



COMPANY BROCHURE

A nighttime photograph of a city waterfront. Several modern high-rise buildings are illuminated with warm lights, their reflections visible in the water. A bridge with a red roof is in the foreground. The sky is a deep blue. A large white boat is docked on the right. A large blue diagonal graphic element is overlaid on the right side of the image.

2018

LOAN SALE ADVISORY

Rhenium Capital LLC
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WE ARE RHENIUM CAPITAL

INSTITUTIONAL EXECUTION, MIDDLE MARKET FOCUS

We proudly offer exceptional value to our clients by providing fast, flexible and cost effective products and execution.

LOAN SALE ADVISORY

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COMPANY OVERVIEW

By leveraging the latest innovations in CREtech, we are able to run a streamlined, proven transaction process with international reach.

Rhenium provides its clients a national loan sale advisory platform focused on non-performing loans collateralized by commercial real estate. Our sales process has been honed through years of successful transactions, and our platform is powered by an effective and efficient tech-based marketing strategy. By leveraging the latest innovations in CREtech, we are able to run a streamlined, proven transaction process with international reach.

OUR OBJECTIVE

Offer exceptional service to our clients on both sides of the transaction while maximizing the recovery value of CRE assets.

OUR VISION

Provide institutional execution to middle market participants and transactions.

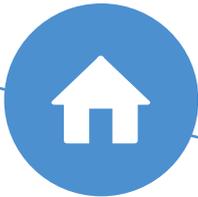


We are based in South Florida, however we transact non-performing loan sales nationwide. Our client base is international and diverse, from savvy individual investors to large, sophisticated institutions.



OUR APPROACH

We approach all transactions with the utmost consideration, regardless of the size. We feel that the story of the deal lies within the details of the property, the loan docs, the borrower, third party reports, historical performance and the market. Rhenium's comprehensive approach provides sellers and buyers the expert insight and relevant information needed to make the best investment decision.



Evaluate the Collateral

We do a deep dive valuation into the underlying collateral, assessing the market, comparable sales transactions, rents and current financials where applicable. We also review all of the relevant third party reports and title to assess their potential impact on value.



Evaluate the Note

We review all of the original collateral files, as well as any loan modifications, notice of default, notice of foreclosure, title issues, and the state-specific foreclosure process. We do NOT use general rules of thumb for discounts, as all situations are unique.



Evaluate the Borrower

We utilize all information provided to research and profile the borrower, including tax returns, current occupation, etc. We utilize this data to estimate probabilities of bankruptcy, and motivation to fight foreclosure vs. receptiveness to modification.

OUR FOCUS

Our efforts on the front end of each deal are the primary reason for our track record of success. In doing the hard work up front, we provide the market with clear and transparent insight on the deal. When provided with a concise summary, we are able to solicit significantly more offers than our competitors, maximizing market participation and recovery value of the asset.

OUR SERVICES

We offer a wide array of services, all of which culminate into our primary focus as a loan sale advisory firm. Our services include our best in-class **Catalyst** and **Flashpoint** reports: expert valuations for both fee interests and loans. We also provide due diligence and analysis for institutions and funds.



CRE VALUATION

Our **Flashpoint** report is like a broker opinion of value, but better! We provide sales and rent comps, as well as property and market color, demographics, traffic counts and other demand factors, such as average days on market. We also include a brief review and summary of any 3rd party reports, which may be considered in the valuation.



CRE LOAN VALUATION

Our **Catalyst** report was specifically designed to analyze the value and risks of CRE loans. It includes a comprehensive valuation of both the collateral and the market value of the loan and property. We include an in-depth analysis of the loan status, the state-specific foreclosure, the borrower, and the potential note buyer profile.



DUE DILIGENCE

We review and summarize appraisals, engineering and environmental reports, create asset summary reports and assist institutions in general requirements such as quarterly and annual reporting. We also conduct property inspections, and work with firms on both one-off and continuous bases.

OUR SUCCESSES ARE SUPPORTED BY THREE KEY CONCEPTS:

Advanced Reports

Our **Catalyst** and **Flashpoint** reports are concise, detailed and easy to read. Our clients utilize them to make informed decisions on CRE and non-performing loans, and we utilize them as the basis of our marketing materials to convey the value of the deal to the market.

Custom Solutions

Our entrepreneurial approach allows us maximum flexibility to provide solutions to our clients. We can create new forms to evaluate assets that do not fit in the box, and we can run any type of marketing process.

Reliable Execution

We have worked thousands of transactions, and we have a fine-tuned, developed and proven process which maximizes market participation, maintains confidentiality and increases the surety of close.

