

Item 1 – Cover Page

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March 25, 2013

This Brochure provides information about the qualifications and business practices of Mariner Real Estate Management, LLC (“MREM”). If you have any questions about the contents of this Brochure, please contact us at (913) 647-9700. 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. MREM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information through which you determine to hire or retain an Adviser.

Additional information about MREM is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with MREM who are registered, or are required to be registered, as investment adviser representatives of MREM.

## **Item 2 – Material Changes**

On July 28, 2010, the United State Securities and Exchange Commission (“SEC”) published “Amendments to Form ADV” which amends the disclosure document that advisers provide to clients as required by SEC Rules.

The material changes made since the December 7, 2011 ADV Part 2 filing include an updated address and information about our additional affiliations and private fund.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new 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 provide other ongoing disclosure information about material changes as necessary.

We will provide you with a new Brochure if requested based on changes or new information, at any time, without charge. Currently, our Brochure may be requested by contacting us at (913) 647-9700 or [compliance@mariner-holdings.com](mailto:compliance@mariner-holdings.com).

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#### **Item 4 – Advisory Business**

MREM is a limited liability company organized under the laws of Delaware and registered with the U.S. Securities and Exchange Commission since January 2012. Our principal owners are Montage Investments, LLC and ABTS Holdings, LLC. Montage Investments, LLC is a registered investment adviser and is wholly owned by Mariner Holdings, LLC, an independent financial services firm. The Bicknell Family Holding Company, LLC holds a controlling interest in Mariner Holdings and the Bicknell Family Management Company Trust holds a controlling interest in the Bicknell Family Holding Company. ABTS Holdings is owned by Terry Anderson and Ryan Anderson.

Through MREM's discretionary funds it invests in real estate and real estate-related assets, including, but not limited to, performing and non-performing loan purchases and joint venture investments and similar transactions, such as the acquisition of pools of distressed debt being sold by the U.S. Federal Deposit Insurance Company (the "FDIC"), national banks, large regional banks, and other forced sellers.

MREM's assets under management as of December 31, 2012 are \$207,866,387.

## Item 5 – Fees and Compensation

### Management Fee

The Funds will pay to MREM an annual management fee as described further in the table below. The Management Fees for Mariner Real Estate Partners, LLC and Mariner Real Estate Partners II, LLC can be called from partners over and above their commitment levels. The Management Fees for Mariner Real Estate Partners III, LLC, Mariner Real Estate Partners III A, LLC, and Mariner Real Estate Partners III B, LLC cannot be called from partners over and above their commitment levels.

	<b>Mariner Real Estate Partners, LLC</b>	<b>Mariner Real Estate Partners II, LLC</b>	<b>Mariner Real Estate Partners III, LLC</b>	<b>Mariner Real Estate Partners III A, LLC</b>	<b>Mariner Real Estate Partners III B, LLC</b>
<b>Management Fee</b>	2% per annum of Committed Capital	1% per annum of Committed Capital	0.75% per annum of Committed but Uninvested Capital and 1.5% per annum of Invested Capital	0.75% per annum of Committed but Uninvested Capital and 1.5% per annum of Invested Capital	0.75% per annum of Committed but Uninvested Capital and 1.5% per annum of Invested Capital

The management fee will be payable in advance on a quarterly basis with the first payment being due at the initial closing and each quarterly payment thereafter being due on the first business day of each quarter. Management fees may be paid out of monies otherwise available for distribution or out of capital calls. The payments by Investor Members at each closing subsequent to the initial closing with respect to the Management Fee and interest thereon will be paid to MREM.

The management fee will be reduced to effectuate the participation of MREM and its affiliates in the respective Funds' investment programs.

## Transaction Fees

The Funds will also pay to Montage a one-time fee equal to a percentage of the gross purchase price of each Investment purchased by the Funds, which amount will be paid to Montage as and when capital is invested by the Funds in the investment (the “Acquisition Fee”).

In addition, subject to the terms and conditions set forth in the Servicing Agreements between the Funds and Cohen Financial, L.P., a Delaware limited partnership, 64% of which is owned by MREM (“Cohen”), Cohen may receive from the Funds a servicing fee for each investment, payable monthly on an investment by investment basis, in an amount equal to the market rates charged by Cohen at such time for servicing loan investments (the “Servicing Fee”).

