



FIRST LIEN
— CAPITAL —

FIRST LIEN CAPITAL

DISTRESSED DEBT. REAL RESOLUTION. PROVEN RESULTS.

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FIRSTLIENCAPITAL.COM



EXECUTIVE SUMMARY

**A PROVEN OPERATOR DELIVERING DISCIPLINED
VALUE IN A RISING DISTRESS CYCLE**

First Lien Capital (FLC) is an independent sponsor of distressed mortgage and real estate investments, with leadership having directly deployed over \$1 Billion USD of equity across residential and small-balance commercial assets throughout the United States.

We combine disciplined acquisition, borrower-first resolution, and full lifecycle control to deliver consistent, risk-adjusted performance. Our vision was borne out of the Great Financial Crisis of 2008 and has been utilized through multiple strategies, performing and non-performing mortgage loans and real estate.

Our long-standing relationships with banks, government agencies, and servicers position FLC as a trusted liquidity provider in an accelerating distress cycle—creating new value for investors while supporting homeowner stability and strengthening communities.



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MARKET INFLECTION

RISING DELINQUENCIES, BANK PRESSURE, AND CRE STRESS SIGNAL A GROWING OPPORTUNITY PIPELINE

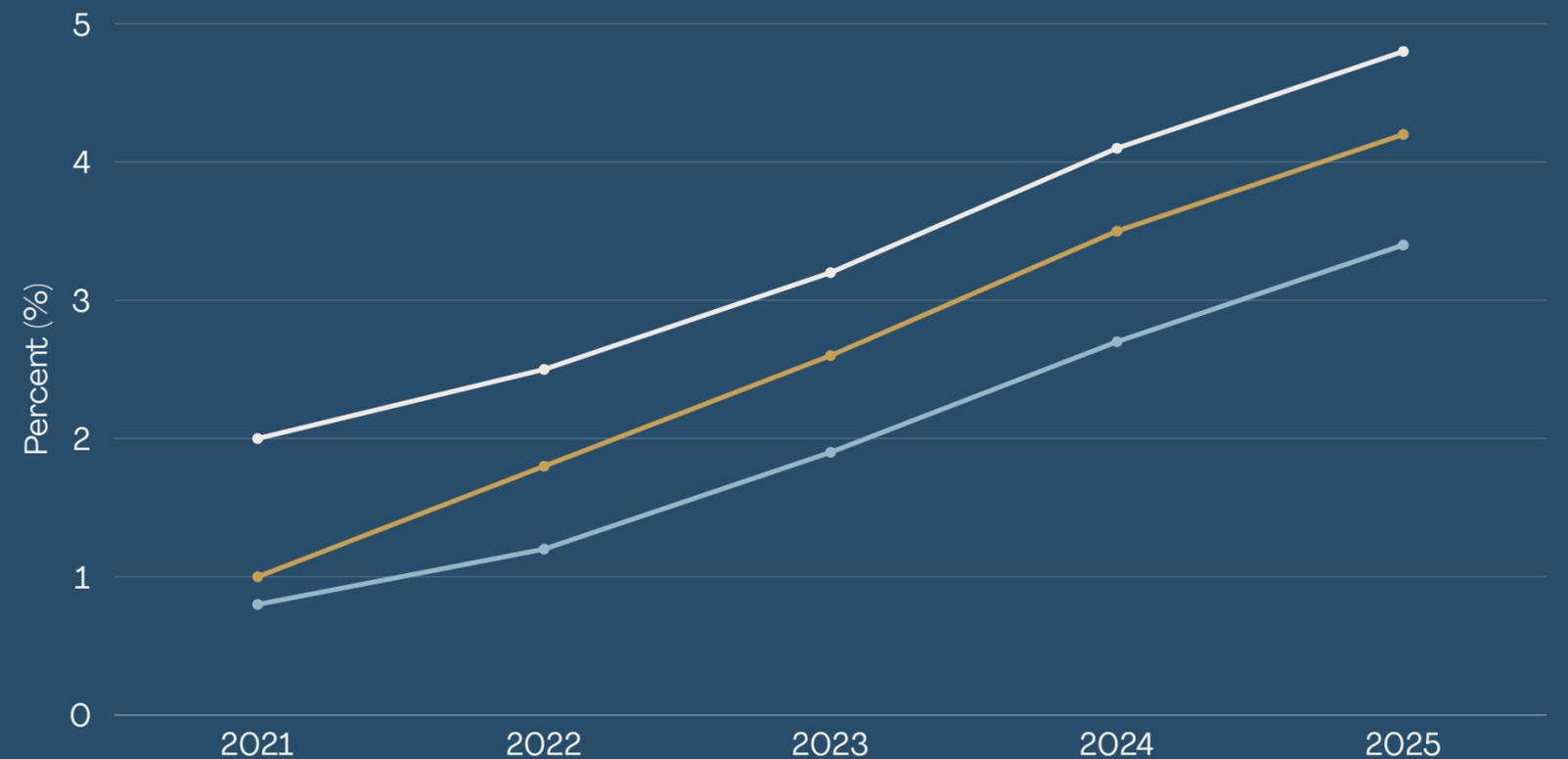
Higher interest rates and balance-sheet pressure are accelerating distressed mortgage sales across banks, agencies, investors, and their servicers.

