

**Item 1: Cover Page
Part 2A of Form ADV: Firm Brochure
June 11, 2018**



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This brochure provides information about the qualifications and business practices of Manhattan West Asset Management, LLC ("MWAM"). If clients have any questions about the contents of this brochure, please contact us at (310) 341-4585 or avillaneda@mwestasset.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. Additional information about our firm is also available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

Item 2: Material Changes

Manhattan West Asset Management, LLC (the “Firm” or “MWAM”) is required to disclose to clients changes since the last annual update to the Firm Brochure (“Brochure”) that may be important to them.

MWAM has updated various items of this Brochure to reflect updates to Items 4, 5, and 6 in connection with the launch of a new pooled investment vehicle following a venture capital investment strategy.

Item 3: Table of Contents

Item 1: Cover Page.....	1
Item 2: Material Changes	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business	4
Item 5: Fees & Compensation	7
Item 6: Performance-Based Fees & Side-By-Side Management	11
Item 7: Types of Clients & Account Requirements	11
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss	12
Item 9: Disciplinary Information.....	14
Item 10: Other Financial Industry Activities & Affiliations.....	14
Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading.....	15
Item 12: Brokerage Practices	16
Item 13: Review of Accounts or Financial Plans.....	19
Item 14: Client Referrals & Other Compensation	19
Item 15: Custody	20
Item 16: Investment Discretion	20
Item 17: Voting Client Securities.....	21
Item 18: Financial Information	21

Item 4: Advisory Business

MWAM is dedicated to providing individuals and institutions with a wide array of investment advisory services. MWAM is a limited liability company formed under the laws of the State of California in 2016 and has been in business as an investment adviser since that time. The majority owners of the Firm are Lorenzo Esparza and Manhattan West Ownership Company LLC (“MWOC”). Such entity’s majority owner is Mr. Esparza.

MWAM provides asset management and investment consulting services for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary, it is MWAM’s duty to always act in the client’s best interest. This is accomplished in part by knowing the client. To this end, MWAM has established a service-oriented advisory practice with open lines of communication. Working with clients to understand their investment objectives, while educating them about MWAM’s process, facilitates the kind of working relationship we value.

Types of Advisory Services Offered

Wrap Comprehensive Portfolio Management:

We offer Wrap Comprehensive Portfolio Management services through wrapped accounts only (such Clients referred to herein as “Wrap Clients”). Please see MWAM’s separate Wrap Fee Program Brochure for complete information regarding this advisory service.

Non Wrap Client Accounts:

Some Wrap Clients have designated MWAM as investment advisor for accounts maintained at Charles Schwab & Co., Inc. (“Schwab”) (“Non Wrap Accounts”). MWAM typically provides this service as an accommodation to Wrap Clients and does not offer this as a stand-alone service.

Financial Planning & Consulting:

MWAM provides a variety of standalone financial planning and consulting services to clients for the management of financial resources based upon an analysis of current situation, goals, and objectives. Financial planning services will typically involve preparing a financial plan or rendering a financial consultation for clients based on the client’s financial goals and objectives. This planning or consulting may encompass Business Management, Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, or Business and Personal Financial Planning.

Written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. Implementation of the recommendations will be at the discretion of the client. MWAM provides clients with a summary of their financial situation, and observations for financial planning engagements. Financial consultations are not typically accompanied by a written summary of

observations and recommendations, as the process is less formal than the planning service. Assuming that all the information and documents requested from the client are provided promptly, plans or consultations are typically completed within six (6) months of the client signing a contract with MWAM.

Retirement Plan Consulting:

MWAM provides retirement plan consulting services to employer plan sponsors on an ongoing basis. Generally, such consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

Retirement Plan Consulting services typically include:

- Investment Options – MWAMs work with the Plan Sponsor to evaluate existing investment options and make recommendations for appropriate changes.
- Asset Allocation and Portfolio Construction – MWAM develops strategic asset allocation models to aid Participants in developing strategies to meet their investment objectives, time horizon, financial situation and tolerance for risk.
- Investment Monitoring –MWAM monitors the performance of the investments and communicate with clients about their accounts.

In providing services for retirement plan consulting, MWAM does not provide any advisory services with respect to the following types of assets: employer securities, real estate (excluding real estate funds and publicly traded REITS), participant loans, non-publicly traded securities or assets, other illiquid investments, or brokerage window programs (collectively, “Excluded Assets”).

