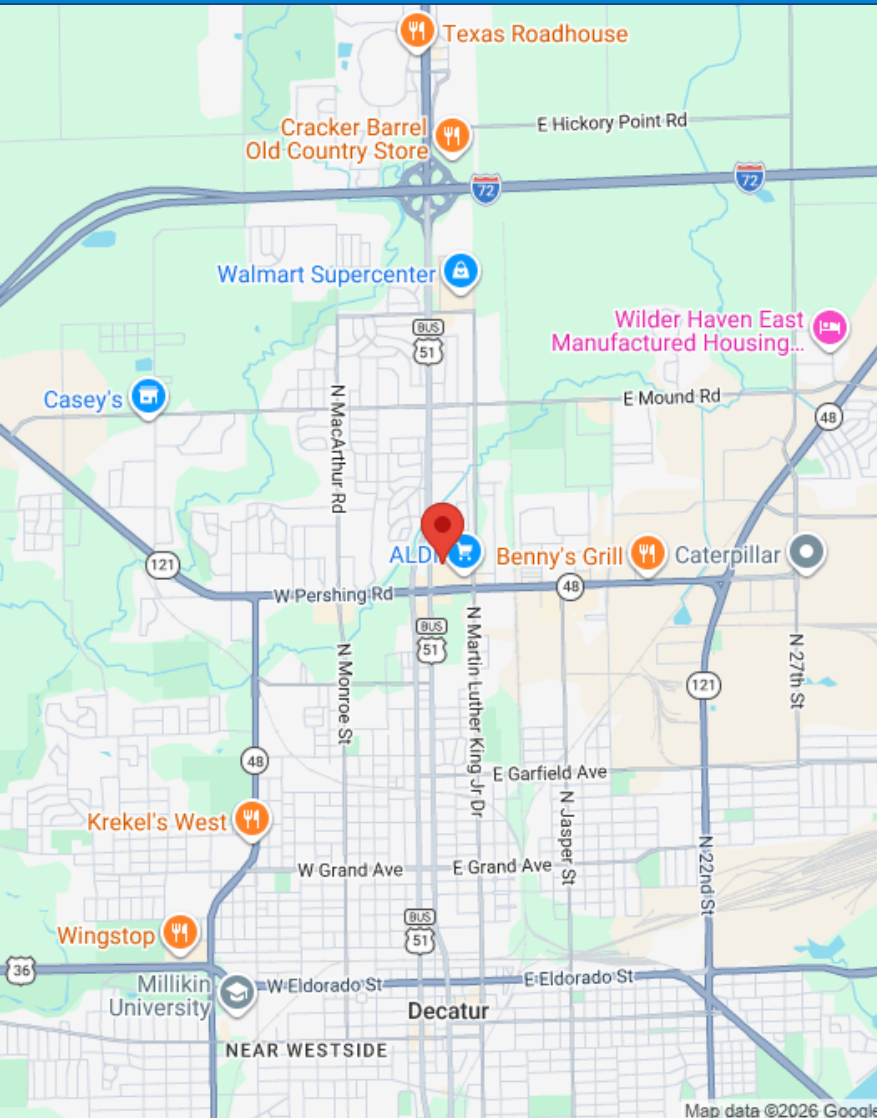


Sample Loan



Property Type
Retail - Anchored

Address
3000 North Water Street,
Decatur, IL 62526

Loan Sponsor Contact
Sample Contact

(305) 778-3320

sample@sample.com

Loan Sponsor
Sample Sponsor Name Co.

If contact information is not accurate, please reach out to CRE Inc at support@creinc.com for assistance.

