

# SALE ANNOUNCEMENT

## \$14,079,795 PERFORMING SMALL BALANCE COMMERCIAL PORTFOLIO SALE

**Property Types:** Multifamily (49.9% of UPB), Mixed-Use (17.8%), Retail (17.2%), Other (15.0%)

**Location:** Nationwide – CA (74.0% of UPB), TX (7.5%), IL (6.0%), Other (12.4%)

**Performance:** Performing (100%)

### Overview Summary

\$14,079,795 Performing Small Balance Commercial Portfolio 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 portfolio of performing small balance commercial loans relating to commercial property located throughout the United States (the “Portfolio” or “Assets”). The Assets 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 the entire Portfolio pursuant to the Asset Sale timeline attached hereto.

Mission Capital, 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 Asset 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 65 performing commercial loans.
- Loans in the portfolio have an attractive weighted average coupon of 6.1%. Approximately 83.1% of the Portfolio by balance features a variable interest rate.
- The Portfolio has amortized approximately 40% since origination.
- The average balance of the portfolio is \$217k and the largest loan is \$2.0mm.
- Detailed Portfolio Stratifications may be found in Exhibit A (pg. 4-5).

Collateral Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
Multifamily	25	38.5%	\$7,028,235	49.9%	\$281,129	\$11,839,467	12/7/2004	12/25/2030	5.7%
Mixed-Use	11	16.9%	\$2,509,672	17.8%	\$228,152	\$3,448,019	3/3/2007	10/18/2037	6.0%
Retail	11	16.9%	\$2,425,293	17.2%	\$220,481	\$4,371,318	1/4/2006	10/2/2028	6.5%
Office	8	12.3%	\$910,499	6.5%	\$113,812	\$1,567,000	1/29/2006	7/27/2031	8.0%
Industrial	4	6.2%	\$741,526	5.3%	\$185,382	\$1,203,700	8/31/2007	9/9/2037	5.1%
Other	6	9.2%	\$464,569	3.3%	\$77,428	\$863,131	2/8/2006	4/20/2032	7.5%
<b>Grand Total</b>	<b>65</b>	<b>100.0%</b>	<b>\$14,079,795</b>	<b>100.0%</b>	<b>\$216,612</b>	<b>\$23,292,635</b>	<b>10/10/2005</b>	<b>3/31/2032</b>	<b>6.1%</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 Loan Purchase Agreement for Sale and Purchase of Assets (the “Loan Purchase Agreement”).

Mission is initially soliciting indicative bids for the Assets. Prospective Bidders are encouraged review the Due Diligence Materials and submit indicative bids in accordance with the proposed timeline.

After receipt of indicative bids, Mission, in conjunction with the Seller, will select 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 Loan Purchase 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 Purchase Agreement

The Seller will make its required form of Loan Purchase Agreement available to Bidders. Comments to the Loan Purchase Agreement are due prior to the bid date on Wednesday, November 18, 2020. Pursuant to the Loan Purchase Agreement, the Seller is selling its Loans subject only to those representations and warranties explicitly stated in the Loan Purchase 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>	Monday, October 19, 2020
<b>Initial Data Distribution</b>	Tuesday, October 20, 2020
<b>Indicative Bid Date</b>	Friday, November 6, 2020
<b>Best &amp; Final Bid Date</b>	Wednesday, November 18, 2020
<b>Winning Bidder Selected</b>	Thursday, November 19, 2020
<b>10% Non-Refundable Deposit Due</b>	Friday, November 20, 2020
<b>Closing Date (On or Before)</b>	Wednesday, November 25, 2020

## Mission Capital Contacts

### MISSION CAPITAL ADVISORS, LLC

#### Asset Sale Discussions

**Chad Coluccio**  
**Managing Director**  
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## Disclaimer

NO OBLIGATION TO SELL SHALL BE BINDING ON SELLER UNLESS AND UNTIL A WRITTEN CONTRACT OF SALE OR LOAN PURCHASE 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 PURCHASE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.

#### Data Requests

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#### Additional Contacts

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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	15	23.1%	\$2,248,769	16.0%	\$149,918	\$5,774,885	6/15/2001	5/1/2027	4.6%
2004	2	3.1%	\$2,062,575	14.6%	\$1,031,288	\$3,194,000	5/18/2004	9/21/2021	7.4%
2005	5	7.7%	\$1,319,364	9.4%	\$263,873	\$2,090,200	8/26/2005	2/6/2035	4.4%
2006	11	16.9%	\$2,132,414	15.1%	\$193,856	\$3,048,114	9/12/2006	5/18/2036	6.8%
2007	26	40.0%	\$5,538,935	39.3%	\$213,036	\$7,782,800	5/15/2007	3/30/2035	6.6%
2008	4	6.2%	\$741,910	5.3%	\$185,478	\$1,287,000	2/28/2008	4/13/2037	3.6%
2010	1	1.5%	\$26,822	0.2%	\$26,822	\$105,617	3/10/2010	3/28/2022	8.3%
2013	1	1.5%	\$9,005	0.1%	\$9,005	\$10,019	6/1/2013	6/1/2048	4.8%
<b>Grand Total</b>	<b>65</b>	<b>100.0%</b>	<b>\$14,079,795</b>	<b>100.0%</b>	<b>\$216,612</b>	<b>\$23,292,635</b>	<b>10/10/2005</b>	<b>3/31/2032</b>	<b>6.1%</b>

