

# SALE ANNOUNCEMENT

## \$7,802,277 TAX LIEN PORTFOLIO SALE

**Sale:** \$7,802,277 Tax Lien Portfolio Sale

**Assets:** Property Tax Liens

**Location:** New Jersey

### Overview Summary

\$7,802,277 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 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. Seller will entertain non-conforming bids for select assets in the Portfolio on a situational basis.

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 & Asset Summary

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 tax certificates were purchased in the issuance years of 2008 through 2017.
- The Portfolio contains 696 liens and approximately \$7.8mm in redemptive value.
- Approximately 89.2% of the Tax Liens by redemptive value are on single family residential properties, and approximately 9.1% of the Tax Liens by redemptive value are on commercial real estate properties.
- The Tax Liens are on properties located in 20 different counties with 33.0% by redemptive value in Camden County, New Jersey.

Portfolio	Count	Redemptive Balance	% Redemptive Value	Average Redemptive Value
Bulk Portfolio	696	\$7,802,277	100.00%	\$11,210
<b>Grand Total</b>	<b>696</b>	<b>\$7,802,277</b>	<b>100.00%</b>	<b>\$11,210</b>

## Tax Lien 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 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 to Final Bidders. Pursuant to the Asset Sale Agreement, the Seller is selling its Assets 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.**

## Sale Timeline

The transaction contemplated herein has been scheduled as follows:

<b>Sale Announcement Distributed</b>	Wednesday, January 23, 2019
<b>Initial Data Distribution</b>	Wednesday, January 23, 2019
<b>Indicative Bid Date</b>	Thursday, February 14, 2019
<b>Best &amp; Final Bid Date</b>	Wednesday, February 27, 2019
<b>Winning Bidder Selected</b>	Thursday, February 28, 2019
<b>Closing Date and Begin Transfer Process</b>	Thursday, February 28, 2019

## Disclaimer

NO OBLIGATION TO SELL SHALL BE BINDING ON SELLER UNLESS AND UNTIL A WRITTEN CONTRACT OF SALE OR ASSET 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.

## Mission Capital Contacts

**MISSION CAPITAL ADVISORS, LLC**  
New York Office: 212 925 6692

**Nicholas Paidas**  
*Director*  
[npaidas@missioncap.com](mailto:npaidas@missioncap.com)

**Donald Byrne**  
*Vice President*  
[dbyrne@missioncap.com](mailto:dbyrne@missioncap.com)

**Michael Britvan**  
*Managing Director*  
[mbritvan@missioncap.com](mailto:mbritvan@missioncap.com)

**Jonathan Schwartz**  
*Associate*  
[jschwartz@missioncap.com](mailto:jschwartz@missioncap.com)

**Adam Kahn**  
*Analyst*  
[akahn@missioncap.com](mailto:akahn@missioncap.com)

## Exhibit A – Portfolio Stratification

Total Redemptive Value Bucket	Count	Count %	Redemptive Value	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
\$0,000 - \$5,000	327	46.98%	\$574,621	7.36%	\$1,757	\$190,626	16.03%	5.62%
\$5,000 - \$10,000	97	13.94%	\$741,783	9.51%	\$7,647	\$140,938	11.85%	20.50%
\$10,000 - \$15,000	100	14.37%	\$1,228,383	15.74%	\$12,284	\$153,298	12.89%	25.14%
\$15,000 - \$20,000	59	8.48%	\$1,017,597	13.04%	\$17,247	\$148,783	12.51%	27.08%
\$20,000 - \$25,000	36	5.17%	\$793,201	10.17%	\$22,033	\$90,207	7.59%	37.61%
\$25,000 - \$30,000	26	3.74%	\$715,541	9.17%	\$27,521	\$74,316	6.25%	29.04%
\$30,000 - \$35,000	8	1.15%	\$255,944	3.28%	\$31,993	\$31,618	2.66%	26.09%
\$35,000 - \$40,000	13	1.87%	\$488,996	6.27%	\$37,615	\$72,244	6.08%	26.47%
\$40,000 - \$45,000	5	0.72%	\$205,031	2.63%	\$41,006	\$19,222	1.62%	33.38%
\$45,000 - \$50,000	5	0.72%	\$233,016	2.99%	\$46,603	\$29,852	2.51%	19.16%
> \$50,000	20	2.87%	\$1,548,164	19.84%	\$77,408	\$237,947	20.01%	37.03%
<b>Grand Total</b>	<b>696</b>	<b>100.00%</b>	<b>\$7,802,277</b>	<b>100.00%</b>	<b>\$11,210</b>	<b>\$1,189,051</b>	<b>100.00%</b>	<b>27.66%</b>