All retirement plan consulting services shall be in compliance with the applicable state laws regulating retirement consulting services. This applies to client accounts that are retirement or other employee benefit plans (“Plan”) governed by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). If the client accounts are part of a Plan, and MWAM accepts appointment to provide services to such accounts, MWAM acknowledges its fiduciary standard within the meaning of Section 3(21) of ERISA as designated by the Retirement Plan Consulting Agreement with respect to the provision of services described therein.

Pooled Investment Vehicles:

MWAM is affiliated with the following:

- Manhattan West Real Estate SPV, LP;
- Manhattan West Real Estate SPV II, LP;
- Manhattan West Real Estate SPV III, LP;
- Manhattan West Real Estate SPV IV, LP;
- Manhattan West Real Estate SPV V, LP;
- Manhattan West Real Estate SPV VI, LP;
- Manhattan West Real Estate SPV VII, LP; and
- Manhattan West Tax Deferred Real Estate SPV, LP; all pooled investment vehicles (collectively "the SPV's").

Manhattan West Capital I, LLC ("MWCI") serves as the general partner to the SPV's, and MWAM is the advisor to MWCI. The SPV's were formed for the purpose of investing in real estate (directly or indirectly) and/or secured or unsecured loans against residential and commercial real estate.

The SPV's are currently closed to new investors with the exception of the following: Manhattan West Real Estate SPV V, LP; Manhattan West Real Estate SPV VI, LP; Manhattan West Real Estate SPV VII, LP; and Manhattan West Tax Deferred Real Estate SPV, LP; which will accept Capital Contributions in 2018. Further, MWAM closed, and returned all remaining Capital Contributions, including any Preferred Return, to limited partners in the Manhattan West Real Estate SPV, LP; Manhattan West Real Estate SPV II, LP; and the Manhattan West Real Estate SPV III, LP. MWAM intends to pursue offering real estate investments to clients through pooled investment vehicles in the future.

MWAM is also affiliated with the following:

- Manhattan West Finance Fund, LP ("MWFF");
- Manhattan West Community Investment Fund I, LP ("MWCIF"); and
- Manhattan West Venture Capital Fund, LP ("MWVCF" and together with the SPV's, the "Funds").

MWCI is also the general partner of MWFF, MWCIF, and MWVCF. MWFF and MWCIF were formed for the purpose of investing in a broad variety of indebtedness, including secured and unsecured loans. The MWCIF is currently closed to new investors. MWAM may offer similar investments to clients seeking investments in debt in the future. MWVCF was formed for the purpose of investing in a limited number of seed and early stage high growth companies and other private pooled investment vehicles investing in early stage companies.

Lastly, MWAM is affiliated with:

- Manhattan West Special Opportunities, LLC;
- Manhattan West Insurance Services, LLC;
- Bixby Knolls Capital, LLC;
- Manhattan West Business Management Services, LLC; and
- Manhattan West International, SPC.

These entities are owned 100% by Esparza and MWOC (with the exception of Bixby Knolls Capital, LLC, which owns only a 90% interest is owned). Manhattan West Insurance Services LLC was formed for clients who seek estate planning counsel through the use of insurance vehicles. Manhattan West Business Management Services LLC was formed for clients who desire business management services. Bixby Knolls Capital LLC and Manhattan West Special Opportunities LLC hold real estate assets and develop, maintain, or improve any commercial or residential buildings located thereupon. Manhattan West International SPC was formed in connection with Manhattan West Tax Deferred Real Estate SPV, LP for tax purposes.

MWAM divested its ownership interests in Health House, a limited liability company, along with all of MWAM's clients, in 2017. MWAM was never the investment adviser, or manager of, Health House. Further, at no time was MWAM's ownership interest in Health House senior to that of any MWAM client(s).

Tailoring of Advisory Services

MWAM offers individualized investment advice to Wrap Comprehensive Portfolio Management clients. General investment advice will be offered to Financial Planning & Consulting and Retirement Plan Consulting clients.

Each Wrap Comprehensive Portfolio Management client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account.

Non Wrap Accounts may put restrictions on investments.

Participation in Wrap Fee Programs

MWAM only offers wrap fee accounts to clients, which are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. Please see Part 2A, Appendix 1 (the "Wrap Fee Program Brochure") for more information.