	<b>Mariner Real Estate Partners, LLC</b>	<b>Mariner Real Estate Partners II, LLC</b>	<b>Mariner Real Estate Partners III, LLC</b>	<b>Mariner Real Estate Partners III A, LLC</b>	<b>Mariner Real Estate Partners III B, LLC</b>
<b>Acquisition Fees</b>	1.5% of purchase price of Real Estate Investments	1.0% of total investment in MREC	1.5% of gross purchase price of investments made	1.5% of gross purchase price of investments made	1.5% of gross purchase price of investments made

## Other Expenses

Each of the Funds will pay or reimburse Montage for all expenses related to their pro rata share of the respective Funds’ formation and operations, including counsel and accountants, the Management Fee, the Acquisition Fee, the Servicing Fee, auditing and accounting expenses (including expenses associated with the preparation of Fund financial statements, tax returns and Schedule K-1s), expenses of the Advisory Board, expenses associated with the acquisition, holding and disposition of Investments, including expenses in connection with transactions not consummated, and extraordinary expenses (such as litigation, if any).

	<b>Mariner Real Estate Partners, LLC</b>	<b>Mariner Real Estate Partners II, LLC</b>	<b>Mariner Real Estate Partners III, LLC</b>	<b>Mariner Real Estate Partners III A, LLC</b>	<b>Mariner Real Estate Partners III B, LLC</b>
<b>Disposition Fees</b>	1.5% of sale price of Real Estate Investments (1% if a broker is used)	None	None	None	None

Guarantee Fee	A reasonable guarantee fee approved by a Majority in Interest	None	None	None	None
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## **Item 6 – Performance-Based Fees and Side-By-Side Management**

MREM receives performance-based compensation with respect to its Funds. MREM will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisers Act of 1940 (The Advisers Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

The performance-based compensation is based on capital appreciation. This arrangement may create an incentive for MREM to invest the Funds’ assets in investments that are riskier or more speculative than would be the case if MREM was compensated solely on a flat percentage of capital. The Partnership Agreement and the Investment Management Agreement of the Funds require the General Partner and the Investment Manager, respectively, to exercise their duties with care, skill, prudence and diligence. In the event of a conflict of interest between the Partnership and any other entity managed by the General Partner, the Investment Manager, or any of their respective affiliates, the General Partner, the Investment Manager or such affiliate, as the case may be, will resolve such conflict by taking into account the investment objective of each entity (or account), any investment restrictions applicable to each entity and the other available investment options for each entity and will seek to resolve such conflict in a fair and equitable manner.

### **Distributions and Carried Interest**

The proceeds and income of the Funds will be distributed to each Member pro rata according to their respective capital contributions. Each investor Member’s pro rata share will be further divided between such Investor Member and MREM as follows:

	<b>Mariner Real Estate Partners, LLC</b>	<b>Mariner Real Estate Partners II, LLC</b>	<b>Mariner Real Estate Partners III, LLC</b>	<b>Mariner Real Estate Partners III A, LLC</b>	<b>Mariner Real Estate Partners III B, LLC</b>
<b>Tier 1</b>	Tax distributions	Tax distributions	10% preferred return compounded annually to limited members	10% preferred return compounded annually to limited members	10% preferred return compounded annually to limited members
<b>Tier 2</b>	10% simple preferred return to limited members	10% simple preferred return to limited members	50% to limited members and 50% to manager until manager has received 20% of cumulative profits	50% to limited members and 50% to manager until manager has received 20% of cumulative profits	50% to limited members and 50% to manager until manager has received 20% of cumulative profits



<b>Tier 3</b>	Catch up to manager until it has been allocated 20% of total profits	Catch up to manager until it has been allocated 10% of total profits	80% to limited members and 20% to manager	80% to limited members and 20% to manager	80% to limited members and 20% to manager
<b>Tier 4</b>	80% to limited members, 20% to manager until the limited members have received income allocations resulting in an IRR of 25%	90% to limited members, 10% to manager	N/A	N/A	N/A
<b>Tier 5</b>	Catch up to manager until it has been allocated 25% of total profits	N/A	N/A	N/A	N/A
<b>Tier 6</b>	75% to limited members, 25% to manager	N/A	N/A	N/A	N/A

Proceeds from investments will be distributed to the Members as soon as practicable, but not less frequently than quarterly (within sixty (60) days following the end of the applicable fiscal quarter in which income is received by the Fund), subject to the right to reinvest capital or to use proceeds for Fund expenses and obligations. MREM has the right to reduce, waive or calculate differently the Carried Interest with respect to any Investor Member, or to assign up to a majority of its Carried Interest to one or more large or strategic investors.

### **Item 7 – Types of Clients**

We generally provide investment advice to private real estate funds only. All funds are limited to qualified clients, qualified purchasers or accredited investors. Mariner Real Estate Partners III, LLC has a minimum commitment of \$1,000,000. Mariner Real Estate Partners III A, LLC and Mariner Real Estate Partners III B, LLC have a minimum commitment of \$250,000. Mariner Real Estate Partners, LLC and Mariner Real Estate Partners II, LLC are closed to new investors.

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

### **Methods of Analysis**

The Adviser will approach each investment opportunity with a focus on the following factors:

*Capital Preservation:* The Adviser believes that one of the key drivers to evaluating potential investments is underwriting and understanding downside risk and its influence on returns.

