

Item 1 – Cover Page

ARDEN FUND MANAGEMENT, LLC

1635 Market Street, 17th Floor

Philadelphia, PA 19103

(T): 215.735.1313

www.ardengroup.com

August 6, 2014

This Brochure provides information about the qualifications and business practices of Arden Fund Management, LLC and its controlling and controlled affiliates, as well as affiliates under common control (“Arden”). If you have any questions about the contents of this Brochure, please contact Joseph S. Caruso, our firm’s Chief Compliance Officer at the telephone number noted above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Arden is a registered investment adviser (“Investment Adviser”). Registration of an Investment Adviser does not denote, and should not be construed as implying, a certain level of skill or training on the part of our investment professionals. The oral and written communications of an Investment Adviser provide you with information about which you determine to hire or retain an Investment Adviser.

Additional information about Arden also is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number for Arden, known as a CRD number. Our CRD number is 164662. Information about our firm is also available on our website at <http://www.ardengroup.com>.

Item 2 – Material Changes

In the future, this Item will discuss only specific material changes that are made to this Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our Brochure. We will further provide you with a new Brochure as necessary based on material changes or other new information, without charge.

Currently, our Brochure may be requested by contacting Joseph S. Caruso, Arden's Chief Compliance Officer, at 215.735.1313 or jsc@ardengroup.com.

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	4
Item 7 – Types of Clients.....	4
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	4
Item 9 – Disciplinary Information	10
Item 10 – Other Financial Industry Activities and Affiliations	10
Item 11 – Code of Ethics	11
Item 12 – Brokerage Practices	11
Item 13 – Review of Accounts	11
Item 14 – Client Referrals and Other Compensation.....	12
Item 15 – Custody	12
Item 16 – Investment Discretion.....	13
Item 17 – Voting Client Securities.....	133
Item 18 – Financial Information	13

Item 4 – Advisory Business

Arden is a privately held real estate investment, management, and development company that currently serves as an investment adviser to three private equity real estate investment funds (“Funds”). Arden may, in the future, offer additional funds (also “Funds”) with similar investment objectives and strategies to the Funds. Headquartered in Philadelphia, Pennsylvania, Arden is a fully integrated real estate company that provides services across the entire real estate investment lifecycle. Arden acquires, develops, manages and leases luxury hotels, resorts and condominiums and office properties in major markets and resort destinations where Arden deems the demand is proven but the assets are undervalued (“Real Estate Investments”).

The Funds will make Real Estate Investments either by way of directly acquiring such assets through wholly-owned subsidiary entities (each such entity, a “Subsidiary Entity”) or by way of acquiring joint venture, membership or, in limited instances, limited partnership interests in entities that it does not wholly own (each such entity, whether such entity is a joint venture, limited partnership, limited liability company or other co-investment structure, a “Joint Venture”), which will acquire such assets. Arden’s investment objective for the Funds is to take advantage of perceived distress across the real estate industry and market downturns in specific submarkets, such as Class A office buildings and full-service hotels in the “Mid-Atlantic Region” (areas from Washington, D.C. to Boston), Miami, Los Angeles and other top-twenty U.S. markets, in order to acquire direct and indirect real estate assets at market-suppressed prices. In addition, in the event that opportunities deemed significant by Arden exist to invest in other real estate or real estate related asset types, including distressed debt such as non-performing notes, mortgages and other debt instruments related to real estate. Arden currently does not intend to invest a Fund’s assets in geographical areas other than the United States, but may do so in limited, opportunistic instances with the consent of a Fund’s advisory board (an “Advisory Board”).

Arden is controlled by Craig A. Spencer. Mr. Spencer formed Arden in 1989 to capitalize on the expertise he had developed over his career in real estate acquisition, development, and management. As Chief Executive Officer of Arden, Mr. Spencer utilizes his more than 25 years of experience to direct the acquisition and management operations of the Funds’ Real Estate Investments. Mr. Spencer is a licensed attorney who specialized in real estate, banking, and bankruptcy law.

Assets under Management: As of August 1, 2014, Arden had \$150,885,245 of regulatory assets under discretionary management and no assets under non-discretionary management.

