



Offering Memorandum

Sale: \$118,523,163 Commercial Mortgage Loan Sale
Collateral Types: Residential Development Land & One Single Family Residence
Locations: AZ, CA, FL, UT, NV, TX
Performance: Non-Performing; Late-Stage Foreclosure

Overview

\$118,523,163 Commercial Mortgage Loan Sale (the "Loan Sale") Being Conducted By Mission Capital Advisors, LLC ("Mission" or "Loan Sale Advisor") On Behalf of an Unidentified Seller ("Seller").

Sale Structure

Mission has been retained as the exclusive Loan Sale Advisor to the Seller for the sale of a non-performing commercial mortgage loan secured by 26 individual residential development land parcels (the "Loan" or "Asset").

On behalf of the Seller, Mission is initially soliciting indicative bids ("Indicative Bids") on a sealed bid basis from prospective bidders (the "Prospective Bidders") for the purchase of either (a) the entire loan or (b) one or more of seven loan participations, each subject to a common Intercreditor Agreement, Master Participation and Servicing Agreement or other appropriate documentation which will allocate foreclosure rights to specific collateral (divided by geographic markets) as described in the Portfolio Summary section below. The sale will be conducted pursuant to the Loan Sale timeline attached hereto.

Mission, in conjunction with the Seller, and at the sole and absolute discretion of the Seller, will then invite multiple bidders (the "Final Bidders") to complete due diligence and submit non-contingent final bids for the Asset or the participations.

Highlights

- **This sale must be completed prior to quarter end; investors will be required to finalize loan sale or participation agreements prior to the final bid date.**
- The loan was made to affiliated entities of a national homebuilder; the entities were created as a special purpose land holding company for future development parcels. The parent homebuilder filed for Bankruptcy in 2008; however, the Borrowers of the subject loan were not included in the filing. The Bankruptcy was resolved by a confirmed plan of reorganization, effective 1/1/10.
- The Asset was originated as an unsecured revolving line of credit governed by a borrowing base. Subsequent to default occurring in 2007, the loan was secured by certain assets in the borrowing base.
- Foreclosure actions against the subject collateral commenced in 2009. The Borrower has not challenged any of the foreclosure efforts to date and the Seller does not anticipate the borrowers will attempt to stop the completion of the foreclosure process.
- In addition to offering the loan to a single purchaser, the Seller will consider the sale of seven participations with allocated collateral rights as governed by a common Intercreditor Agreement, Master Participation and Servicing Agreement or other appropriate documentation. This structure is being considered in order to allow foreclosure on certain groups of assets by geographic location. Additional information regarding this proposed structure will be provided to Prospective Bidders.

Collateral Summary

Collateral ID	City, State	Collateral Type	Site Size (Acres)	Entitlement Status
COLLATERAL POOL A - ARIZONA REGION				
A-1	Phoenix, AZ	Residential Land	194.90	Preliminary Plat
A-2	Coolidge, AZ	Residential Land	83.00	Unentitled
A-3	Maricopa, AZ	Residential Land	8.36	Plan of Development/Zone Change
A-4	Phoenix, AZ	Single Family Residence	0.16	Constructed Home
A-5	Maricopa, AZ	Residential Land	360.37	Approved Development Master Plan
A-6	White Hills, AZ	Residential Land	287.19	Unentitled
A-7	Phoenix, AZ	Residential Land	34.29	Expired Preliminary Plat
TOTAL ARIZONA REGION			968.27	
COLLATERAL POOL B - NORTHERN CALIFORNIA REGION				
B-1	Merced, CA	Residential Land	304.10	Unentitled
B-2	Rancho Cordova, CA	Residential Land	98.70	Approved Tentative Map
B-3	Placer, CA	Residential Land	100.80	Approved Development Agreement
B-4	Rancho Murieta, CA	Residential Land	59.77	Approved Tentative Map
B-5	Santa Nella, CA	Residential Land	73.30	Two Tract Maps Approved
B-6	Selma, CA	Residential Land	19.32	Unentitled
B-7	Merced, CA	Residential Land	115.20	Approved Area Plan for Development
TOTAL NORTHERN CALIFORNIA REGION			771.19	
COLLATERAL POOL C - SOUTHERN CALIFORNIA REGION				
C-1	Victorville, CA	Residential Land	110.00	Tentative Tract Map Approved
C-2	Menifee, CA	Residential Land	206.80	Approved Tentative Map
TOTAL SOUTHERN CALIFORNIA REGION			524.62	
COLLATERAL POOL D - FLORIDA REGION				
D-1	Nassau, FL	Residential Land	293.00	Approved Planned Unit Development
D-2	Elkton, FL	Residential Land	2,707.62	Zoned Rural, Agricultural & Resi-B
D-3	St. Johns, FL	Residential Land	154.79	Various
TOTAL FLORIDA REGION			3,155.41	
COLLATERAL POOL E - UTAH REGION				
E-1	Farmington, UT	Residential Land	100.89	Approved Development Agrmnt (Effective 8/14/10)
E-2	North Salt Lake, UT	Residential Land	85.17	Approved Planned Unit Development
E-3	Farmington, UT	Residential Land	88.08	Various
E-4	Kaysville, UT	Residential Land	129.00	Planned Unit Development & Preliminary Plat
TOTAL UTAH REGION			403.14	
COLLATERAL POOL F - NEVADA REGION				
F-1	Las Vegas, NV	Residential Land	95.54	Approved Tentative Map
F-2	Henderson, NV	Residential Land	42.85	Approved Tentative Map
TOTAL NEVADA REGION			138.39	
COLLATERAL POOL G - TEXAS REGION				
G-1	San Antonio, TX	Residential Land	67.03	Unentitled (Community level zoning only)
TOTAL TEXAS REGION			67.03	