Regulatory Assets Under Management

As of December 31, 2017, MWAM managed \$144,763,281 on a discretionary basis and \$5,332,266 on a non-discretionary basis.

Item 5: Fees & Compensation

Compensation for Our Advisory Services

Wrap Comprehensive Portfolio Management:

Please see MWAM's Wrap Fee Program Brochure.

Financial Planning, Consulting, Business Management & Insurance:

MWAM charges on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of MWAM's engagement with the client. The maximum hourly fee to be charged will not exceed \$500. Flat fees range from \$15,000 to \$50,000. MWAM requires a retainer of fifty-percent (50%) of the ultimate financial planning or consulting fee at the time of signing. The remainder of the fee will be directly billed to the client and due within thirty (30) days of a financial plan being delivered or consultation rendered. MWAM will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months. Subject to MWAM's discretion, fees may be waived.

For clients who seek financial management through the use of business management services, Manhattan West Business Management Services LLC was formed, which charges the client a flat onboarding fee that ranges from \$0 to \$1,500, followed by a monthly service fee that ranges from \$1,000 to \$2,000. The ultimate fee charged depends on the scope and complexity of the engagement with the client. As such, it is possible that a highly complex client requiring business management

could be charged a fee in excess of the aforementioned ranges, but the monthly fee will not exceed \$10,000. The monthly service fee may be increased only by mutual agreement.

For clients who seek estate planning counsel through the use of insurance vehicles, Manhattan West Insurance Services LLC was formed (California Department of Insurance License# 0M20440), which may receive compensation based upon its placement of term and whole life insurance policies. The amount of the compensation depends largely upon the type of insurance policy placed.

Retirement Plan Consulting:

MWAM's Retirement Plan Consulting services are billed on the percentage of Plan assets under management. The total estimated fee, as well as the ultimate fee charged, is based on the scope and complexity of MWAM's engagement with the client. Fees based on a percentage of managed Plan assets will not exceed 1.00%. The fee-paying arrangements for Retirement Plan Consulting service will be determined on a case-by-case basis and will be detailed in the signed consulting agreement.

Management Fees

MWCIF pays MWCI a quarterly management fee, in advance, equal to 0.50% (2% annually) of the total limited partner Capital Contribution invested in MWCIF investments plus the average aggregate outstanding principal balance of debt incurred by MWCIF that is used to make loans as part of its investment program.

MWVCF pays MWCI an annual management fee equal to 1% of total unreturned limited partner capital contributions. The management fee is payable at the end of each calendar year or on the date of dissolution of MWVCF.

With Respect to the Manhattan West Tax Deferred Real Estate SPV, LP; Manhattan West Real Estate SPV IV, LP; Manhattan West Real Estate SPV V, LP; Manhattan West Real Estate SPV VI, LP; and Manhattan West Real Estate SPV VII, LP; MWCI receives a management fee equal to 4%, annually, of the total limited partner's Capital Contribution.

Lastly, with Respect to the Manhattan West Finance Fund, LP; MWCI receives a management fee equal to 2%, annually, of the total limited partner's Capital Contribution.

Carried Interest

In addition, as described in more detail in Item 6 below, the general partner of MWVCF, MWCI, is expected to receive a performance-based profit distributions (commonly referred to as "Carried Interest") pursuant to the terms in the MWVCF governing documents. Such distribution shall equal 20% of the relevant profit distributions (i.e. an "80/20 split" with the limited partners). Limited partners are encouraged to review the relevant sections of the governing Fund documents for more specific details.

With respect to the MWCIF and MWFF, while MWCI is entitled as the GP to benefit from Carried Interest distributions, pursuant to the terms of the governing documents, MWCI has decided not to make any Carried Interest distributions to itself at this time.

With respect to the SPV Funds, MWCI is entitled, as the GP, to benefit from Carried Interest distributions, pursuant to the terms of the governing documents. The Carried Interest, if any, is

payable after the limited partners have received their Capital Contribution and Preferred Return (net of fees). Limited partners are encouraged to review the relevant sections of the governing Fund documents for more specific details.

Other Types of Fees & Expenses

Clients may also pay charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses). The vast majority of the time MWAM **does not** receive a portion of these fees. However, with respect to certain legacy clients of an investment adviser representative, MWAM receives compensation if clients invest in a particular share class of mutual funds. MWAM mitigates any conflict of interest by disclosing the compensation arrangement to those investors and by adhering to its duty of best execution.