*Margin of Safety:* The Adviser will seek to use conservative underwriting and a thorough due diligence process to accurately assess the risk associated with each investment.

*Substantial Upside:* The Adviser will pursue the purchase of various real estate and real estate-related assets, including FDIC-structured loan sales and portfolios of non-performing mortgages, at a discount to current asset value, capitalizing on the regression back to replacement cost and a recovery in the economy.

*Bottom of the Industry Cycle:* The Adviser believes that timing is crucial in determining whether an investment has the potential to be successful. Therefore, it performs extensive market research of the real estate industry each quarter.

*Capital Appreciation:* The Adviser will seek investment opportunities to purchase assets that can be worked out and sold for their highest value, including non-recourse, non-interest bearing loans sold by the FDIC.

*Current Income-High Yield:* The Adviser intends to focus on (a) recapitalizations of partnerships that are overleveraged but that hold quality assets with strong underlying fundamentals and (b) sub-performing first mortgage loan portfolios being sold by national, large, regional and foreign banks.

### **Investment Strategies**

In addition to evaluating real property investment opportunities for the Fund, the Adviser intends to source certain real estate-related assets, including, but not limited to, performing and non-performing loans secured by interests in real property, other real property debt instruments and, to the extent available, pools of distressed debt being sold by the FDIC, national banks, large regional banks, and other forced sellers and overleveraged borrowers, that have the following characteristics: (a) large quantity of loans, (b) distressed first mortgages, (c) a mix of performing, sub-performing, and non-performing loans, and (d) quality assets with a focus on “finished” product (e.g., distressed commercial assets or homebuilding assets).

The Adviser utilizes its own staff and that of its affiliates throughout the loan acquisition, servicing and resolution process which allows the Adviser to exercise a high degree of control over acquired assets and thereby maximize returns. Some key elements of this process are as follows:

*Due Diligence:* The Adviser performs extensive due diligence, including environmental due diligence, before causing the Fund to make an investment, including the preparation of a due diligence report and property inspection report on each loan prior to acquisition. All due diligence is conducted by personnel of the Adviser and, as and when appropriate, certain consultants who will be retained and supervised by the Adviser.

*Loan Servicing:* All loan servicing is conducted by Cohen, a lead, S&P-rated commercial and multi-family real estate loan administrator and special service currently overseeing a multi-billion dollar loan portfolio.

*Loan Resolutions:* Loan resolutions and loan exit strategies, including restructurings and negotiations with borrowers, are conducted and developed by the Adviser and Cohen investment professionals. Cohen asset managers support the Adviser in its role as interface with the borrower. It is always the Adviser's goal to work towards a speedy resolution with its borrowers so as to optimize the value of its investment.

*Property Management:* In the event that the Adviser causes the Fund to take possession of a collateral property through foreclosure or otherwise, the Adviser will either manage the property or oversee outside management through its asset management team. Mariner believes that the Fund has a significant advantage in maximizing returns because of its ability to redevelop and improve owned real estate assets.

### **Risk of Loss**

An investment in the Funds, like any private investment fund, involves a substantial degree of risk and should be regarded as speculative. As a result, an investment in the Funds should be considered only by investors who can reasonably afford a loss of their entire investment. Prospective investors should also consult their own financial, tax and legal advisors regarding the suitability of this investment. Prospective investors should carefully consider, in addition to the matters set forth in the Private Placement Memorandum for each Fund, the following factors relating to the activities of the Funds and the Fund offerings:

*Lack of Operating History:* The Funds have limited operating history and will be dependent upon MREM and the Principals (check definitions). While the Funds intend to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that the Funds will achieve any positive return. On any given investment, total loss of principal is

possible. Prior performance of MREM, the Adviser and the Principals is not necessarily indicative of future results.

*Nature of Investment:* An investment in the Funds requires a commitment by the investors to contribute substantial amounts of capital to the Funds. If an Investor Member fails to pay when due installments of its Commitments to the Funds, and the contributions made by non-defaulting Investor Members and borrowings by the Funds are inadequate to cover the defaulted capital contribution, the Funds may be unable to pay its obligations when due. As a result, the Funds may be subjected to significant penalties that could materially adversely affect the returns to the Investor Members. If an Investor Member defaults, it may be subject to various remedies as provided in the LLC Agreements, including, without limitation, reductions in its capital account balance. Investors who are unable, or unwilling, to comply with their capital contribution obligations risk forfeiture of a portion, and possibly all, of their investment in the Funds. Accordingly, prospective investors should assure themselves that they have sufficient available capital assets to support their capital commitments.