Over the next decade, billions in distressed real estate loans are expected to require reposition and resolution beyond traditional bank channels.

With distressed opportunities rising in number, only operators with proven relationships will capture.

MARKET STRESS TRENDS (ILLUSTRATIVE)

● Residential Delinquencies ● Small-Bank Stress Indicators ● CRE Non-Accruals





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- ✓ **\$1B+ deployed** across residential & small-balance commercial assets. Active **AUM \$150M**.
- ✓ **1000+ assets** acquired in **30+ states** since **2021**.
- ✓ Special Servicer of **NPL, sub-performing loans, and REO** strategies with boots-on-ground in 50 states.
- ✓ Trusted liquidity provider to **banks, agencies, servicers, and institutional sellers**.

EXPERIENCE AT SCALE

BOUTIQUE AGILITY. INSTITUTIONAL PARTNERSHIPS. PROVEN EXECUTION.

SOURCING POWER

Direct access to banks, agencies, servicers, and institutional sellers.

Unique visibility into scratch-and-dent, litigated, and deeply distressed pools.

ACTIVE RESOLUTION

Borrower-first engagement increases repayment and preserves communities.

Faster-than-industry resolution and modification timelines.

INSTITUTIONAL TRANSPARENCY

Rigorous underwriting and valuation discipline.

Detailed reporting and compliant governance trusted across partners.

“We buy complexity and return clarity — for borrowers, sellers, and investors.”