Wrap fee clients will not incur transaction costs for trades. More information about this can be found in MWAM's separate Wrap Fee Program Brochure. Non Wrap Accounts are not charged a fee but any transaction costs are borne by the client and are deducted directly by the custodian from the client's account.

MWAM and its related persons receive referral fees from certain service providers that MWAM recommends to clients. MWAM mitigates any conflict of interest related to this by conducting due diligence on the service providers it recommends and by disclosing this relationship to clients prior to recommending the service provider.

With respect to the Funds, and as more fully described in the relevant Fund governing documents, the Funds bear their own organizational and startup expenses, including legal, accounting, filing and other organizational expenses on the date of closing. Further, the Funds pay a management fee (subject to modification at the discretion of MWCI as the GP) any and all expenses related to their own operations, including investment related expenses (e.g., construction and remodeling costs and expenses, closing costs, real estate broker fees, origination fees, custodial fees, interest expenses, appraisal and title fees and expenses, research and due diligence costs and expenses (e.g., background checks, credit reports, deed and mortgage searches, tax lien reports, and open violation reports)); registered agent fees; legal expenses (including, without limitation, the costs of on-going legal advice and services, blue sky filings, as well as extraordinary legal expenses, such as those related to litigation or regulatory investigations or proceedings); accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities (including transfer taxes and withholding taxes); other governmental charges or fees payable by the Funds; costs of printing and mailing reports and notices; expenses of any meetings of the Funds' investors; director and officer and/or errors and omissions liability insurance premiums or fiduciary liability insurance premiums for directors, officers and personnel of the Fund's general partner, and all costs and expenses related to or incurred in connection with the general partner's compliance obligations under applicable federal and/or state securities and investment adviser laws arising out of its relationship to the relevant Fund; and other similar expenses. In addition, the Funds are responsible for all fees and expenses due any legal, financial, accounting, consulting or other advisors or any lenders, investment banks and other financing sources in connection with transactions which are not consummated.

With respect to MWCIF and MWVCF, organizational expenses (including legal and other expenses) are paid by the Funds and/or reimbursed by the Funds to the extent paid by the general partner

("GP"). For MWCIF, organizational expenses must not exceed \$30,000, and should they exceed such amount, the GP shall be liable to pay any such excess. The Funds pay a management fee (as disclosed above) and any and all expenses related to their own operations, including investment-related expenses (e.g., expenses relating to consultants, brokers or other professionals or advisors who provide research, advice or due diligence services with regard to Investments, appraisal fees and expenses, costs and expenses associated with traveling to evaluate prospective investments and existing Investments, and investment banking expenses); research and due diligence costs and expenses; legal expenses (including, without limitation, the costs of on-going legal advice and services, blue sky filings, as well as extraordinary legal expenses, such as those related to litigation or regulatory investigations or proceedings); accounting fees; administrative fees; tax preparation expenses and any applicable tax liabilities (including transfer taxes and withholding taxes); other governmental charges or fees payable by the Fund; costs of printing and mailing reports and notices; expenses of any meetings of the respective Fund's limited partners (as defined below); director and officer and/or errors and omissions liability insurance premiums or fiduciary liability insurance premiums for directors, officers and personnel of the GP, and all costs and expenses related to or incurred in connection with the GP's, and/or MWAM's compliance obligations under applicable federal and/or state securities and investment adviser laws arising out of its relationship to the Fund (including, without limitation, expenses related to compliance consultants, software and applicable regulatory filings); and other similar expenses related to the Fund. In addition, the Funds are responsible for all fees and expenses due any legal, financial, accounting, consulting or other advisors or any lenders, investment banks and other financing sources in connection with transactions which are not consummated, as more fully described in the relevant Fund governing documents.

Termination & Refunds

Either party may terminate the advisory agreement signed with MWAM for Comprehensive Portfolio Management service in writing at any time. Upon notice of termination, MWAM processes a pro-rata refund of the unearned portion of the advisory fees charged in advance at the beginning of the quarter.

Non Wrap Accounts may close their account at any time subject to the terms of the account agreement with their custodian. Fees are deducted as incurred by the custodian.

Financial Planning & Consulting clients may terminate their agreement at any time before the delivery of a financial plan by providing written notice. For purposes of calculating refunds, all work performed by us up to the point of termination shall be calculated at the hourly fee currently in effect. Clients will receive a pro-rata refund of unearned fees based on the time and effort expended by MWAM.

