

# SALE ANNOUNCEMENT

\$25.1mm Small Balance Loan Portfolio  
SBA & Non-SBA Pool Offerings  
Nationwide

INDICATIVE BID DATE: TUESDAY AUGUST 2, 2022

FINAL BID DATE: THURSDAY AUGUST 18, 2022



**Sale:** \$25,119,049 Small Balance Loan Portfolio Sale (Non-SBA – 75.1%, SBA – 24.9%)

**Non-SBA Collateral:** Hotel (20.7%), C&I (20.6%), Office (14.2%), Industrial (11.5%)

**SBA Collateral** C&I (Business Assets)

**Location:** Nationwide

**Performance:** Performing (88.3%), Non-Performing (11.7%)

## Overview Summary

\$25,119,049 Small Balance Loan Portfolio Sale (the “Loan Sale”) conducted exclusively by Mission Capital Advisors, LLC (“Mission Capital” or “Asset Sale Advisor”) on behalf of an undisclosed Seller (“Seller”).

## Sale Structure

Mission Capital has been retained as the exclusive Asset Sale Advisor to the Seller for the sale of 91 SBA & Non-SBA loans with an aggregate net legal balance of \$25,119,049. The Non-SBA Loans are collateralized by C&I, Hotel, Industrial, Office, and other related assets located nationwide. The SBA loans are collateralized by business assets. (the “Loans”, “Portfolio” or “Assets”). The Assets are 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 Loans pursuant to the Asset Sale timeline attached hereto. The Loans are being offered in two sub-pools (the “Pools”); Pool A consists of the Non-SBA loans, and Pool B consists of the SBA loans. No carve-outs within each Pool will be considered. Investors have the ability to place a bid(s) on Pool A only, Pool B only, or the entire Portfolio.

Mission Capital, in conjunction with the Seller, and at the sole and absolute discretion of the Seller, will invite multiple final bidders (the “Final Bidders”) to the Final Bid round to complete due diligence and submit non-contingent bid(s) for the Loans.

## Highlights & Sale Summary

The Loan Sale offers Prospective Bidders the opportunity to acquire 11 performing non-SBA Loans and 80 mixed-performance SBA Loans, consisting of collateral located throughout the United States.

Sale Highlights are as follows:

- The Portfolio is comprised 91 loans, of which, 11 are Non-SBA (75.1% of Net Legal Balance) and 80 are SBA Loans (24.9% of Balance).
- All of the Non-SBA loans (Pool A) contain collateral in 1<sup>st</sup> lien position.
- The SBA Loans (Pool B) are collateralized by assets of the businesses themselves (non-real estate). 52% of the SBA loans are Unguaranteed portions only, whereas the other 48% are Whole Loans (Guaranteed and Unguaranteed in-tact).
- 63.4% of the Portfolio is Fixed Rate. The Portfolio has an overall weighted average interest rate of 5.50%.
- The Loans are seasoned, with a weighted average origination date in 2017, and a weighted average maturity in 2026.
- Detailed Portfolio Stratifications can be found on page 5 and 6.

Pooling Structure	Loan Count	Net Customer Legal Balance \$	Net Customer Legal Balance %	Sold Legal Portion	Total Balance	WA Orig Date	WA Maturity	WAC %
Non-SBA (Pool A)	11	\$18,851,957	75.1%	\$0	\$18,851,957	8/25/2017	11/19/2024	5.46%
SBA (Pool B)	80	\$6,267,092	24.9%	(\$9,796,600)	\$16,063,691	5/28/2016	12/3/2031	5.69%
<b>Grand Total</b>	<b>91</b>	<b>\$25,119,049</b>	<b>100.0%</b>	<b>(\$9,796,600)</b>	<b>\$34,915,648</b>	<b>6/3/2017</b>	<b>2/28/2026</b>	<b>5.50%</b>

## 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 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 a comprehensive array of due diligence data (the “Due Diligence Materials”), which will be made available to 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 [www.missioncap.com/transactions](http://www.missioncap.com/transactions). Included in the Due Diligence Materials will be a data tape for the Assets (the “Data Tape”) prepared by Mission Capital, comprehensive bidding instructions, the terms of sale and the Seller’s required form of Loan Purchase Agreement for Sale and Purchase of the Assets (the “Loan Purchase Agreement”).