*Long-Term Investment:* Prospective investors should be aware of the long-term nature of an investment in the Funds. There is not now nor is it expected that there will be a public market for the Interests. Accordingly, an investor may not be able to liquidate its investment and its Interest may not be acceptable as collateral for loans. An investment in the Funds requires a long-term commitment, with no certainty of return. In the near-term, cash flow available to the Investor Members is likely to be limited. Most of the Investments will be highly illiquid, and there can be no assurance that the Funds will be able to realize on investments in a timely manner. Dispositions of such investments may require a lengthy time period or may result in distributions in kind to the Members; provided, however, that if the receipt of such securities by an Investor Member will violate law or if an Investor Member does not wish to receive distributions in kind, the Funds with either (x) dispose of such securities for the account of such Investor Member or (y) make such other arrangements for the disposition of such securities approved by such Investor Member.

*Restrictions on Transfer and Withdrawal:* There will be no public market for the Interests. In addition, Interests are not transferable except with the consent of MREM, which may be withheld in its sole discretion. Investor Members may not withdraw capital from the Funds. Consequently, investors may not be able to liquidate their Interests prior to the end of the Funds' term.

*Competition for Investment Opportunities:* The business of identifying and structuring distressed and other investments in real estate is highly competitive and involves a high degree of uncertainty. There can be no assurance that the Adviser will be able to identify or complete sufficient attractive investment opportunities, nor can there be any assurance as to the timing of investments.

*Limited Number of Investments:* The Funds may participate in a limited number of investments and, as a consequence, the aggregate return of the Funds may be substantially and adversely affected by the unfavorable performance of a single investment.

*Market Volatility:* Volatile market conditions at various times have had a dramatic effect on private investments. In addition, terrorist attacks and other acts of violence or war may affect the operations and profitability of the Fund's portfolio companies. Such events could cause consumer confidence and spending to decrease or result in increased volatility in the U.S. and worldwide financial markets and economy. They also could result in a continuation of the current economic uncertainty in the U.S. or abroad. Any of these occurrences could have a significant impact on the operating results and revenues of the Funds' portfolio companies and, in turn, on the return of the Fund's investments.

*General Economic Conditions:* General economic conditions may affect the Funds' activities and the performance of its portfolio companies. Interest rates, inflation rates, industry conditions, competition, technological developments, political and diplomatic events and trends, and general levels of economic activity may affect the value and number of investments made by the Funds or considered for prospective investment. The profitability of a significant portion of the Funds' investment program depends, to a great extent, on correct assessments of the future course of price movements of securities and other instruments. There can be no assurance that the Adviser will be able to accurately predict these price movements. Economic conditions in general, and the securities markets in particular, have, in recent years, been characterized by great volatility and unpredictability. With respect to the investment strategy used by the Funds, there is always a significant degree of market risk.

*Leverage:* The Adviser will seek to use leverage in making investments on behalf of the Fund. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. Although the Adviser will seek to use leverage in a prudent manner, the leveraged capital structure of such investments will increase the exposure of the Fund to adverse economic factors such as downturns in the economy.

*Mariner's Profit Participation:* The existence of MREM's Carried Interest may create an incentive for the Principals to cause the Adviser to make riskier or more speculative investments on behalf of the Funds than would be the case in the absence of this arrangement.

*Conflicts of Interest Generally:* The Funds are subject to a number of actual and potential conflicts of interest involving MREM and their respective affiliates, members, officers, and employees, including the Principals. However, MREM and each of its respective affiliates, members, officers and employees will have substantial incentives to see the assets of the Funds appreciate in value, and merely because an actual or potential conflict of interest exists does not mean that it will be acted upon to the detriment of the Funds.

*MREM Services Non-Exclusive:* Subject to the restrictions specifically set forth in the LLC Agreements, the services to be rendered by MREM will not be deemed to be exclusive, and MREM and each of their respective members, managers and employees, including the Principals, shall be free to render similar services to others, including other partnerships, investment funds or organizations in which members, managers or employees of MREM serve as affiliates, officers, directors, principals, members or managers, employees or partners.

*Affiliated Services Providers:* Certain affiliates of MREM, including Cohen, may provide services to the Fund. Such services will be provided in the ordinary course of business and on terms deemed to be on an arm's length basis and no less favorable than could be obtained from an unaffiliated third party. Any transaction will be deemed to be on an arm's length basis on terms no less favorable than could be obtained in a transaction with an unaffiliated third party if the specific transaction is expressly provided for under the Agreement or has been approved by the Advisory Board. Because such affiliates and/or one or more of their beneficial owners will own direct or indirect interests in the Funds and/or MREM, there is an inherent conflict of interest that may arise in certain circumstances. Such affiliates may be paid and shall be entitled to retain all compensation received by it on such terms and there shall be no reduction of the Management Fees as a consequence thereof.

