

# SALE ANNOUNCEMENT

## \$17,183,804 PERFORMING SMALL BALANCE COMMERCIAL LOAN PORTFOLIO SALE

<b>Property Types:</b>	Retail (44.5% of UPB), Multifamily (25.1%), Mixed Use (10.3% ), Other (20.1%)
<b>Location:</b>	Nationwide – California (51.5% of UPB), Illinois (12.2%), Texas (10.2%), Other (26.0%)
<b>Performance:</b>	Performing (100%)

### Overview Summary

\$17,183,804 Performing Small Balance Commercial Loan Portfolio Sale (the “Loan Sale”) conducted by Mission Capital Advisors, LLC (“Mission” or “Asset Sale Advisor”) on behalf of an unidentified Seller (“Seller”).

### Sale Structure

Mission has been retained as the exclusive Asset Sale Advisor to the Seller for the sale of a portfolio of performing small balance commercial loans relating to commercial property located throughout the United States with a concentration in California (the “Portfolio”, “Loans”, or “Assets”). The Assets are being offered on a sealed bid basis.

On behalf of the Seller, Mission is soliciting final bids from prospective bidders (the “Prospective Bidders”) for the purchase of the entire Portfolio pursuant to the Asset Sale timeline attached hereto.

### Highlights & Sale Summary

The Loan Sale offers Prospective Bidders the opportunity to acquire performing Loans relating to various commercial real estate property located throughout the United States.

- The Portfolio consists of 53 performing loans acquired via an assisted takeover of a failed bank from the FDIC.
- Loans in the portfolio have an attractive weighted average coupon of 7.5%.
- Approximately 79.9% of the portfolio by balance has a floating interest rate with a weighted average margin of 3.3%.
- The Portfolio has amortized approximately 38% since origination.
- The average balance of the portfolio is \$324k and the largest loan is \$971k.
- Detailed Portfolio Stratifications may be found in Exhibit A (pg. 4-5).

Rate Bucket	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
4.01% - 5.00%	2	3.8%	\$406,390	2.4%	\$203,195	\$1,222,000	2/15/98	2/21/28	5.0%
5.01% - 6.00%	11	20.8%	\$5,118,047	29.8%	\$465,277	\$6,819,000	12/13/06	4/28/35	5.7%
6.01% - 7.00%	9	17.0%	\$2,473,550	14.4%	\$274,839	\$3,718,234	3/18/07	2/22/30	6.6%
7.01% - 8.00%	10	18.9%	\$3,424,460	19.9%	\$342,446	\$8,266,000	4/17/05	8/6/27	7.7%
> 8.00%	21	39.6%	\$5,761,357	33.5%	\$274,350	\$7,577,600	12/25/06	3/29/33	9.4%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/06</b>	<b>3/3/32</b>	<b>7.5%</b>

## Sale Process

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 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 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](http://www.missioncap.com/transactions). Included in the Due Diligence Materials will be data tape for the Assets (the “Data Tape”) prepared by Mission, comprehensive bidding instructions, the terms of sale and the Seller’s required form of Asset Sale Agreement for Sale and Purchase of Assets (the “Asset Sale Agreement”).

Mission, in conjunction with the Seller, is soliciting 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 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 Katie Juarez at [kjuarez@missioncap.com](mailto:kjuarez@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 Bidders. Comments to the Loan Sale Agreement are due prior to the bid date on Friday, November 15, 2019. 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 Loan Purchase Agreement is signed and delivered by Seller and Seller has received the earnest money in accordance with the Loan Purchase Agreement.**

## Sale Timeline

The transaction contemplated herein has been scheduled as follows:

<b>Sale Announcement Distributed</b>	Friday, October 18, 2019
<b>Initial Data Distribution</b>	Friday, October 18, 2019
<b>Comments to LSA Due</b>	Friday, November 15, 2019
<b>Best &amp; Final Bid Date</b>	Wednesday, November 20, 2019
<b>Winning Bidder Selected</b>	Thursday, November 21, 2019
<b>10% Non-Refundable Deposit Due</b>	Friday, November 22, 2019
<b>Closing Date (On or Before)</b>	Thursday, December 12, 2019

## 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 LOANS FROM THE LOAN SALE, AT ANY TIME. THIS SALE ANNOUNCEMENT HAS BEEN PREPARED TO ASSIST THE RECIPIENT IN DECIDING WHETHER TO PROCEED WITH FURTHER INVESTIGATION OF THE LOANS. 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 LOAN SALE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.