Rate Bucket	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
3.01% - 4.00%	11	16.9%	\$3,286,304	23.3%	\$298,755	\$5,568,300	9/9/2005	9/24/2035	3.6%
4.01% - 5.00%	14	21.5%	\$3,799,032	27.0%	\$271,359	\$6,745,053	12/15/2005	11/5/2034	4.6%
5.01% - 6.00%	6	9.2%	\$505,403	3.6%	\$84,234	\$1,242,301	5/1/2002	12/9/2025	5.8%
6.01% - 7.00%	2	3.1%	\$276,010	2.0%	\$138,005	\$423,529	2/18/2007	5/23/2034	6.9%
> 7.00%	32	49.2%	\$6,213,045	44.1%	\$194,158	\$9,313,452	12/5/2005	3/27/2029	8.3%
<b>Grand Total</b>	<b>65</b>	<b>100.0%</b>	<b>\$14,079,795</b>	<b>100.0%</b>	<b>\$216,612</b>	<b>\$23,292,635</b>	<b>10/10/2005</b>	<b>3/31/2032</b>	<b>6.1%</b>

Balance Bucket	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
\$0,000 - \$50,000	15	23.1%	\$435,008	3.1%	\$29,001	\$2,250,072	11/8/2001	3/9/2027	6.7%
\$50,000 - \$100,000	13	20.0%	\$1,005,823	7.1%	\$77,371	\$1,934,030	6/18/2004	9/19/2028	7.3%
\$100,000 - \$150,000	7	10.8%	\$848,168	6.0%	\$121,167	\$1,148,500	3/16/2007	4/24/2035	8.5%
\$150,000 - \$200,000	7	10.8%	\$1,277,968	9.1%	\$182,567	\$1,897,800	9/28/2005	11/23/2033	6.3%
\$200,000 - \$250,000	6	9.2%	\$1,310,819	9.3%	\$218,470	\$1,749,000	6/30/2007	4/23/2039	6.0%
\$250,000 - \$300,000	3	4.6%	\$808,084	5.7%	\$269,361	\$979,000	3/7/2007	3/26/2037	9.5%
\$300,000 - \$350,000	1	1.5%	\$338,319	2.4%	\$338,319	\$430,000	11/17/2006	12/1/2036	7.5%
\$350,000 - \$400,000	4	6.2%	\$1,456,829	10.3%	\$364,207	\$2,116,000	10/1/2006	10/18/2036	4.0%
\$400,000 - \$450,000	2	3.1%	\$839,780	6.0%	\$419,890	\$1,225,000	8/23/2006	9/14/2036	4.4%
\$450,000 - \$500,000	1	1.5%	\$468,361	3.3%	\$468,361	\$745,000	8/8/2005	9/1/2035	3.5%
\$500,000 - \$550,000	2	3.1%	\$1,069,151	7.6%	\$534,575	\$1,351,800	8/14/2007	3/19/2030	5.9%
\$650,000 - \$700,000	1	1.5%	\$661,803	4.7%	\$661,803	\$1,751,433	5/5/2002	6/15/2022	4.7%
> \$750,000	3	4.6%	\$3,559,682	25.3%	\$1,186,561	\$5,715,000	9/27/2004	6/9/2027	6.0%
<b>Grand Total</b>	<b>65</b>	<b>100.0%</b>	<b>\$14,079,795</b>	<b>100.0%</b>	<b>\$216,612</b>	<b>\$23,292,635</b>	<b>10/10/2005</b>	<b>3/31/2032</b>	<b>6.1%</b>