*Lack of Separate Representation:* SNR Denton US LLP ("SNR Denton") represents the Funds and MREM in connection with the organization of the Fund. It is not anticipated that in connection with its organization or operation the Funds will engage counsel separate from counsel to MREM and its respective affiliates. SNR Denton will not furnish Investor Members any legal opinions except for those specifically referred to in the Private Placement Memoranda and/or in the Subscription Agreements and has not passed upon the adequacy of the Private Placement Memoranda or the fairness of its disclosures. Prospective investors must consult with their own counsel with regard to those matters.

*General Real Estate Risks:* Investments generally will be subject to the other risks incident to the making of loans secured by real estate and/or the ownership and operation of such real estate, including (i) risks associated with the general domestic economic climate; (ii) local and national real estate conditions; (iii) risks due to dependence on cash flow; (iv) risks and operating problems arising out of the presence of certain construction materials; (v) changes in supply of, or demand for, competing properties in an area (as a result, for instance, of over-building); (vi) the financial condition of tenants, buyers and sellers of properties; (vii) changes in availability of debt financing; (viii) energy and supply shortages; (ix) changes in tax, real estate, environmental and zoning laws and regulations; (x) various uninsured or uninsurable risks; (xi) natural disasters; and (xii) the ability of the Fund or third-party operators or borrowers to manage the real properties. With respect to investments in the form of real property owned by the Funds, the Funds will incur the burdens of ownership of real property, which include the paying of expenses and taxes, maintaining such property and any improvements thereon, and ultimately disposing of

such property. With respect to investments in loans, the Funds will in part be dependent on the ability of third parties to successfully operate the underlying real estate assets. In addition, the Funds may invest in mortgage loans that are structured so that all or a substantial portion of the principal will not be paid until maturity, which increases the risk of default at that time. The Funds' investment strategy, which will generally involve the acquisition of sub-performing and non-performing loans, will involve a high degree of legal and financial risk, and there can be no assurance that the Funds' targeting returns will be realized or that there will be any return of capital. There is no assurance that there will be a ready market for resale of investments because investments in real estate generally are not liquid. Illiquidity may result from the absence of an established market for the investments, as well as legal or contractual restrictions on their resale by the Funds. The possibility of partial or total loss of capital will exist and investors should not subscribe unless they can readily bear the consequences of such loss.

*Risks Associated with Sub-performing and Non-performing Mortgage Loans:* The Funds will generally invest in sub-performing and non-performing mortgage loans. The value of the Funds' mortgage loans will be influenced by the historical rate of delinquencies and defaults experienced on the mortgage loans and by the severity of loss incurred as a result of such defaults. The factors influencing delinquencies, defaults and loss severity include (i) economic and real estate market conditions by industry sectors (e.g., multi-family, retail, office, etc.); (ii) the terms and structure of the mortgage loans; (iii) any specific limits to legal and financial recourse upon a default under the terms of the mortgage loan; and (iv) poor documentation of loan documents by the originating bank. Collateral may also be mismanaged or otherwise decline in value during periods in which the Funds are seeking to obtain control of the underlying real estate. In addition, borrowers may contest enforcement of foreclosure or other remedies, seek bankruptcy protection against such enforcement and/or bring claims for lender liability in response to actions to enforce mortgage obligations.

Additionally, the Funds' mortgage loans will be all types of real estate assets. Such mortgage loans generally do not fully amortize, which can necessitate a sale of the property or refinancing of the remaining "balloon" amount at or prior to maturity of the mortgage loan. Accordingly, investors in commercial mortgage loans bear the risk that the borrower will be unable to refinance or otherwise repay the mortgage at maturity, thereby increasing the likelihood of a default on the borrower's obligation. Exercise of foreclosure and other remedies may involve lengthy delays and additional legal and other related expenses on top of potentially declining property values. In certain circumstances, the creditors may also become liable upon taking title to an asset for environmental or structural damage existing at the property.

**The foregoing list of Risk Factors does not purport to be a complete enumeration or explanation of the risk involved in an investment in the Funds. Prospective Investor Members should read the entire applicable Private Placement Memorandum and consult**



**with their own advisers before deciding whether to invest in the Funds. No assurance can be made that profits will be achieved or that substantial losses will not be incurred.**

### **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 your evaluation of MREM or the integrity of MREM's management. We have no information applicable to this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

We have relationships and arrangements that are material to our advisory business or to our clients with related persons that are either an investment adviser, broker-dealer or investment company.

