



2024 Corporate Overview

2024

www.f-two.com



Institutional Background.
Nimble Execution.

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I wrote my first F2 letter to the public in December of '22, and opened with the following:

"For years, we've seen some of our personal mentors, industry veterans, and business titans release annual letters to their partners, shareholders and general audience. I've been influenced to share my perspective. Generally, these letters are a state of the union. They walk readers through the economy, and what their firm has done [and plans to do] to generate alpha. I might elect to follow suit in the future, however, for iteration number one, I think it's important to get personal."

From the onset, my objective has been to set a particular tone conveying how we're different than our peers. "This letter is not about the state of the union, rather the state of our union: F2's launch, our struggles, our successes, and our plans for the future. It's raw and honest." In our Corporate Book, you will notice that we are not the 800-pound gorilla in the room, and we don't market ourselves as such. Although our all-star executive team has almost 75 years of combined experience, our firm is in its infancy. We're cautiously tip toing through one of the most uncertain, sophisticated, quickly-evolving economies in recent history. And we're doing great.

Our objective and overall pitch to investors is maintaining our success; perpetuating the stellar track record and corresponding reputation we've begun constructing since inception. As for our borrowers, the selling-point is simple. Our firm is founded on the tag line: Institutional background, nimble execution. We can confidently guarantee one of the most seamless capital market transactions, ever.

A handwritten signature in black ink, appearing to read 'Jonathan Fhima'.

Jonathan Fhima
Chief Executive Officer & Founding Principal



Part I
About The Firm

About Us

F2 is a coming-of-age private equity firm focused on real estate debt investment strategies. Our platform concentrates on originating senior bridge loans, mezzanine loans, preferred equity investments, and the financing of performing and non-performing loans in primary markets across the United States. Our basis driven organization is fueled by direct relationships with world renowned sponsors and the capital markets community. We outperform industry standards when it comes to rapid deal execution, flexibility, reliability, and bespoke structures. The firm leverages third-party relationships at best-in-class organizations to certify the most sophisticated due-diligence process and fluid deal executions.

Since our launch in Q2 2021, we have originated just about \$100M of business across 17 various transactions nationally. Our balance sheet has maintained a 0% default rate since inception.

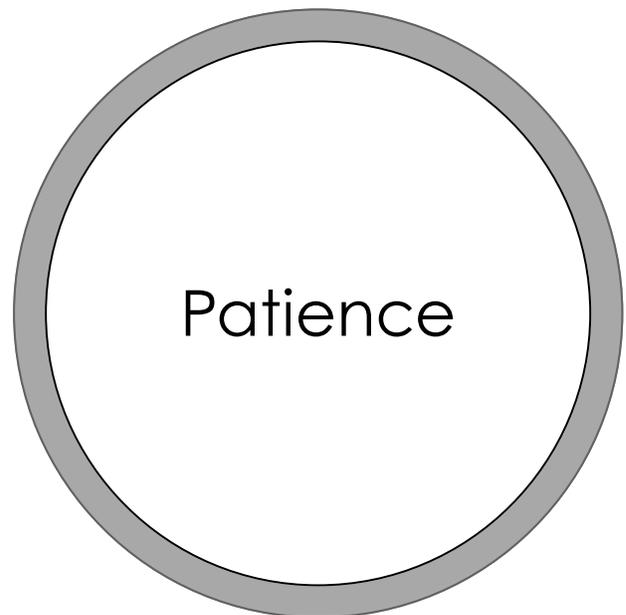
In Q2 2022, F2 formed a joint venture with Concord Companies, a nationally recognized real estate private equity firm with an aggregate diversified portfolio value in excess of \$1.5B. This JV has allowed F2 to scale operations rapidly and service our entire portfolio in-house.