Urgency Score - Sale Urgency

3000 North Water Street, Decatur, IL 62526

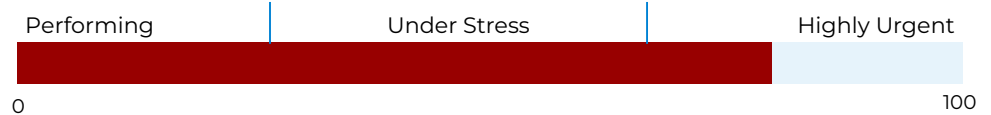
01

CRE INC

85

OUT OF A MAXIMUM
URGENCY OF 100

The Urgency Score is a composite score based on critical property, loan and insider market data that identify loans most likely to transact (sale, refinance, etc.). The subsequent "Options" section sets forth strategies, approaches, and pragmatic next step actions to lead to a transaction.



Loan Pool and Servicer Urgency

Loan Pool and Servicer Factors are Typical

A primary factor in an owner's ability to transact is the behavior of the servicers and Controlling Class Representatives (CCR) for the pool. For example, upcoming losses in a pool incentivize a special servicer to transact.

- ✓ Servicer impacts analyzed
- ✓ CCR impacts analyzed
- ✓ Loan pool impacts analyzed

PERFORMING

LOAN POOL AND
SERVICER URGENCY

Loan Urgency

This Loan is Under Stress to Transact

A high loan urgency score indicates that the loan is highly unlikely to be paid off at maturity due to high Loan to Value (LTV), current coupon rate that is significantly less than market coupon rate, and/or other key factors.

- ✓ The maturity date is 7 months away
- ✓ Market rates are higher than the coupon rate
- ✓ The loan balance is 123% of the estimated value

UNDER STRESS

LOAN URGENCY

Property Urgency

This Property is Under High Pressure to Transact

A high property urgency score indicates that the loan is highly unlikely to be paid off at maturity due to performance issues at the property such as Debt Service Coverage Ratio (DSCR), occupancy, and other key factors.

- ✓ Cash flow can easily cover debt payments
- ✓ The property is in special servicing

