

SALE ANNOUNCEMENT

\$16.6 MILLION SINGLE-FAMILY & MULTIFAMILY FIX & FLIP LOAN PORTFOLIO SALE

LOAN TYPE: Single-Family (86.0%) & Multifamily (14.0%) NOO Loans

LOCATION: CA (49.2%), HI (26.7%), GA (7.8%), CT (5.9%), NY (5.9%), NJ (4.4%)

PERFORMANCE: Performing (100.0%)

OVERVIEW

On behalf of an undisclosed seller (the “Seller”), Mission Capital Advisors, LLC (“Mission Capital” or “Loan Sale Advisor”) is pleased to announce the sale (the “Loan Portfolio Sale”) of approximately \$16.6 million of recently originated, fix & flip residential and multifamily performing loans (the “Loans,” “Assets” or collectively, the “Portfolio”).

Mission Capital has been retained as the exclusive Loan Sale Advisor to the Seller for the sale of the Portfolio, which consists of 20 loans (10 relationships) located in 6 states. The loans have a weighted average loan age of 9 months and are all performing on a fixed rate, interest-only basis. The Seller is looking to transact on all loans in the Portfolio.

SALE STRUCTURE

Mission Capital is initially soliciting indicative bids from prospective bidders (the “Prospective Bidders”) for the purchase of the loans in the Portfolio.

The Portfolio will be offered on a Portfolio basis. Full pool bids are strongly preferred, though carve bids will be considered.

Mission Capital and the Seller, at the sole and absolute discretion of the Seller, will then invite final bidder(s) (the “Final Bidder(s)”) to complete due diligence and submit non-contingent final bid(s) for the Portfolio pursuant to the timeline set forth herein. The Loans are being offered on a servicing-released basis.

HIGHLIGHTS & SALE SUMMARY

The highlights of the assets in the Loan Portfolio Sale are as follows (information is by UPB as of 1/9/2023):

- The Portfolio consists of 20 loans with \$16,599,389 in Current UPB, across 10 borrower relationships.
- The Portfolio has a Holdback Amount of \$28,311,000 and a Total Balance of \$45,893,946. There is also \$119,167 of Accrued Interest/Deferred Balance.
- The Portfolio has a weighted average (“WA”) origination date of 4/26/2022 and a WA maturity date of 9/1/2023.
- All loans in the Portfolio are paying via a Fixed Rate, I/O structure. The WAC of the Portfolio is 9.55% and the WA Default Rate is 24.5%.
- The Loans are all Full Recourse.
- All loans are 1st liens. The WA As-Repaired LTV is 65%.

Loan Type	Loan Count	Current UPB \$	Total UPB \$	WAC %	Orig Date	Maturity Date	WA As-Is LTV	WA ARV LTV
Fix & Flip/Bridge	20	\$16,599,389	\$45,893,946	9.55%	4/26/2022	9/1/2023	34.31%	64.69%
Grand Total	20	\$16,599,389	\$45,893,946	9.55%	4/26/2022	9/1/2023	34.31%	64.69%

LOAN SALE PROCESS

The Seller, in conjunction with Mission Capital, has prepared a set of deal materials (the “Deal Materials”) which will be made available to Prospective Bidders executing the Confidentiality Agreement (the “Confidentiality Agreement”). The Confidentiality Agreement can be accessed via the offering email. Upon execution of the Confidentiality Agreement, prospective bidders will receive loan level data, pay histories, collateral inventory and exception reports, and bidder instructions. Final Bidders will receive access to imaged loans files and a form Master Loan Purchase Agreement (the “MLPA”).

Bidders will be provided Deal Materials via Mission Capital’s online due diligence site and be required to designate individuals to whom Deal Materials access should be granted, subject to the Confidentiality Agreement.

Please return an executed Confidentiality Agreement (or proposed changes in redline format) to nda@missioncap.com. Please note that executed Confidentiality Agreements with no requested revisions will be processed in top priority.

All inquiries should be directed through Mission Capital at the contacts contained herein. Neither the Seller nor Loan borrowers are to be contacted. Bidders are required to strictly adhere to the terms of the Confidentiality Agreement.

AGREEMENTS

Pursuant to the Sale, the Assets will be sold on an agreed-upon MLPA.

During the final bid period, the Seller will make available for review agreements that will govern the Loan Portfolio Sale. Material amendments to the proposed MLPA may not be considered.

RESERVATION OF RIGHTS

The Seller, at its sole and absolute discretion, reserves the right to, at any time and without obligation to any Prospective Bidder:

- a) Alter, amend, or supplement the terms and conditions of the Loan Portfolio Sale or Deal Materials;
- b) Withdraw any or all the Assets from the Loan Portfolio Sale prior to awarding the bid;
- c) Withdraw Assets after the awarding of the bid, but prior to closing;
- d) Extend any deadline or timeframe;
- e) Accept any bid in accordance with the bidding rules, whether or not it is the highest bid, waive any technical defects therein and/or reject any and all bids;
- f) Terminate discussions and negotiations with any Prospective Bidder at any time and for any reason; and
- g) Not award all or any of the Portfolio and reject any or all bids.

No obligation to sell shall be binding on Seller unless and until all transaction documents are signed and delivered by Seller.

TIMELINE

The schedule for the transaction contemplated is as follows:

Loan Sale Timeline	
Event	Date
Sale Announcement Distributed	Thursday, January 12, 2023
Initial Data Distribution	Friday, January 13, 2023
Indicative Bid Date	Thursday, January 26, 2023
Best & Final Bid Date	Tuesday, February 14, 2023
Winning Bidder(s) Selected	Wednesday, February 15, 2023
Executed Contract/Deposit Due	Friday, February 17, 2023
Closing Date (On or Before)	Thursday, February 23, 2023

The Seller has the ability to revise this timeline or cancel this sale in its sole discretion.

OFFERING ACCESS

For additional information, please contact members of the transaction team.

TRANSACTION TEAM

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DISCLAIMER:

THIS DOCUMENT HAS BEEN PREPARED BY THE LOAN SALE ADVISOR IN RELATION TO THE POTENTIAL SALE OF THE PORTFOLIO, AND IS BEING DISTRIBUTED BY THE LOAN SALE ADVISOR FOR INFORMATION PURPOSES ONLY. ALL INFORMATION IS INDICATIVE ONLY AND MAY BE AMENDED, SUPERSEDED OR REPLACED BY SUBSEQUENT SUMMARIES. THE FINAL TERMS AND CONDITIONS OF ANY TRANSACTION WILL BE SET OUT IN FULL IN THE APPLICABLE BINDING TRANSACTION DOCUMENT(S).

ANY INVESTMENT INVOLVES A HIGH DEGREE OF RISK INCLUDING THE POSSIBLE LOSS OF A SUBSTANTIAL PART, OR EVEN THE ENTIRE AMOUNT OF AN INVESTMENT. EACH INVESTOR MUST BE PREPARED TO BEAR THE ECONOMIC RISK OF AN INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

THE ASSET PORTFOLIO HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), THE SECURITIES LAWS OF ANY STATE OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, NOR IS SUCH REGISTRATION CONTEMPLATED.