47.81%</b>

Foreclosure Flag	Count	Count %	Redemptive Balance	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
N	956	57.45%	\$3,881,733	54.75%	\$4,060	\$1,554,423	49.87%	79.13%
Y	708	42.55%	\$3,208,681	45.25%	\$4,532	\$1,562,747	50.13%	9.92%
<b>Grand Total</b>	<b>1,664</b>	<b>100.00%</b>	<b>\$7,090,415</b>	<b>100.00%</b>	<b>\$4,261</b>	<b>\$3,117,170</b>	<b>100.00%</b>	<b>47.81%</b>

## Exhibit A - Portfolio Stratifications

(Data as of 9/30/2018)

Bankruptcy Status	Count	Count %	Redemptive Balance	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
NAP	1,211	72.78%	\$4,906,470	69.20%	\$4,052	\$2,097,529	67.29%	65.03%
BK Discharge/Dismissed/Closed	378	22.72%	\$1,836,811	25.91%	\$4,859	\$820,352	26.32%	9.38%
BK Discharged/Closed/Dismissed	48	2.88%	\$268,849	3.79%	\$5,601	\$150,524	4.83%	8.37%
Chapter 13	11	0.66%	\$58,110	0.82%	\$5,283	\$38,786	1.24%	6.72%
Chapter 13, P.O.C. filed	9	0.54%	\$14,053	0.20%	\$1,561	\$7,236	0.23%	2.58%
Chapter 11, P.O.C. filed	7	0.42%	\$6,122	0.09%	\$875	\$2,743	0.09%	2.29%
<b>Grand Total</b>	<b>1,664</b>	<b>100.00%</b>	<b>\$7,090,415</b>	<b>100.00%</b>	<b>\$4,261</b>	<b>\$3,117,170</b>	<b>100.00%</b>	<b>47.81%</b>

State	Count	Count %	Redemptive Balance	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
NJ	1,664	100.00%	\$7,090,415	100.00%	\$4,261	\$3,117,170	100.00%	47.81%
<b>Grand Total</b>	<b>1,664</b>	<b>100.00%</b>	<b>\$7,090,415</b>	<b>100.00%</b>	<b>\$4,261</b>	<b>\$3,117,170</b>	<b>100.00%</b>	<b>47.81%</b>

New Jersey County	Count	Count %	Redemptive Balance	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
Essex	261	15.69%	\$1,588,357	22.40%	\$6,086	\$681,212	21.85%	8.81%
Mercer	325	19.53%	\$879,649	12.41%	\$2,707	\$385,857	12.38%	13.47%
Camden	250	15.02%	\$787,851	11.11%	\$3,151	\$354,176	11.36%	9.18%
Passaic	88	5.29%	\$527,202	7.44%	\$5,991	\$229,961	7.38%	12.47%
Gloucester	155	9.31%	\$504,904	7.12%	\$3,257	\$254,209	8.16%	7.49%
Hudson	33	1.98%	\$407,394	5.75%	\$12,345	\$167,051	5.36%	668.13%
Burlington	120	7.21%	\$404,929	5.71%	\$3,374	\$189,245	6.07%	5.51%
Union	58	3.49%	\$367,319	5.18%	\$6,333	\$133,874	4.29%	17.59%
Monmouth	51	3.06%	\$295,151	4.16%	\$5,787	\$133,667	4.29%	7.69%
Middlesex	35	2.10%	\$275,626	3.89%	\$7,875	\$147,569	4.73%	6.22%
Warren	40	2.40%	\$215,186	3.03%	\$5,380	\$105,785	3.39%	10.64%
Somerset	24	1.44%	\$169,151	2.39%	\$7,048	\$81,640	2.62%	9.15%
Cumberland	61	3.67%	\$164,031	2.31%	\$2,689	\$68,034	2.18%	4.55%
Morris	17	1.02%	\$139,021	1.96%	\$8,178	\$35,377	1.13%	9.76%
Cape May	58	3.49%	\$127,838	1.80%	\$2,204	\$62,377	2.00%	4.22%
Atlantic	53	3.19%	\$99,389	1.40%	\$1,875	\$47,502	1.52%	4.84%
Salem	20	1.20%	\$92,352	1.30%	\$4,618	\$34,412	1.10%	7.65%
Ocean	10	0.60%	\$35,262	0.50%	\$3,526	\$5,222	0.17%	85.39%
Sussex	5	0.30%	\$9,804	0.14%	\$1,961	\$0	0.00%	2.42%
<b>Grand Total</b>	<b>1,664</b>	<b>100.00%</b>	<b>\$7,090,415</b>	<b>100.00%</b>	<b>\$4,261</b>	<b>\$3,117,170</b>	<b>100.00%</b>	<b>47.81%</b>

## Exhibit A - Portfolio Stratifications

(Data as of 9/30/2018)

