

SALE ANNOUNCEMENT

\$8.6 MILLION NON-PERFORMING LOAN POOL SALE

Sale:	\$8.6 Million NYC Multifamily Non-Performing Loan Pool
Collateral:	Multifamily (100%)
Location:	New York (76.7% Brooklyn, 23.3% Astoria)
Loan Performance:	Non-Performing (Monetary & Maturity Default)

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 four non-performing commercial loans totaling \$8,594,000 in UPB (the “**Loans**,” or “**Assets**”) secured by multifamily properties in Brooklyn, NY and Astoria, NY (collectively, the “**Properties**” or “**Collateral**”). The Loans are all full recourse to unrelated guarantors (“**Guarantors**”).

SALE STRUCTURE

Mission Capital has been retained as the exclusive Asset Sale Advisor to the Seller for the sale of four (unrelated) non-performing Loans secured by multifamily properties in Brooklyn & Astoria, New York. **The Loans are being offered on an individual loan and/or pool basis via a sealed bid process.**

On behalf of the Seller, Mission Capital is initially soliciting indicative bids from prospective bidders (the “Prospective Bidders”) for the purchase of the Loans pursuant to the Asset Sale timeline below.

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 Loans.

Loan Sale Timeline	
Event	Date
Sale Announcement Distributed	Tuesday, October 31, 2023
Initial Data Distribution	Wednesday, November 1, 2023
Indicative Bid Date	Thursday, November 16, 2023
Best & Final Bid Date	Tuesday, December 12, 2023
Winning Bidder(s) Selected	Wednesday, December 13, 2023
Executed Contract/Deposit Due	Friday, December 15, 2023
Closing Date (On or Before)	Thursday, December 21, 2023

HIGHLIGHTS & SALE SUMMARY

The Loan Sale offers Prospective Bidders the opportunity to acquire four (4) non-performing Loans totaling \$8,594,000 in Unpaid Principal Balance. The Loans are secured by four multifamily properties in the Flatbush and Bed-Stuy neighborhoods of Brooklyn, and in Astoria, Queens.

Loan Sale highlights are as follows:

- Three of the Loans are progressing through the Foreclosure process, and the fourth loan is in Bankruptcy. The Loans are either pending motion for summary judgment (“MSJ”), or in foreclosure judgment stage. Estimated timing to foreclosure sale is 7-10 months across the Loans.
- The Loans were originated in 2018-2019 as fix & flip or value-add bridge loans. The total draw amount at origination was \$7,505,000.
- The most recent payment made on any of the Loans was in September of 2021. There is an additional \$7.3 million of accrued/defaulted interest and late fees outstanding across the pool.
- The Loans are full recourse to the Sponsors. The Guarantors are unrelated.
- Additional detail on the Collateral securing the Loans is shown in the table on the following page.

Collateral Details	Loan 1	Loan 2	Loan 3	Loan 4
Collateral Type	Multifamily	Multifamily	Multifamily	Multifamily
City	Brooklyn	Brooklyn	Brooklyn	Astoria
State	NY	NY	NY	NY
Year Built / Renovated	1900 / 2015	1899 / 2023 (In Process)	1910 / 2023 (In Process)	1931 / NAV
Units	2	8	8	4
Site Size (SF)	2,200	1,967	2,000	2,110
Building Square Feet	2,856	5,023	4,698	3,864
BPO Value	\$2,206,000	\$3,815,000	\$3,010,000	\$2,000,000
BPO Value PSF	\$772	\$759	\$640	\$517
BPO Date	1/23/2023	2/24/2023	2/24/2023	6/29/2023

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 Assets, 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.