

WILSHIRE CAPITAL MANAGEMENT, LLC

Form ADV Part 2A – Disclosure Brochure

Effective: March 13, 2019

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Wilshire Capital, LLC (“WCM” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (424) 268-2544.

WCM is a registered investment advisor with the U.S. Securities and Exchange Commission. The information in this Disclosure Brochure has not been approved or verified by the SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about WCM to assist you in determining whether to retain the Advisor.

Additional information about WCM and its advisory persons are available on the SEC’s website at www.adviserinfo.sec.gov by searching for our firm name or by our CRD# 300840.

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Item 2 – Material Changes

Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of Wilshire Capital Management, LLC. For convenience, we have combined these documents into a single disclose document.

WCM believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. WCM encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. We always welcome your feedback.

Material Changes

Wilshire Capital Management, LLC is a newly formed registered investment advisor. This is the initial filing of the Disclosure Brochure.

Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure online at the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching for our firm name or by our CRD# 300840. You may also request a copy of this Disclosure Brochure by contacting us at (424) 268-2544.

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Item 4 – Advisory Services

A. Firm Information

Wilshire Capital Management, LLC (“WCM” or the “Advisor”) is a registered investment advisor with the SEC, which is organized as a Limited Liability Company (LLC) under the laws of the State of California. WCM founded in February 2019 and owned by Gadi Kaufmann (Owner) 59% and Taylor Mammen (Managing Director) 41%. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by WCM.

B. Advisory Services Offered

WCM primarily provides consulting services that address the unique needs of commercial real estate investors who are facing a complex investment environment, impacted by global economic and capital market volatility. WCM's clients are mainly state pension funds but may include other institutional investors in the future. WCM's services include:

- **Strategic Planning and Investment**
 - Policies
 - Global Asset Allocation
 - Real Estate Investment Objectives and Policy
 - Investment and Portfolio Strategy
 - Portfolio Rebalancing
- **Portfolio Development and Structure**
 - Investment Criteria and Evaluation
 - Manager / Partner Selection
 - Fee Analysis
 - Benchmarking
 - Annual Investment Plans and Pacing
 - Portfolio Monitoring
 - Attribution Analysis
 - Hold-sell and Disposition Analyses
 - Knowledge Management
 - Appraisal Reviews
 - Asset Management and Development of Reporting Systems
- **Market Analysis and Independent Research**
 - Target Market Identification and Forecasting
 - Demand Modeling
 - Market and Feasibility Analysis
 - Identification of Global Strategic Opportunities
 - Educational and Strategic Thought Pieces

C. Client Account Management

WCM develops customized consulting services for each of its clients based on their respective stated investment objectives, risk tolerance, and financial circumstances. Clients may impose restrictions on investing in certain securities or types of securities.

D. Wrap Fee Programs

WCM does not participate, sponsor or act as a portfolio manager for any wrap fee programs.

E. Assets Under Management

WCM is a newly established advisor. Assets under management shall be reported following the Advisor's December 31, 2019, fiscal year end. More current information may be requested at any time by contacting the Advisor.

Item 5 – Fees and Compensation

A. Fees for Advisory Services

WCM's fees are negotiated with each client and may be renegotiated for each client project. Fees vary based on the nature, complexity, and skills needed for the client project and may also vary in structure. WCM may charge clients a retainer fee, a fixed fee, an hourly fee or an hourly fee with a maximum limit pursuant to the terms and conditions of the agreement between WCM and the client. Hourly fees may vary depending, among other things, on the skill level of the employee assigned to the client project and range from \$75 per hour to \$700 per hour.

B. Fee Billing

Clients are generally billed on a monthly or quarterly basis for fees incurred during the preceding month or quarter and any other outstanding debt the client owes to WCM. Client projects with a maximum fee or fixed fee structure may also include a retainer fee as agreed upon by the client and as described in the client's agreement with WCM.

C. Other Fees and Expenses

WCM may charge for project level expenses such as data that is purchased for the purpose of conducting the assignment. These reimbursable expenses are negotiated by project and specified in the client's agreement with WCM, if applicable. WCM does not charge or receive payments for the sale of securities, commissions, custodial fees, brokerage fees, finder's fees or any similar fees. Our fees are not based upon the performance or size of investments.

D. Termination

Contracts may be canceled without penalty by giving written notice. In the event of such termination, the client will pay WCM for services and reimbursable expenses performed through the date of termination and any unused retainer fee, if applicable, will be returned (or applied to another invoice for the client with the client's consents).

E. Compensation for Sales of Securities

WCM does not buy or sell securities and does not receive any compensation for securities transactions in any client account, other than the consulting fees noted above.

Item 6 – Performance-Based Fees and Side-By-Side Management

WCM does not charge performance-based fees for its investment advisory services. The fees charged by WCM are as described in “Item 5 – Fees and Compensation” above and are not based upon the capital appreciation of the funds or securities held by any Client.

Item 7 – Types of Clients

WCM primarily provides consulting services to state pension plans. WCM may provide consulting and/or advisory services to other institutional investors in the future. WCM does not have minimum requirements for client accounts or otherwise engaging WCM for its services. Although WCM does not have any minimum client account requirements, its services may not be suitable for every prospective client.

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

A. Methods of Analysis

WCM's broad background across a wide variety of disciplines including urban planning, development feasibility, and portfolio analysis makes it uniquely adapted to help investors navigate the property markets from both a "bottom-up" and "top-down" approach. WCM uses proprietary forward-looking market analyses that have been developed and refined over its long history of market analysis and urban planning to understand the potential of new and existing investments. Multiple systems have been developed to measure supply and demand risk, pricing implications, target market analysis, and capital market risks. Top-down allocation and attribution models further enhance portfolio construction and risk analysis.

