

SALE ANNOUNCEMENT

\$21 MILLION PERFORMING CO-WORKING LOAN RELATIONSHIP

Sale:	\$21,021,775 Performing Loan Portfolio Sale (Three Loans Across One Relationship)
Collateral:	Three Co-Working Office Properties
Location:	St. Petersburg, FL; Nashville, TN; Kansas City, MO
Loan Performance:	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 a \$21,021,775 performing loan relationship (the “**Loans**,” or “**Assets**”). The three notes in the relationship are each secured by one co-working property (the “**Property**” or collectively, the “**Collateral**”)

SALE STRUCTURE

Mission Capital has been retained as the exclusive Asset Sale Advisor to the Seller for the sale of a \$21,021,775 Loan relationship consisting of three notes to one Borrower. 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 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 on the Loan.

Event	Date
Sale Announcement Distributed	Thursday, August 3, 2023
Due Diligence Materials Available	Friday, August 4, 2023
Indicative Bid Date	Thursday, August 24, 2023
Final Bid Date	Wednesday, September 13, 2023
Winning Bidder Selected	Thursday, September 14, 2023
Executed Contract/Deposit Due	Friday, September 15, 2023
Closing Date (On or Before)	Friday, September 29, 2023

HIGHLIGHTS & SALE SUMMARY

The Loan Relationship Sale offers Prospective Bidders the opportunity to acquire three Loans totaling \$21mm. Each Loan is secured by one co-working office Property.

- All three Loans hold variable interest rates. The weighted average coupon is 9.23%. The Borrower is current on their Loan payments.
- The Collateral is all centrally located in urban areas, ideal for flexible working environments.
- The appraised LTV of the Portfolio is a conservative 53.9%
- The three Loans are cross defaulted, and unconditionally guaranteed.
- The Sponsor is an experienced real estate owner and co-working operator. The firm operates over 35 co-working properties nationwide.
- The performance of the co-working Properties varies significantly. The St. Petersburg Property is operating with a debt yield of 10.4%, while the Kansas City Property is the most underperforming location and is currently operating at a net loss.
- The St. Petersburg Property is over 90% occupied, while the Kansas City and Nashville locations are ~70% occupied. There is significant upside potential upon stabilization and effective expense management.

Deal Summary			
Location	St. Petersburg	Nashville	Kansas City
Unpaid Principal Balance	\$7,437,140	\$9,645,767	\$3,938,867
Unpaid Principal Balance PSF	\$140.04	\$113.99	\$87.67
Interest Rate	8.75%	9.50%	9.50%
Origination Date	2/18/2020	8/14/2017	3/9/2017
Maturity Date	2/15/2025	2/15/2024	9/10/2023
Guaranty	Full Recourse	Full Recourse	Full Recourse
Appraised LTV	60.96%	48.23%	54.40%
Occupancy Rate	93.27%	69.89%	71.50%

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 initially soliciting indicative bids for the Loans. Prospective Bidders are encouraged to 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 due diligence before submitting non-contingent offers on the Final 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.