Additional information will be provided to Bidders via Mission Capital’s online due diligence site. Such information may include detailed loan documents, pay histories, and financial statements, in both computer file and imaged formats.

Mission Capital is initially soliciting indicative bids for the Assets. 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 final 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 Purchase Agreement by Prospective Bidder accompanied by a 10% non-refundable wire funds deposit).

Please e-sign or return an executed Confidentiality Agreement to [assetsales@missioncap.com](mailto:assetsales@missioncap.com). **PLEASE NOTE THAT E-SIGNATURES OF UNMODIFIED CONFIDENTIALITY AGREEMENTS WILL BE PROCESSED IN TOP PRIORITY, WHILE MODIFIED CONFIDENTIALITY AGREEMENTS ARE PROCESSED AT THE END OF EACH BUSINESS DAY.**

**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.**

## Loan Purchase Agreement

The Seller will make its required form of Loan Purchase Agreement available to Bidders. Comments to the Loan Purchase Agreement are due prior to the Final Bid Date. Pursuant to the Loan Purchase Agreement, the Seller is selling its Loans subject only to those representations and warranties explicitly stated in the Loan Purchase Agreement. No other representations or warranties, either expressed or implied, shall apply.

**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 earnest money in accordance with the Loan Purchase Agreement.**

## Sale Timeline

The transaction contemplated herein has been scheduled as follows:

<b>Sale Announcement Distributed</b>	Thursday, July 14, 2022
<b>Initial Data Distribution</b>	Thursday, July 14, 2022
<b>Indicative Bid Date</b>	Tuesday, August 2, 2022
<b>Best &amp; Final Bid Date</b>	Thursday, August 18, 2022
<b>Winning Bidder Selected</b>	Friday, August 19, 2022
<b>10% Non-Refundable Deposit Due</b>	Tuesday, August 23, 2022
<b>Closing Date (On or Before)</b>	Wednesday, August 31, 2022

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

## Transaction Team Contact Information

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# \$25.1mm Small Balance Mixed-Performance Loan Portfolio Sale



Pooling Structure	Loan Count	Net Customer Legal Balance \$	Net Customer Legal Balance %	Sold Legal Portion	Total Balance \$	WA Orig Date	WA Maturity	WAC %
Non-SBA (Pool A)	11	\$18,851,957	75.1%	\$0	\$18,851,957	8/25/2017	11/19/2024	5.46%
SBA (Pool B)	80	\$6,267,092	24.9%	(\$9,796,600)	\$16,063,691	5/28/2016	12/3/2031	5.69%
<b>Grand Total</b>	<b>91</b>	<b>\$25,119,049</b>	<b>100.0%</b>	<b>(\$9,796,600)</b>	<b>\$34,915,648</b>	<b>6/3/2017</b>	<b>2/28/2026</b>	<b>5.50%</b>

Loan Type - Breakout	Loan Count	Net Customer Legal Balance \$	Net Customer Legal Balance %	Sold Legal Portion	Total Balance \$	WA Orig Date	WA Maturity	WAC %
Non-SBA	11	\$18,851,957	75.1%	\$0	\$18,851,957	8/25/2017	11/19/2024	5.46%
SBA - Guaranteed Piece Sold	36	\$3,241,508	12.9%	(\$9,796,600)	\$13,038,108	8/17/2016	10/26/2031	5.61%
SBA - Guaranteed In-Tact	44	\$3,025,584	12.0%	\$0	\$3,025,584	12/27/2015	2/14/2032	5.83%
<b>Grand Total</b>	<b>91</b>	<b>\$25,119,049</b>	<b>100.0%</b>	<b>(\$9,796,600)</b>	<b>\$34,915,648</b>	<b>6/3/2017</b>	<b>2/28/2026</b>	<b>5.50%</b>