Item 5 – Fees and Compensation

Management Fee

The specific manner in which fees are charged by Arden to a Fund is disclosed in each Fund's confidential private placement offering memorandum. By way of example, as regards one of the two Funds most recently privately offered by Arden, Arden Real Estate Partners II, LP, an investor in a Fund will pay the Fund's manager an annual "Asset Management Fee" ranging from 2.0% of the investor's aggregate capital commitment to the Fund to 1.0% of the investor's aggregate capital commitment to the Fund depending on the amount of an investor's overall commitment to the Fund and the life cycle of the Fund, as described in detail in the Fund's confidential private placement offering memorandum. The same management fee arrangement is true in respect of Arden Real Estate Partners I, LP.

Each Limited Partner will pay its portion of the management fee for the initial calendar quarter to the Fund on or prior to the date of the initial closing (which will be prorated on a daily basis from the date of the initial closing of the Fund until the end of such fiscal quarter), with certain exceptions as are more fully described in the Fund's confidential private placement offering memorandum. Thereafter, each Limited Partner will make an additional capital contribution to the Fund in order to pay its portion of the management fee on or prior to the first business day of each subsequent fiscal quarter.

Performance Fee – Arden's Profits Share ("Carried Interest")

The Performance Fee to be received by each Arden affiliate that acts as a general partner to a Fund is a share of the profits earned on investments made by a Fund. For purposes of this discussion, a controlled general partner entity established by Arden to manage a Fund shall be referred to as a "General Partner." Each Fund is subject to the terms and conditions of its confidential private placement memorandum regarding these fees and the discussion in this Item 5 is only meant to be illustrative. By way of example, we again will refer to one of the two Funds most recently privately offered by Arden, Arden Real Estate Partners, II, L.P. In respect of the Fund, net cash flow available for distribution, which will include distributions attributable to sales and refinancing proceeds, will be determined on an aggregate basis. Net cash flow, less capital reserves determined in the General Partner's discretion, will be distributed at least quarterly pursuant to the following distribution hierarchy, subject to tax distribution:

- (a) First, 100% to all Partners pro rata in accordance with their respective unreturned capital contributions, until they have received a 10% cumulative annual return, compounded annually, on their unreturned capital contributions (the "Preferred Return");
- (b) Second, 100% to all Partners, pro rata in accordance with their respective unreturned capital contributions, until each Partner's capital contributions have been fully returned;
- (c) Third, 100% to the General Partner, until the General Partner has received (excluding amounts received by the General Partner as a Partner on a pro rata basis with all other Partners) 20% of the cumulative distributions under subsection (a) and this subsection (c); and

- (d) Last, (i) 20% to the General Partner and (ii) 80% to all Partners, pro rata in accordance with their respective Interests.

Distributions made to the General Partner pursuant to subsections (c) and/or (d)(i) above are generally referred to collectively as the General Partner's "Carried Interest".

Limits on the Carried Interest– the General Partner "Clawback"

Using the same Fund as an example, upon liquidation and dissolution of the Fund or the General Partner's interest in the Fund, the General Partner will be obligated to restore certain amounts received as Carried Interest distributions (including advance distributions to pay taxes attributable to future Carried Interest distributions) to the extent that, and only to the extent that, the Partners did not receive a return of all of their capital contributions plus the Preferred Return thereon over the life of the Fund and to the extent necessary to ensure that the General Partner did not receive Carried Interest distributions in excess of 20% of the profits of the Fund. In no event will the General Partner be required to restore more than its excess share of the Carried Interest distributions which it actually received, less income taxes attributable to such excess share.

Other Fees and Expenses - Affiliate Service Fees and Subsidiary-Level Carried Interest

In addition to the Management Fee and Carried Interest, affiliates of a Fund's General Partner may be paid fees based on prevailing market rates in consideration for providing development, construction management, property management, leasing, sales, marketing and other similar services to a Fund and the Subsidiary Entities and Joint Ventures.

Arden also may receive a disposition fee upon the disposition of each Real Estate Investment made by a Fund equal to 1% of the gross sales price of a Real Estate Investment.

The General Partner of a Fund may also cause a Fund or a Subsidiary Entity to enter into a Joint Venture or other investment vehicle with one or more other partners, members or other investors, in connection with which such other investors may grant to the General Partner (or one of its affiliates) a profits or carried interest (a "Subsidiary-Level Carried Interest"). In any such event, such Fund would not be subject to any Subsidiary-Level Carried Interest payable to the General Partner or its affiliates, and any Subsidiary-Level Carried Interest received by a Fund's General Partner or its affiliates shall be shared equally between the General Partner (or its affiliate) and a Fund. The General Partner will disclose all affiliated fees to a Fund's Advisory Board and, except with respect to agreements meeting certain pre-approved fee guidelines detailed in the limited partnership agreement (a "Limited Partnership Agreement") governing a Fund's operations, all affiliated service fee arrangements must be approved in advance by a Fund's Advisory Board (excluding any member of the Advisory Board who is an affiliate of the General Partner).

