

Item 1 – Cover Page

Red Capital Advisors, LLC

Two Miranova Place 12th Floor

Columbus Ohio 43215

614-857-1400

February 1, 2012

This brochure provides information about the qualifications and business practices of Red Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 614-857-1400 or sdmeeks@redcapitalgroup.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Red Capital Advisors, LLC (RCA or the firm) is a registered investment adviser. Being a registered investment adviser with the SEC does not imply a certain level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Red Capital Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated February 1, 2012 is a new document prepared according to the SEC’s requirements and rules. In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. RCA will update this brochure annually and promptly when certain information becomes materially inaccurate.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 -Table of Contents	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation.....	2
Item 6 – Performance-Based Fees and Side-By-Side Management.....	3
Item 7 – Types of Clients.....	4
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	5
Item 9 – Disciplinary Information.....	6
Item 10 – Other Financial Industry Activities and Affiliations	7
Item 11 – Code of Ethics	8
Item 12 – Brokerage Practices	9
Item 13 – Review of Accounts.....	10
Item 14 – Client Referrals and Other Compensation	11
Item 15 – Custody	12
Item 16 – Investment Discretion.....	13
Item 17 – Voting Client Securities	14
Item 18 – Financial Information.....	15

Item 4 – Advisory Business

Red Capital Advisors, LLC an Ohio Limited Liability Company was founded on May 30, 2000 under the name Provident Community Development Company, LLC. Then on July 13, 2006 the firm's name changed to Red Capital Community Development Company, LLC. On May 11, 2011, the firm name was again changed to Red Capital Advisors, LLC. RCA is wholly-owned by Red Capital Group, LLC, a subsidiary of Orix Corporation (NYSE IX).

The firm offers investment advice limited to advising and managing real estate Tax Credit Private Funds (Private Funds or the funds). The firm currently serves as managing member, sole general partner or selector of the board of managers or managing member for 28 Private Funds. These funds qualify for exclusion from the definition of an investment company pursuant to Section 3(c) of the Investment Company Act of 1940. Investors in the funds are limited to corporations having a net worth in excess of \$100 million and reasonably expected to be eligible to use the tax credits and passive tax losses expected to be derived from the Fund to reduce their Federal Income tax liability and reduce their taxable income.

It is important to note that currently RCA is no longer soliciting investors for any of the funds.

Client assets under management by the firm were \$1.25 billion as of December 31, 2011, all on a discretionary basis.

Item 5 – Fees and Compensation

Fees charged by the firm are set forth in the offering materials of each private fund. These fees may vary for each individual fund and include:

- Organizational and Offering Fees to cover printing legal and accounting expenses, but do not include the Syndication fee which is allocated to the Placement Agent.
- Acquisition Fees for selecting, evaluating, structuring, negotiating and closing each fund's investment in Operating Companies.
- Asset Management Fees which are payable quarterly which in the aggregate on an annual basis are the greater of (i) a set dollar fee for each Operating Company Interest held at any time during such year or (ii) a percentage of the Gross Proceeds of the sale of the units of the Fund.
- Disposition Analysis fees computed as a percentage of the gross sales price of a property
- Generally .01% of any Profits and Losses and of any tax credits; except in the case of profits arising from a sale or refinancing, the percentage of profits may be increased to as much as 5% of overall profits. Actual amounts allocable to RCA depend upon results of operations of the particular fund and its Operating Companies and are not determinable in advance.

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

Performance fees are detailed in Item 5. All private fund clients have basically the same fee structure, therefore side-by side management risks involving clients with different fee structures do not exist.

Item 7 – Types of Clients

Each client is either a Limited Liability Company or a Limited Partnership organized to invest in Operating Companies which are limited partnerships or limited liability companies that own and operate apartment complexes that are expected to qualify for the low income housing tax credit provided for in Section 42 of the Internal Revenue Code and/or the historic rehabilitation tax credit provided for in Section 47 of the Internal Revenue Code. Such ownership will provide tax credits which may be applied against an investor's federal income tax liability and tax losses which may be applied against taxable income.