HIGHLY URGENT

PROPERTY URGENCY

Property Summary

3000 North Water Street, Decatur, IL 62526

02

CRE INC

Retail

PROPERTY TYPE

Anchored

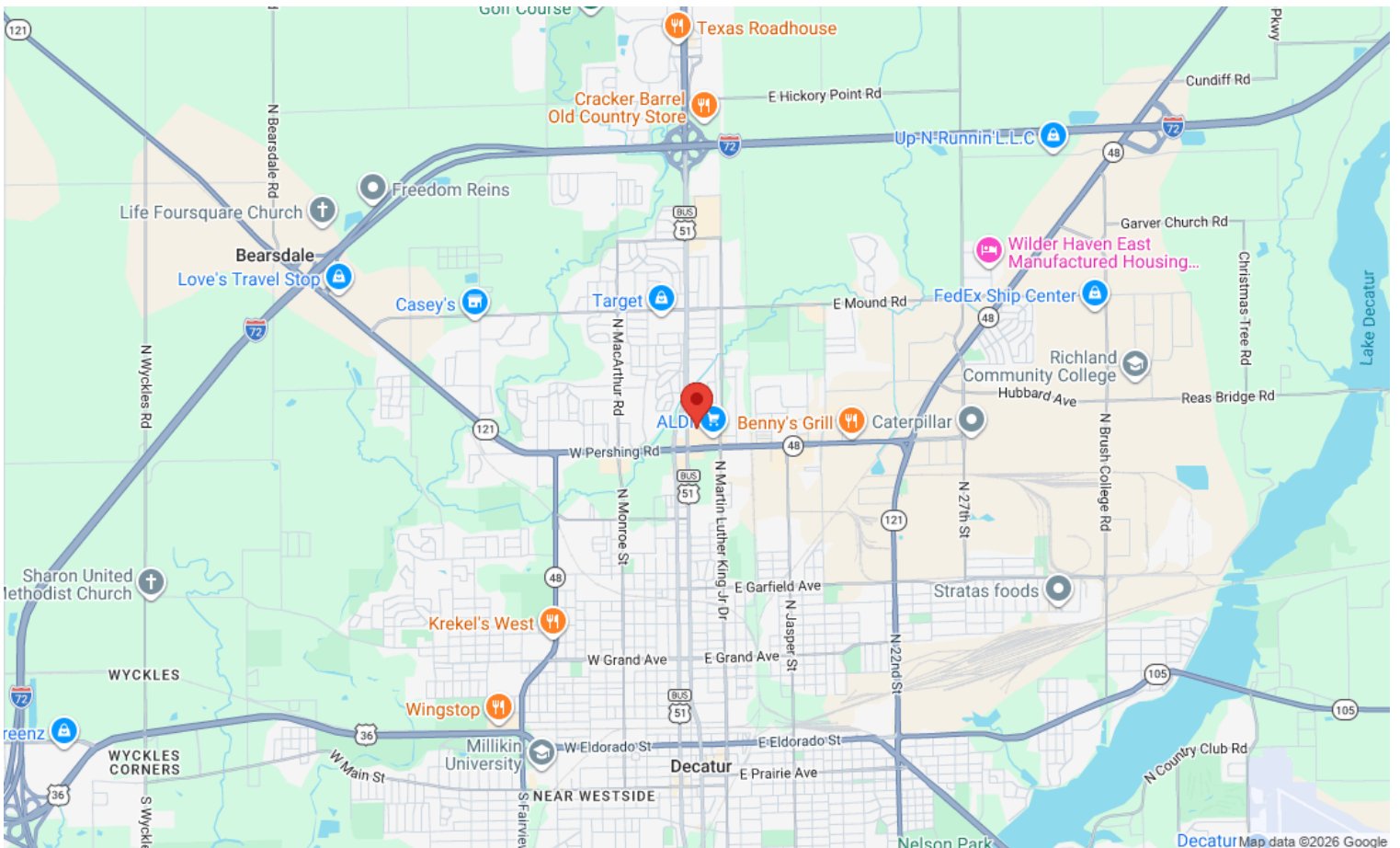
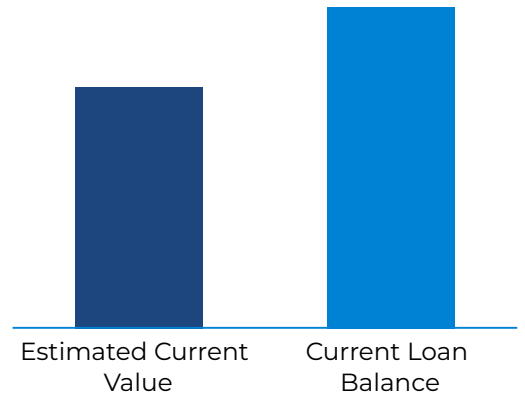
PROPERTY SUB TYPE

\$7.0MM

APPRAISED VALUE JUN 04, 2025

\$7.0MM

ESTIMATED CURRENT VALUE



Loan Summary

3000 North Water Street, Decatur, IL 62526

03

 CRE INC

\$9MM*

TOTAL LOAN BALANCE (USD)

Nov 06, 2026

MATURITY DATE

4.58%

COUPON RATE

7 Months

TIME TO MATURITY

Fixed

COUPON TYPE

Oct 10, 2014

ORIGINATION DATE

LOAN IS IN SPECIAL SERVICING

Master Servicer: Wells Fargo Bank, National Association

Special Servicer: Sample Servicer Name, LLC

Loan on Servicer Watchlist: No

Loan on Morningstar Watchlist: No

Deal	Master Servicer	Current Balance
Sample Deal	Wells Fargo Bank, National Association	\$8,575,591

Total **\$8,575,591**

* The loan balance may include unsecuritized mezzanine debt that may or may not be reflected in the total loan balance. Further research or discussion with the property owner may be required if unsecuritized/mezzanine debt is not explicitly depicted in this report.

