WILSHIRE
FINANCE PARTNERS

Creating Success
Broker Correspondent Program

Proven
Professional
Performance®

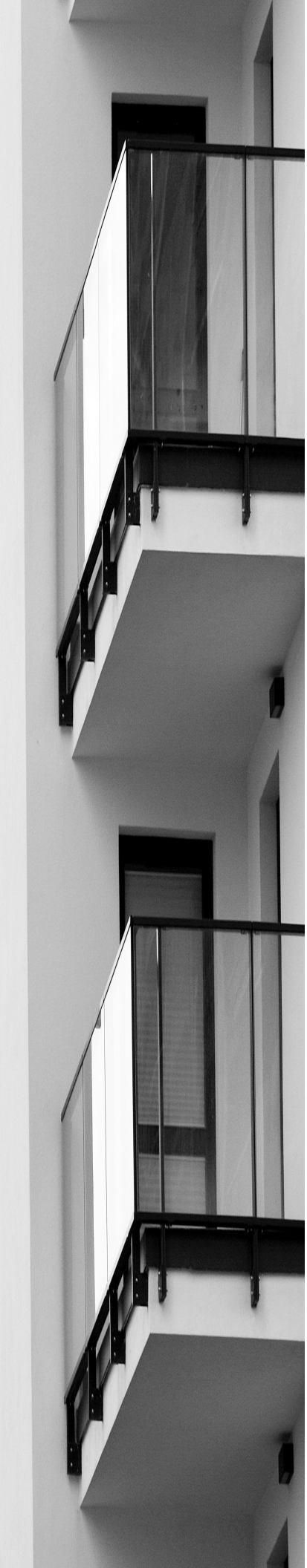
Welcome
to Wilshire

Formed in 2008, Wilshire Finance Partners is a real estate debt fund manager that makes bridge loans secured by multifamily and commercial real estate nationwide. Wilshire combines an entrepreneurial approach, institutional sophistication and discretionary capital inside a boutique environment to deliver outstanding service to our origination partners and affiliates.

Proven
Real estate debt funds with discretionary capital to lend.

Professional
Experienced professionals representing various disciplines in real estate, banking and investments.

Performance
The team has funded and managed over $2 billion in commercial real estate loans.



Our Executives

Don Pelgrim

CEO

Owner, director and the CEO of Wilshire Finance Partners, and the manager of the WFP Income Fund, WFP Income REIT, and WFP Opportunity Fund. He is also an attorney and has been a chief-level executive officer in the banking and financial services industry.

Kevin DeMeritt

President

Kevin DeMeritt is the co-founder and President of Wilshire Finance Partners. Starting in 1987, Kevin worked as a successful international banking consultant, and today he oversees a hard-asset portfolio totaling over half a billion dollars at Lear Capital, LLC.

