

# SALE ANNOUNCEMENT

\$21,710,073 PERFORMING  
COMMERCIAL LOAN SALE

UPSCALE, FULL-SERVICE HOTEL (FLAGGED)  
SCHAUMBURG, ILLINOIS

INDICATIVE BID DATE: TUESDAY, FEBRUARY 23, 2021

FINAL BID DATE: THURSDAY, MARCH 11, 2021



<b>Sale:</b>	<b>\$21,710,073 Commercial Loan Sale</b>
<b>Collateral:</b>	<b>Full-Service, Flagged Hotel</b>
<b>Location:</b>	<b>Schaumburg, Illinois</b>
<b>Performance:</b>	<b>Performing (Re-Margin Guaranty Payment Owed)</b>

## Overview Summary

Mission Capital Advisors, LLC ("Mission Capital" or "Loan Sale Advisor") is pleased to present the opportunity to acquire a \$21,710,073 performing loan secured by a first lien on a full-service, upscale hotel located in Schaumburg, Illinois (the "Loan Sale" or Asset Sale"). The Loan Sale is being conducted on behalf of an undisclosed Seller ("Seller").

## Sale Structure

Mission Capital has been retained as the exclusive Loan Sale Advisor to the Seller for the sale of a performing loan with a current unpaid principal balance of \$21,710,073 secured by a first-lien on a full-service hotel in Schaumburg, Illinois (the "Loan" or "Asset"). The Loan is being offered on a sealed bid basis.

On behalf of the Seller, Mission Capital is initially soliciting indicative bids from prospective bidders (the "Prospective Bidders") for the purchase of the Loan pursuant to the Loan 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 bidders (the "Final Bidders") to complete due diligence and submit non-contingent final bids for the Loan.

## Loan Sale Timeline

The transaction contemplated herein has been scheduled as follows:

Event	Date
Indicative Bid Date	Tuesday, February 23, 2021
Best & Final Bid Date	Thursday, March 11, 2021
Winning Bidder Selected	Friday, March 12, 2021
10% Non-Refundable Deposit Due	Monday, March 15, 2021
Closing Date	Monday, March 22, 2021

## Sale Highlights

The Loan Sale offers Prospective Bidders the opportunity to acquire a performing Note secured by a first-lien Deed of Trust on a 468-key, full-service, flagged hotel located in Schaumburg, Illinois (the "Property" or "Hotel").

- The Loan was originated in March 2018 with a three-year term and two, 1-year extension options.
- The Loan was originated to refinance an existing loan, and to finance the completion of a PIP, which was completed in 2018.
- The Loan carries an attractive Current Interest Rate of 5.89%, and a Default Interest Rate of the Current Rate + 8.00%.
- The Borrower has made all P&I payments on time since April 2020, however, the Loan Guarantors currently owe a Re-Margin Guaranty Payment on the Loan
- The Re-Margin Guaranty Payment was triggered in April 2020 when the hotel did not generate enough cash flow to achieve the required debt service coverage ratio at the time (per the Loan Agreement)
- The Seller has granted the Guarantors a series of 90-day extensions to fulfill the Re-Margin Guaranty Payment, with the most recent extension set to end on March 1st, 2021.
- The Loan includes a Completion Guaranty on a PIP (described above), a Carve-Out Guaranty, a Re-Margin Guaranty (also described above), and a Debt-Service & Carry Guaranty, with the Guarantors listed as two high-net worth individuals
- The Collateral is a full-service hotel, featuring a restaurant, bar/lounge, concierge lounge, coffee café, 21,000 SF of indoor meeting space, an outdoor & indoor pool and spa, fitness center, and typical back-of-the-house facilities
- 2020 Property NOI was \$1,414,953, resulting in a debt yield of 6.52%

## Loan Sale Process

Prospective Bidders are subject to qualification by Mission Capital and/or Seller (qualification process will be initiated by Mission Capital as deemed necessary). Access to the Due Diligence Materials will be provided to Prospective Bidders solely at the discretion of Mission Capital and/or the Seller and may be withheld for any reason.

The Seller, in conjunction with Mission Capital, has 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 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 Capital is initially soliciting indicative bids for the Loan. 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 Capital, 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 Sale Agreement by Prospective Bidder accompanied by a 10% non-refundable wire funds deposit).**

Additional information will be provided to Bidders via Mission Capital’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](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.**

## 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. 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.**

## Contact Information

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Due diligence information can be found in the data room at [market.missioncap.com](http://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 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, IF ANY, 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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