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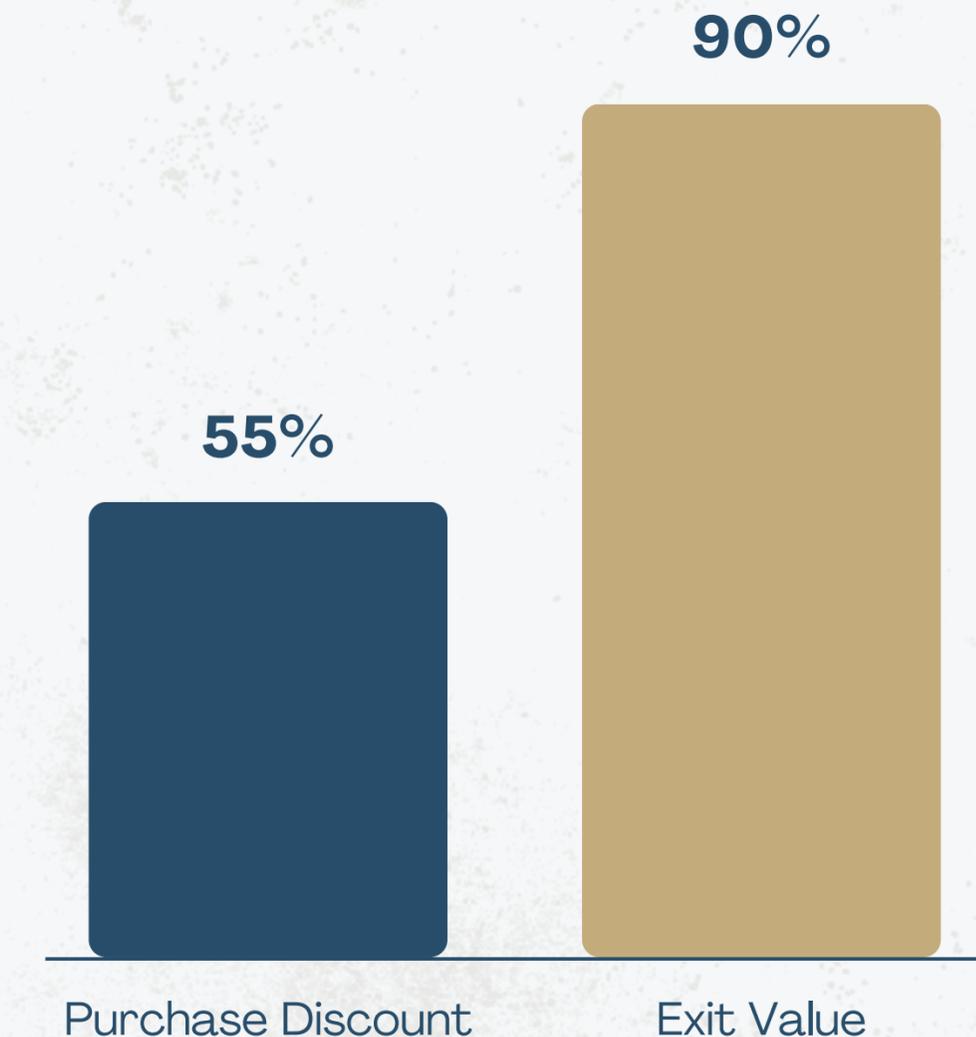
DISCIPLINED STRATEGY

**SIMPLE IN STRUCTURE. SOPHISTICATED IN
EXECUTION. CONSISTENT IN RETURNS.**

We acquire assets at significant discounts to collateral value, apply disciplined, human-centered resolution strategies, and realize value through:

- Modifications and reinstatements
- Discounted payoffs
- Short sales and REO disposition
- Rehab and retail sale

PURCHASE DISCOUNT VS EXIT VALUE (ILLUSTRATIVE)



LIFECYCLE CONTROL

FULL LIFECYCLE CONTROL ENSURES ACCURACY,
ACCOUNTABILITY, AND ACCELERATED VALUE CREATION





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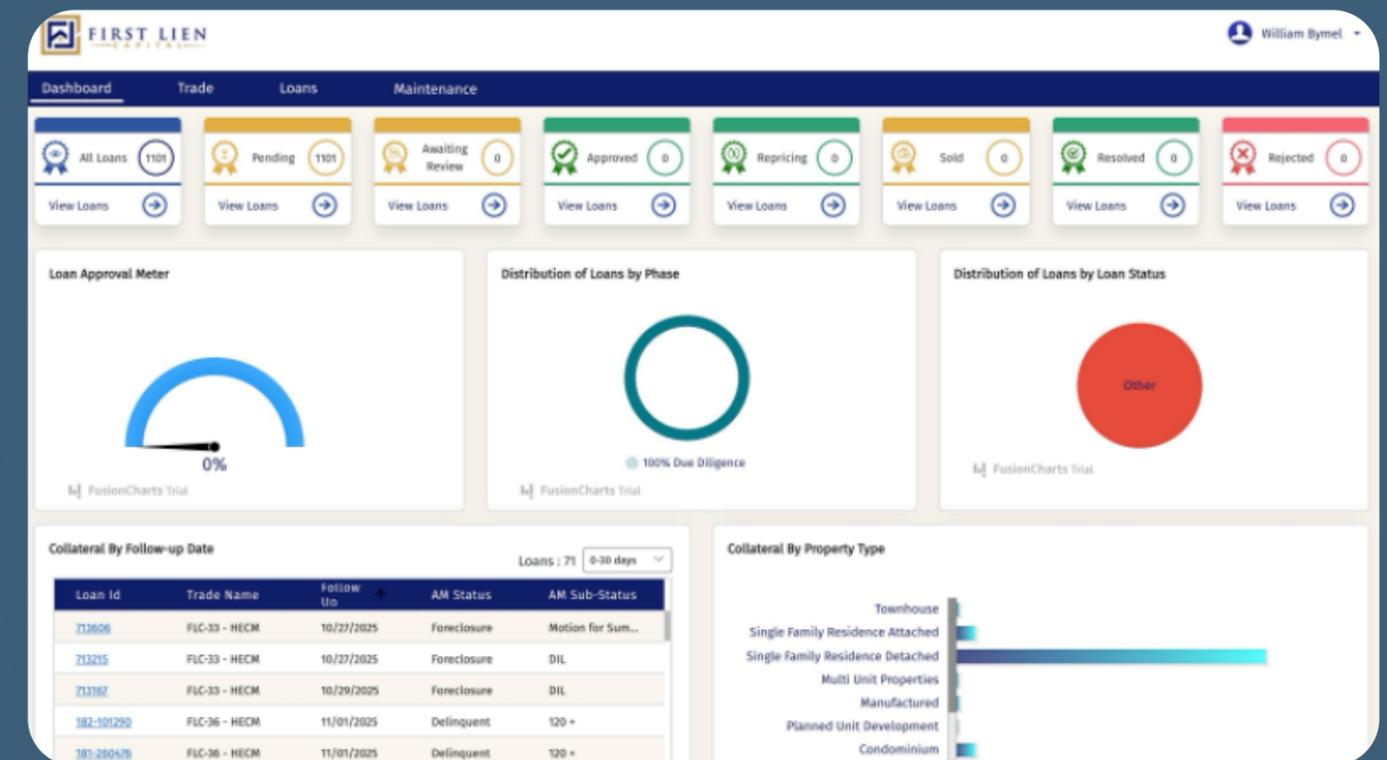
COMPETITIVE ADVANTAGE