Financial Summary

3000 North Water Street, Decatur, IL 62526

04

 CRE INC

55.0%

OCCUPANCY

\$1.4MM

REVENUE

0.85x

DSCR (NOI)

\$0.5MM

NET OPERATING INCOME

0.78x

DSCR (NCF)

\$0.5MM

NET CASH FLOW

	Year Ending Dec 2023	As of N/A
Revenue	\$1,362,897	N/A
Expenses	\$838,805	N/A
Net Operating Income (NOI)	\$524,092	N/A
Net Cash Flow (NCF)	\$478,205	N/A
<i>DSCR (NOI)</i>	0.85x	N/A
<i>DSCR (NCF)</i>	0.78x	N/A
<i>Occupancy</i>	55.0%	N/A

1. Keep the Loan Current

Keep your loan current and don't ask for any relief from the lender and continue to cover all shortfalls out of pocket until the loan matures, at which time you would need to pay off regardless of what kind of refinancing loan you could get. You would be riding out the current market conditions on your own.

2. Sell the Property

Since new office financing is a challenge in this market, the buyer would likely need to assume the existing loan, even if it matures soon. In tandem with the assumption approval, an extension of the loan could be achieved. As long as the purchase price is greater than or equal to the debt amount, an assumption can be approved. In the event the sales price is less than the debt, another option in this list of options would need to be pursued.

3. Extend the existing loan

The lenders and servicers are generally willing to grant time to allow for the capital markets to open up. The cost of the extension is typically 1% of the unpaid principal balance of the loan per year with an additional requirement to put some new "skin in the game". The skin in the game can come in the form of a paydown or contribution to a reserve account, which can be used during the extension period of the loan. The total amount of time that can be granted is dependent on many factors but can be as long as 5 years.

4. Rightsize the note via an A/B structure

The A/B structure was developed during the 2008 downturn. It is about the only structure that works when you have the following set of circumstances: (a) the current value of the property is less than the loan balance, (b) additional capital is required to stabilize the property, and (c) capital plus time should result in a higher value property. In an A/B structure, the loan is split into an A note and a B note. The A note is typically equal to the current value of the property and the B note is often called a hope note. The new capital is sandwiched into the A and B note. Upon a liquidation event, the A note is paid in full, the borrower gets the new capital back, often with a market preferred rate of return on the capital, and then the remaining proceeds are split equally between the B note and the borrower. Any remaining portion of the B note that is not paid off gets written off.

5. Payment Modification

This modification option works best when the property value is greater than the debt, there is sufficient term left on the loan, but the cash flow is negative. The payment modification should provide a solution where the owner will not have to fund the negative cash flow. This can be achieved by a temporary waiver of reserve payments, converting the loan to interest only from amortizing, etc.

6. Discounted Payoff/Future Discounted Payoff

Where there is a current valuation issue, the property is not cash flowing and there is little to no value increase by maturity, a DPO is the typical resolution. A DPO can be achieved through many different methods: (a) a note auction where the borrower participates in the auction, (b) short sale where the buyer of the property funds the DPO, or (c) a straight DPO agreement funded by the borrower. Where there is a current valuation issue, the property is currently cash flowing yet the property value is projected to be below the loan balance at maturity, a future Discounted Pay Off (DPO) may be achieved. The typical formula for a future DPO is the average of two appraisals: the borrower obtains a valuation, and the lender obtains a valuation.

7. Hand back the property.

The beauty of non-recourse debt is that it can be handed back at any time. If this option is pursued, beware of carve-out guarantees.

So, now you know what the Seven Options are. As an owner, you should consult your tax advisor to determine any tax consequence of any of the options before making your decision. For a detailed Option Scenario Analysis with specific recommendations, reach out to support@creinc.com

Sell OR Extend?

Typical Extension Scenario:

- 3 one-year extensions with hurdle requirements to meet each year.
- 1% Extension Fee each year.
- Capital contribution required at extension is typically 10% of loan balance. Funds can be used to pay debt down or placed in reserves.
- Interest rate remains the same during the extension period.