Loan Type + Status	Loan Count	Net Customer Legal Balance \$	Net Customer Legal Balance %	Sold Legal Portion	Total Balance \$	WA Orig Date	WA Maturity	WAC %
<b>Non-SBA</b>	<b>11</b>	<b>\$18,851,957</b>	<b>75.1%</b>	<b>\$0</b>	<b>\$18,851,957</b>	<b>8/25/2017</b>	<b>11/19/2024</b>	<b>5.46%</b>
Current	10	\$18,820,238	74.9%	\$0	\$18,820,238	8/24/2017	11/20/2024	5.46%
60-89	1	\$31,719	0.1%	\$0	\$31,719	12/11/2018	12/11/2023	6.90%
<b>SBA - Guaranteed In-Tact</b>	<b>44</b>	<b>\$3,025,584</b>	<b>12.0%</b>	<b>\$0</b>	<b>\$3,025,584</b>	<b>12/27/2015</b>	<b>2/14/2032</b>	<b>5.83%</b>
180+	41	\$2,315,428	9.2%	\$0	\$2,315,428	4/27/2017	4/28/2027	6.14%
30-59	2	\$701,087	2.8%	\$0	\$701,087	6/20/2014	6/5/2037	5.56%
Current	1	\$9,069	0.0%	\$0	\$9,069	2/19/2021	2/22/2026	1.00%
<b>SBA - Guaranteed Piece Sold</b>	<b>36</b>	<b>\$3,241,508</b>	<b>12.9%</b>	<b>(\$9,796,600)</b>	<b>\$13,038,108</b>	<b>8/17/2016</b>	<b>10/26/2031</b>	<b>5.61%</b>
Current	21	\$2,289,280	9.1%	(\$6,941,729)	\$9,231,009	3/10/2017	10/16/2032	5.42%
180+	3	\$472,912	1.9%	(\$1,376,130)	\$1,849,042	4/23/2012	4/5/2027	5.91%
30-59	5	\$151,268	0.6%	(\$471,436)	\$622,704	1/4/2017	3/2/2034	6.99%
60-89	3	\$169,351	0.7%	(\$508,051)	\$677,402	4/30/2017	12/31/2029	5.90%
90-119	4	\$158,698	0.6%	(\$499,253)	\$657,951	3/21/2017	3/21/2027	6.57%
<b>Grand Total</b>	<b>91</b>	<b>\$25,119,049</b>	<b>100.0%</b>	<b>(\$9,796,600)</b>	<b>\$34,915,648</b>	<b>6/3/2017</b>	<b>2/28/2026</b>	<b>5.50%</b>

Loan Type + Collateral Type	Loan Count	Net Customer Legal Balance \$	Net Customer Legal Balance %	Sold Legal Portion	Total Balance \$	WA Orig Date	WA Maturity	WAC %
<b>Non-SBA</b>	<b>11</b>	<b>\$18,851,957</b>	<b>75.1%</b>	<b>\$0</b>	<b>\$18,851,957</b>	<b>8/25/2017</b>	<b>11/19/2024</b>	<b>5.46%</b>
Hotel	1	\$5,201,828	20.7%	\$0	\$5,201,828	10/21/2019	10/21/2026	5.50%
C&I	2	\$5,163,900	20.6%	\$0	\$5,163,900	5/6/2016	5/3/2022	5.31%
Office	2	\$3,573,337	14.2%	\$0	\$3,573,337	2/12/2017	1/17/2023	5.31%
Industrial	2	\$2,893,321	11.5%	\$0	\$2,893,321	10/7/2017	1/26/2025	5.95%
Retail	2	\$1,107,906	4.4%	\$0	\$1,107,906	11/5/2014	6/8/2034	5.30%
Special-Use	1	\$643,286	2.6%	\$0	\$643,286	10/30/2018	10/30/2023	5.74%
1-4 Family	1	\$268,380	1.1%	\$0	\$268,380	6/30/2015	6/30/2022	4.35%
<b>SBA - Guaranteed In-Tact</b>	<b>44</b>	<b>\$3,025,584</b>	<b>12.0%</b>	<b>\$0</b>	<b>\$3,025,584</b>	<b>12/27/2015</b>	<b>2/14/2032</b>	<b>5.83%</b>
C&I	43	\$3,016,515	12.0%	\$0	\$3,016,515	12/15/2015	2/28/2032	5.86%
Unsecured	1	\$9,069	0.0%	\$0	\$9,069	2/19/2021	2/22/2026	1.00%
<b>SBA - Guaranteed Piece Sold</b>	<b>36</b>	<b>\$3,241,508</b>	<b>12.9%</b>	<b>(\$9,796,600)</b>	<b>\$13,038,108</b>	<b>8/17/2016</b>	<b>10/26/2031</b>	<b>5.61%</b>
C&I	36	\$3,241,508	12.9%	(\$9,796,600)	\$13,038,108	8/17/2016	10/26/2031	5.61%
<b>Grand Total</b>	<b>91</b>	<b>\$25,119,049</b>	<b>100.0%</b>	<b>(\$9,796,600)</b>	<b>\$34,915,648</b>	<b>6/3/2017</b>	<b>2/28/2026</b>	<b>5.50%</b>

