

SALE ANNOUNCEMENT

\$16,736,381 LOAN RELATIONSHIP SALE

Loan Type:	Revolving Line of Credit
Collateral:	Hard Money Loans (41.6% of UPB), Texas Tax Lien Loans (38.8%), and Single Family Residential Mortgages (19.6%)
Location:	TX (100%)
Performance:	Performing (100%)

Overview Summary

\$16,736,381 Loan Relationship Sale (the “Asset 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 performing loan relationship secured by various mortgages and loans (the “Relationship”, or “Loans”). The loans are secured by single family residential mortgages, commercial hard money loans, and Texas tax lien loans (the “Collateral Loans”). The Loans 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: (i) any loan individually or (ii) the Relationship pursuant to the Asset Sale timeline attached hereto.

Mission, 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 Relationship consists of two facilities to a sponsor active in loan purchase and origination, as well as a personal LOC to the sponsor. The Collateral Loans include hard money loans, tax loans, and residential mortgages.
- Loan 1 is secured by a portfolio of single family residential loans (~33% of Loan 1) and hard money loans secured by commercial property (~67% of Loan 1). The collateral consists of 89 loans with a balance of \$12.8mm and three REO properties.
- Loan 2 is secured by a portfolio of Texas tax lien loans. The loans were originated by the sponsor, who is one of a limited number of businesses licensed to make these in the state of Texas. The collateral includes \$818k of non-tax loans and \$7.4M of tax lien loans.
- Loans 1 and 2 are self-liquidating with stable underlying cash flow.
- Low advance rate / borrowing base provides adequate credit support.
- The Relationship has strong seasoning, performing since origination in 2013.
- Additional detail on the Loans can be in the table below.

Loan Info								
Loan ID	Loan Type	Balance	Current Rate	Rate Type	Index	Margin	Floor	Maturity
1	SFR / Hard Money Loan RLOC	\$10,191,437	4.50%	Floating	WSJ Prime	1.00%	4.50%	September 27, 2020
2	Tax Loan RLOC	\$6,469,246	4.50%	Floating	WSJ Prime	1.00%	4.50%	September 27, 2020
3	Personal LOC	\$75,698	4.50%	Floating	WSJ Prime	1.00%	4.50%	September 22, 2020

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 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 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 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. **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.

Asset Sale Agreement

The Seller will make its required form of Asset Sale Agreement available to 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:

Sale Announcement Distributed	Monday, August 17, 2020
Initial Data Distribution	Tuesday, August 18, 2020
Indicative Bid Date	Thursday, September 10, 2020
Comments to Loan Sale Agreement Due	Monday, September 21, 2020
Best & Final Bid Date	Thursday, September 24, 2020
Winning Bidder Selected	Friday, September 25, 2020
10% Non-Refundable Deposit Due	Friday, September 25, 2020
Closing Date	Friday, October 2, 2020

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

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