



SALE ANNOUNCEMENT

**\$48,000,000 NON-PERFORMING
CMBS SPECIAL SERVICER LOAN SALE**

**JACKSONVILLE, FL
470,301 SF MIXED-USE COMPLEX
MEDICAL OFFICE, OFFICE, SPORTSPLEX**



Sale:	\$48,000,000 Non-Performing CMBS Special Servicer Loan Sale
Asset:	Mixed-Use (Medical Office, Office, Sportsplex)
Location:	Jacksonville, FL
Performance:	Non-Performing

Overview

This Sale Announcement presents the sale of a \$48,000,000 non-performing loan (the “Loan Sale” or “Asset Sale”) conducted exclusively 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 \$48,000,000 non-performing loan (the “Loan” or “Asset”). The Loan is secured by a 470,301 SF mixed-use office complex located in Jacksonville, FL (the “Property” or “Collateral”). The Loan is being offered on a sealed bid basis.

On behalf of the Seller, Mission is soliciting non-contingent final bids from prospective bidders (the “Prospective Bidders”) for the purchase of the Loan pursuant to the Loan Sale timeline below.

The sale must be completed according to the timeline below; investors will be required to finalize the Loan Sale Agreement prior to the final bid date.

Loan Sale Timeline

The transaction contemplated herein has been scheduled as follows:

Event	Date
Sale Announcement Distributed	Tuesday, November 20, 2018
Initial Data Distribution	Tuesday, November 20, 2018
Acceptance of or Comments to LSA Due	Friday, December 14, 2018
Best & Final Bid Date	Tuesday, December 18, 2018
Winning Bidder Selected	Wednesday, December 19, 2018
10% Non-Refundable Deposit Due	Thursday, December 20, 2018
Closing Date on or Before	Friday, December 28, 2018

Highlights

The Loan Sale offers Prospective Bidders an opportunity to acquire a non-performing loan, secured by a 470,301 SF mixed-use office complex located in Jacksonville, FL.

- The Property is situated on a 37.94-acre site and consists of 8 buildings and a ground lease. As of the September 2018 rent roll, the Property was 86.1% occupied by a diverse tenant mix that includes medical offices, commercial offices, restaurant services, a rock climbing gym, and an ice skating rink.
- Medical office space accounts for 38.24% and commercial office space 37.23% of NRA respectively. A rock climbing gym and ice skating rink account for an additional 23.98% of NRA.
- The Collateral also includes land that is currently being ground-leased. The ground lessee currently leases the lease-hold interest to McDonald’s.
- Year-end NOI for the Property in 2017 was \$3.6 million.
- The Property is located in an Opportunity Zone, enabling qualified opportunity fund investors to capitalize on potential tax benefits.
- Foreclosure proceedings were initiated on February 2, 2016. A judicial foreclosure sale is scheduled for December 6, 2018.
- The Jacksonville office market has enjoyed strong employment growth, rental rate growth, and occupancy growth. According to Cushman & Wakefield, the Jacksonville unemployment rate dipped from 4.2% to 3.6% in Q3 2018 year-over-year, below the national unemployment rate of 3.9%.
- Average asking rents in the market have increased 4.9% over the same period to \$19.64 psf - and 10.1% overall over the past three years.

Loan Information										
Loan Purpose	Status	Original Balance	Current Balance	Balance PSF	Origination Date	Maturity Date	IO Period	Interest Rate	Rate Type	
Acquisition	Non-Performing	\$48,000,000	\$48,000,000	\$101.20	2/1/07	3/11/17	121	6.02%	Fixed	

Property Information										
Property Type	City, State	County	NRA (SF)	Site Size (Acres)	Year Built / Renovated	Occupancy	Occupancy Date	Parking Spaces	Parking Ratio per 1,000 SF	Zoning
Mixed Use	Jacksonville, FL	Duval	470,301	37.93	1961/1985/1986	86.13%	Sep-18	1853	3.9	PUD (Planned Unit Development)

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. 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 Loan. 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

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 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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Due diligence information can be found in the data room at 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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