# \$25.1mm Small Balance Mixed-Performance Loan Portfolio Sale



Loan Status	Loan Count	Net Customer Legal Balance \$	Net Customer Legal Balance %	Sold Legal Portion	Total Balance \$	WA Orig Date	WA Maturity	WAC %
Current	32	\$21,118,587	84.1%	(\$6,941,729)	\$28,060,316	8/8/2017	8/28/2025	5.45%
30-59	7	\$852,355	3.4%	(\$471,436)	\$1,323,791	10/21/2014	12/29/2036	5.75%
60-89	4	\$201,069	0.8%	(\$508,051)	\$709,120	7/29/2017	1/28/2029	6.05%
90-119	4	\$158,698	0.6%	(\$499,253)	\$657,951	3/21/2017	3/21/2027	6.57%
180+	44	\$2,788,340	11.1%	(\$1,376,130)	\$4,164,470	11/2/2015	4/21/2027	6.07%
<b>Grand Total</b>	<b>91</b>	<b>\$25,119,049</b>	<b>100.0%</b>	<b>(\$9,796,600)</b>	<b>\$34,915,648</b>	<b>6/3/2017</b>	<b>2/28/2026</b>	<b>5.50%</b>

Collateral Type	Loan Count	Net Customer Legal Balance \$	Net Customer Legal Balance %	Sold Legal Portion	Total Balance \$	WA Orig Date	WA Maturity	WAC %
C&I	81	\$11,421,922	45.5%	(\$9,796,600)	\$21,218,522	5/14/2016	8/10/2026	5.48%
Hotel	1	\$5,201,828	20.7%	\$0	\$5,201,828	10/21/2019	10/21/2026	5.50%
Office	2	\$3,573,337	14.2%	\$0	\$3,573,337	2/12/2017	1/17/2023	5.31%
Industrial	2	\$2,893,321	11.5%	\$0	\$2,893,321	10/7/2017	1/26/2025	5.95%
Retail	2	\$1,107,906	4.4%	\$0	\$1,107,906	11/5/2014	6/8/2034	5.30%
Special-Use	1	\$643,286	2.6%	\$0	\$643,286	10/30/2018	10/30/2023	5.74%
1-4 Family	1	\$268,380	1.1%	\$0	\$268,380	6/30/2015	6/30/2022	4.35%
Unsecured	1	\$9,069	0.0%	\$0	\$9,069	2/19/2021	2/22/2026	1.00%
<b>Grand Total</b>	<b>91</b>	<b>\$25,119,049</b>	<b>100.0%</b>	<b>(\$9,796,600)</b>	<b>\$34,915,648</b>	<b>6/3/2017</b>	<b>2/28/2026</b>	<b>5.50%</b>

Rate Type	Loan Count	Net Customer Legal Balance \$	Net Customer Legal Balance %	Sold Legal Portion	Total Balance \$	WA Orig Date	WA Maturity	WAC %
Fixed	58	\$15,930,546	63.4%	(\$2,820,734)	\$18,751,280	3/24/2018	5/5/2025	5.59%
Variable	33	\$9,188,503	36.6%	(\$6,975,866)	\$16,164,368	3/10/2016	6/1/2027	5.35%
<b>Grand Total</b>	<b>91</b>	<b>\$25,119,049</b>	<b>100.0%</b>	<b>(\$9,796,600)</b>	<b>\$34,915,648</b>	<b>6/3/2017</b>	<b>2/28/2026</b>	<b>5.50%</b>

Participation Loan	Loan Count	Net Customer Legal Balance \$	Net Customer Legal Balance %	Sold Legal Portion	Total Balance \$	WA Orig Date	WA Maturity	WAC %
No	16	\$19,611,780	78.1%	\$0	\$19,611,780	7/14/2017	4/29/2025	5.46%
Yes	75	\$5,507,268	21.9%	(\$9,796,600)	\$15,303,868	10/17/2016	11/30/2030	5.71%
<b>Grand Total</b>	<b>91</b>	<b>\$25,119,049</b>	<b>100.0%</b>	<b>(\$9,796,600)</b>	<b>\$34,915,648</b>	<b>6/3/2017</b>	<b>2/28/2026</b>	<b>5.50%</b>