Expense Reimbursement

A Fund will be responsible for all expenses related to its activities, including legal, auditing and accounting expenses, costs related to the investigation, purchase or sale (whether or not consummated) and holding of investments, interest on borrowed funds, taxes, commissions and brokerage fees, the cost of liability insurance to protect the Fund, the General Partner, the Fund Manager, and members of the Advisory Board, indemnification expenses, extraordinary expenses such as litigation expenses, costs incurred in registering (or obtaining exemptions from registration for) securities with the SEC and any securities exchange or any other similar authority, expenses associated with annual meetings of the Fund and the Fund's various boards and committees, and all other expenses properly chargeable to the activities of the Fund, including fees payable to third parties in connection with the selection, identification, analysis or evaluation and holding of prospective investments of the Fund. Additionally, a Fund will be responsible for all reasonable offering and organizational expenses incurred with respect to the formation of the Fund, any parallel partnerships formed to accommodate specific investors, the General Partner and the Fund Manager up to an aggregate amount equal to 1% of the aggregate Commitments to the Fund and the commitments to the Parallel Partnerships, if any.

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

Arden charges Performance Fees (Carried Interest) as described above in Item 5. All of the Funds for which Arden provides advisory services charge such Fees, so there is no so-called “side-by-side” management by Arden of Funds or other clients that charge Performance Fees and those that do not charge such Fees.

Item 7 – Types of Clients

Arden provides investment advisory services exclusively to private investment funds (the Funds).

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

a. Methods of Analysis

Arden applies a fundamental method of analysis. Arden's method of analysis is based on a fundamental belief that existing real estate market fundamentals coupled with distressed sellers motivated by real estate market fluctuations will afford a Fund an opportunity to acquire real estate properties for its portfolio that will generate favorable risk adjusted returns. In making a

decision in respect of an asset for a Fund's portfolio based on a fundamental analysis, Arden will consider the current investment, economic, and real estate environment. In sum, Arden's investment decisions are based on a critical analysis of current and near-term market conditions, as well as macro-economic forecasts and market trends. Arden's fundamental analysis will be applied to more specific parameters on a deal-by-deal basis when considering a particular Real Estate Investment for a Fund using the following baseline information:

- Project history / Existing tenants
- Description of improvements and saleable components
- The property's controlling entity
- Cost of construction
- Sales / Leasing history

Arden utilizes this method of analysis within the context of its straight-forward investment philosophy - Arden believes that its success will be predicated on its ability to mitigate risk and perform well during all phases of an economic cycle. Accordingly, in effectuating its investment philosophy, Arden will emphasize the preservation of capital through a disciplined approach to due diligence, underwriting, transaction structuring, and asset management. The Fund's investment philosophy for successful long-term financial performance and risk management will be to create and maintain a well-diversified portfolio, utilize premier real estate asset managers, and report to clients on a timely and comprehensive scale on the status of their Fund assets.

b. Investment Strategies

In effectuating an investment strategy for the Funds, Arden anticipates attracting significant, high quality investment opportunities through the relationships, contacts and market presence of Arden's principals. Arden believes that sellers of real estate assets (particularly those with substantial properties or portfolios) select buyers who have the resources and reputation for consummating transactions. Accordingly, Arden seeks to rely on its management team's reputation and the significant other business relationships of its principals in competing on behalf of a Fund for properties that are not widely marketed for sale. Moreover, Arden's principals and certain members of the Funds' Advisory Boards have long standing relationships in the real estate community that will allow Funds to have access to purchase opportunities that otherwise may not be available to those funds whose principals are less well-known in the real estate markets.

Investment Approach

Arden plans to invest on behalf of a Fund in operating assets currently realizing positive cash flow and assets in need of operational improvements and repositioning, and to capitalize

upon the current distress in the real estate industry to achieve attractive acquisition prices, with a primary focus on the acquisition of Class A office buildings and full-service hotels and resorts. In deploying capital for a Fund, Arden may leverage an investment balancing debt and equity in a fashion deemed prudent by Arden, as more fully described in a Fund's confidential private placement memorandum. In addition, when selecting investments for a Fund, Arden will take into account such other factors as geography, asset class and required capital.