Hypothetical Scenario (Not this Property)

	Sell Now 2026	Refi Now 2026	3-Yr. Extension Sell in 2029
T12 NOI	\$1,066,375	\$1,066,375	\$1,173,013
NOI Cap	4.75%	4.75%	4.75%
Sale Price	\$22,450,000	\$22,450,000	\$24,695,000
New Loan LTV		65%	
New Loan Amount		\$14,592,500	
Closing Costs	\$673,500	\$291,850	\$740,850
Rate Cap Premiums	0	0	75,000
DS Shortfalls	0	0	5,000,000
Extension Fees	0	0	246,950
TI/LC	0	200,000	800,000
Capex	0	50,000	150,000
Total	\$673,500	\$541,850	\$7,012,800
Net Proceeds	\$21,776,500	\$14,050,650	\$17,682,200
Loan Payoff	\$15,000,000	\$15,000,000	\$15,000,000
Excess (Shortfall)	\$6,776,500	-\$949,350	\$2,682,200

For a detailed Option Scenario Analysis with specific recommendations, reach out to support@creinc.com

1 Year from Maturity

It's time for owners to start thinking about their options and next steps at maturity.

Unless they can pay off at maturity, they have 3 options:

1. Sell the property
2. Extend the existing loan, which will require additional capital contribution
3. Hand back the property to the lender

If they decide to sell the property, now is the time to start that process.

A Sales-vs-Extend analysis can be performed to assist with the owner's decision.

9 Months from Maturity

By now, the owner should have decided which of the 3 options they want to pursue for their upcoming maturity.

1. If they are going to sell the property, it should be listed by this point
2. If they are planning to extend the loan, the process will not need to start until 3 months prior to maturity
3. If they are going to hand the property back to the lender, 1st Service Solutions should be engaged to assist with this process

A Sales-vs-Extend analysis can be performed to assist with the owner's decision.

3 Months from Maturity

By now, one of the 3 options should be started:

1. If they are selling the property, offers should be received to ensure payoff by maturity date
2. If they are extending the loan, the loan should now be in process of being transferred to the special servicer so the extension can be requested
3. If they are going to hand the property back to the lender, that process should be started

Next Steps for Broker

- Sale-vs-Extend analysis
- Joint free consultation with client and 1st Service Solutions

To get started, contact us at creinc.com

CRE Inc

CRE INC is a commercial real estate software firm that is committed to transforming the commercial real estate industry through cutting-edge technology and proprietary analytics.

The firm was co-founded by technology veteran Mark Banegas, loan advisory pioneer Ann Hambly, the CEO of 1st Service Solutions, and Eagle Venture Lab, a fintech venture studio.

CRE INC's lead investor is Eagle Venture Fund, a global venture capital firm with offices in Fort Worth, Singapore, and Zurich.

1st Service Solutions

Before 1st Service Solutions was founded in 2005, the role of a CMBS borrower advocate serving owners did not exist. Now, in its 20th year, the firm continues to hold the title of leading CMBS borrower advocate and is the first and only firm to be rated by rating agencies in the niche.

Founder and CEO, Ann Hambly, spent years of her career developing and leading some of the largest servicing shops known today. With this knowledge and experience, the firm provides inside access to real deal terms being approved by lenders and CMBS servicers. 1st Service Solutions works on all property types nationwide with any amount of debt, and with all lenders and servicers (bank or CMBS).

Eagle Venture Fund

Eagle Venture Fund is a venture capital fund seeking significant returns and significant impact by investing in startups in the U.S., Western Europe, and S.E. Asia with offices in Dallas, Zurich, and Singapore.

If any information in this report does not appear accurate, please contact us at **support@creinc.com**, and it will be our pleasure to assist you.



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CRE INC is a commercial real estate software firm that is committed to transforming the commercial real estate industry through cutting-edge technology and proprietary analytics.