DATA-INFORMED RESOLUTION. PERFORMANCE-DRIVEN OUTCOMES. TECHNOLOGY & AI ENABLED EXECUTION.

We transform distressed debt into measurable value.

- Loan-level modeling identifies optimal resolution paths.
- Property, borrower, and market data refine probability-weighted outcomes.
- Real-time performance tracking supports disciplined oversight.
- Proprietary, secure Asset Management portal designed by the industry's best resolution minds.

LOAN RANGER™ - FIRST LIEN'S PROPRIETARY ASSET MANAGEMENT PLATFORM





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PARTNER NETWORK

**TRUSTED ACROSS AGENCIES, SERVICERS,
AND INSTITUTIONAL PARTNERS**

Our ecosystem expands reach and amplifies operational impact. Who we do business with exemplifies integrity.



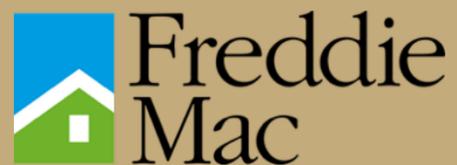
Deep relationships with US Department of Housing and Urban Development (HUD), GSEs, & the FDIC.



Strategic private equity collaborations and JV partnerships with respected institutions.



Community partnership with non-profits and local groups that support housing stabilization.