Arden intends to employ an investment approach for the Funds it manages utilizing strategies and principles similar to those applied in prior transactions in respect of direct investments in real property assets by The Arden Group and its affiliates. For example, past investments that will serve as guidance for a Fund's investments are based on strategies and principles that include, but are not limited to:

- Utilizing developed investment origination networks to identify and control attractive investment opportunities while capitalizing on the often inherent inefficiencies of the real estate sales process. Arden's network often includes "first-look" relationships with third-party brokers, lenders, property owners, and other real estate professionals. Arden believes that this network provides it with an advantage over its competition in originating investment opportunities;
- Channeling a Fund's origination resources toward specific investment opportunities and dynamic markets that exhibit asset, market, transactional or situational complexities in respect of which Arden can apply its valuation, acquisition, and asset management expertise, where such expertise is based on the principals' respective experiences with similar assets across a variety of real estate markets;
- Apply Arden's risk management techniques and operational experiences to each phase of a particular investment's lifecycle in order to maximize performance. During the origination and underwriting phase of each new Real Estate Investment, these disciplines will be utilized to establish valuation and performance benchmarks; and
- Plan for and prioritize alternative exit strategies for each Real Estate Investment before the investment is consummated.

Acquisition Program

Arden's investment principles include the investment in Real Estate Investments that can be acquired on a value-oriented basis and that need repositioning. It is contemplated that each Real Estate Investment will be held (i) indirectly in a separate wholly-owned Subsidiary Entity or (ii) indirectly as a general partner or member with significant major decision rights in a Joint Venture with third parties.

Arden plans to maintain an active acquisition program for the Funds it manages with a particular focus in the following areas:

- Acquisition of assets in key markets throughout the United States from special servicers, lenders and undercapitalized sellers at values below market or replacement costs; and

- Acquisition of assets in key markets at suppressed prices due to a significant imbalance between property values and maturing debt as a result of the recent economic recession and/or surplus inventory in overheated markets.

In addition, Arden identifies specific markets for property acquisitions that are typically not core institutional investor markets. Transactions will be sourced through established and new relationships with key market stakeholders such as local developers and operators, real estate brokers and lenders.

Property Types

Arden believes that a mix of various types of properties will allow a Fund to benefit from a diverse set of fundamentals and help spread risk during various real estate cycles.

Property Locations

Arden will focus on the top 20 U.S. markets with a primary focus on the Mid-Atlantic region spanning from Washington, D.C. to Boston, Atlanta, Miami, Dallas, and Los Angeles. Arden may determine from time to time that other markets provide opportunities given the investment profile of a Fund.

Joint Venture Interests

Arden may seek joint venture relationships with local operating partners or other arrangements when acquiring Real Estate Investments on behalf of a Fund. Joint venture partners may be required to make a direct capital investment in the property-owning Subsidiary Entity and may be expected to handle a majority of the on-site development, property management, and leasing responsibilities. Arden will look to joint venture certain Real Estate Investments that require very specific market knowledge and direct involvement with service providers and contractors, as Arden deems it important that the local, interested party have a vested interest in such projects.

Debt /Leverage

Arden intends to use various debt instruments to fund a portion of the acquisition cost of a Fund's Real Estate Investments. The specific level and amount of debt utilized will depend on the property type, location, risk profile, and overall size of the transaction, as more fully described in a Fund's confidential private placement memorandum.

Capital Transactions

As a function of a standard real estate cycle, Arden will continuously evaluate major capital transactions on behalf of a Fund. This will include refinancing opportunities as well as the potential to sell a property if the fundamentals and returns are deemed by Arden to make economic sense for a Fund.

c. Risk of Loss

This Brochure only contains a descriptive discussion of the risks of loss in connection with the Adviser's investment strategies for the Funds it manages. **A more thorough discussion of the potential risks factors in connection with an investment in a Fund is contained in each Fund's confidential private placement memorandum and should be read thoroughly before an investment in a Fund is made by any investor.**

Identifying Investments

There can be no assurance that Arden will be able to identify suitable Real Estate Investments or negotiate satisfactory terms of investment in such properties. Additionally, potential investors in a Fund will not have the opportunity to evaluate prospective portfolio properties in which a Fund will invest in advance of any investment. Arden's selection of Real Estate Investments will not be subject to the approval of a Fund's Partners. Potential investors will be relying entirely on the ability of Arden to select well-performing investment opportunities.