Core Values

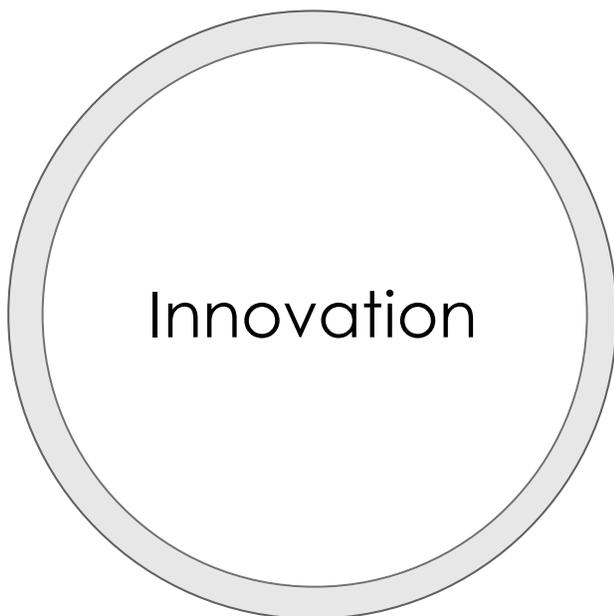


We uphold the highest standards of honesty, **integrity**, and trustworthiness in all our interactions with our business partners. Our commitments are made with sincere intent, deeply held conviction, and a steadfast focus on delivery and fulfillment.

At times, the most prudent course of action is **patience**: to forego immediate opportunities in anticipation of more suitable ones. It is essential to wait for the alignment of the right capital partners and borrowers to ensure optimal outcomes.



Patience



Innovation

In an industry often governed by conventional methods and formulas, we place a high value on **innovation**, continually challenging the status quo and extending beyond traditional boundaries. Explore our innovative approaches on our Instagram: @__ftwo.

Snapshot | Since Launch



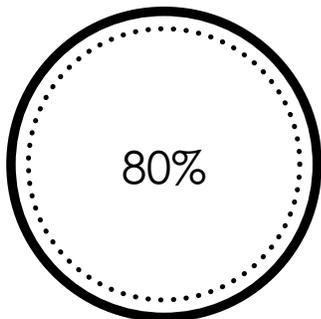
Gross **deal volume** in the last 24 months



Closed transactions across all asset classes, all deal structures, in three states



Weighted average **unlevered return** with monthly recurring distributions



Over 80% of our deals are with **repeat clients**

Snapshot | Since Launch

Defaults or foreclosures

Zero

We diversify our investments across
**note financing, senior debt, mezz
debt, and preferred equity**

Deal
Types

We diversify our investments across
**multifamily, industrial, office, retail,
and hospitality**

Diversity

All our borrowers possess **strong
track records**, balance sheets, and
prior deal experience

Borrower
Strength

Executive Leadership

Howard Shultz once said, "you can't build any type of organization if you're not going to surround yourself with people who have experience and skill base beyond your own." Above all, we're collectively proud of the superstar team we've assembled at F2. Our executive leaders have spearheaded over \$4.2B in aggregated deal flow across acquisitions and lending.



Jonathan Fhima
Chief Executive Officer
Founding Principal



Reuben Robin
President
Managing Principal



Joe Goldstein
Chief Operating Officer
Principal



Uriel Luna
Chief Financial Officer



Leslie Mena
Head of Servicing



Yentl Benhamou
Chief of Staff

“

You can't build any type of organization if you're not going to surround yourself with people who have experience and skill base beyond your own.

Howard Shultz

Chief Executive Officer
Starbucks



Part II

Investment Platform

Investment Platform

We outperform industry standards when it comes to speed, flexibility, reliability, and bespoke deal structures.

8%

Starting Fixed Interest Rates

10

Days To Close

Investment Types

Non performing note financing
Performing note financing
A | B pieces
Senior bridge debt
Mezzanine debt
Preferred equity

Asset Types

Multifamily
Mixed Use
Hospitality
Industrial
Retail
Office

Investment Philosophy

**Never increase
leverage in return for
higher rates.**

Basis-driven investment approach

F2's process begins with a full top-down, bottom-up underwriting of the collateral as if the asset is being acquired in-house. We then proceed by offering a leverage point with an accretive take-out plan, paired with a competitive rate and flexible prepayment terms.

We do not originate high leverage, loan-to-own notes.