Jay Ash

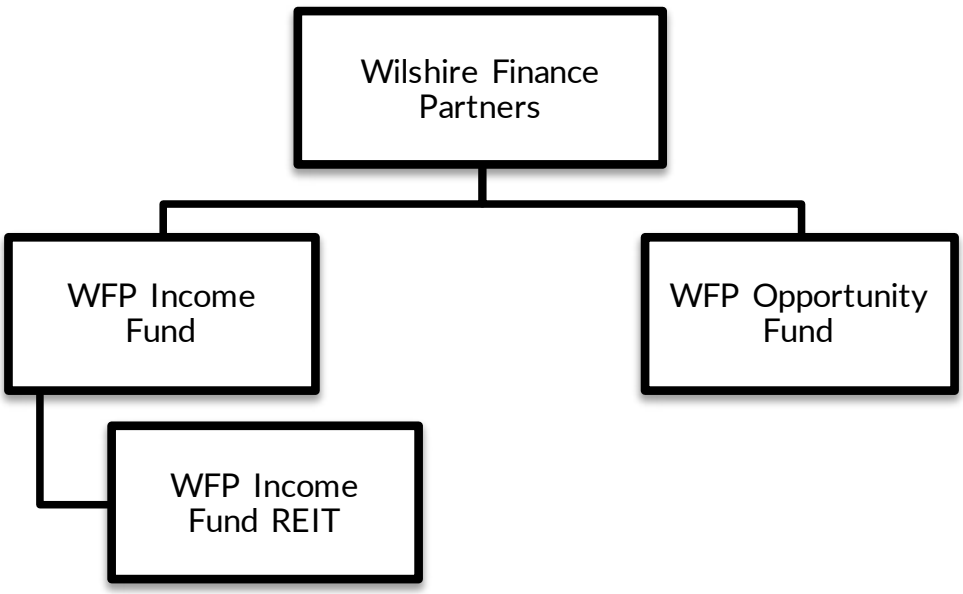
V.P Income Property Lending

His experience spans most investment real estate types over the past twenty-years within the realm of investment banking, debt and equity origination, asset management, portfolio management, brokerage, third-party bank consulting, and the public sector.

The
Funding Platform

Bridge Loans from $1,000,000 to $10,000,000. Secured by Multifamily and Commercial Real Estate throughout the United States.

The WFP Income Fund, LLC and The WFP Opportunity Fund, LLC are Real Estate debt funds and combined are the capital engine driving Wilshire's bridge loan program.



Our Lending Approach

Lending Channel

- Broker Driven
    - Approved Broker
    - Correspondent
    - Private Label

Lending Discipline

- Cash Flow
- Collateral Strength
- Marketability & Demand
- Equity Cushion
- Multiple Viable Repayment & Exit Strategies
- Strong, Experienced Sponsorship

Lending Style

- Interim & Bridge Financing
- Stable Properties
- Stabilization (TI, CapX & Lease-Up)
- Value Add (light renovations / improvements & identified upside)
- Minor Repositioning
- Situational Lending

Lending Structure

- First Lien, Second Lien, Participating Loans & Equity
- 12 to 36 Month Term
- Rates Starting at 8.5%
- Fixed Rate, Interest Only, Balloon at Maturity
- Non-Recourse / Recourse Options, Available
- No Prepayment Penalty

Cash Flow
&
Collateral Strength

Delivering the **Confidence to Close**

Why Wilshire

Like a Bank, **But Better!**

1. Over 100 Years of Combined Experience
2. Execution Speed
3. Broker Protection
4. Competitive Pricing
5. Nationwide Lending
6. In-House Funding Platform

Broker Protection

It's all about YOU:

Fast – you have access to our internal funding platform to close loans faster

Easy – be as involved in the loan as you want or need to be

Transparent – you have 24/7 access to view your loan status and receive real time updates

Protection – your client and down stream broker relationships are protected

Nationwide – you use our platform to fund loans nationally

Higher Income – higher commissions as you generate more funded loans on the platform

Repeat Business – you get a second bite at the apple for the take-out financing

Lending Criteria

Property Condition:	Existing structures; light stabilization or transition.
Property Location:	Primary and secondary markets. Territory markets dependent on present and forward looking market strength.
Eligible Properties:	Multifamily (5+ units), Office, Retail (neighborhood centers), Mixed Use, Warehouse, Light Industrial, Senior Living (including Senior Assisted living and Memory Care), Student Housing, Self-Storage.
In-Eligible Properties:	No Hospitality (hotels, motels, etc.), Recreational (golf courses, marinas, etc.), Hospitals, Skilled Nursing, Special-Use (theaters, churches, gas stations, automobile dealerships, etc.), Land, Development, Construction or Cannabis.
Loan Term:	1 to 3 years. Extension options available.
Lien Position:	First Lien, Second Lien, Participating Loans & Equity.
Loan Amount:	$1 million to $7 million
Target Rates:	Starting at 8.5% fixed; interest only with balloon at maturity.
Loan to Value / Loan to Cost:	Multifamily Maximum LTV/LTC of 70% (Stabilized < 65%) CRE Maximum LTV/LTC of 65% (Stabilized < 60%)
Minimum Target DSCR:	Multifamily > 1.10 (1.20 stabilized); CRE > 1.15 to 1.25 (1.25 to 1.30 stabilized); ALF > 1.25 (>1.40 stabilized).
Loan Terms:	Non-recourse available, hold-backs, reserves and cash management as required.
Repayment Strategy:	Viable repayment strategy.