Projections

A Fund may rely upon projections, forecasts or estimates developed by Arden or a third party concerning an investment's future performance and cash flow. Projections, forecasts and estimates are forward-looking statements and are based upon certain assumptions. Actual events are difficult to predict and beyond a Fund's control and may differ from those assumed. Accordingly, there can be no assurance that estimated returns or projections in respect of a Fund can be realized or that actual returns or results will not be materially lower than estimates.

Investments Held by a Fund May Not Be Diversified

A Fund has no established limits or constraints with respect to geographic regions, property types, or product types other than that a Fund will not directly or indirectly invest in assets located outside the United States without the prior approval of a Fund's Advisory Board. Lack of diversification across a portfolio may increase a Fund's exposure to adverse real estate or capital market conditions in a given region, property or product type. A Fund may participate in a limited number of investments, which may be adversely affected by the unfavorable performance of a single investment.

Non-U.S. Investments

While Arden does not intend for a Fund to pursue Real Estate Investments outside of the United States, it may do so with the consent of a Fund's Advisory Board. Any such investments may entail additional risks, including, without limitation, the risk of adverse changes in the applicable foreign laws, regulations, monetary exchange rate(s) and risks of expropriation,

nationalization, repatriation and the imposition of restrictions on foreign investment, among others.

Limited Liability of Management; Indemnification of Management

The Limited Partnership Agreement of a Fund provides that neither Arden nor its employees, managers, directors, contractors or agents will be liable, responsible or accountable, in damages or otherwise, to a Fund or to any Partner for any breach of duty to the Fund or the Partners or for any act or failure to act pursuant to the Limited Partnership Agreement. The Limited Partnership Agreement of a Fund also provides that the Fund will indemnify Arden and such other parties to the fullest extent permitted by law, from and against any loss, damage, liability, cost or expense arising out of or in connection with any act or alleged act or failure to act in managing the affairs of the Fund, except for any loss, damage or liability in connection with a Fund or its affairs resulting from such indemnified person's gross negligence, willful misconduct or material and uncured breach of the Limited Partnership Agreement.

Restrictions on Transfers and Withdrawals/Lack of Liquidity

The interests in a Fund ("Interests") have not been and will not be registered under the Securities Act of 1933 (the "1933 Act") or applicable state securities laws and may not be resold unless registered or an exemption from such registration is available. The Partners have no right to require registration of the Interests and there will not be a market for the Interests. Transfer of the Interests is subject to significant restrictions. Because of these restrictions and the absence of a public market for the Interests, a Partner may be unable to liquidate its investment even though its personal financial circumstances would make liquidation advisable or desirable.

The Fund Will Be Dependent on Arden

The Fund's investments will be chosen by Arden and will, in certain circumstances, be subject to the approval of the Advisory Board. Accordingly, the loss of the services of any key member of Arden or a Fund's Advisory Board could have a material adverse effect on a Fund's business and prospects.

Limitation on Participation in Management

Limited Partners have no right to participate in the management of a Fund, and their ability to participate in making decisions that may materially affect the value of their investment will be very limited.

Environmental Matters

Under various federal, state and local environmental laws and regulations, a current or previous owner or operator of real estate may be required to investigate and clean-up hazardous or toxic substances or other pollutants or regulated materials (or threatened releases of such materials) at such property and may be held liable to a government entity or to third parties for property damage and for investigation, clean-up and monitoring costs incurred by such parties in

connection therewith. In relation with its ownership and operation of properties, a Fund may be liable for such costs, which may be substantial. Additionally, as more fully described in a Fund's confidential private placement memorandum, the presence of hazardous materials or the failure to properly remediate any contamination from such materials on a property may adversely affect a Fund's ability to sell or rent such property or to borrow using such property as collateral.

Absence of Regulation

The Funds managed by Arden are not registered under, nor do they intend to register under, and are not subject to, the Investment Company Act of 1940, as amended, in reliance on an exception from registration provided by Section 3(c) under such Act. Interests in the Funds also are not registered under the 1933 Act in reliance on an exception from registration under such Act provided by Section 4(2) and Regulation D (Rule 506) thereunder. Consequently, the Funds are subject to significantly less U.S. federal or state regulation and supervision than other types of investment vehicles or investments generally.

Income Tax Risks

An investment in a Fund involves complex U.S. federal, state, and local income tax considerations that will differ for each Investor; in some cases, an Investor may have to bear out-of-pocket expenditures to cover its tax liability.

