



CMCT Closes \$92.2 Million Loan for Sheraton Grand Sacramento Hotel

December 9, 2024

Financing is Part of Previously Announced Program to Strengthen Balance Sheet and Liquidity

DALLAS--(BUSINESS WIRE)--Dec. 9, 2024-- Creative Media & Community Trust Corporation (NASDAQ: CMCT and TASE: CMCT) (the "Company") announced today it has closed a secured, non-recourse loan of up to \$92.2 million (the "Sheraton Mortgage Loan") on its Sheraton Grand Sacramento Hotel and parking garage located at 1230 J Street in downtown Sacramento, California. The Sheraton Mortgage Loan is a floating rate, interest-only loan which matures in December 2026, with three one-year extension options that are subject to customary extension conditions.

The Sheraton Mortgage Loan consists of (a) an \$84.3 million closing day advance that was used by the Company to paydown existing debt on its corporate-level credit facility (the balance outstanding on the corporate facility was reduced to approximately \$97.3 million from \$169.3 million), pay certain of the fees and expenses incurred in connection with the closing of the Sheraton Mortgage Loan, and to fund amounts related to a comprehensive renovation of the Sheraton Grand Sacramento Hotel's 505 guest rooms and suites (the "Room Renovations") and (b) a future advance component of up to \$7.9 million to fund additional amounts related to the Room Renovations. The Room Renovations were initiated earlier this year and the Company anticipates they will be completed by 2024 year-end.

In 2025, the Company plans to improve and modernize the hotel's ballroom and meeting space, food and beverage outlets and common areas. These upgrades will primarily be funded from proceeds to be received as part of a recently executed, long-term extension of the Sheraton Grand's management agreement with Marriott International.

The Company is in the advanced stages of refinancing several additional assets and intends to use part of the proceeds from these property-level refinancings to fully repay and retire its recourse corporate-level credit facility. The Company intends to invest remaining proceeds, along with proceeds from any future potential asset sales, principally in premier multifamily properties as part of its ongoing shift away from traditional office.

ABOUT CMCT

Creative Media & Community Trust Corporation ("CMCT") is a real estate investment trust that owns, operates and develops premier multifamily and creative office assets in vibrant communities throughout the United States. CMCT is a leader in creative office, acquiring and developing properties catering to rapidly growing industries such as technology, media and entertainment. CMCT applies the expertise of CIM to the acquisition, development, and operation of top-tier multifamily properties situated in dynamic markets with similar business and employment characteristics to its creative office investments. CMCT also owns one hotel in Northern California and a lending platform that originates loans under the Small Business Administration ("SBA")'s 7(a) loan program. CMCT is operated by affiliates of CIM Group, L.P., a vertically integrated owner and operator of real assets with multi-disciplinary expertise and in-house research, acquisition, credit analysis, development, finance, leasing, and onsite property management capabilities. (www.creativemediacommunity.com).

Forward Looking Statements

This press release contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which are intended to be covered by the safe harbors created thereby. These statements include the plans and objectives of management for future operations, including plans relating to the refinancing of additional assets and the intention to repay and retire CMCT's recourse corporate-level credit facility. Such forward-looking statements can be identified by the use of forward-looking terminology such as "may," "will," "project," "target," "expect," "intend," "might," "believe," "anticipate," "estimate," "could," "would," "continue," "pursue," "potential," "forecast," "seek," "plan," or "should," or "goal" or the negative thereof or other variations or similar words or phrases. Such forward-looking statements also include, among others, statements about CMCT's plans and objectives relating to the refinancing of additional assets and the intention to repay and retire CMCT's recourse corporate-level credit facility. Such forward-looking statements are based on particular assumptions that management of CMCT has made in light of its experience, as well as its perception of expected future developments and other factors that it believes are appropriate under the circumstances. Forward-looking statements are necessarily estimates reflecting the judgment of CMCT's management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include those associated with (i) whether CMCT can complete the refinancing of additional assets and repayment of its recourse corporate-level credit facility on terms favorable to CMCT, or at all, (ii) the timing, form, and operational effects of CMCT's development activities, (iii) the ability of CMCT to raise in place rents to existing market rents and to maintain or increase occupancy levels, (iv) fluctuations in market rents, (v) the effects of inflation and continuing higher interest rates on the operations and profitability of CMCT and (vi) general economic, market and other conditions. Additional important factors that could cause CMCT's actual results to differ materially from CMCT's expectations are discussed in "Item 1A—Risk Factors" in CMCT's Annual Report on Form 10-K for the year ended December 31, 2023 and in Part II, Item 1A of CMCT's Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission from time to time. The forward-looking statements included herein are based on current expectations and there can be no assurance that these expectations will be attained. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond CMCT's control. Although we believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements expressed or implied will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements expressed or implied herein, the inclusion of such information should not be regarded as a representation by CMCT or any other person that CMCT's objectives and plans will be achieved. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date they are made. CMCT does not undertake to update them to reflect changes that occur after the date they are made, except as may be required by applicable laws.

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