Amortization	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
0.01% - 10.00%	1	1.5%	\$109,825	0.8%	\$109,825	\$120,000	5/29/2007	6/1/2022	7.9%
10.01% - 20.00%	13	20.0%	\$2,463,158	17.5%	\$189,474	\$2,968,819	4/9/2007	8/10/2034	8.8%
20.01% - 30.00%	12	18.5%	\$3,680,762	26.1%	\$306,730	\$4,911,500	5/5/2007	5/20/2037	5.4%
30.01% - 40.00%	14	21.5%	\$4,943,826	35.1%	\$353,130	\$7,562,729	7/31/2005	7/27/2029	5.9%
40.01% - 50.00%	6	9.2%	\$1,458,449	10.4%	\$243,075	\$2,755,300	3/13/2003	1/21/2031	4.4%
50.01% - 60.00%	2	3.1%	\$162,078	1.2%	\$81,039	\$367,500	3/31/2007	4/25/2037	5.9%
60.01% - 70.00%	3	4.6%	\$825,921	5.9%	\$275,307	\$2,258,133	3/30/2002	7/5/2024	4.6%
70.01% - 80.00%	6	9.2%	\$240,932	1.7%	\$40,155	\$933,468	8/7/2000	6/17/2024	6.4%
80.01% - 90.00%	6	9.2%	\$182,092	1.3%	\$30,349	\$1,089,601	11/3/2000	1/19/2026	6.1%
90.01% - 100.00%	2	3.1%	\$12,751	0.1%	\$6,375	\$325,585	10/19/1998	12/16/2024	4.9%
<b>Grand Total</b>	<b>65</b>	<b>100.0%</b>	<b>\$14,079,795</b>	<b>100.0%</b>	<b>\$216,612</b>	<b>\$23,292,635</b>	<b>10/10/2005</b>	<b>3/31/2032</b>	<b>6.1%</b>

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

Collateral Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
Multifamily	25	38.5%	\$7,028,235	49.9%	\$281,129	\$11,839,467	12/7/2004	12/25/2030	5.7%
Mixed-Use	11	16.9%	\$2,509,672	17.8%	\$228,152	\$3,448,019	3/3/2007	10/18/2037	6.0%
Retail	11	16.9%	\$2,425,293	17.2%	\$220,481	\$4,371,318	1/4/2006	10/2/2028	6.5%
Office	8	12.3%	\$910,499	6.5%	\$113,812	\$1,567,000	1/29/2006	7/27/2031	8.0%
Industrial	4	6.2%	\$741,526	5.3%	\$185,382	\$1,203,700	8/31/2007	9/9/2037	5.1%
Church	3	4.6%	\$226,257	1.6%	\$75,419	\$523,601	3/4/2005	9/26/2030	7.4%
1-4 Fam	2	3.1%	\$157,818	1.1%	\$78,909	\$224,529	1/21/2007	3/11/2032	7.0%
Mobile Home	1	1.5%	\$80,495	0.6%	\$80,495	\$115,000	11/15/2006	12/1/2036	8.6%
<b>Grand Total</b>	<b>65</b>	<b>100.0%</b>	<b>\$14,079,795</b>	<b>100.0%</b>	<b>\$216,612</b>	<b>\$23,292,635</b>	<b>10/10/2005</b>	<b>3/31/2032</b>	<b>6.1%</b>

Collateral State	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
CA	37	56.9%	\$10,420,010	74.0%	\$281,622	\$16,117,069	11/5/2005	4/22/2032	6.2%
TX	5	7.7%	\$1,061,497	7.5%	\$212,299	\$1,698,800	10/16/2006	10/24/2036	4.2%
IL	13	20.0%	\$846,173	6.0%	\$65,090	\$1,959,519	8/1/2004	1/15/2028	7.1%
MI	1	1.5%	\$661,803	4.7%	\$661,803	\$1,751,433	5/5/2002	6/15/2022	4.7%
AZ	2	3.1%	\$317,248	2.3%	\$158,624	\$455,000	10/4/2007	10/15/2037	4.8%
WA	1	1.5%	\$257,414	1.8%	\$257,414	\$329,000	7/21/2006	8/1/2036	7.8%
NJ	1	1.5%	\$213,453	1.5%	\$213,453	\$275,000	5/24/2007	6/1/2037	8.3%
CT	1	1.5%	\$113,268	0.8%	\$113,268	\$262,500	5/2/2007	6/1/2037	4.4%
CO	1	1.5%	\$71,389	0.5%	\$71,389	\$90,000	6/2/2006	7/1/2036	11.1%
UT	1	1.5%	\$63,431	0.5%	\$63,431	\$100,200	8/1/2005	9/1/2035	9.6%
WI	1	1.5%	\$51,182	0.4%	\$51,182	\$84,529	11/30/2006	11/1/2021	6.5%
DE	1	1.5%	\$2,927	0.0%	\$2,927	\$169,585	7/25/2006	8/1/2036	10.0%
<b>Grand Total</b>	<b>65</b>	<b>100.0%</b>	<b>\$14,079,795</b>	<b>100.0%</b>	<b>\$216,612</b>	<b>\$23,292,635</b>	<b>10/10/2005</b>	<b>3/31/2032</b>	<b>6.1%</b>