Business Management clients may terminate their agreement at any time by providing at least thirty (30) days written notice. For purposes of calculating refunds, all work performed by Manhattan West Business Management Services LLC up to the point of termination shall be calculated at the monthly fee currently in effect. Clients will receive a pro-rata refund of unearned fees based on the time and effort expended by Manhattan West Business Management Services LLC.

Either party to a Retirement Plan Consulting Agreement may terminate at any time by providing written notice to the other party. Full refunds will only be made in cases where cancellation occurs within five (5) business days of signing an agreement. After five (5) business days from initial signing, either party must provide the other party thirty (30) days written notice to terminate billing. Billing will terminate 30 days after receipt of termination notice. Clients are charged on a pro-rata basis,

which takes into account work completed by MWAM on behalf of the client. Clients will incur charges for bona fide advisory services rendered up to the point of termination MWAM processes a pro-rata refund of the unearned portion of the advisory fees charged in advance at the beginning of the quarter.

Commissionable Securities Sales

MWAM, and its representatives, do not sell securities for a commission in advisory accounts.

Item 6: Performance-Based Fees & Side-By-Side Management

As described in Item 5 above, MWCI may receive performance-based profit distributions, if any, from MWVCF for which it serves as GP. In general, MWVCF will distribute 20% of its net profits to MWCI (i.e. an “80/20 split” with the limited partners). MWVCF limited partners are provided with clear disclosure as to how performance-based distributions are charged and the risks associated with such performance-based distributions prior to making an investment.

In addition, as it relates to the MWCIF and MWFF, MWCI will not be exercising its discretion to distribute Carried Interest compensation to itself.

With respect to the SPV Funds, MWCI is entitled, as the GP, to benefit from Carried Interest distributions, pursuant to the terms of the governing documents. The Carried Interest, if any, is payable after the limited partners have received their Capital Contribution and Preferred Return (net of fees). Limited partners are encouraged to review the relevant sections of the governing Fund documents for more specific details.

MWCI recognizes that the possibility that it may receive Carried Interest creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such performance-based distributions. Notwithstanding, MWCI, to the extent within its control, will not favor itself or any clients to the detriment of another client(s) and will act in a manner that it reasonably believes over the long term is fair and equitable to all clients.

Item 7: Types of Clients & Account Requirements

MWAM has the following types of clients:

- High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Endowments and Foundations;
- Public and Private Pensions;
- Profit Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types; and
- Pooled Investment Vehicles.

MWAM's requirements for opening and maintaining accounts or otherwise engaging us:

- MWAM requires a minimum account balance of \$3,000,000 for our Wrap Comprehensive Portfolio Management service. At its sole discretion, the firm maintains the right to accept accounts below the stated minimum.
- Written financial plans are generally assessed a minimum fee of \$15,000. This is not required for clients of the Wrap Comprehensive Portfolio Management service.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

Methods of Analysis

We use the following methods of analysis in formulating MWAM's investment advice and/or managing client assets:

Fundamental analysis considers the economic, financial, and other qualitative/quantitative factors that may impact the price of a security. Fundamental analysis attempts to measure its intrinsic value as compared to its current price. Risks may include using incorrect assumptions, financial misreporting and/or failure by management to disclose key, material events, and unforeseen micro/macroeconomic factors that may cause the price of a security to diverge from its intrinsic value.

Quantitative analysis uses statistical models to estimate the impact of user-defined "factors" on a security's price movement and attempts to extrapolate future movements based on that analysis. Models are an imperfect representation of reality, and therefore, there is no guarantee they will lead to accurate results.

Technical analysis attempts to predict future price movements of a security based on historical data, such as price and volume. Technical analysis may involve using charts to identify recurring patterns and trends, but there is no guarantee that those patterns and trends will reoccur.

Please also see the Wrap Program Brochure.

Investment Strategies We Use

We use the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-Term Purchases: We may buy securities for your account and hold them for a relatively long time (more than a year) in anticipation that the security's value will appreciate over a long horizon. The risk of this strategy is that we could miss out on potential short-term gains that could have been profitable to your account. Moreover, if MWAM's predictions are incorrect, it's possible that the security's value may decline sharply before we make a decision to sell.