INSTITUTIONAL EXPERIENCE

We understand the rigors and requirements of professionals within institutional firms: annual reports, committee meetings, pipeline meetings, conference calls, etc., all amidst the regular day-to-day of asset management. That's why we strive to provide best-in-class reporting, maximum transparency and expert advisory services for you to make the best decisions.

MIDDLE MARKET FOCUS

The middle market is underserved for loan sale advisory. This is illustrated not only by the lack of firms and resources for non-performing assets below \$5M, but also by the sheer number of 2005 and later non-performing assets that are still on the books of many note holders. Our approach and process is the most comprehensive and focused solution for this.



PORTFOLIO ANALYSIS

We provide portfolio valuation & analysis for performing, non-performing, sub-performing and mixed loan pools secured by commercial real estate. Our valuation metrics are based on market demand and current benchmarks, as applicable.



CONSULTING

We provide unique insight and unparalleled execution for middle market non-performing loan valuation and sales. Our knowledge and experience allows us to offer specific and accurate insight to individual deals, which is critical to investors, funds and lenders.



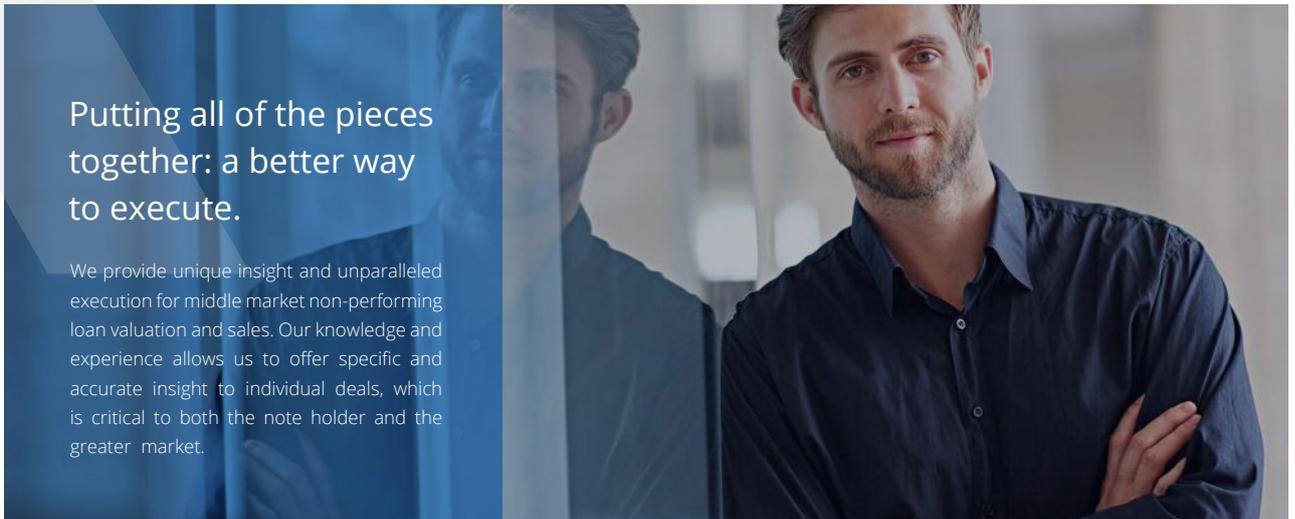
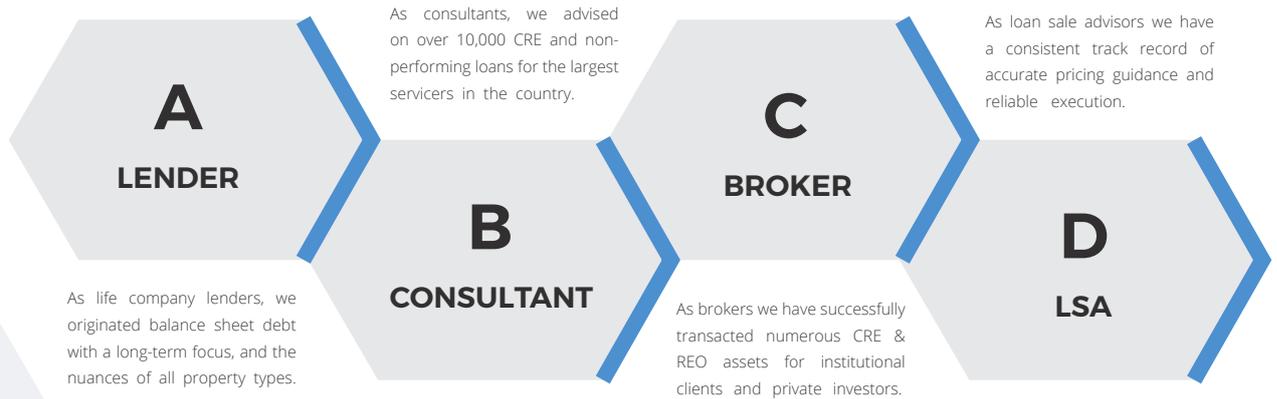
LOAN SALE ADVISORY

All aspects of our auxiliary services are utilized in order to provide transparent, execution and maximum recovery for non-performing loan transactions. We strive to provide unique insight on the deal, the process and the buyers before, during and after the transaction.