### Other Investment Adviser

MREM is affiliated, and under common control, with other SEC registered investment advisers:

- 440 Investment Group, LLC (“440”) (CRD No. 155399);
- Adams Hall Wealth Advisors, LLC (“Adams Hall”) (CRD No. 107355);
- Ascent Investment Partners, LLC (“AIP”) (CRD No. 152533);
- Brinton Eaton, LLC (“Brinton Eaton”) (CRD No. 165972);
- Convergence Investment Partners, LLC (“CIP”) (CRD No. 148472);
- Fountain Capital Management, LLC (“Fountain”) (CRD No. 109424);
- Giralda Advisors, LLC (“Giralda”) (CRD No. 165971);
- Mariner Wealth Advisors, LLC (“MWA”) (CRD No. 140195);
- Mariner Wealth Advisors-Omaha, LLC (“MWA-Omaha”) (CRD No. 109904);
- Montage Investments, LLC (“Montage”) (CRD No. 152607);
- Nuance Investments, LLC (“Nuance”) (CRD No. 148534);
- Palmer Square Capital Management LLC (“Palmer Square”) (CRD No. 155697);
- Riverpoint Capital Management, LLC (“RPCM”) (CRD No. 165759);
- Tactical Investment Managers, LLC (“TIM”) (CRD No. 155912); and
- Tortoise Capital Advisors, L.L.C. (“TCA”) (CRD No. 123711), respectively.

### Broker-Dealer

MREM is affiliated, and under common control, with Montage Securities, LLC (“Montage Securities”) (CRD No. 154327), a broker/dealer registered with the SEC and various state jurisdictions, member of the Financial Industry Regulatory Authority (FINRA), Securities Investment Protection Corporation (SIPC), and Municipal Securities Rulemaking Board (MSRB). Securities transactions for Montage Securities brokerage clients are cleared through Fidelity National Financial Services, Member NYSE, FINRA, and SIPC, an unaffiliated broker/dealer.

### Investment Company or Other Pooled Investment Vehicles

MREM manages and operates Mariner Real Estate Partners, LLC (“MREP”), Mariner Real Estate Partners II, LLC (“MREP”), Mariner Real Estate Partners III, LLC (“MREP III”), Mariner Real Estate Partners III A, LLC (“MREP III A”), and Mariner Real Estate Partners III B, LLC (“MREP III B”) all of which are pooled investment vehicles focusing on real estate investments. MREP and MREP II are closed to any new investors.

One of our Advisory Affiliates due to common control is the investment adviser to the Palmer Square Absolute Return Fund administered by UMB Fund Services. All relevant information, terms and conditions relative to the Absolute Return Fund may be found in its prospectus, which each investor is required to receive prior to being accepted as an investor.

One of our Advisory Affiliates due to common control is the investment adviser to the Palmer Square SSI Alternative Income Fund administered by UMB Fund Services. All relevant information, terms and conditions relative to the Alternative Income Fund may be found in its prospectus, which each investor is required to receive prior to being accepted as an investor.

One of our Advisory Affiliates due to common control is the investment adviser to the Giralda Fund, LLC administered by Gemini Fund Services, LLC. All relevant information, terms and conditions relative to the Giralda Fund may be found in its prospectus, which each investor is required to receive prior to being accepted as an investor.

One of our Advisory Affiliates due to common control is the investment adviser to the Convergence Core Plus Fund administered by U.S. Bancorp Fund Services. All relevant information, terms and conditions relative to the Convergence Core Plus may be found in its prospectus, which each investor is required to receive prior to being accepted as an investor.

One of our Advisory Affiliates is the investment adviser to the Nuance Concentrated Value Fund administered by U.S. Bancorp Fund Services. All relevant information, terms and conditions relative to the Nuance Concentrated Value Fund may be found in its prospectus, which each investor is required to receive prior to being accepted as an investor.

One of our Advisory Affiliates due to common control is the investment adviser to the Tortoise MLP & Pipeline Fund administered by U.S. Bancorp Fund Services. All relevant information, terms and conditions relative to the Tortoise MLP & Pipeline Fund may be found in its prospectus, which each investor is required to receive prior to being accepted as an investor.

One of our Advisory Affiliates is the investment manager of Montage Seed Capital, LLC. One of our Advisory Affiliates is the investment manager of WBR, LLC. One of our Advisory Affiliates is the investment manager to the Fountain Short Duration High Yield Trust and the Fountain High Yield Total Return Trust. One of our Advisory Affiliates is the investment manager to the Palmer Square Multi-Strategy Fund L.P. (“PSMSF”) and Palmer Square Multi-Strategy Fund, Ltd. (“PSMSFltd”), both fund of funds comprised of a diversified portfolio of managers employing a variety of investment strategies; Palmer Square Opportunity Fund L.P. (“PSOF”), a fund of funds designed to capitalize on market opportunities; Colony Multi-Strategy Fund, L.P. (“CMSF”); Palmer Square Opportunistic Credit Fund, L.L.C.; Palmer Square Emerging Manager Fund L.P. (“PSEMF”); Palmer Square Emerging Manager Fund II L.P. (“PSEMF II”); Palmer Square CLO Equity 2013-1, LLC; Palmer Square Short Duration Investment Grade Trust; and Palmer Square Opportunistic Investment Grade Plus.