Investment Process

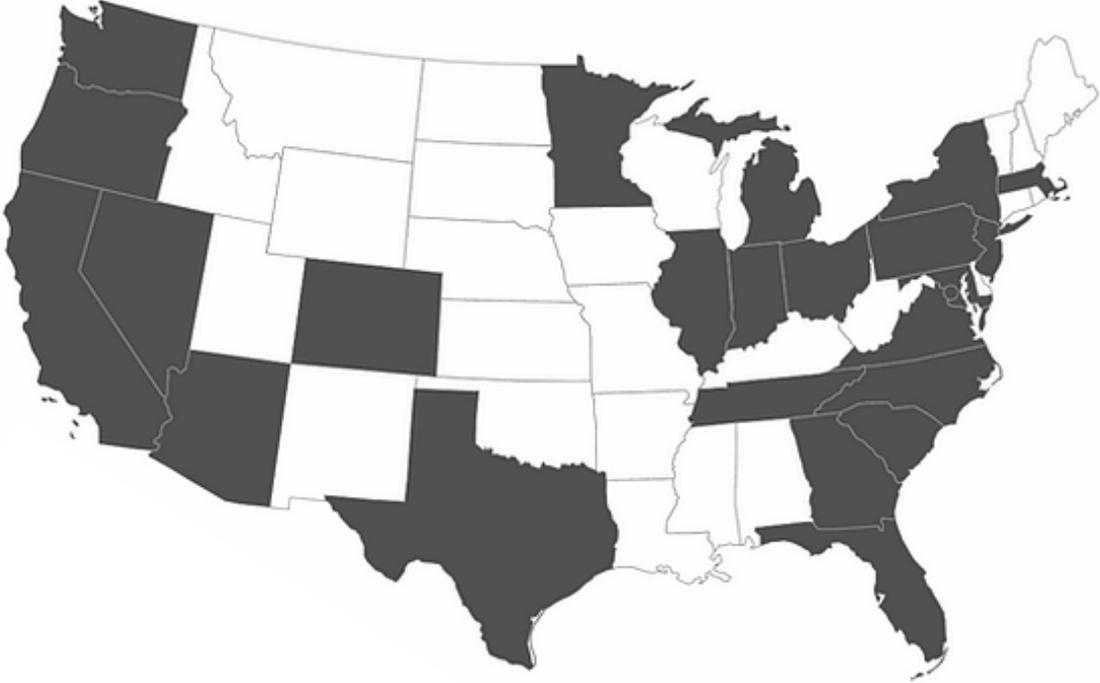
8-step proven investment approach:



Our defining characteristic is our unwavering discipline. A testament to our rigorous selection process is that only 5% of the deals we review progress to the Term Sheet phase. Our firm is built upon a foundation of conservative principles, a philosophy that has guided us steadfastly through the challenges of the COVID-19 pandemic and periods of significant interest rate fluctuations, exceeding 500 basis points. Our portfolio composition further reflects our disciplined approach: over 80% consists of ~50% LTV note financing positions and/or senior loans, predominantly secured by Multifamily or Industrial assets. This strategic focus on lower-leverage, high-quality collateral has been instrumental in our achievement of having no defaults in our portfolio.

Target Investments

Target Markets



■ Target Markets

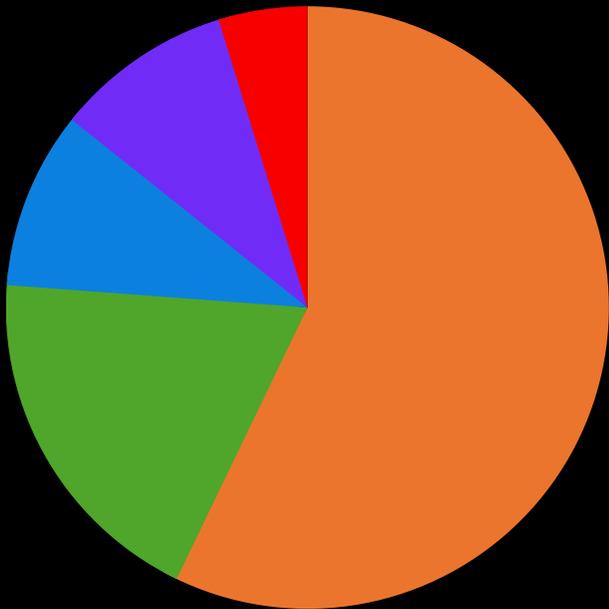
Target Asset Classes

- Multifamily
- Mixed Use
- Hospitality
- Self Storage
- Industrial
- Retail
- Office

Target Deal Structures

- NPL Financing
- Note Financing
- A Pieces
- Preferred Equity
- Senior Loans
- Mezzanine Loans
- B Pieces

Portfolio Summary



Asset Classes



Deal Structures



Client Testimonials

Real-life quotes from some of our most trusted borrowers and clients.