Property Type	Count	Count %	Redemptive Balance	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
Residential	1,435	86.24%	\$5,581,270	78.72%	\$3,889	\$2,540,930	81.51%	11.06%
Commercial	151	9.07%	\$867,516	12.24%	\$5,745	\$357,479	11.47%	10.28%
Exempt	7	0.42%	\$77,925	1.10%	\$11,132	\$20,162	0.65%	14.24%
Land	71	4.27%	\$563,704	7.95%	\$7,939	\$198,599	6.37%	474.15%
<b>Grand Total</b>	<b>1,664</b>	<b>100.00%</b>	<b>\$7,090,415</b>	<b>100.00%</b>	<b>\$4,261</b>	<b>\$3,117,170</b>	<b>100.00%</b>	<b>47.81%</b>

Tax Year	Count	Count %	Redemptive Balance	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
< 2005	22	1.32%	\$189,272	2.67%	\$8,603	\$50,424	1.62%	16.84%
2005	20	1.20%	\$57,721	0.81%	\$2,886	\$19,334	0.62%	10.70%
2006	77	4.63%	\$365,975	5.16%	\$4,753	\$128,810	4.13%	14.56%
2007	166	9.98%	\$1,104,584	15.58%	\$6,654	\$411,809	13.21%	253.74%
2008	287	17.25%	\$1,187,326	16.75%	\$4,137	\$489,632	15.71%	7.43%
2009	217	13.04%	\$781,689	11.02%	\$3,602	\$316,184	10.14%	5.36%
2010	187	11.24%	\$743,337	10.48%	\$3,975	\$319,696	10.26%	6.38%
2011	94	5.65%	\$396,229	5.59%	\$4,215	\$155,718	5.00%	8.25%
2012	167	10.04%	\$541,747	7.64%	\$3,244	\$231,011	7.41%	9.97%
2013	227	13.64%	\$479,772	6.77%	\$2,114	\$265,275	8.51%	13.37%
2014	79	4.75%	\$569,760	8.04%	\$7,212	\$205,815	6.60%	16.07%
2015	59	3.55%	\$384,773	5.43%	\$6,522	\$271,105	8.70%	14.75%
> 2015	62	3.73%	\$288,231	4.07%	\$4,649	\$252,358	8.10%	6.73%
<b>Grand Total</b>	<b>1,664</b>	<b>100.00%</b>	<b>\$7,090,415</b>	<b>100.00%</b>	<b>\$4,261</b>	<b>\$3,117,170</b>	<b>100.00%</b>	<b>47.81%</b>



## Important Information Regarding Sale Announcement

1. The information (whether written, electronic or verbal) furnished by Mission Capital and/or Seller or their affiliates or by any of their respective officers, directors, shareholders, owners, employees, contractors or agents, including that contained in this Sale Announcement and any Deal Materials is furnished solely for the purpose of a review by a Prospective Bidder of the Portfolio, and is not to be used for any other purpose or made available to any other person without the express written consent of Seller. The information is based upon information supplied by the Seller from sources it deems reasonably reliable. Summaries of any documents or materials are not intended to be comprehensive or all-inclusive, but rather only outline some of the provisions contained therein and are qualified in their entirety by the actual document to which they relate.
2. While the Seller has no reason to believe that the information provided herein and any Deal Materials, or in any other marketing or due diligence materials provided, contains any material inaccuracies, neither the Seller nor its affiliates, nor any of their respective officers, directors, shareholders, owners, employees, contractors or agents have independently verified such information or make any representations or warranties, expressed or implied, as to the accuracy or completeness of the information, including, without limitation, any information pertaining to the creditworthiness or financial condition of any borrower or guarantor or the value of any collateral, or as to the future performance of the Portfolio. Some of the information regarding the Tax Liens was obtained from a third party review company and none of the information has been independently verified by the Seller or its affiliates. Without limiting the foregoing, Prospective Bidders should make their own projections and form their own conclusions without sole reliance upon the material contained herein or provided by Seller and should conduct their own due diligence to determine the condition of any real property. Any materials made available or provided by Seller are for informational purposes only. Prospective Bidders are responsible for performing and completing their own due diligence to the extent they consider it necessary, and any decisions in taking or not taking action will be made based solely on Prospective Bidder's own analysis and without reliance on any materials provided by Seller.
3. In no event shall a Prospective Bidder have any claims against Seller or any of its affiliates or any of their respective officers, directors, shareholders, owners, employees or agents, for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Portfolio.
4. Prospective Bidders are not to construe the contents of this Sale Announcement or any prior or subsequent communications from Seller or its affiliates or any of their respective officers, directors, shareholders, owners, employees or agents as legal, tax or other advice. Prior to submitting a bid, Prospective Bidders should consult with their own legal counsel, as well as tax and other advisors, to determine the consequences of an investment in the Portfolio and arrive at an independent evaluation of such investment. No brokerage commission or finder's fee shall be payable to any party by Seller or any affiliate or agent thereof in connection with the sale of the Portfolio unless otherwise agreed to by Seller in writing.
5. Acquisitions of Tax Liens such as the Portfolio described herein can involve a high degree of risk and are suitable only for persons and entities of substantial financial means who have no need for liquidity and who can hold the Portfolio indefinitely and bear the partial or entire loss of the value of such Portfolio. In connection with the sale of the Portfolio as contemplated hereby, the Portfolio shall not be deemed a "security" under the Securities Act and, as such, the protections of such act will not apply to the sale of the Portfolio hereunder.