



SALE ANNOUNCEMENT

\$1.25 MILLION NON-PERFORMING MULTIFAMILY LOAN SALE

Sale:	\$1.25 Million Non-Performing Multifamily Loan Sale
Collateral:	10-Unit, 5,112 SF Multifamily Property
Location:	Bedford-Stuyvesant, Brooklyn, New York
Loan Performance:	Non-Performing (Payment Default)

OVERVIEW

On behalf of an undisclosed seller (the “**Seller**”), Mission Capital Advisors, LLC (“**Mission Capital**” or “**Loan Sale Advisor**”) in conjunction with Marcus & Millichap (“**MMI**”) is pleased to announce the sale (the “**Loan Sale**”) of a \$1,256,259 non-performing loan (the “**Loan**”) collateralized by a multifamily property containing 10 apartments in Bedford-Stuyvesant, Brooklyn (collectively, the “**Property**” or “**Collateral**”).

SALE STRUCTURE

Mission Capital has been retained as the exclusive Loan Sale Advisor to the Seller for the sale of a non-performing Loan secured by the fee simple interest in a Brooklyn multifamily property containing 10 apartments. 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 herein.

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.

Event	Date
Sale Announcement Distributed	Tuesday, May 20, 2025
Due Diligence Materials Available	Wednesday, May 21, 2025
Indicative Bid Date	Thursday, June 12, 2025
Final Bid Date	Wednesday, July 9, 2025
Winning Bidder Selected	Thursday, July 10, 2025
Executed Contract/Deposit Due	Friday, July 11, 2025
Closing Date (On or Before)	Thursday, July 24, 2025

HIGHLIGHTS & SALE SUMMARY

The Loan Sale offers Prospective Bidders the opportunity to acquire a \$1,256,259 non-performing Loan secured by a multifamily property in Brooklyn, NY. Loan Sale highlights are as follows:

- The loan was originated in 2017 with a principal balance of \$1,392,000 as a Freddie Mac SBL and matures in 2037. There is a limited recourse guarantee.
- The loan defaulted in July 2024 and entered special servicing in September 2024. The foreclosure process has not started. The total outstanding loan balance is \$1,358,884, which is detailed in the table on page 2.
- The loan has a floating note rate of 1-month SOFR + 3.68% and a floating default rate equal to the note rate + 5.00%.
- The property is a four-story, 100% RS apartment building consisting of 7 one-bedroom and 3 two-bedroom units averaging 450 and 600 square feet, respectively.
- The property is a tax-protected Class 2B building, which limits property tax increases to no more than 8% per year and 30% over five years.
- As of March 2024, the property was fully occupied and produced \$106k in NOI on a trailing 12-month basis. The property generated \$15,262 of monthly rental income and \$183,147 of annual rental income. Annual taxes are \$13,337.64.
- The Loan has an attractive basis of \$125,625 per unit.
- The Property is well-located within Bed-Stuy and is a short walk from the Nostrand Ave Subway Station, P.S. K140, and multiple grocery and retail options.

Loan Information	
Status	Non-Performing, Payment Default
Origination Date	November 2017
Origination Balance	\$1,392,000
Current UPB	\$1,256,229
Maturity Date	January 2037
Interest Rate (Floating)	1-Month SOFR +368 BPS (8.03% indicative rate a/o 5/2/25) with a 9.04% all-in cap
Default Rate (Float)	Note rate + 500 BPS (13.03% indicative rate a/o 5/2/25)

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 sale announcement email or by visiting market.missioncap.com. Included in the Due Diligence Materials will be an Information Memorandum for the Loan, CapEx Details, 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 sale agreement (the “**Loan Sale Agreement**”).

Mission Capital is initially soliciting indicative bids for the Loan. 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.

Collateral Summary	
Property Type	Multifamily
City, State	Brooklyn, NY
GBA (SF)	5,112
NRA (SF)	4,950
Residential Units	10
Site Size (SF)	2,000
Year Built/Renovated	1900/2003
Occupancy	100%

Loan Balance	
Unpaid Principal Balance (UPB)	\$1,249,539
Cumulative ASER (Appraisal Subordination Entitlement Reduction) Amount	\$11,474
P&I Advances Outstanding	\$76,396
Other Expense Advance Outstanding	\$165
T&I Advances Outstanding	\$21,310
Total Exposure	<u>\$1,358,884</u>

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 Loan 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.

TRANSACTION TEAM CONTACT INFORMATION – MISSION CAPITAL

Alex Draganiuk*Managing Director*adraganiuk@missioncap.com

Direct: 212 941 2276

Cell: 917 302 2706

Pierre Bonan*Managing Director*pbonan@missioncap.com

Direct: 212 537 5959

Cell: 917 622 2832

Spencer Kirsch*Managing Director*skirsch@missioncap.com

Direct: 212 941 2270

Cell: 516 509 7809

David Tobin*Senior Managing Director*dtobin@missioncap.com

Direct: 212 941 2268

Cell: 917 653 8209

Austin Parisi, CFA*Director*aparisi@missioncap.com

Direct: 212 941 2273

Cell: 914 703 2634

Oliver Harris*Associate*oharris@missioncap.com

Cell: 973 715 9828

Katie Juarez*Vice President - Operations*kjuarez@missioncap.com

Cell: 402 450 9482

ADDITIONAL LOAN SALE CONTACTS

Joseph Runk*Senior Managing Director*jrunk@missioncap.com

Direct: 561 923 8892

Cell: 561 254 0005

Daniel O'Donnell*Managing Director*dodonnell@missioncap.com

Cell: 214-912-6567

James Gosse*Managing Director*jgosse@missioncap.com

Cell: 770 298 5029

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 LOAN 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 LOAN. 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.