W | FINANCIAL

MAY 27, 2020

W FINANCIAL FUND, LP
MID-QUARTER PORTFOLIO UPDATE

Dear W Financial Investors,

We hope that all of you are continuing to do well during this challenging time. During the course of the continuing coronavirus pandemic, we plan to supplement our regular quarterly reports with Mid-Quarter Portfolio Updates related to any loans that are in default within in our loan portfolio.

As reported in our Q1 letter, four borrowers failed to make their scheduled April 1st mortgage payments and therefore we sent them default notices. The four loans, totaling $18,725,000, remained in default as of the end of April. As a point of reference, our total outstanding loan portfolio was $349,812,491 as of April 30th.

In May, one additional borrower failed to make their scheduled May 1st mortgage payment and we sent them a default notice, resulting in five loans in default totaling $35,439,586.

In one case, pertaining to an Orlando, Florida loan that we had sent a default notice to in April, we engaged in discussions with the Borrower, while also retaining Florida litigation counsel to be ready to commence foreclosure litigation. As a result of our negotiations, in May, the Borrower agreed to bring the loan current and has therefore paid all amounts due on both their April 1st and May 1st invoices. So, as of the date of this Mid-Quarter Update, there are four loans that remain in default, with a total balance of $26,284,586.

W posted a .52% compound, net, fund-level return for April and a .56% return for May.

For your reference, our quarterly letters and any Mid-Quarter Updates are archived here: www.w-financial.com/updates.

As always, feel free to call Gregg Winter at (212) 532-9170 or David Heiden at (516) 633-1424 with any questions that you may have, (including any questions about any of the content or real estate terminology in this letter that you would like us to explain in greater detail). Contact our CFO

Adam Windwer with any questions that you may have regarding our audited financial statements, or your quarterly statement at (516) 996-6515 | adam@w-financial.com. Alternatively, you can always email us directly at gregg@w-financial.com and david@w-financial.com.

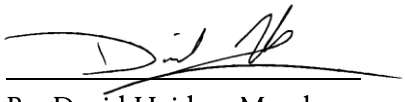
Very truly yours,

W FINANCIAL FUND, LP

By: W Financial GP, LLC, Manager



By: Gregg Winter, Member



By: David Heiden, Member



By: Marc Bailin, Member