



WFP Income Fund Announces a 6.13% Net Annualized Return through October 2019

November 4, 2019, Newport Beach, California - The WFP Income Fund, managed by Wilshire Finance Partners, paid investors a net annualized non-compounded return through October 2019 of 6.13%. On a standalone basis, the fund paid 0.52% or a net annualized non-compounded return of 6.11% in October 2019. The net annualized compounded return for the fund since its inception on September 23, 2013 through October 31, 2019 was 8.92%.

The WFP Income Fund (the "WFP Income Fund") is a short term, fixed income alternative investment that seeks to protect the investor's principal while also providing attractive risk-adjusted returns. The WFP Income Fund is the sole holder of all common shares of WFP Income Fund REIT, LLC, a Delaware limited liability company (the "REIT" and collectively with the WFP Income Fund, the "Fund"). The WFP Income Fund, directly and indirectly through the REIT, invests in business purpose loans secured by first trust deeds and mortgages within the United States. The REIT was formed as a subsidiary of the WFP Income Fund in January 2019 to enable noncorporate investors to obtain up to a 20% tax deduction on REIT dividends received through the Fund under the Tax Cuts and Jobs Act of 2017.

The return obtained by the Fund was on an unlevered basis and was primarily the result of interest income received on the first trust deeds and mortgages in the Fund's portfolio.

Performance by the Numbers

As of October 31, 2019:

Net Annualized Non-Compounded Return:	6.13%
Monthly Return (stand-alone basis):	0.52%
	(or 6.11% annualized)
Net Annualized Compounded Return (since inception):	8.92%
Weighted Average Loan-to-Value:	56.52%
Weighted Average Maturity:	26 months
Average Loan Size:	\$1,640,784
Non-Performing Loans:	0
Repayment Percentage (through September):	35.29%

At month end, the Fund's portfolio consisted of loans secured in first lien position against residential, office, retail, light industrial, warehouse and senior assisted living properties, predominantly in the State



of California. Other states represented in the Fund's loan portfolio at month end included Colorado, Florida, Maryland, Michigan, North Carolina, North Dakota, Texas, Washington and Wisconsin.

At October 31, 2019 management identified two loans it has classified as substandard. A substandard loan is inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Loans that are also classified as substandard must have a well-defined weakness, or weaknesses, that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the lender will sustain some loss if the deficiencies are not corrected.

Since the Income Fund's inception in September 2013 through October 31, 2019, the net asset value (NAV) of the Income Fund remained stable and demonstrated no correlation to the stock markets or bond markets. Further, the NAV was not sensitive to changes in interest rates.

"Competition for loans in the bridge lending market is strong as additional platforms enter the space," said Don Pelgrim, CEO of Wilshire Finance Partners. "As opposed to following competitors and making loans that exceed the Fund's risk tolerance, Wilshire is maintaining its underwriting standards but is adjusting its pricing, approach and structure to attract better quality loans. The result of some of those changes is that the pull through ratio, or the ratio of loans closed as a percentage of total loan requests reviewed, has dropped because of an increase in loan requests generally. In other words, Wilshire is looking at a higher number of loan requests and, as a result, a higher number of loans that may fit the Fund's criteria. However, although the number of loan requests meeting the Fund's underwriting criteria is now larger, it represents a smaller percentage of total loan requests reviewed on a relative basis. Combined with the increased competition for better loan requests, additional efficiencies are required to compete. Therefore, in addition to executing on our new sales and marketing initiatives to generate a higher number of loan requests, Wilshire continues to refine its processes and procedures to efficiently review the requests, focus on loans that align with the Fund's criteria, and compete better on service. We are experiencing some additional efficiencies through that process and are gaining traction on seeing more loans that may fit the Fund's criteria. As those requests convert into closed loans and capital is more efficiently deployed, that will positively affect the Fund's returns."

The WFP Income Fund has been approved for both retirement and non-retirement accounts on the following alternative investment platforms:

- Fidelity Investments (National Financial Services or NFS); CUSIP Number 94699K534
- Pershing as WFP INCOME FUND LLC; CUSIP Number 929LP9220
- TD Ameritrade as WFP INCOME FUND LLC NSA; CUSIP Number 93099B102
- Wells Fargo Advisors; No CUSIP number required
- Millennium Trust Company (with affiliate access to the Charles Schwab platform)



For more information on Wilshire Finance Partners or the WFP Income Fund please call (866) 575-5070 or visit www.WilshireFP.com.