OUR ADVANTAGES

Rhenium Capital has over 25 years of combined experience in institutional roles in the commercial real estate industry. We have excelled within various roles: lender, mortgage broker, consultant, loan sale advisor, CREtech development and investment sales. In doing so, we have cultivated a unique skillset and process to execute middle market transactions.



Putting all of the pieces together: a better way to execute.

We provide unique insight and unparalleled execution for middle market non-performing loan valuation and sales. Our knowledge and experience allows us to offer specific and accurate insight to individual deals, which is critical to both the note holder and the greater market.

Why we are better than loan wholesalers:

The big platforms are great at selling large pools to and for institutional clients. They are NOT good at focusing on individual small balance deals. Their overhead, minimum fees and marketing structure prevent them from maximizing recovery value.

Why we are better than traditional brokers:

Traditional brokers focus on selling the property, not the note. They can provide insight into a property and the market, but they often have limited knowledge of loans, work out strategies, foreclosures, note buyer profiles, and conveying the value of a note transaction.

Why we are better than appraisers:

Appraisers are great for getting into deals, but not for getting out. They specialize in valuing property, however they often do not provide enough consideration to many other factors, like RECs or local crime stats, which often affect note value and marketability.

Why we are better than "self marketing":

Financial institutions often reach out to existing relationships to solicit offers on non-performing loans for various reasons (confidentiality, to avoid fees, etc.) This gives far too much power to the buyers to dictate the pricing and the terms of the sale.

THE PROCESS

The core of our sales process: a four week call for offers with a one week best and final bid period thereafter. This process differs from other platforms, which commonly hold a single-day bidding event with a standard short closing period thereafter. Our process allows buyers to have an initial “due diligence” period, which increases participation, and allows us to weed out unrealistic or unqualified buyers from the bidding pool.



- Our process is flexible, allowing buyers to compete on price and deal terms, such as the closing period.
- We do not allow buyers to access the due diligence without providing proof of liquid funds AND an OFAC compliant identity verification sheet.

MEET OUR FOUNDERS

Our Founders were at the forefront of the last non-performing loan and REO disposition cycle. They formed Rhenium Capital after recognizing an underserved middle market, in regards to non-performing loan sales and other institutional services like valuation & advisory and consulting. Middle market deals are often complex, unique, specialized, labor intensive and require expert attention and focus in order to maximize recovery. Providing this level of service on every transaction is the core principal of our company.



Andre Cuadrado Founder & Principal

“Our focus is to provide the highest level of execution for every transaction regardless of the size.”

Andre is a former Army Ranger with two tours in Afghanistan.



Michael Jimenez Founder & Principal

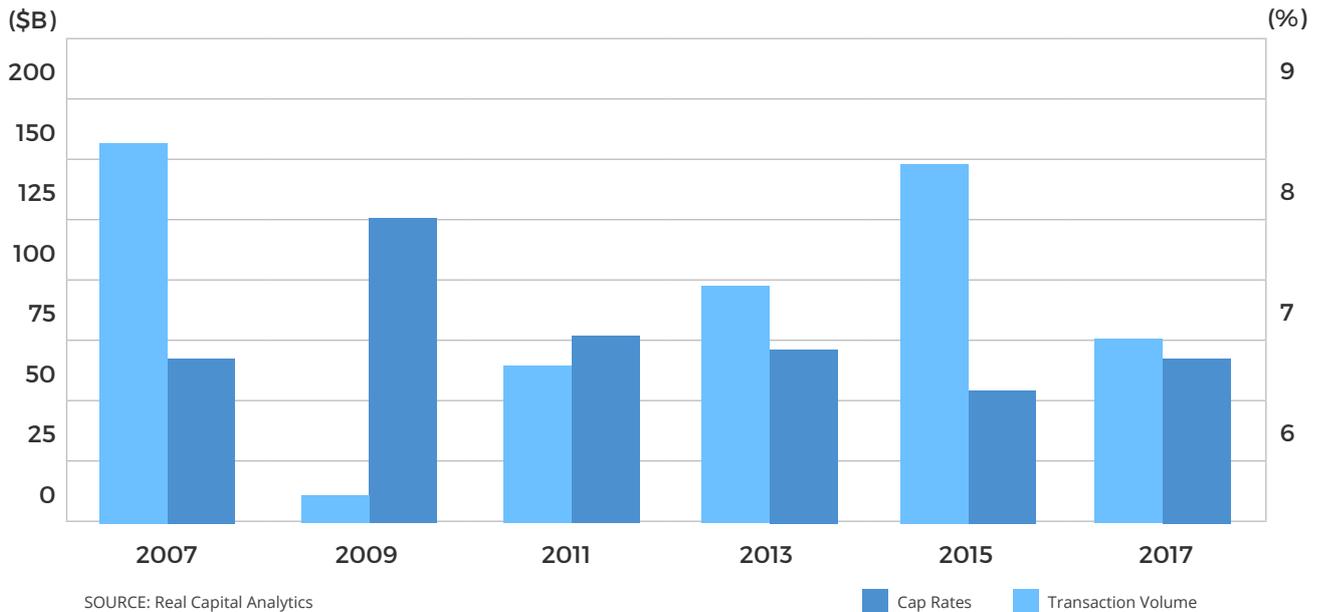
“We wanted to offer this quality of service and products, because quite frankly no one else can.”