## Mission Capital Contacts

### MISSION CAPITAL ADVISORS, LLC

#### Asset Sale Discussions

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## Exhibit A – Portfolio Stratifications

Vintage	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
Pre-2004	4	7.5%	\$1,869,045	10.9%	\$467,261	\$7,307,000	8/14/1999	9/2/2024	6.6%
2004	3	5.7%	\$531,294	3.1%	\$177,098	\$775,000	3/19/2004	3/28/2031	5.6%
2005	3	5.7%	\$448,325	2.6%	\$149,442	\$1,212,000	6/4/2005	4/25/2020	8.9%
2006	8	15.1%	\$2,452,205	14.3%	\$306,526	\$3,127,500	7/10/2006	9/17/2035	9.5%
2007	28	52.8%	\$10,233,301	59.6%	\$365,475	\$12,800,750	5/11/2007	7/24/2033	7.3%
2008	3	5.7%	\$1,147,482	6.7%	\$382,494	\$1,738,584	3/16/2008	4/1/2033	6.1%
2009	1	1.9%	\$155,016	0.9%	\$155,016	\$248,000	4/15/2009	4/15/2022	8.3%
2013	2	3.8%	\$211,432	1.2%	\$105,716	\$242,000	11/16/2013	11/16/2023	6.7%
2014	1	1.9%	\$135,703	0.8%	\$135,703	\$152,000	6/17/2014	6/17/2024	5.9%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/2006</b>	<b>3/3/2032</b>	<b>7.5%</b>

Rate Bucket	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
4.01% - 5.00%	2	3.8%	\$406,390	2.4%	\$203,195	\$1,222,000	2/15/1998	2/21/2028	5.0%
5.01% - 6.00%	11	20.8%	\$5,118,047	29.8%	\$465,277	\$6,819,000	12/13/2006	4/28/2035	5.7%
6.01% - 7.00%	9	17.0%	\$2,473,550	14.4%	\$274,839	\$3,718,234	3/18/2007	2/22/2030	6.6%
7.01% - 8.00%	10	18.9%	\$3,424,460	19.9%	\$342,446	\$8,266,000	4/17/2005	8/6/2027	7.7%
> 8.00%	21	39.6%	\$5,761,357	33.5%	\$274,350	\$7,577,600	12/25/2006	3/29/2033	9.4%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/2006</b>	<b>3/3/2032</b>	<b>7.5%</b>

Rate Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
Floating	28	52.8%	\$9,008,082	52.4%	\$321,717	\$13,226,084	4/12/2006	9/30/2033	7.7%
Fixed to Floating	15	28.3%	\$4,713,869	27.4%	\$314,258	\$6,145,150	7/30/2007	11/17/2035	6.8%
Fixed	10	18.9%	\$3,461,853	20.1%	\$346,185	\$8,231,600	5/29/2005	1/4/2023	7.8%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/2006</b>	<b>3/3/2032</b>	<b>7.5%</b>

Balance Bucket	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
\$0,000 - \$100,000	1	1.9%	\$43,806	0.3%	\$43,806	\$50,000	12/20/2013	12/20/2023	7.0%
\$100,000 - \$200,000	14	26.4%	\$2,218,059	12.9%	\$158,433	\$3,702,000	7/3/2007	10/24/2027	7.9%
\$200,000 - \$300,000	18	34.0%	\$4,428,651	25.8%	\$246,036	\$6,162,650	4/18/2006	4/3/2034	7.8%
\$300,000 - \$400,000	7	13.2%	\$2,350,131	13.7%	\$335,733	\$2,822,000	4/29/2007	8/26/2028	8.1%
\$400,000 - \$500,000	5	9.4%	\$2,326,430	13.5%	\$465,286	\$3,141,100	6/9/2005	7/16/2030	6.9%
> \$500,000	8	15.1%	\$5,816,727	33.9%	\$727,091	\$11,725,084	3/10/2006	5/18/2034	7.0%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/2006</b>	<b>3/3/2032</b>	<b>7.5%</b>