About Wilshire Finance Partners and our investment alternatives.

Wilshire Finance Partners, Inc. (“Wilshire”) specializes in real estate finance and investments and is the manager of the WFP Income Fund, LLC (“WFP Income Fund”) and the WFP Opportunity Fund, LLC (“WFP Opportunity Fund” and collectively with the WFP Income Fund, the “Funds”). The WFP Income Fund invests in a diversified pool of residential, multifamily, and commercial real estate related short-term bridge loans secured by first trust deeds and mortgages. The WFP Opportunity Fund invests in a diversified pool of residential, multifamily, and commercial real estate related short-term bridge loans, participating loans, real estate joint ventures, and direct real estate investments. Wilshire commenced operations in January 2008 and launched the WFP Income Fund and the WFP Opportunity Fund in September 2013.

The WFP Income Fund is approved for both retirement and non-retirement accounts on the following alternative investment platforms:

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- Pershing as WFP INCOME FUND LLC; CUSIP Number 929LP9220
- TD Ameritrade as WFP INCOME FUND LLC NSA; CUSIP Number 93099B102
- Wells Fargo Advisors; No CUSIP number required
- Millennium Trust Company (with affiliate access to the Charles Schwab platform)

The WFP Opportunity Fund is approved for both retirement and non-retirement accounts on the following alternative investment platform:

- Fidelity Investments (National Financial Services or NFS); CUSIP Number 94699B948
- TD Ameritrade as WFP OPPORTUNITY FUND NSA; CUSIP Number 93099C100

In addition, each of the WFP Income Fund and WFP Opportunity Fund are approved for self-directed retirement accounts and various other platforms without the need for the CUSIP number, including, Equity Trust Company (Sterling Trust), Pensco Trust Company, Provident Trust Company, Strata Trust Company (formerly known as Self-Directed IRA Services), Shareholder Services Group, and Trust Company of America.

Each of the WFP Income Fund and WFP Opportunity Fund is open to investors, wealth managers and individual investment advisors under the above referenced platforms using standard subscription and transfer procedures.



Investors and advisors may also invest directly through Wilshire. Individual investors not using a third party advisor may be required to meet additional requirements of the platform providers.

Safe Harbor Statement

This communication is not an offer to sell or the solicitation of offers to purchase the securities of either of the Funds, individual loan or trust deed investments, or otherwise (individually and collectively, the “Securities”). The purpose of this communication is to provide an overview of the respective Securities and their private placement. Persons interested in learning about the Securities and their private placement will be provided with the respective Private Placement Memorandum (inclusive of exhibits thereto and any supplements, the “Memorandum”), which provides a description of the Securities, the terms of their private placement, a discussion of risk factors, a copy of the limited liability company operating agreement for the fund (as applicable), a subscription agreement and other information related to the Securities.

This communication contains certain forward-looking statements regarding the Securities and the investment objectives and strategies of each of the Funds. The forward-looking statements are based on current expectations that involve numerous risks and uncertainties which are difficult or impossible to predict accurately and many of which are beyond the control of Wilshire, as the manager of the Funds. Although Wilshire believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance that the forward-looking statements will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements, the inclusion of such information should not be regarded as a representation by Wilshire, any placement agent, or any other person, that the objectives and strategies of the respective Securities or the Funds will be achieved.

Investments in the Securities may only be made solely by accredited investors (which for natural persons, are investors who meet certain minimum annual income or net worth threshold), who are provided with the Memorandum and who complete, execute and deliver the subscription documents included therein. Each of the Securities is being offered in reliance on an exemption from the registration requirements of the Securities Act of 1933, as amended (the Securities Act) and are not required to comply with specific disclosure requirements that apply to registration under the Securities Act. The Securities Exchange Commission has not passed upon the merits of or given its approval to the Securities, the terms of the offering, or the accuracy or completeness of any offering materials. Each of the Securities is subject to legal restrictions on transfer and resale and investors should not assume they will be able to resell the Securities. Past performance is not indicative of future results. Investing in any of the Securities, including the Funds, involves substantial risk, including loss of investment, and is not suitable for all investors.

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