Item 9 – Disciplinary Information

SEC-registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Arden or the integrity of Arden's management team. Arden has no legal or disciplinary events or information to report.

Item 10 – Other Financial Industry Activities and Affiliations

Entities within Arden's affiliated group may from time to time be engaged to provide services other than investment advisory services with respect to Real Estate Investments held by the Funds, including, without limitation, development, construction management, property management, leasing, brokerage, marketing and sales services, in which event such affiliated entity, including Arden's controlling parent company, The Arden Group, Inc., will be entitled to receive fees at market rates for the provision of such services, subject in certain instances to the Funds' Advisory Board approval for the avoidance of any potential conflicts of interest as between an Arden affiliate on the one hand and a Fund on the other hand. Such fees also will include acquisition and disposition fees in respect of Real Estate Investments.

Item 11 – Code of Ethics

Arden has adopted a Compliance Manual and Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to the Funds and their investors. The Compliance Manual and Code of Ethics includes provisions relating to the confidentiality and privacy protection of client information, a data privacy policy including an information security program, an anti-money laundering program, prohibitions on insider trading, restrictions on the use of social media in the context of Arden's or the Funds' business operations, restrictions on the acceptance of significant gifts from business relationships and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things meant to address potential conflicts of interest as between Arden on the one hand and the Funds on the other hand. All supervised persons at Arden must acknowledge the terms of the Compliance Manual and Code of Ethics annually, or at a sooner time if the Code of Ethics is materially amended.

As noted, the Code of Ethics is designed to assure that the activities and interests of certain employees of Arden, especially those persons with access to information about the investments being considered for or made by the Funds, will not interfere with making decisions in the best interest of the Funds.

Arden's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Joseph S. Caruso at jsc@ardengroup.com or calling 215.735.1313.

Item 12 – Brokerage Practices

This Item is not applicable to Arden because it does not trade securities through broker-dealers.

Item 13 – Review of Accounts

Within 45 days after the end of the first three calendar quarters and within 90 days after the end of the fourth calendar quarter, Arden provides to its Fund investors a report that contains the following information:

- A written overview of the performance of a Fund.
- For the underlying real estate investments of a Fund, the current quarter valuation, prior quarter valuation, prior year-end valuation, and the most recent independent valuation.

- A summary of the underlying Real Estate Investments of a Fund, which will include, among other items, date of acquisition, square footage of property, loan amount, loan maturity, interest rate, loan-to-value ratio, equity invested in each property, and the internal rate of return.
- The net operating income for the quarter and year to date.
- The net operating income by state for the quarter and prior year quarter.
- Consolidated GAAP financial statements of a Fund including a balance sheet, statement of operations, and cash flows.
- Year to date same property performance for the current year and prior year, as applicable.
- A schedule of lease expirations by year and state.
- The top 20 tenants and percentage by leased square footage, tenant mix by industry, and lease stratification, as applicable.
- A schedule of debt including the principal outstanding, the lender, the current interest rate, the maximum interest rate, the maturing date, and interest rate derivatives.

Item 14 – Client Referrals and Other Compensation

Arden has an arrangement with Clifton Larson Allen Wealth Advisors LLC (Clifton Larson), an unrelated party and a registered broker-dealer, for the provision of client referral services. Specifically, Clifton Larson's will receive asset-based compensation from Arden for the referral of investors to the Funds.

Item 15 – Custody

Arden is deemed to have custody of client (the Funds') assets because affiliates in the group serve as the General Partners to the Funds. However, Arden will not be required to adhere to any specific restrictions applicable to investment advisers with custody of client assets because all of Arden's clients are private equity real estate investment funds (the Funds) and Arden will ensure that investors in the Funds are provided annually with audited financial statements prepared in accordance with generally accepted accounting principles, which will be delivered within 120 days after the end of a Fund's fiscal year. The independent public accountant retained to perform the Funds' annual audit will at all times be registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board.

Item 16 – Investment Discretion

Arden has complete discretionary investment authority in respect of the Funds it manages, except in certain limited circumstances where Arden may consult with a Fund's Advisory Board. Arden's investment discretion in all cases will be exercised in a manner consistent with the stated investment objectives of a Fund as set forth in a Fund's confidential private offering memorandum and other applicable organizational documents.

Item 17 – Voting Client Securities

This Item is not applicable to Arden because the Funds do not make investments in securities or companies for which proxy statements are issued.

Item 18 – Financial Information

SEC-registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Arden's financial condition. Arden 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.