Michael is a Chartered Realty Investor associate and Florida State University Alumni.

Our Founders are hands on with every transaction. We find that the engagement and guidance from our most experienced personnel increases market participation and client satisfaction.

2018 - IT'S TIME TO SELL

Unfortunately no one rings a bell at the top of the market, but there are signs that we are reaching the inflection point between commercial real estate transaction volume and cap rates. This is increasingly relevant to non-performing loan sales, and particularly the 2005-2007 vintage remainders from FDIC receivership portfolio purchases that still remain on many balance sheets.



“NOW is the time to sell your note or REO to aggressive investors to maximize recovery value.”



Investors are starved for yield

Think about one of your collateral files and its original appraisal value—sometimes up to 4x current market value. NREI states that investors are piling into higher risk markets and assets, such as suburban office (again).



Specialized, boutique funds are buying

Since the downturn and great note/REO divestment, numerous specialized funds have popped up, focusing on specific asset profiles such as environmentally contaminated assets or unflagged hotels.



Large funds are looking at small deals

Funds with \$100M+ liquidity are considering NPL and REO assets with UPBs of \$1M and less, primarily due to the lack of product. Despite their cash, they often get outbid by small cap investors.



Capital markets are as aggressive as ever

There are a variety of institutional, value-add, and bridge investors looking to fund distressed deals. Their minimum loan amounts are dropping, they are aggressive in the mezz & equity position, and they are funding everything from SFR to NPL purchases.

64%



Sale Price to UPB

This is our average recovery for severely distressed middle market NPLs.

\$ 1.4 Million



Our Average UPB Size

Demand is off the charts for small balance, middle market NPL assets.

CASE STUDIES

Here are some of our most recent non-performing loan and REO sales, as well as a large scale project for one of our buy-side clients. We can provide in-depth case studies for each transaction upon request, and they are also available on our website.



RETAIL/FLEX CENTER
Non-Performing Loan Sale

82% occupied Class C, 15,000 SF retail strip center located in Florida. The loan was in maturity default with back taxes and speculation on a pending borrower BK. The sale closed in five days after receiving +30 all cash offers.



GAS STATION/C-STORE
Non-Performing Loan Sale

Fully occupied, operating gas station and c-store located in Washington. Asset had onsite contamination, back taxes, and a lien via judgment against the LLC. Sale closed two days after receiving all cash offers from 12 buyers.



RETAIL AUTO SHOP
Non-Performing Loan Sale

Owner-occupied retail auto repair shop located in Idaho. Asset was in maturity default with borrower making occasional payments. The sale closed in five days after receiving all cash offers from 22 buyers.



COCONUT GROVE SFR
REO/Non-Performing Loan Sale

Sale included an REO duplex, an adjacent land parcel and an additional note on the borrower's primary residence in Florida. The sale closed in thirty days after receiving 18 all-cash offers from eight buyers.



GAINESVILLE HOTEL
REO Sale

REO hotel, owned by the lender who leased it to an out-of-town manager. Asset was under performing and 25% of the units were down. The sale closed in 30 days after receiving 22 all-cash offers from eight buyers.



PIF PORTFOLIO
NPL/REO Consulting

Consultation for a portfolio of 17 NPL and REO assets. Both fee & note value recommendations were provided, as well as risk and strategy analysis in order to obtain a cash-out refinance of the portfolio and set pricing for asset acquisition and disposition.



Rhenium maximizes recoverable value of NPLs and REO

by consistently driving unprecedented demand from a wide variety of commercial real estate investors and providing our clients with the highest level of execution.



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CONTACT US

How can we help you? Feel free to reach out to us! We are passionate about commercial real estate and fascinated by assets in special situations!



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