Interest Rate Bucket	Count	Count %	Redemptive Value	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
0.00%	357	51.29%	\$2,877,727	36.88%	\$8,061	\$426,286	35.85%	22.30%
0.01% - 2.00%	3	0.43%	\$14,710	0.19%	\$4,903	\$4,076	0.34%	14.24%
2.01% - 4.00%	6	0.86%	\$24,155	0.31%	\$4,026	\$7,398	0.62%	15.72%
4.01% - 6.00%	3	0.43%	\$89,429	1.15%	\$29,810	\$16,225	1.36%	25.35%
6.01% - 8.00%	3	0.43%	\$11,499	0.15%	\$3,833	\$1,930	0.16%	13.30%
8.01% - 10.00%	11	1.58%	\$46,450	0.60%	\$4,223	\$6,650	0.56%	40.72%
10.01% - 12.00%	3	0.43%	\$37,911	0.49%	\$12,637	\$3,769	0.32%	31.47%
12.01% - 14.00%	7	1.01%	\$113,106	1.45%	\$16,158	\$13,214	1.11%	21.03%
14.01% - 16.00%	13	1.87%	\$244,048	3.13%	\$18,773	\$40,493	3.41%	32.37%
16.01% - 18.00%	226	32.47%	\$3,047,729	39.06%	\$13,486	\$490,731	41.27%	25.96%
> 18.00%	64	9.20%	\$1,295,510	16.60%	\$20,242	\$178,279	14.99%	43.35%
<b>Grand Total</b>	<b>696</b>	<b>100.00%</b>	<b>\$7,802,277</b>	<b>100.00%</b>	<b>\$11,210</b>	<b>\$1,189,051</b>	<b>100.00%</b>	<b>27.66%</b>

Note: Interest Rates are based off primary market auction rate; subsequent taxes are subject to statutory rate

Tax Year	Count	Count %	Redemptive Value	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
< 2011	19	2.73%	\$615,073	7.88%	\$32,372	\$89,982	7.57%	31.06%
2011	74	10.63%	\$1,489,859	19.10%	\$20,133	\$184,695	15.53%	40.99%
2012	44	6.32%	\$1,181,091	15.14%	\$26,843	\$100,702	8.47%	34.51%
2013	104	14.94%	\$1,268,149	16.25%	\$12,194	\$152,294	12.81%	31.37%
2014	157	22.56%	\$2,131,421	27.32%	\$13,576	\$341,644	28.73%	18.57%
2015	43	6.18%	\$424,760	5.44%	\$9,878	\$84,289	7.09%	26.90%
2016	115	16.52%	\$460,719	5.90%	\$4,006	\$153,644	12.92%	7.89%
2017	140	20.11%	\$231,205	2.96%	\$1,651	\$81,801	6.88%	2.05%
<b>Grand Total</b>	<b>696</b>	<b>100.00%</b>	<b>\$7,802,277</b>	<b>100.00%</b>	<b>\$11,210</b>	<b>\$1,189,051</b>	<b>100.00%</b>	<b>27.66%</b>

Lien Status	Count	Count %	Redemptive Value	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
Current	492	70.69%	\$3,299,709	42.29%	\$6,707	\$708,937	59.62%	26.39%
In Foreclosure	204	29.31%	\$4,502,568	57.71%	\$22,071	\$480,114	40.38%	28.59%
<b>Grand Total</b>	<b>696</b>	<b>100.00%</b>	<b>\$7,802,277</b>	<b>100.00%</b>	<b>\$11,210</b>	<b>\$1,189,051</b>	<b>100.00%</b>	<b>27.66%</b>