All relevant information, terms and conditions relative to the aforementioned private funds, including the investment objectives and strategies, minimum investments, qualification requirements, suitability, fund expenses, risk factors, and potential conflicts of interest, are set forth in the offering documents (which typically include a confidential private offering memorandum, Limited Partnership Agreement, and Subscription Agreement), which each investor is required to receive and/or execute prior to being accepted as an investor.

#### Accounting Firm

We are under common control with Mariner Consulting, a Certified Public Accounting Firm. MREM does not render or recommend accounting advice or tax preparation services to our clients.

#### Law Firm

One of our affiliates, Kirk Lambright, is a licensed practicing attorney. Mr. Lambright maintains a limited legal practice, separate and distinct from any and all of MREM's investment advisory activities. No portion of any services rendered by us to our clients should be interpreted as legal advice. Rather, clients should defer to the advice of their own attorney.

#### Insurance Company or Agency

We are under common control with Power Group Company LLC; Mariner Insurance Resources, LLC; Power Group Risk Services; ERS Insurance, Inc.; and ERS Securas LLC; duly licensed insurance agencies. We do not render or recommend insurance advice or services to our clients.

#### Real Estate Broker or Dealer

One of our Principals, Ryan Anderson, is a licensed real estate broker and an indirect owner of Mariner Real Estate Management, LLC.

## **Item 11 – Code of Ethics**

MREM has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws (“Code of Ethics”). The Code of Ethics includes the following general principles: 1) the duty at all times to place the interests of clients first, 2) the requirement to conduct personal securities transactions in such a manner as to avoid any actual or potential conflict of interest, 3) the fundamental standard that MREM and its supervised persons exercise independent, unbiased judgment in the investment decision-making process.

In accordance with Section 204A of the Advisers Act, its Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by MREM or any of its associated persons. The Code of Ethics also requires that certain of MREM’s personnel (called “Access Persons”) report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. Clients may contact MREM to request a copy of its Code of Ethics. Unless specifically permitted in MREM’s Code of Ethics, none of MREM’s Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of MREM’s clients. The Code of Ethics also restricts the personal receipt of investment opportunities, perquisites, or gifts from persons doing or seeking business with MREM that could call into question the supervised person’s independent judgment.

Supervised persons are also prohibited from sharing non-public personal information of clients or investors without permission and unless necessary to complete a transaction on the client’s or investor’s behalf. In addition, MREM limits access to non-public personal information to those supervised persons that need access to such information to provide services to the client or investor.

MREM’s supervised persons may have a financial interest in certain private funds directly, as investors, or indirectly, as owners of the general partner or investment manager of the funds. As a result of these interests, an incentive exists to favor certain private funds. For example, an incentive exists to allocate limited investment opportunities to such private funds. An incentive also exists to recommend that clients invest in such private funds to increase the general partner or investment managers’ advisory fees. MREM prohibits employees from allocating trades or investment opportunities that favor any particular client, group of clients or affiliated and proprietary accounts.

This summary is qualified in its entirety by MREM’s Code of Ethics.

## **Item 12 – Brokerage Practices**

MREM selects the real estate broker used to effect transactions in real estate, including the purchase and/or sale of investments in the portfolios. In selecting real estate brokers, MREM consider the broker's reputation and access to the markets for the real estate transactions.

Although obtaining the lowest fee is a factor in selecting or recommending a real estate broker, MREM does not necessarily direct transactions to the broker that offers the lowest commissions. MREM does not utilize SEC registered broker-dealers and, in discussing the use of brokers, is not referring to SEC registered broker-dealers.

The bank at which cash is held is determined at the outset of the advisory relationship and is typically set forth in a private fund's offering documents. Cash may be invested in products offered by the bank, such as proprietary money market funds, or may be held in interest-bearing checking accounts.

### **Item 13 – Review of Accounts**

MREM monitors client portfolios regularly as part of an ongoing process. Unless otherwise agreed, clients of the Funds are provided with quarterly account updates from MREM or their own third party advisor.



#### **Item 14 – Client Referrals and Other Compensation**

If a client is introduced to MREM by an affiliated or unaffiliated solicitor, MREM may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. Any such referral fee shall be paid solely from MREM's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to MREM by an unaffiliated solicitor, the client will be given, prior to or at the time of entering into any advisory contract with the client, (1) a copy of MREM's written disclosure statement which meets the requirements of Rule 204-3 of the Advisers Act, and (2) a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of MREM shall disclose the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of MREM's written disclosure statement at the time of the solicitation.

