W | FINANCIAL

August 13, 2024

W FINANCIAL FUND, LP
MID-QUARTER UPDATE

re: 129 West 46th Street (79-room hotel located in Times Square):

Dear W Financial Investors,

We would like to share some very positive news: In our recent Q2 update letter, we had notified our investors that we had commenced a foreclosure action against this borrower for non-payment of interest due on the loan. We also mentioned that the default was triggered because their tenant was not receiving timely payments of rent from New York City, which has been leasing the entire hotel since the onset of the Covid pandemic.

Subsequent to our Q2 letter, the borrower did receive funds due from NYC, wired W Financial a $1,040,000 payment, and signed a highly negotiated forbearance agreement, which sets forth a monthly payment schedule through the first quarter of 2025, to allow them adequate time to complete their sale of the property and repay our loan.

As part of the forbearance agreement, the borrower waived any all defenses that it may have had to the foreclosure action and executed a Consent Judgment of Foreclosure and Sale. In the event that the borrower defaults under the forbearance agreement, W Financial will then be permitted to seek to have the Consent Judgment of Foreclosure and Sale entered with the Court and then proceed with a foreclosure sale. This aspect of the forbearance agreement significantly shortens the amount of time that it would normally take to complete the foreclosure process.

As always, feel free to call David Heiden at (516) 633-1424 or Gregg Winter at (917) 885-0990 for more details and with any questions that you may have. You can also contact our CFO Adam Windwer at (212) 532-9284 | 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