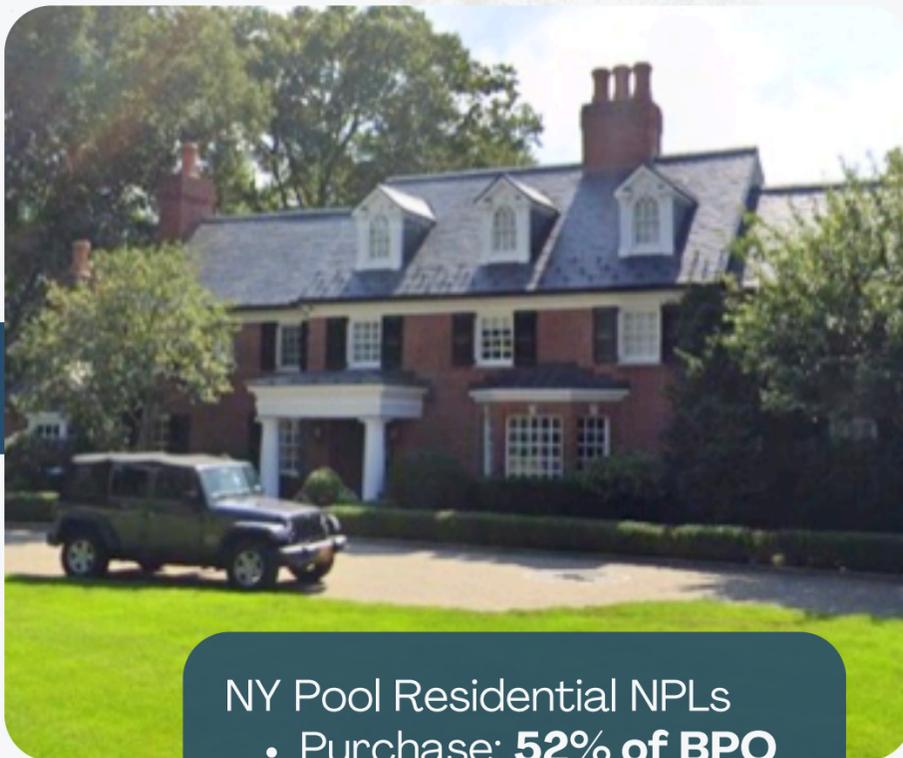


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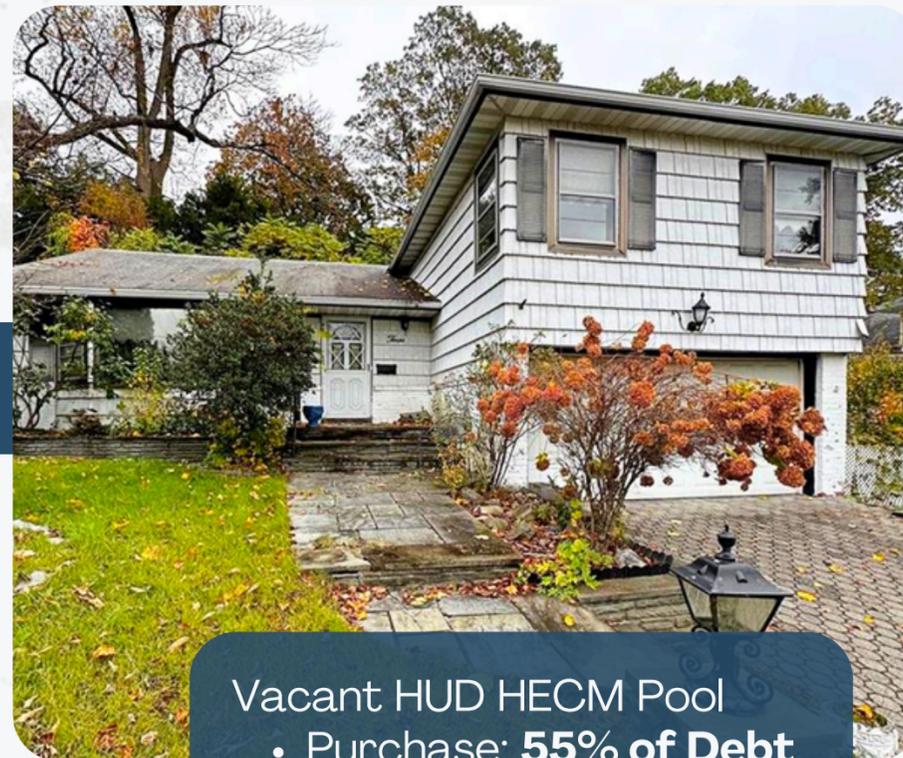
SELECT CASE STUDIES