Loan Sale Process

The Seller, in conjunction with Mission, has prepared a comprehensive array of due diligence data (the "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 www.missioncap.com/deals. Included in the Due Diligence Materials will be a Loan Summary and Collateral Summaries prepared by Mission, indicative bid instructions, comprehensive bidding instructions, the terms of sale and the Seller's required form of agreement for sale and purchase of the Loan (the "Loan Sale Agreement"). Please e-sign or return an executed Confidentiality Agreement via fax (646-607-8132) or email (mbritvan@missioncap.com) to Mission's New York office.

Mission is initially soliciting indicative bids for the Asset or the Participations. 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, 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 pre-negotiated Loan Sale Agreement(s) by Prospective Bidder accompanied by a 10% non-refundable wire funds deposit**).

Additional information, will be provided to Final Bidders via Mission’s online due diligence site. Such information may include detailed loan documents, environmental reports and litigation documents (if applicable), in both computer file and imaged formats.

Please e-sign or return an executed Confidentiality Agreement to Fax: 646-607-8132 (ATTENTION Michael Britvan) OR EMAIL TO mbritvan@missioncap.com. **PLEASE NOTE THAT E-SIGNATURES WILL BE PROCESSED IN TOP PRIORITY WHILE FAX AND EMAIL SIGNATURES ARE PROCESSED AT THE END OF EACH BUSINESS DAY.**

All inquiries should be directed through Mission Capital. Neither the Seller, Borrower, Borrower affiliates or Guarantors are to be contacted. Investors are required to strictly adhere to the terms of the Confidentiality Agreement.

Timeline

The transaction contemplated herein has been scheduled as follows:

Loan Sale Timeline	
Event	Date
Offering Memorandum Distributed	Monday, February 08, 2010
Initial Data Distribution	Tuesday, February 09, 2010
Indicative Bids Due	Thursday, February 25, 2010
Final Bidders Selected	Friday, February 26, 2010
Final Bid Date	Thursday, March 18, 2010
Winning Bidder Selected	Friday, March 19, 2010
10% Non-Refundable Deposit Due	Monday, March 22, 2010
Closing Date	Monday, March 29, 2010

Representations and Warranties

The Sellers will make the required form of Loan Sale Agreement(s) available for review to Final Bidders. Pursuant to the Loan Sale Agreement(s), the Seller is selling its Assets subject only to those representations and warranties explicitly stated in the Loan Sale Agreement(s). No other representations or warranties, either expressed or implied, shall apply.

Disclaimer

The Sellers Reserve The Right, At Their Sole And Absolute Discretion, To Withdraw The Asset From The Loan Sale, At Any Time. This Offering Memorandum Has Been Prepared To Assist The Recipient In Deciding Whether To Proceed With Further Investigation Of The Asset. While The Information Included Herein Is Believed To Be Accurate And Reliable, Sellers, Mission 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 Sale Agreement(s) Shall Have Any Legal Effect.

Inquiries

If you are interested in obtaining additional information regarding the sale, please do not hesitate to contact the undersigned.

Data Request & Sale Discussions

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Howard Freedman

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Loan Sale Discussions

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