Short-Term Purchases: We may buy securities for your account and decide to sell them within a relatively short time horizon (less than a year) in order to capitalize on short-term price fluctuations. There's no guarantee, however, that this strategy will be able to produce gains.

Trading: We may buy securities for your account and sell them quickly (typically within 30 days) in order to take advantage of short-term price volatility. As with short-term purchases, there is no guarantee that this strategy will be able to produce gains.

Venture Capital Strategy attempts to selectively identify and invest in a limited number of seed and early stage high growth companies and other pooled investment vehicles investing in early stage companies. The objective is to realize long-term capital appreciation through its investments by gaining exposure to companies that can scale rapidly, are capital efficient, and are early market movers.

Real Estate Strategy attempts to distressed and/or undervalued real estate, both residential and commercial, that presents significant opportunities for capital appreciation.

Environmental, Social and Governance ("ESG") Strategy (followed by MWCIF) attempts to identify opportunities to invest in private companies, specifically targeting small and middle market minority-owned or female-owned businesses, located throughout the United States, but particularly in California.

Please also see the Wrap Program Brochure.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and the account(s) could enjoy a gain, it is also possible that the stock market may decrease and the account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, are appropriately diversified in investments, and ask any questions.

Description of Material, Significant or Unusual Risks

MWAM generally invests client cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, MWAM tries to achieve the highest return on client cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that MWAM may debit advisory fees for our services related to the Comprehensive Portfolio Management service.

With respect to the Funds managed by MWCI, general risk factors that are common to each Fund includes, but are not limited to, a risk of loss due to a general deterioration of market economic conditions, investment illiquidity risk, diversification risks, risk of loss, incorrect/inaccurate valuation of Fund investments, reliance on the GP to manage the affairs of the fund, dependence on key personnel, limitations on liability and indemnification, and limited regulatory oversight.

In addition to the above, and as it relates to the MWFF and MWCIF, there is also the risk of: default on loans and/or non-performance on loan obligations payable by the Fund's debtors due to borrower insolvency, borrower fraud, delayed payment, lenient underwriting standards than conventional lenders, interest rate risk, usury risk, lending competition, inflation risk, leverage risk, risk of geographic concentration, tax risk, and no legal counsel separate from the GP.

In addition to the above, and as it relates to the real estate Funds/SPVs, real estate investments are subject to varying degrees of risk. Real estate values are affected by a number of factors, including (i) changes in the general economic climate, (ii) local conditions (such as an oversupply of space or a reduction in demand for space), (iii) vacancies, (iv) competition based on rental rates, (v) attractiveness and location of the properties, (vi) financial condition of tenants, buyers and sellers or properties, (vii) quality of maintenance, insurance and management services, (viii) changes in real estate tax rates and other operating costs and expenses, (ix) rental restrictions, (x) changes in interest rates and the availability of debt financing, (xi) uninsured losses or delays from casualties or condemnation, (xii) government regulations (including those governing usage, improvements, zoning and taxes) and fiscal policies, (xiii) potential liability under changing environmental and other laws, (xiv) risks and operating problems arising out of the presence of certain construction materials, (xv) structural or property level latent defects, and (xvi) acts of God, acts of war (declared or undeclared), terrorist acts, strikes and other factors beyond the control of the GP and its affiliates. Investments in existing entities (*e.g.*, buying out a distressed partner or acquiring an interest in an entity that owns a real property) could also create risks of successor liability. Also, there are also risks concerning the financing of real estate projects, defective title risk, and the illiquidity of real estate.

All limited partners of the Fund(s) are encouraged to review the relevant sections of the governing Fund documents for more details as to the topic of risk factors.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to the evaluation of MWAM's advisory business or the integrity of MWAM's management.

Item 10: Other Financial Industry Activities & Affiliations

MWAM is not registered, nor does it have an application pending to register, as a broker-dealer, registered representative of a broker dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Some representatives of MWAM are insurance agents/brokers. They offer insurance products and receive customary fees as a result of insurance sales. A conflict of interest exists as these insurance sales create an incentive to recommend products based on the compensation adviser and/or our supervised persons may earn. To mitigate this potential conflict, MWAM acts in the client's best interest and seek to ensure any pricing is competitive with in the relevant market.

In connection with Financial Planning services, MWAM may in the future recommend third party money managers. However, MWAM does not currently have any such arrangements in place. If MWAM does recommend third party money managers in the future and is compensate for these recommendations MWAM will update this Brochure to reflect any conflicts of interest.

Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each client at all times. MWAM's fiduciary duty is the underlying principle for the firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. MWAM requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with MWAM, and at least annually thereafter, all representatives of MWAM will acknowledge receipt, understanding and compliance with MWAM's Code of Ethics. MWAM, and its representatives, must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect the duty of complete loyalty owed to clients. This disclosure is provided to give all clients a summary of MWAM's Code of Ethics. If a client, or a potential client, wishes to review MWAM's Code of Ethics in its entirety, a copy is provided promptly upon request.

MWAM recognizes that the personal investment transactions of its representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, MWAM also believes that if investment goals are similar for clients and for its representatives, it is logical, and even desirable, that there be common ownership of some securities.

To prevent conflicts of interest, MWAM has established procedures for transactions effected by its representatives for their personal accounts¹. To monitor compliance with MWAM's personal trading policy, MWAM has pre-clearance requirements and a quarterly securities transaction reporting system for all of its representatives.

In certain cases that MWAM or a related person recommends, buys or sells for client accounts, securities in which MWAM or a related person has a financial interest. If the financial interest is in a private security, limited offering, or is otherwise deemed to be material, it will be disclosed in advance, in writing, to the client prior to making an investment in such security.

Esparza is the sole managing member of a Manhattan West Partners Fund, LLC, that holds securities. Esparza is also the sole owner of Manhattan West Partners Fund II, LLC, which holds his proprietary real estate investments. In the past, such companies have held securities and other assets that certain clients may also have invested in. Such proprietary accounts could create conflicts of interest in that the managing partner could direct his attention to such proprietary accounts rather than managing client accounts. As noted above, the fact that a related person has a material interest in a security or other assets that certain clients also invested in could create a conflict of interest. Where relevant, this interest has been disclosed to clients in advance and in writing. Further, it is not anticipated that Esparza, or MWAM, will engage in a principal transaction with MWAM clients.

¹ For purposes of the policy, MWAM associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

MWCI, as the GP, has launched special purpose vehicles (“SPVs”) that permits the GP and other related persons of MWCI to invest alongside certain clients in real estate properties. Participation in such vehicles is not offered to all clients and may be offered to individuals who are not clients. MWCI and its related persons disclose their financial interests in the real estate assets prior to a client investing in such assets.

Related persons of MWAM may buy or sell securities and other investments that are also recommended to clients. To minimize this conflict of interest, related persons place client interests ahead of their their/its interests and adheres to MWAM’s Code of Ethics (which requires pre-clearance of all transactions in securities), a copy of which is available upon request.

Likewise, related persons of MWAM buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. To minimize this conflict of interest, related persons place client interests ahead of their own interests and adhere to MWAM’s Code of Ethics, a copy of which is available upon request. Further, related persons refrain from buying or selling the same securities prior to buying or selling for MWAM clients in the same day unless included in a block trade.

Item 12: Brokerage Practices

MWAM is deemed to have custody of certain client assets. Client assets are maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that MWAM clients use Charles Schwab & Co., Inc. (“Schwab”), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian for separately managed accounts. MWAM is independently owned and operated and not affiliated with Schwab. Schwab holds client assets in a brokerage account and buys and sells securities when we instruct them to. While we recommend that clients use Schwab as custodian/broker, clients will decide whether to do so and open an account with Schwab (or another broker) by entering into an account agreement directly with them. We do not open the account for the client. Even though the client account is maintained at Schwab, we can still use other brokers to execute trades for the account, as described in the next paragraph. With respect to the Funds, MWAM is deemed to be in custody of the client cash, which is kept on deposit with banks until it is needed to invest, directly or indirectly, in real estate assets or other privately offered securities.

Please see the Wrap Fee Program Brochure for further information about MWAM’s Comprehensive Wrap Portfolio Management Services.