The Closing & Underwriting Process

Originator Responsibilities

Source Loan

Screen Deal
Review loan request, sponsor, collateral, market
- Prepare Deal Summary

Loan Processing
Obtain application and deposit, sponsor, collateral and market information; order 3rd party reports using Wilshire approved vendors

Underwriting & Due Diligence
Review all 3rd party reports (appraisal, PCA, environmental, survey, engineering, seismic, flood, etc.); historical and proforma financial information; budgets; income and expense analysis (including reconciliation to bank accounts); liquidity validation; credit and background checks, verify rent rolls and leases, management and other property agreements; sponsor and guarantor underwriting, as applicable. Complete U/W and Due Diligence - Obtain SNDA and estoppels.

Issue Term Sheet

Due Diligence Review

Accept Deposit; Order Reports

Site Visit

Provide Pricing
Review deal summary and available information
- Provide initial structure and pricing

Shadow Underwriting & Due Diligence
Complete review of all materials as received; including, all 3rd party reports. Spot and comment on issues, define deficiencies, provide necessary and recommended changes to structure, terms and pricing; attend site visit
Revise Structure, Terms and Pricing, As Necessary
Loan Remains Subject to Final Approval

Wilshire Responsibilities

Simple, Transparent, Fast Funding.

Prepare Credit Approval Recommendation
Complete a full summary of the transaction and provide all final attachments for credit approval

Coordinate Pre-Closing
Coordinate with title company and settlement agent on closing requirements. Provide lender's closing instructions for review and acceptance

Loan Closing
Fund and close the loan; or coordinate table funding and assignment to Wilshire. Obtain all post closing requirements. Assist with post closing covenants and distributions.

Final Approval

Loan Docs

Closing

Wilshire Credit Committee Approval
Provide table funding or loan purchase commitment

Prepare Loan Documents
Engage counsel to prepare loan documents and loan assignment or loan purchase documents. Prepare lender's closing instructions.

Loan Closing
Wilshire funds and assumes the loan or purchases the loan. Obtain loan and record assignment.. Coordinate with Originator on all post closing requirements, and the management and satisfaction of all post closing covenants and distributions.

Example Transactions

$2,325,000 Purchase
Single Tenant Industrial

The borrower had a long term option to purchase the subject property which resulted in the actual value of the property exceeding the strike price of the option. Wilshire provided a flexible transaction structure that gave the borrower the confidence to exercise and quickly close escrow before the option expired.

$1,300,000 Rate & Term Refinance
Flex Industrial / Office

The borrower was thrilled about the sale of their business... right up until the SBA default notice arrived. Under the borrower's corporate structure, the real property was owned by a limited liability company ("Property LLC") which in turn leased the building to his operating business ("Operating LLC"). Using that structure the borrower was able to obtain an SBA loan. However, upon the sale and merger of Operating LLC, the property was no longer considered owner occupied so the SBA called the loan due and payable. Wilshire delivered a $1,300,000 bridge loan to refinance the SBA loan and help position the borrower for long term conventional financing in the future.

Example Transactions

$2,890,000 Purchase
Assisted Living

With a waiting list of tenants and no additional space, this Assisted Living Facility needed cash to address a tremendous opportunity. After meeting the borrower, it became apparent that more proceeds would be required than first budgeted because a two phase project could be combined for efficiency. By funding a $2,890,000 loan with a $711,000 improvement facility to complete all renovations in a single project, the borrower completed the project and started accepting new residents in an accelerated time-frame.

$1,600,000 Cash Out Refinance
Industrial / Office

The borrower had fallen out of “formula” (the loans financial covenants) with their existing lender who was primarily an MCA / receivables institution rather than a real estate based lender. The current lender was not able to monetize the Commercial Real Estate and refused to advance any additional working capital for inventory to the borrower. Wilshire was able to refinance the real estate and Add additional loan proceeds sufficient to repay all payables greater than 90 Days past due. This provided extra working capital to the business, brought them back into good standing with their existing lender and allowed the business to function again.

Contact Us

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