WCM helps clients improve portfolio performance by:

- Offering unique client-specific solutions from a bottom-up, evidenced-based and real estate centered approach, using proprietary market and property design analyses;
- Identifying and managing portfolio risk throughout the real estate cycle;
- Providing direct client access and attention from senior real estate professionals who have a depth of hands-on experience in the industry or product they are evaluating;
- Conducting assignments from the viewpoint of an owner by senior professionals who have past work experience in this capacity from broad portfolio structuring and global allocation work to manager selection and property analysis.

Investment Strategies: WCM provides advice to clients regarding the potential risks and rewards of investing in a particular property or strategy, but as a consultant does not implement specific investment strategies.

B. Risk of Loss

Real estate investing involves a risk of loss that investors should be prepared to bear. Additionally, risks may result from economic and capital market variations that are beyond the control of the investor and/or manager. Risks include but are not limited to the following major categories:

Income: real estate investments frequently, but not always, provide an income stream to the investor that is generally based on leases or revenues generated from the usage of the property. Income may fall below expected levels if the occupancy, usage and/or rental rates fall below expected levels which can occur for a variety of reasons including but not limited to operator capabilities, competition from similar properties, activities in the nearby area, and/or economic or capital market events that are beyond the control of the operator.

Financing: real estate investments may be purchased with both debt and equity capital. If debt is used, cash flows from the property need to be high enough to cover both repayments of interest and debt principal. Investments financed with variable rate interest payments or in which the debt must be refinanced before the investment is sold are subject to changes in the broader capital market environment that may affect both the pricing and availability of debt. Debt providers may also include covenants in debt contracts that specify certain conditions such as loan-to-value ratios that must be met. If the above conditions are not met, investors may be forced to sell the property possibly at a loss or give the title to the property to the debt holder.

Expenses and Equity Contributions: real estate investments may provide cash flows to the investor that are less than expected because of uncertainties in the cash flow related to the property including requirements of equity contributions that are higher than expected. This may be the result of

construction, rehabilitation budgets, tenant improvements, sales or leasing time or commissions that are higher than expected.

WCM has developed methods to thoroughly review investments and managers. While we have developed methods to quantify and diversify some part of the underlying non-systemic risk, our analyses for clients identify and state that real estate is subject to the risks described above.

Item 9 – Disciplinary Information

There are no legal, regulatory or disciplinary events involving WCM or any of its management persons. WCM values the trust you place in us. As we advise all clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching by our firm name or our CRD# 300840.

Item 10 – Other Financial Industry Activities and Affiliations

Neither WCM nor its team members are registered with the Securities and Exchange Commission (“SEC”) as a broker-dealer or registered representatives, respectively.

WCM is an affiliate of Robert Charles Lesser & Co, a real estate advisory firm that has been operating since 1967 and RCLCO Fund Advisers, LLC a registered investment adviser with the SEC since 2013. Robert Charles Lesser & Co. is not a registered investment adviser with the SEC.

WCM may recommend third-party investment advisers for its clients. WCM does not receive compensation from third-party investment advisers for the provision of such recommendations or for any other services rendered to such third-party investment adviser.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

WCM has implemented a Code of Ethics (the “Code”) that defines our fiduciary commitment to each client. This Code applies to all persons associated with WCM (our “Supervised Persons”). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our client. WCM and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each client. It is the obligation of WCM’s Supervised Persons to adhere not only to the specific provisions of the Code but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest.

B. Personal Trading and Conflicts of Interest

WCMs Code of Ethics requires all personnel to adhere to high standards of honest and ethical conduct and, among other things, to comply with various reporting and approval requirements as to securities transactions.

A copy of our Code of Ethics, as well as our compliance and policy manuals, are available to any client or prospective client upon request.

Item 12 – Brokerage Practices

A. Recommendation of Custodian[s]

WCM advisory services do not include discretionary authority to select the broker-dealer/custodian for custody and execution services.

Item 13 – Review of Accounts

A. Frequency of Reviews

WCM may be engaged by clients on an annual basis to review the structure, investment plans, and performance of the client's real estate portfolio. The contents of the report vary depending on the client's needs and may be provided in written and/or presentation form. WCM team members meet with clients and provide ongoing services to clients upon request.

B. Causes for Reviews

We may review accounts more frequently than described above where certain economic or capital market conditions arise. For example, if a property in a client's real estate portfolio is underperforming or considered at risk, we monitor the property and the client's real estate portfolio on an ongoing basis until, in our view, the risk has subsided or other conditions arise.

C. Review Reports

Clients may also receive monthly, quarterly, annual and other periodic operating and financial reports for properties directly from other companies, which may be reviewed by WCM.

The reviews and reports described above may be conducted by WCM's senior management team and may be in a written or oral format.

Item 14 - Client Referrals and Other Compensation

A. Compensation Received by WCM

WCM is a fee-based advisory firm, that is compensated solely by its clients. WCM does not receive commissions or other compensation from product sponsors, broker-dealers or any unrelated third party.

B. Client Referrals from Solicitors

WCM does not engage paid solicitors for Client referrals.

Item 15 – Custody

WCM does not accept or maintain custody of any client funds or securities.

Item 16 – Investment Discretion

WCM does not have investment discretion with respect to client assets. If and when WCM provides direct investment advisory services for certain institutional clients on a discretionary basis, WCM will receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

Item 17 – Voting Client Securities

Due to the nature of WCM's advisory services, WCM does not vote client securities.

Item 18 – Financial Information

WCM does not require prepayment of fees six months or more in advance, has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Accordingly, no financial statements are required to be provided by WCM to its clients and prospective clients.