

SALE ANNOUNCEMENT

\$27.9 MILLION NON-PERFORMING LOAN SALE

Sale:	\$27,981,646 Commercial Loan Sale
Collateral Type:	Mixed-Use (Event Hall & Boutique Hotel)
Location:	Long Island, New York
Loan Performance:	Non-Performing

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 Sale**”) of two (2) loans (the “**Loans**,” or “**Assets**”) totaling \$27,981,646 in Unpaid Principal Balance (“**UPB**”), secured by a hotel and catering hall in Long Island, New York (the “**Property**”).

SALE STRUCTURE

Mission Capital has been retained as the exclusive Asset Sale Advisor to the Seller for the sale two non-performing Loans secured by a hotel and catering hall in Long Island, New York. The Loans are being offered on a sealed bid basis.

On behalf of the Seller, Mission Capital is soliciting non-contingent bids from prospective bidders (the “**Prospective Bidders**”) for the purchase of the Loans pursuant to the Asset Sale timeline attached hereto. There will be a Best & Final Bid held six days after the Bid Date shown below, if necessary.

Event	Date
Sale Announcement Distributed	Wednesday, March 15, 2023
Due Diligence Materials Available	Thursday, March 16, 2023
Bid Date	Friday, April 7, 2023
Executed Contract/10% Deposit Due	Friday, April 14, 2023
Closing Date (On or Before)	Monday, April 24, 2023

HIGHLIGHTS & SALE SUMMARY

Loan Sale highlights are as follows:

- The Loan was originated in August 2007, with an original balance of \$28,500,000. In 2013, the Loan was bifurcated, and a B-Note with \$7.0mm in balance was created.
- No Loan payments have been made since December 2015. The Loans were accelerated in January 2016 and the Lender filed a foreclosure complaint in June 2016. A receiver has been in place at the Property since 2019.
- The Lender re-filed a motion summary judgement in October 2022. The motion was executed by the judge in February of this year.
- The Loan is collateralized by a luxury event hall and hotel situated on a ~22.5-acre lot in Long Island, New York.
- In 2022, the Property generated revenues of over \$16 million, and a net operating income of ~3.5 million. These figures represent a substantial improvement from the 2021 revenue and NOI of ~\$12.5 million and ~\$1.9 million respectively.
- There is current a Receiver in place. The Receiver Account contains ~\$5.96 million, \$4.23 million of which are deposits received within the property’s operating business.
- The total payoff amount is ~\$51.7 million, after accounting for over \$9.5 million in interest due, \$7.9 million in default interest, and over \$6.1 million in fees and expenses.

Loan Summary: A-Note	
Performance	Non-Performing
Origination Date	8/2/2007
Maturity Date	8/1/2017
Original Balance	\$21,763,112
Unpaid Principal Balance	\$20,939,262
Interest Rate	6.60%
Rate Type	Fixed
Note Rate Interest Due	\$9,577,967
Default Interest Due	\$7,973,292
Fees and Expenses Due*	\$5,876,756

Loan Summary: B-Note	
Performance	Non-Performing
Origination Date	8/2/2007
Maturity Date	8/1/2017
Original Balance	\$7,042,384
Unpaid Principal Balance	\$7,042,384
Interest Rate	0.00%
Rate Type	Fixed
Late Fees	\$352,119
Other Fees	\$2,550
Credit Suspense Funds	N/A

LOAN 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 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 an array of 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. Included in the Due Diligence Materials will be an information memorandum for the Asset, pay histories, financials, and comprehensive bidding instructions.

Additional Due Diligence Materials will be provided to Prospective Bidders via Mission Capital’s online due diligence site. Such additional Due Diligence Materials will include detailed loan documents, and the Seller’s required form of loan sale agreement (the “**Loan Sale Agreement**”).

Mission Capital is soliciting bids for the Loans. Prospective Bidders are encouraged to review the Due Diligence Materials and submit bids in accordance with the proposed timeline. All bidders will need to complete due diligence, if desired, before submitting non-contingent offers on the Bid Date (the acceptance of which by Seller will require immediate execution of a pre-negotiated Loan Sale Agreement accompanied by a 10% non-refundable wire funds deposit).

Please e-sign or return an executed Confidentiality Agreement to assetsales@missioncap.com. INVESTORS SHOULD NOTE THAT E-SIGNATURES OF UNMODIFIED CONFIDENTIALITY AGREEMENTS WILL BE PROCESSED IN TOP PRIORITY, WHILE REVISED CONFIDENTIALITY AGREEMENTS ARE PROCESSED AT THE END OF EACH BUSINESS DAY. THE SELLER RESERVES THE RIGHT, IN ITS SOLE AND ABSOLUTE DISCRETION, TO ACCEPT OR REJECT COMMENTS TO THE CONFIDENTIALITY AGREEMENT.

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 Hard Earnest Money Deposit in accordance with the Loan Sale Agreement.

LOAN SALE AGREEMENT

The Seller will make its required form of Loan Sale Agreement available to Prospective Bidders. Comments to the Loan Sale Agreement are discouraged and, in any event, must be submitted and approved, in Seller’s sole and absolute discretion, prior to the Final Bid Date. **The Seller will be selling the Loans 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.**

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.

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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, IN 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, ATTORNEYS, 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 SELLER TO A PROSPECTIVE BIDDER IN A DEFINITIVE, EXECUTED LOAN PURCHASE AGREEMENT SHALL HAVE ANY LEGAL EFFECT.