

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>JPMORGAN CHASE & CO</u> (Last) (First) (Middle) <u>383 MADISON AVENUE</u> (Street) <u>NEW YORK NY 10179</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>IMH Financial Corp [NONE]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) <u>Director by Deputization</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/24/2019</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series B-1 Cumulative Convertible Preferred Stock	(1)(2)	10/24/2019		P		873,378		(1)	(1)(2)	Common Stock	(1)(2)	(1)(2)	873,378	I	See footnote ⁽³⁾

1. Name and Address of Reporting Person* <u>JPMORGAN CHASE & CO</u> (Last) (First) (Middle) <u>383 MADISON AVENUE</u> (Street) <u>NEW YORK NY 10179</u> (City) (State) (Zip)
1. Name and Address of Reporting Person* <u>JPMorgan Chase Funding Inc.</u> (Last) (First) (Middle) <u>383 MADISON AVENUE</u> (Street) <u>NEW YORK NY 10179</u> (City) (State) (Zip)

Explanation of Responses:

1. The Series B-1 Cumulative Convertible Preferred Stock ("Series B-1 Preferred Stock") is convertible at any time into the Issuer's common stock, par value \$0.01 per share ("Common Stock"). Each share of Series B-1 Preferred Stock is convertible, at the election of the holder, into a number of shares of Common Stock determined by dividing (i) the sum of (a) \$3.2171 and (b) all accrued and unpaid dividends on such Series B-1 Preferred Stock by (ii) the then effective conversion price. Initially, each share of Series B-1 Preferred Stock is convertible into one share of Common Stock. The conversion price, and number of shares issuable upon conversion of Series B-1 Preferred Stock, are subject to adjustment as provided in the Second Amended and Restated Certificate of Designation of Series B-1 Cumulative Convertible Preferred Stock, Series B-2 Cumulative Convertible Preferred Stock and Series B-3 Cumulative Convertible Preferred Stock of the Issuer ("B-123 Certificate of Designation").

2. Series B-1 Preferred Stock will automatically be converted into shares of Common Stock at the then effective conversion price upon the closing of a sale of shares of Common Stock at a price equal to or greater than two and a quarter times (2.25x) \$3.2171 (subject to adjustment in accordance with B-123 Certificate of Designation), in a firm commitment underwritten public offering and listing of the Common Stock on a national securities exchange, pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least \$75,000,000 of gross proceeds to the Issuer.

3. The securities reported herein are directly owned by JPMorgan Chase Funding Inc., a wholly owned subsidiary of JPMorgan Chase & Co. JPMorgan Chase & Co. disclaims beneficial ownership of the reported securities except to the extent of its pecuniary interest therein, if any.

Remarks:

** Signature of Reporting Person Date