

# SALE ANNOUNCEMENT

## MIXED-USE REO SALE RETAIL / SINGLE ROOM OCCUPANCY (SRO)

SAN FRANCISCO, CA

AUCTION START DATE: MONDAY, JULY 18, 2022

AUCTION END DATE: WEDNESDAY, JULY 20, 2022

*Auction Conducted on RealINSIGHT Marketplace*



<b>Sale:</b>	Mixed-Use REO Sale
<b>Collateral:</b>	Mixed-Use (Retail / Single Room Occupancy)
<b>Location:</b>	San Francisco, CA (Mission District)
<b>Property Size:</b>	+/- 32,352 Square Feet

## Overview Summary

Mission Capital Advisors and Marcus & Millichap, in conjunction with RI Marketplace, are pleased to offer for sale a +/-32,352 square foot Single Room Occupancy and Retail asset in the Mission District of San Francisco (the “Asset” or “Property”). This REO sale provides an exceptional opportunity to acquire a mixed-use asset in a gateway city with in-place retail rents and tremendous upside potential upon SRO stabilization.

## Sale Structure

Mission Capital has been retained as the exclusive Asset Sale Advisor to the Seller for the sale of a mixed-use REO property in the Mission district of San Francisco.

On behalf of the Seller, Mission Capital & Marcus & Millichap, in conjunction with RI Marketplace, are soliciting bids from prospective bidders (the “Prospective Bidders”) for the purchase of the Asset, pursuant to the Asset Sale timeline attached hereto.

Following the Auction, the winning bidder will be contacted by phone and email to go over specifics of the sale, including the execution of the purchase agreement and all documentation involved in the purchase. The winning bidder must be available by telephone within two hours of the sale. More information can be found on the RealINSIGHT Marketplace website.

Detailed information regarding the Asset Sale process can be found on page 3 herein.

## Highlights & Sale Summary

The Asset Sale offers Prospective Bidders the opportunity to acquire a +/- 32,352 square foot Single Room Occupancy and Retail Asset located in the Mission District of San Francisco.

Sale highlights are as follows:

- **Unique SRO / Retail Opportunity:** The mixed-use single room occupancy (SRO) and retail property provides prospective investors the opportunity to capitalize on the growing trend towards cost effective alternative housing markets, while also acquiring corner retail space in a prime San Francisco location.
- **Exceptional Location:** The Property is located in the heart of the Mission District of San Francisco. Mission Dolores Park and numerous eateries are located within direct walking distance of the Property..
- **Value Add Opportunity:** Only 32% of the 41 SRO units are occupied as of May 2022, offering significant upside potential through lease-up and stabilization.
- **Micro-baths addition:** Installation of micro-baths as a permanent improvement in SRO units would immediately upsize unit rents.
- **High Traffic Corner Retail:** The retail spaces are now fully occupied by five unique tenant.
- **Potential for Future Development:** The large, remaining and sprinklered portion of basement space is ideal for future retail expansion and further upside

## Sale Process

The Sale will be held via an online auction, which will be conducted on ReallINSIGHT Marketplace (“RI Marketplace”) in accordance with the Sale Event Terms and Conditions (<https://marketplace.realinsight.com/legal-sale-terms>).

Due diligence materials are available to qualified prospective bidders via an electronic data room hosted by RI Marketplace. Prospective bidders will be required to electronically execute a confidentiality agreement prior to being allowed access to the materials. All due diligence must be conducted prior to signing the purchase and sale agreement.

Prospective bidders will be required to register with RI Marketplace to bid. Each bidder will be required to provide current contact information, submit proof of funds up to the full amount they plan to bid, and agree to the Auction Terms and Conditions. In order to participate in an auction, the Seller requires bidders to provide proof of their liquidity in an amount of at least their anticipated maximum bid for the Asset. Such liquidity must be in the form of cash, or cash equivalents, and must be available immediately without restriction.

This will be a reserve auction and the Property will have a reserve price (“Reserve Price”). The starting bid is not the Reserve Price. The seller can accept or reject any bid. All bidders agree to execute the non-negotiable purchase and sale agreement, which will be posted to the electronic data room prior to bidding commencement, should they be awarded the deal. For further information about how to bid, investors can visit the Bidding page (<https://marketplace.realinsight.com/faq-bidding>).

Following the auction, the winning bidder will be contacted by phone and email to go over specifics of the sale, including the execution of the purchase agreement and all documentation involved in the purchase. The winning bidder must be available by telephone within two hours of the sale.

**All inquiries should be directed through Mission Capital, Marcus & Millichap, and/or RIM. Neither the Seller or any Seller affiliates are to be contacted. Investors are required to strictly adhere to the terms of the Confidentiality Agreement.**

## Sale Timeline

The transaction contemplated herein has been scheduled as follows:

Sale Timeline	
Event	Date
Sale Announcement Distributed	Thursday, June 9, 2022
Auction Start Date	Monday, July 18, 2022
Auction End Date	Wednesday, July 20, 2022

## Disclaimer

NO OBLIGATION TO SELL SHALL BE BINDING ON SELLER UNLESS AND UNTIL A WRITTEN CONTRACT OF SALE PURCHASE AGREEMENT IS SIGNED AND DELIVERED BY SELLER. THE SELLER RESERVES THE RIGHT, AT ITS SOLE AND ABSOLUTE DISCRETION, TO WITHDRAW THE ASSET 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 ASSET. 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 ASSET. ONLY THOSE REPRESENTATIONS AND WARRANTIES THAT ARE MADE BY THE APPLICABLE SELLER TO A PROSPECTIVE BIDDER IN A DEFINITIVE, EXECUTED PURCHASE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.

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