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

Investing in real estate involves risk of loss that clients should be prepared to bear.

The private funds principal investment objectives are to:

- Provide current tax benefits in the form of tax credits and tax losses which investors may use to reduce their Federal income tax liability and taxable income;
- Preserve and protect the fund's assets;
- Provide cash distributions from sale or refinancing transactions;
- Increase the stock of housing available for low and moderate income households

RCA has selected Operating Companies based on:

- The capability of the development group, including the history and performance of the sponsor, general contractor, management company, management agent and others associated with the development of the property;
- The financial strength of the Operating Company's general partners with due regard for any contingent liabilities;
- Costs of construction;
- Proposed rents and costs of property operations;
- General rental market conditions in the area of the property;
- The operating expenses of comparable properties; and
- The potential of the property to provide the Fund with distributions from a Sale or Refinancing transaction

Investors in the client Funds are subject to the risks associated with the ownership and development of real estate, including risks associated with changes in the general economic climate, changes in the overall real estate market, local real estate conditions, the financial conditions of tenants, buyers and sellers of properties, supply of or demand for competing properties and competition based on rental prices.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to evaluation of the firm or the integrity of firm management. The firm and its employees have not been the subject of any disciplinary actions.

Item 10 – Other Financial Industry Activities and Affiliations

RCA is affiliated with Red Capital Markets, LLC, a broker-dealer registered with FINRA and member SIPC. Certain management officers of RCA are also registered with Red Capital Markets, LLC.

Red Capital Markets, LLC acted as the placement agent for all the private placements of the funds. The role of Red Capital Markets, LLC and the syndication fees earned by Red Capital Markets, LLC were disclosed in the offering materials for each of the funds.

Item 11 – Code of Ethics

The firm has adopted a Code of Ethics for all supervised persons describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons of the firm acknowledge the terms of the Code of Ethics annually.

Officers and employees of the firm are required to follow policy and procedures contained in the firm's Code of Ethics. Subject to satisfying this policy and applicable laws, officers and employees of the firm may trade for their own accounts in securities which are recommended to and/or purchased for firm's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of the firm will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between the firm and its clients.

Clients or prospective clients of the firm may request a copy of the firm's Code of Ethics by contacting the firm's Compliance Officer.

The firm will not effect any principal or agency cross securities transactions for client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices

The firm does not engage in activities which involve securities brokerage activities other than private placement of units of the Funds it manages. All placements have utilized the firm's affiliate, Red Capital Markets, LLC as the placement agent.

Item 13 – Review of Accounts

Each Investor in the Private Funds shall receive:

- Quarterly reports describing the performance of the Fund's investments;
- Annual reports with audited financial statements;
- Schedule K-1 and other necessary tax information.

Item 14 – Client Referrals and Other Compensation

The firm has no arrangement to receive any benefit from service to any party other than the clients and the firm does not compensate anyone who is not a supervised person for client referrals.

Item 15 – Custody

RCA does not maintain physical custody of client's cash and/or securities. However, RCA is deemed to have custody of client's cash within the meaning of Rule 206(4)-2 of the Advisors Act. As managing member of each client RCA has the authority to cause payments of management fees and other fund expenses to be made from the fund's checking accounts.

Consistent with the provisions of the Advisors Act, the assets of the client funds are held in accounts with Fifth Third Bank, a qualified custodian within the meaning in the Advisors Act.

In addition, the annual financial statements of the Funds are prepared in accordance with GAAP, audited by an independent accounting firm registered with the Public Company Accounting Oversight Board and distributed to all investors of each client.

Item 16 – Investment Discretion

The firm receives discretionary authority from clients consistent with its role as managing member of the private funds.

Item 17 – Voting Client Securities

RCA does not hold securities on behalf of its private fund clients. The Private funds invest in real estate which does not involve voting proxies.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the firm's financial condition.

We do not require prepayment of advisory fees; therefore we are not required to provide an audited financial statement.

The firm has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients.

RCA has not been the subject of any bankruptcy proceedings.