Marvin Azrak

Chief Executive Officer | Maguire Capital

"F2 has played an instrumental role in the scaling of our business. Most of our transactions close in under 2 weeks; not only can they execute within our required timeframe, but they make it easy."

Maguire Capital Group is an NYC-based, privately-held, middle-market real estate investment firm.



Joseph Oved

Chief Executive Officer | ICE Cap

"We began developing a relationship with Jonathan prior to his launch of F2. We've now closed more than a dozen transactions together, so there's a reason we keep coming back."

Icecap Group is institutionally managed and backed by a family office with a 30+ year history of successfully investing in Real Estate.

“

Our pitch to investors is the mere fact that F2 is in its infancy. Our team has the know-how and experience of industry veterans, but the entity itself is young. We're always a phone call or text message away, and your dollar has a tracking device on it.

Jonathan Fhima

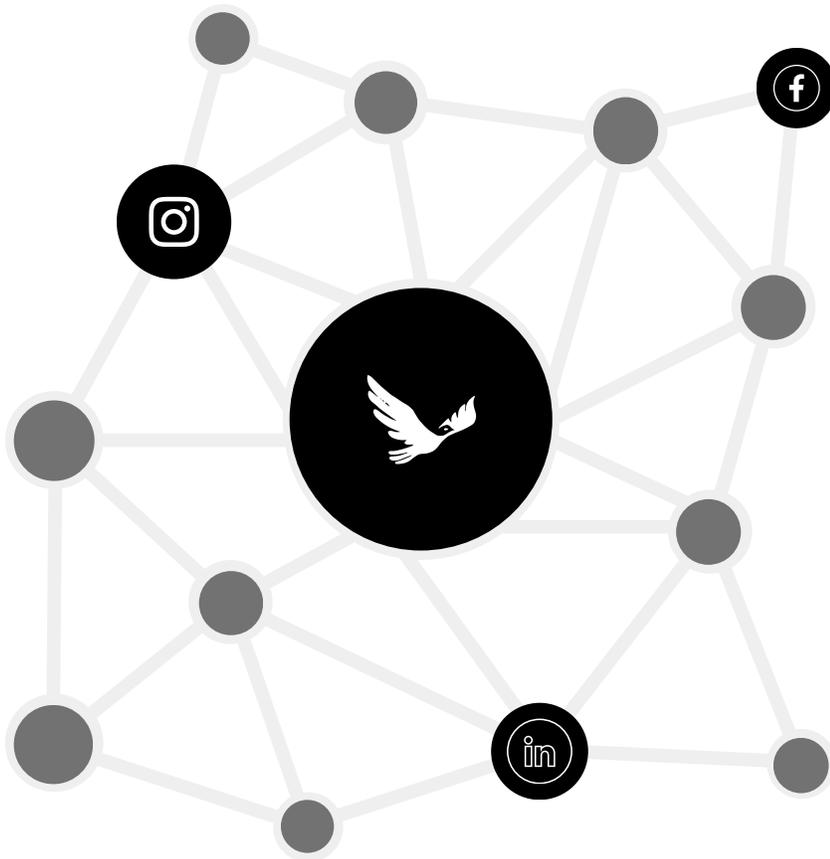
Chief Executive Officer



Part III
Press & Media

Social Media Strategy

It's unconventional for a private equity firm, or any financial institution for that matter, to make an attempt at constructing a social media presence.



In this digitally-obsessive age, our goal is to build a brand that is not only positively recognized among financial cliques and institutions, but among the everyday folk on social media, most specifically Instagram. Not only is it a playground for design and creativity, but our Instagram drives business.

One of our key differentiators is our appeal to millennials and the digitally native, and our social content is an integral part of this strategy. Showcasing the brand's personality on Instagram allows potential customers to meet us organically and discover the brand holistically, and then decide to invest. By combining stunning imagery, a strong brand aesthetic and financial expertise, we have been able to establish the firm as a leading player in the financial industry with an innovative approach.