### **Item 15 – Custody**

MREM is deemed to have custody over client funds and securities under Rule 206(4)-2 of the Advisers Act. MREM shall furnish to investors an unaudited quarterly financial statement for the applicable Fund for the fiscal quarter showing each investor's Capital Account balance within 45 days after the end of the first three fiscal quarters of each year. Within 120 days after the end of each fiscal year, MREM shall furnish to investors financial statements for the applicable Fund that have been audited by a firm of independent certified public accountants selected by MREM together with valuations of MREM's investments as of the end of such fiscal year. In addition, MREM shall furnish investors as promptly as practicable such information concerning the applicable Fund, distributions of the applicable Fund, and valuations of Fund assets and investments as investors may reasonably request from time to time. Investors should carefully review statements provided by MREM.

### **Item 16 – Investment Discretion**

MREM customarily receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought and sold through its Investment Management Agreement. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting investments and determining amounts, we observe the investment policies, limitations and restrictions of the clients and partnerships for which we advise.

Investment guidelines and restrictions must be provided to us in writing. We reserve the right to deny acceptance of a client account based upon the client limiting our discretion. Not all client investment guidelines and restrictions can be met.

### **Item 17 – Voting Client Securities**

MREM's clients generally do not hold voting securities. In the event that a client holds voting securities, MREM will adopt and implement written policies and procedures that are reasonably designed to ensure that it votes client securities in the best interest of clients and in a manner that is not a product of a material conflict of interest between MREM and the client. MREM would disclose these policies and procedures to clients and describe to them how to obtain information from MREM about how their securities were voted.

## **Item 18 – Financial Information**

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

# MARINER REAL ESTATE MANAGEMENT, LLC PRIVACY POLICY

FACTS			WHAT DOES MARINER REAL ESTATE MANAGEMENT, LLC DO WITH YOUR PERSONAL INFORMATION?		
WHY?			Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.		
What?			<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <p>■ Name; ■ Social Security number; ■ Address; ■ Assets; ■ Income; ■ Account Balances; ■ Account Transactions; ■ Transaction History; ■ Transaction or Loss History; ■ Investment Experience; ■ Risk Tolerance; ■ Retirement Assets; ■ Checking Account Information; ■ Employment Information; ■ Wire Transfer Instructions.</p> <p>If you decide at some point to either terminate our services or become an inactive customer, we will continue to adhere to our privacy policy, as may be amended from time to time.</p>		
How?			All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their clients' personal information; the reasons Mariner Real Estate Management, LLC ("MREM") chooses to share; and whether you can limit this sharing.		
Reasons we can share your personal information			Does Mariner Real Estate Management, LLC share?		
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus			Yes. MREM may share personal information described above for business purposes with a non-affiliated third party if the entity is under contract to perform transaction processing or servicing on behalf of MREM and otherwise as permitted by law. Any such contract entered by MREM will include provisions designed to ensure that the third party will uphold and maintain privacy standards when handling personal information. MREM may also disclose personal information to regulatory authorities as required by applicable law.		
<b>For our marketing purposes—</b> to offer our products and services to you			No.		
<b>For joint marketing with other financial companies</b>			No.		
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences			Yes. MREM shares personal information with affiliates as permitted by law.		
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness			No.		

<b>For nonaffiliates to market to you</b>		No.	We don't share.
<b>QUESTIONS?</b>	Call (913) 647-9700 or email <a href="mailto:compliance@mariner-holdings.com">compliance@mariner-holdings.com</a>		
<b>Who is providing this notice?</b>		Mariner Real Estate Management, LLC	
<b>How does Mariner Real Estate Management, LLC protect my personal information?</b>		<p>To protect your nonpublic personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>MREM limits access to personal information to individuals who need to know that information in order to service your account.</p>	
<b>How does Mariner Real Estate Management, LLC collect my personal information?</b>		<p>We collect your personal information, for example, when you</p> <p>Complete account paperwork; ■ Seek advice about your investments; ■ Direct us to buy securities; ■ Direct us to sell your securities; ■ Enter into an investment advisory contract; ■ Give us your contact information;.</p> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>	
<b>Why can't I limit all sharing?</b>		<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>■ sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>■ affiliates from using your information to market to you</li> <li>■ sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>	
<b>Affiliates</b>		<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <p>■ MREM may share personal information described above for business purposes as permitted by law with our affiliates. Our affiliates include financial companies such as investment advisers. MREM does not share nonpublic with affiliates so that they can market their services or products to you.</p>	
<b>Non-affiliates</b>		<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <p>■ MREM may share personal information described above for business purposes with non-affiliated third parties performing transaction processing or servicing on behalf of MREM and otherwise as permitted by law. Such companies may include broker-dealers, banks, investment advisers, mutual fund companies and insurance companies. MREM may also share personal information with parties who provide technical support for our hardware and software systems and our legal and accounting professionals. MREM does not share with non-affiliates so that they can market their services or products to you.</p>	
<b>Joint marketing</b>		<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <p>■ MREM does not jointly market with nonaffiliated financial companies.</p>	

