

# SALE ANNOUNCEMENT

## SMALL BALANCE COMMERCIAL LOAN SALE – THREE LOANS KY, SD, IL

INDICATIVE BID DATE: WEDNESDAY, NOVEMBER 3, 2021

FINAL BID DATE: WEDNESDAY, NOVEMBER 17, 2021



<b>Sale:</b>	<b>\$2,343,400 Commercial Loan Portfolio Sale, comprised of three loans: \$1,125,751 UPB; \$679,974 UPB; and \$537,675 UPB</b>
<b>Collateral:</b>	<b>Two Medical Office and One Mixed-Use</b>
<b>Location:</b>	<b>KY, SD, IL</b>
<b>Performance:</b>	<b>Performing (71.0% of UPB), Non-Performing (29.0% of UPB)</b>

## Overview Summary

\$2,343,400 Small Balance Commercial Loan Portfolio Sale (the “Asset Sale”) conducted by Mission Capital Advisors, LLC (“Mission Capital” or “Asset Sale Advisor”) on behalf of an undisclosed Seller (“Seller”).

## Sale Structure

Mission Capital has been retained as the exclusive Asset Sale Advisor to the Seller for the sale of three loans: 1) \$1,125,751 UPB, 2) \$679,974 UPB, and 3) \$537,675 UPB or \$2,343,000 Aggregate UPB of mixed performance, small balance commercial loans located in Kentucky, South Dakota, and Illinois (the “Portfolio” or “Assets”). The Assets are 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 entire Portfolio and/or Individual Assets 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 the Final Bid round 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 three loans relating to various commercial real estate property “CRE” located throughout the United States.

- The Portfolio consists of two performing CRE loans and one non-performing CRE loan.
- Loans in the portfolio have a weighted average coupon of 4.59%.
- The Portfolio has amortized approximately 20% since origination.
- The average balance of the portfolio is \$781,133 and the largest loan is currently \$1,125,751.
- Detailed Portfolio Stratifications can be found in Exhibit A (page 5).

Collateral State	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
KY	1	33.3%	\$1,125,751	48.0%	\$1,125,751	\$1,245,000	12/18/2017	2/18/2024	3.95%
SD	1	33.3%	\$679,974	29.0%	\$679,974	\$809,000	12/11/2015	3/25/2021	5.00%
IL	1	33.3%	\$537,675	23.1%	\$537,675	\$860,000	4/17/2014	5/1/2024	5.40%
<b>Grand Total</b>	<b>3</b>	<b>100.0%</b>	<b>\$2,343,400</b>	<b>100.0%</b>	<b>\$781,133</b>	<b>\$2,914,000</b>	<b>7/12/2016</b>	<b>5/3/2023</b>	<b>4.59%</b>

Loan Performance	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
Performing	2	66.7%	\$1,663,426	71.0%	\$831,713	\$2,105,000	10/8/2016	3/12/2024	4.42%
Non-Performing	1	33.3%	\$679,974	29.0%	\$679,974	\$809,000	12/11/2015	3/25/2021	5.00%
<b>Grand Total</b>	<b>3</b>	<b>100.0%</b>	<b>\$2,343,400</b>	<b>100.0%</b>	<b>\$781,133</b>	<b>\$2,914,000</b>	<b>7/12/2016</b>	<b>5/3/2023</b>	<b>4.59%</b>

## Sale Process

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 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 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 a data tape for the Assets (the “Data Tape”) both from the Seller as well as prepared by Mission Capital, comprehensive bidding instructions, the terms of sale and the Seller’s required form of Loan Purchase Agreement for Sale and Purchase of the Assets (the “Loan Purchase Agreement”).

Mission Capital 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 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 Purchase 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, litigation documents (if applicable), and financial statements, in both computer file and imaged formats.

Please e-sign or return an executed Confidentiality Agreement to Alex Draganiuk at [adraganiuk@missioncap.com](mailto:adraganiuk@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, any 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 3, 2021. 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 18, 2021
<b>Initial Data Distribution</b>	Tuesday, October 19, 2021
<b>Indicative Bid Date</b>	Wednesday, November 3, 2021
<b>Best &amp; Final Bid Date</b>	Wednesday, November 17, 2021
<b>Winning Bidder Selected</b>	Thursday, November 18, 2021
<b>10% Non-Refundable Deposit Due</b>	Friday, November 19, 2021
<b>Closing Date (On or Before)</b>	Wednesday, November 24, 2021

## 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 CAPITAL 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.

## Transaction Team Contact Information

### MISSION CAPITAL ADVISORS, LLC

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# SMALL BALANCE COMMERCIAL LOAN SALE – THREE LOANS



Asset Type	Count	% Count	UPB	% UPB	Average Balance	Original Balance	WA Orig Date	WA Maturity	WA Coupon
Loan	3	100.0%	\$2,343,400	100.0%	\$781,133	\$2,914,000	7/12/2016	5/3/2023	4.59%
<b>Grand Total</b>	<b>3</b>	<b>100.0%</b>	<b>\$2,343,400</b>	<b>100.0%</b>	<b>\$781,133</b>	<b>\$2,914,000</b>	<b>7/12/2016</b>	<b>5/3/2023</b>	<b>4.59%</b>

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Medical Office	2	66.7%	\$1,663,426	71.0%	\$831,713	\$2,105,000	10/8/2016	3/12/2024	4.42%
Mixed-Use (Warehouse/Residential)	1	33.3%	\$679,974	29.0%	\$679,974	\$809,000	12/11/2015	3/25/2021	5.00%
<b>Grand Total</b>	<b>3</b>	<b>100.0%</b>	<b>\$2,343,400</b>	<b>100.0%</b>	<b>\$781,133</b>	<b>\$2,914,000</b>	<b>7/12/2016</b>	<b>5/3/2023</b>	<b>4.59%</b>

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