F2 In the Press

We have been included in world-renowned media outlets and industry publications totaling 4M+ readers in the last 12 months. This earned media is a result of our unique perspective in the industry, a compelling Founder's story, and an aggressive strategy for brand story-telling.

“

F2's basis-driven organization is fueled by direct relationships with respected sponsors within the capital markets community.

Los Angeles Times

“

Fhima, who previously worked at New York-based Lightstone, noted that no borrower has ever defaulted or missed a monthly payment on an F2 loan...His firm can offer quick turnarounds on financings with flexible terms, including little or no prepayment constraints or penalties.

Commercial Mortgage
THE WEEKLY UPDATE ON REAL ESTATE FINANCE AND SECURITIZATION **ALERT**

“

Fhima said lenders are going to be more cautious in the current economic environment which could create an opening...that provides a lot of opportunities for private bridge lenders and smaller bridge lenders who are more aggressive.

**LOS ANGELES
BUSINESS JOURNAL**

Featured Publications

Below are some of the world-renowned media outlets and industry publications that F2 has been featured in.

LOS ANGELES
BUSINESS JOURNAL

THE REAL DEAL
REAL ESTATE NEWS

Commercial Mortgage
www.CMAlert.com
ALERT
THE WEEKLY UPDATE ON REAL ESTATE FINANCE AND SECURITIZATION

 **Scotsman Guide**



**Green Street
Advisors**



Authority Magazine

Los Angeles Times

COMMERCIAL OBSERVER



Commercial Property Executive

traded



Part IV
Case Studies

Case Studies

Case Study 1 | Senior Loan | Multifamily

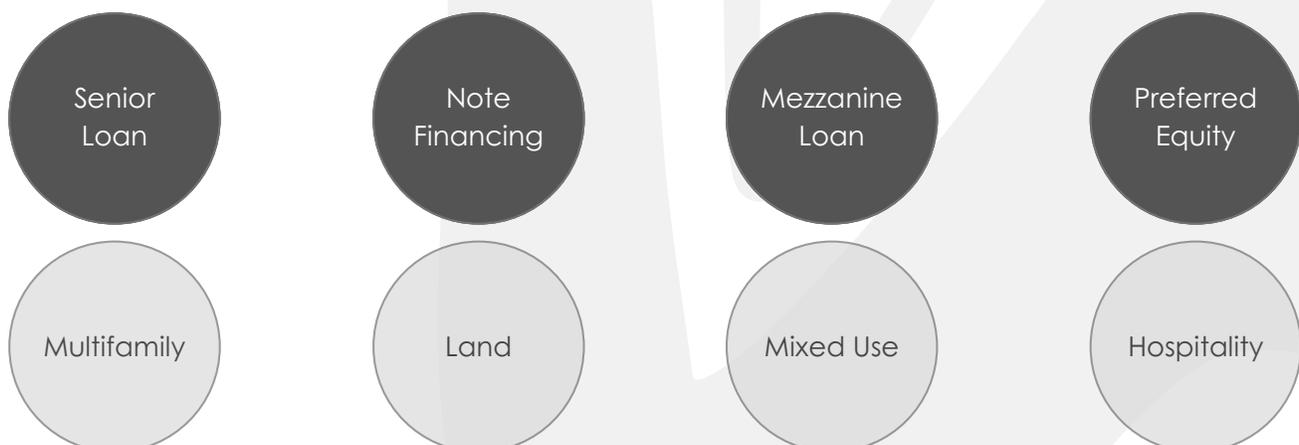
Case Study 2 | Note on Note Financing | Land

Case Study 3 | Mezzanine Loan | Mixed Use

Case Study 4 | Preferred Equity | Hospitality

Case Study Depth

Four different structures collateralized by four different asset classes



Case Studies

Case Study 1 | Senior Loan | July 2021

Market: Bronx, NY	Asset: Multifamily	Size: 7,400 SF	Units: 15
Type: Senior Loan	Amount: \$1,800,000	Rate: 8.0%	Fees: 2.0%
LTV: 54%	IRR: 11.2%	Debt Yield: 8.4%	PG: Yes

F2 closed a loan collateralized by a 7.4K SF, 100% occupied 15-unit apartment building. The Sponsor had spent \$3,319,000 on the Property to date, including acquisition, construction, soft, leasing, and financing costs. Loan proceeds were used to repay the existing senior loan and buy out an existing 50% equity partner. At deal closing, The Sponsor owned 100% of the Property. The fully funded loan amount of \$1,800,000 represented a 54.2% loan-to-cost ratio ("LTC"). The fully funded loan-to-value ratio ("LTV") of the Loan was 55.4% based on the \$3,250,000 appraised value. The in-place debt yield at close was 8.4%. Once a handicap lift is installed, the Sponsor will refinance the Loan with permanent financing. In-place cash flows yields strong and accretive take-out figures. The Property is in the Fordham submarket of the Bronx, NY.