PROVEN OUTCOMES ACROSS DIVERSE
ASSETS AND MARKET CONDITIONS



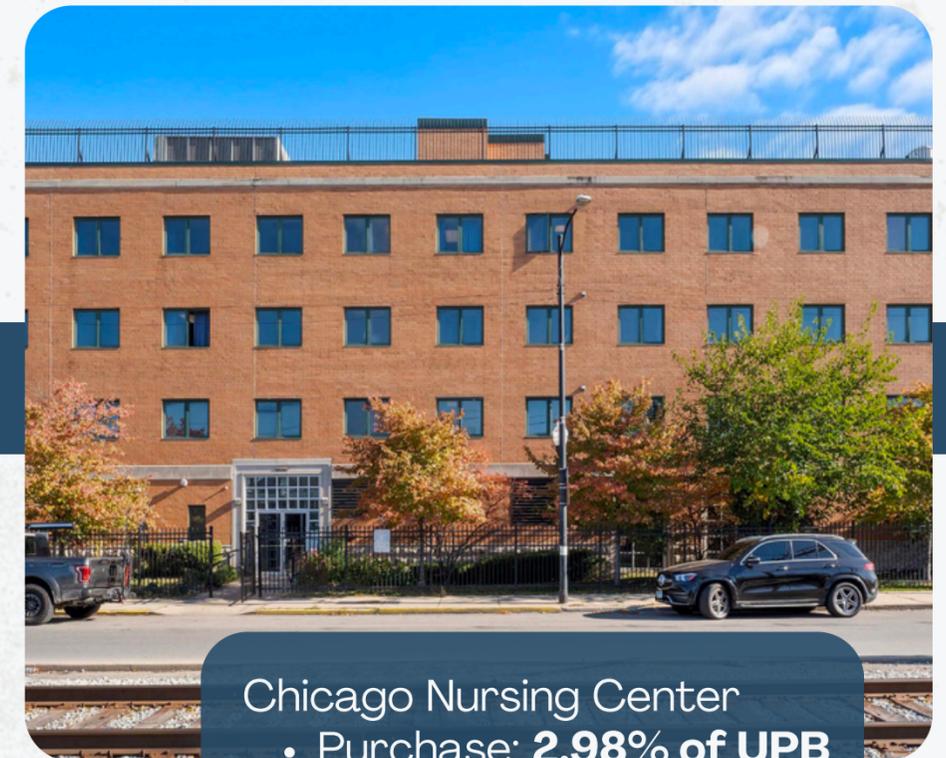
NY Pool Residential NPLs

- Purchase: **52% of BPO**
- Outcome: **1.3x MOIC** in 18 months



Vacant HUD HECM Pool

- Purchase: **55% of Debt**
- Outcome: Average **15.5% IRR** over 2 years



Chicago Nursing Center

- Purchase: **2.98% of UPB**
- Outcome: Immediate DIL, **4x in 11 months**

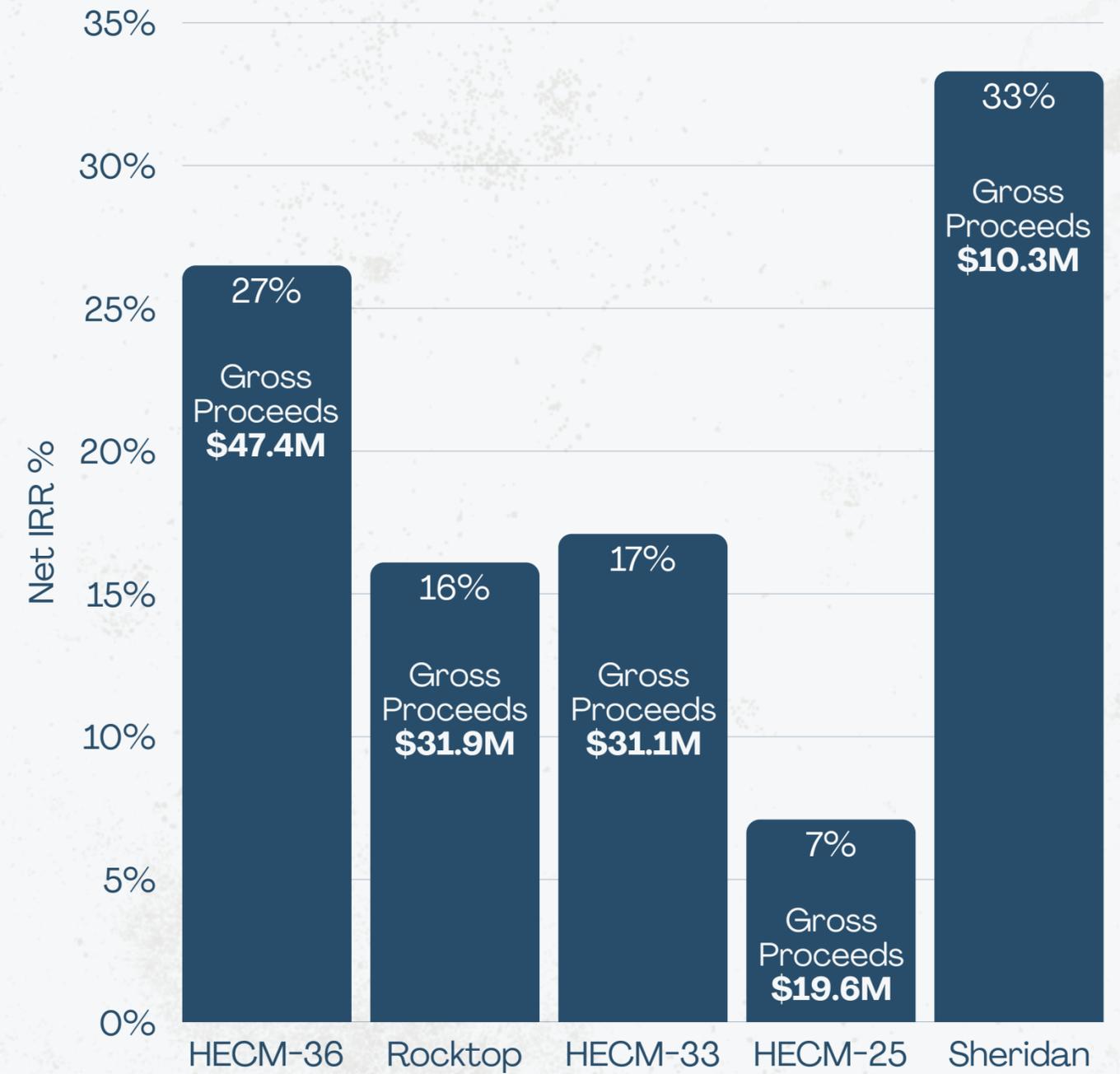
PERFORMANCE OVERVIEW

CONSISTENT, RISK-ADJUSTED PERFORMANCE ACROSS CYCLES

Our performance demonstrates durability, expertise, and execution.

- Consistent returns across multiple SPVs.
- Strategy resilient through market shifts.
- Capital Preservation Model creates discipline
- Full underwriting + lifecycle control foster predictable outcomes.
- Commercial & Residential real estate experts.

HISTORICAL PERFORMANCE (ILLUSTRATIVE)



Net IRR represents blended AROI by trade. Gross proceeds reflect relative capital deployed.



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RESOLUTION ENGINE

**PROVEN EXECUTION BOTH AS INVESTMENT
MANAGER AND SPECIAL SERVICER**



FLC's sourcing network, underwriting discipline, and resolution expertise form the operational backbone of FLR — a platform designed to scale distressed debt resolution to **\$1 Billion AUM** and beyond.



FLC's track record built the engine ready for FLR to accelerate and execute large scale resolution in 2026.

FIRST LIEN RESOLUTIONS (FLR)

Technology •
Platform Scale •
Special Servicing

INTEGRATED RESOLUTION EXECUTION

Borrower Engagement •
Asset Management •
Lifecycle Control

FIRST LIEN CAPITAL (FLC)

Sourcing • Underwriting •
Investment



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INVESTMENT OPPORTUNITY

PARTNER WITH CAPITAL THAT IS PASSIONATE ABOUT RETURNS AND COMPASSIONATE WITH BORROWERS

ALIGNED INVESTMENT

Participate through transparent, institutionally structured SPVs with full governance visibility and co-investment from FLC leadership, ensuring aligned incentives and capital preservation first.

RARE ACCESS

Gain exposure to diversified, high-discount residential and small-balance commercial assets sourced directly from banks, agencies, and servicers — opportunities unavailable to most market participants.

IMPACT-DRIVEN RETURNS

Capture superior risk-adjusted returns through a resolution model that stabilizes property owners, strengthens communities, and converts distressed assets into long-term economic value.





THANK YOU

TERMS AVAILABLE UPON REQUEST TO QUALIFIED INVESTORS

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