## Exhibit A – Portfolio Stratification

Lien Type	Count	Count %	Redemptive Value	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
Property Tax	322	46.26%	\$5,749,296	73.69%	\$17,855	\$876,946	73.75%	26.28%
Water	326	46.84%	\$911,309	11.68%	\$2,795	\$189,159	15.91%	15.45%
Combined	32	4.60%	\$562,583	7.21%	\$17,581	\$76,029	6.39%	36.12%
Utility	12	1.72%	\$414,114	5.31%	\$34,509	\$33,971	2.86%	63.51%
NAV	3	0.43%	\$143,564	1.84%	\$47,855	\$11,489	0.97%	22.54%
Other	1	0.14%	\$21,411	0.27%	\$21,411	\$1,458	0.12%	35.39%
<b>Grand Total</b>	<b>696</b>	<b>100.00%</b>	<b>\$7,802,277</b>	<b>100.00%</b>	<b>\$11,210</b>	<b>\$1,189,051</b>	<b>100.00%</b>	<b>27.66%</b>

Property Type	Count	Count %	Redemptive Value	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
Residential	649	93.25%	\$6,963,139	89.24%	\$10,729	\$1,034,513	87.00%	27.99%
Commercial	29	4.17%	\$713,379	9.14%	\$24,599	\$128,976	10.85%	20.02%
Other	16	2.30%	\$122,152	1.57%	\$7,634	\$24,137	2.03%	53.52%
NAV	2	0.29%	\$3,607	0.05%	\$1,803	\$1,425	0.12%	NAV
<b>Grand Total</b>	<b>696</b>	<b>100.00%</b>	<b>\$7,802,277</b>	<b>100.00%</b>	<b>\$11,210</b>	<b>\$1,189,051</b>	<b>100.00%</b>	<b>27.66%</b>

State	Count	Count %	Redemptive Value	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
NJ	696	100.00%	\$7,802,277	100.00%	\$11,210	\$1,189,051	100.00%	27.66%
<b>Grand Total</b>	<b>696</b>	<b>100.00%</b>	<b>\$7,802,277</b>	<b>100.00%</b>	<b>\$11,210</b>	<b>\$1,189,051</b>	<b>100.00%</b>	<b>27.66%</b>

New Jersey County	Count	Count %	Redemptive Value	% Redemptive Value	Average Redemptive Value	Face Value	% Face Value	WA Lien-to-Value
Camden	302	43.39%	\$2,577,466	33.03%	\$8,535	\$323,011	27.17%	30.54%
Atlantic	66	9.48%	\$1,120,786	14.36%	\$16,982	\$194,423	16.35%	19.76%
Essex	56	8.05%	\$1,000,846	12.83%	\$17,872	\$210,565	17.71%	20.26%
Other (10)	97	13.94%	\$686,302	8.80%	\$7,075	\$100,189	8.43%	21.03%
Mercer	76	10.92%	\$564,169	7.23%	\$7,423	\$85,106	7.16%	26.09%
Cumberland	27	3.88%	\$453,255	5.81%	\$16,787	\$47,433	3.99%	63.26%
Salem	25	3.59%	\$370,930	4.75%	\$14,837	\$54,433	4.58%	36.65%
Burlington	23	3.30%	\$334,189	4.28%	\$14,530	\$43,165	3.63%	24.63%
Sussex	11	1.58%	\$301,124	3.86%	\$27,375	\$43,708	3.68%	27.50%
Passaic	8	1.15%	\$245,169	3.14%	\$30,646	\$71,093	5.98%	12.67%
Hunterdon	5	0.72%	\$148,040	1.90%	\$29,608	\$15,925	1.34%	24.57%
<b>Grand Total</b>	<b>696</b>	<b>100.00%</b>	<b>\$7,802,277</b>	<b>100.00%</b>	<b>\$11,210</b>	<b>\$1,189,051</b>	<b>100.00%</b>	<b>27.66%</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.