Case Study 2 | Note Financing | May 2022

Market: Bronx, NY	Asset: Multifamily Land	Size: 7,500 57,000 SF	Units: 81
Type: Note Financing	Amount: \$2,550,000	Rate: 9.25%	Fees: 2.0%
LTV: 46%	IRR: 13.2%	Debt Yield: N/A	PG: No

F2 provided note-on-note financing to one of NYC's most active small-cap bridge lenders, collateralized by their senior loan on a 57,000 GSF fully entitled multifamily development site located in the Bronx, New York (the "Property"). The underlying developer [borrower] has completed three ground up construction projects with F2's borrower, alone. At close, F2 funded \$2,550 (75.0% of the underlying Senior Note / 46.3% LTV / \$44 PSF / \$31K Per Unit). This transaction represented F2's second transaction with its borrower since launching in April of 2021.

Case Studies

Case Study 3 | Mezzanine Loan | March 2022

Market: Queens, NY	Asset: Mixed Use	Size: 27,900 SF	Units: 8 Tenants
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Type: Mezzanine Loan	Amount: \$13,600,000	Rate: 13.0%	Fees: 3.0%
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LTV: 73.5%	IRR: 17.1%	Debt Yield: 8.6%	PG: Yes
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F2 closed a mezzanine loan with a pledge of equity, collateralized by a 27.9K SF, 100% occupied retail & office mixed-use asset. The Sponsor had an existing \$11.6M first-mortgage with a local bank and signed an extremely lucrative lease with the City of NY for the anchor space. The Borrower needed mezzanine loan proceeds to complete the TI/LC package for the City of NY. The fully funded loan amount of \$2,000,000 represented a 73.5% loan-to-value ("LTV") ratio, sitting at a basis of \$13,600,000. The in-place debt yield at close was 8.6%. The Borrower has already procured a take-out term sheet from Citi Bank, with a loan closing once the tenant buildout is complete and the city of NY takes occupancy. This was Jonathan's 5th deal with this Borrower, alone.

Case Study 4 | Preferred Equity | August 2022

Market: Long Island, NY	Asset: Hospitality	Size: 45,730 SF	Units: 96 Keys
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Type: Preferred Equity	Amount: \$11,317,500	Rate: 12.5%	Fees: 2.0%
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LTV: 63%	IRR: 18.6%	Debt Yield: 11.2%	PG: No
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F2 provided preferred equity to an investment firm in order to acquire a non-performing senior note (the "Note") collateralized by a 45,730 GSF, 96-key hotel in Long Island City, New York (the "Property"). The original senior lender sold the note at par because of a technical default, and simultaneously provided senior seller financing in the form of a collateral assignment. The asset had an underlying cost basis surpassing \$25,000,000 whereas F2 underwrote a discounted value of \$18,000,000. At close, F2 funded \$1,257,000 (85.0% of the Note's purchase costs / 62.8% LTV / \$247 PSF / \$118K Per Key), sitting behind \$10,000,000 of senior debt. F2 exited this investment in under six months.



Part V
Disclosures

In-House

Sourcing
Underwriting
Investment Committee
Due Diligence
Closing
Servicing
Tech
Marketing
Public Relations
Capital Markets

Third Party Partners

Business Banking

JP Morgan Chase

Valuation

CBRE
JLL
Bowery Valuation
Marcus & Millichap

Legal Counsel

Mavrides, Moyal, Packman & Sadkin LLP
Allen Matkins
Cole Shotz LLP

Property Condition

Newbanks

Environmental Reports

Partners

Background & Credit Checks

Spring 11
Intelligo
V Check

Press & Media

DB&R Marketing Communications

Payment Portal

Yardi



Partners you can trust.

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