Amortization	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
10.01% - 20.00%	29	54.7%	\$8,117,103	47.2%	\$279,900	\$9,658,100	6/2/2007	3/16/2032	8.7%
20.01% - 30.00%	12	22.6%	\$5,501,771	32.0%	\$458,481	\$7,226,150	5/1/2007	6/3/2036	6.0%
30.01% - 40.00%	5	9.4%	\$1,405,263	8.2%	\$281,053	\$2,148,000	7/31/2003	9/16/2028	6.2%
> 40.00%	7	13.2%	\$2,159,667	12.6%	\$308,524	\$8,570,584	7/7/2002	6/12/2023	7.2%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/2006</b>	<b>3/3/2032</b>	<b>7.5%</b>

## Exhibit A – Portfolio Stratifications (Con't)

Mod Flag	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
No	47	88.7%	\$15,858,771	92.3%	\$337,421	\$24,741,250	5/24/2006	10/30/2032	7.5%
Yes	6	11.3%	\$1,325,032	7.7%	\$220,839	\$2,861,584	4/1/2007	4/5/2024	7.5%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/2006</b>	<b>3/3/2032</b>	<b>7.5%</b>

Bankruptcy Flag	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
No	52	98.1%	\$16,916,056	98.4%	\$325,309	\$27,276,334	6/17/2006	2/7/2032	7.4%
Completed	1	1.9%	\$267,747	1.6%	\$267,747	\$326,500	5/23/2006	6/1/2036	8.8%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/2006</b>	<b>3/3/2032</b>	<b>7.5%</b>

Related Property Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
Retail	20	37.7%	\$7,643,341	44.5%	\$382,167	\$14,034,250	1/24/2006	11/4/2031	7.4%
Multifamily	16	30.2%	\$4,306,555	25.1%	\$269,160	\$6,207,000	9/9/2005	5/7/2032	6.9%
Other	4	7.5%	\$2,283,071	13.3%	\$570,768	\$3,045,084	4/30/2007	11/7/2034	8.4%
Mixed-Use	9	17.0%	\$1,775,331	10.3%	\$197,259	\$2,508,500	5/19/2008	2/18/2032	8.2%
Office	2	3.8%	\$834,475	4.9%	\$417,237	\$1,050,000	5/15/2007	4/17/2031	6.8%
Church	2	3.8%	\$341,031	2.0%	\$170,516	\$758,000	12/20/2006	8/24/2021	8.7%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/2006</b>	<b>3/3/2032</b>	<b>7.5%</b>

Related Property State	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
CA	26	49.1%	\$8,853,551	51.5%	\$340,521	\$11,912,100	8/9/2006	9/10/2031	7.2%
Other	9	17.0%	\$3,663,743	21.3%	\$407,083	\$9,063,734	11/25/2004	8/19/2031	7.4%
IL	12	22.6%	\$2,099,054	12.2%	\$174,921	\$3,521,000	11/11/2007	2/8/2029	7.5%
TX	4	7.5%	\$1,759,386	10.2%	\$439,846	\$2,093,500	12/31/2006	1/15/2037	9.3%
WA	2	3.8%	\$808,071	4.7%	\$404,035	\$1,012,500	2/14/2007	3/4/2037	6.8%
<b>Grand Total</b>	<b>53</b>	<b>100.0%</b>	<b>\$17,183,804</b>	<b>100.0%</b>	<b>\$324,223</b>	<b>\$27,602,834</b>	<b>6/17/2006</b>	<b>3/3/2032</b>	<b>7.5%</b>