How Brokers/Custodians Are Selected

MWAM seeks to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. A wide range of factors are considered, including, but not limited to:

- combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- capability to execute, clear and settle trades (buy and sell securities for client accounts)
- capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)

- availability of investment research and tools that assist in making investment decisions
- quality of services
- competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- reputation, financial strength and stability of the provider
- prior service to MWAM and its other clients
- availability of other products and services that benefit MWAM, as discussed below (see *"Products & Services Available from Schwab"*)

Custody & Brokerage Costs

Schwab generally does not charge a separate fee for custody services, but is compensated by charging commissions or other fees to clients on trades that are executed or that settle into the Schwab account. For some accounts, Schwab may charge your account a percentage of the dollar amount of assets in the account in lieu of commissions. Schwab's commission rates and/or asset-based fees applicable to client accounts were negotiated based on MWAM's commitment to maintain a minimum threshold of assets statement equity in accounts at Schwab. This commitment benefits clients because the overall commission rates and/or asset-based fees paid are lower than they would be if MWAM had not made the commitment. In addition to commissions or asset-based fees, Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that MWAM has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a Schwab account. These fees are in addition to the commissions or other compensation paid to the executing broker-dealer. Because of this, to minimize client trading costs, MWAM has Schwab execute most trades for the accounts.

Products & Services Available from Schwab

Schwab Advisor Services (formerly called Schwab Institutional) is Schwab's business serving independent investment advisory firms like MWAM. They provide MWAM and clients with access to its institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help manage or administer MWAM client accounts while others help manage and grow MWAM's business. Schwab's support services are generally available on an unsolicited basis (MWAM does not have to request them) and at no charge as long as MWAM maintains a total of at least \$10 million of client assets in accounts at Schwab. If MWAM has less than \$10 million in client assets at Schwab, MWAM may be charged quarterly service fees. Here is a more detailed description of Schwab's support services:

Services that Benefit Clients

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which MWAM might not otherwise have access to or that would require a significantly higher minimum initial investment by MWAM clients. Schwab's services described in this paragraph generally benefit clients or their account(s).

Services that May Not Directly Benefit Clients

Schwab also makes available other products and services that benefit MWAM, but may not directly benefit clients or their accounts. These products and services assist in managing and administering

MWAM accounts. They include investment research, both Schwab's and that of third parties. This research may be used to service all or some substantial number of client accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provides access to client account data (such as duplicate trade confirmations and account statements);
- facilitates trade execution and allocate aggregated trade orders for multiple client accounts;
- provides pricing and other market data;
- facilitates payment of MWAM fees from clients' accounts; and
- assists with back-office functions, recordkeeping and client reporting.

Services that Generally Benefit Only MWAM

Schwab also offers other services intended to help manage and further develop MWAM's business enterprise. These services include:

- educational conferences and events
- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, Schwab will arrange for third-party vendors to provide the services to MWAM. Schwab may also discount or waive fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide MWAM with other benefits, such as occasional business entertainment for its personnel.

Irrespective of direct or indirect benefits to a client through Schwab, MWAM strives to enhance the client experience, help clients reach their goals and put client interests before that of MWAM or associated persons.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits MWAM because MWAM does not have to produce or purchase them. MWAM does not have to pay for Schwab's services so long as a total of at least \$10 million of client assets in accounts are kept at Schwab. However, to the extent MWAM recommends Schwab for such services, it is because MWAM believes that it is in the clients' best interest based on the quality and pricing of the execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by Schwab. MWAM does not believe that maintaining at least \$10 million in assets at Schwab to avoid paying Schwab quarterly service fees presents a material conflict of interest.

Aggregation of Purchase or Sale

MWAM provides investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by MWAM, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when MWAM believes that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, MWAM attempts to allocate trade executions in the most equitable

manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

MWAM does not aggregate trades for Non Wrap Accounts.

Item 13: Review of Accounts or Financial Plans

MWAM management personnel or financial advisors endeavor to review accounts on at least a quarterly basis with its Wrap Comprehensive Portfolio Management clients. The nature of these reviews is to learn whether client accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. MWAM provides at least one written report to clients per year. Verbal reports to clients take place on at least an annual basis when Wrap Comprehensive Portfolio Management clients are contacted.

MWAM may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. MWAM does not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc. Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately engage MWAM for a post-financial plan meeting or update to their initial written financial plan.

Retirement Plan Consulting clients receive reviews of their retirement plans for the duration of the service. MWAM also provides ongoing services where clients are met with upon their request to discuss updates to their plans, changes in their circumstances, etc. Retirement Plan Consulting clients do not receive written or verbal updated reports regarding their plans unless they choose to engage MWAM for ongoing services.

Item 14: Client Referrals & Other Compensation

Charles Schwab & Co., Inc.

MWAM receives economic benefit from Schwab in the form of the support products and services made available to MWAM and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit MWAM, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability of Schwab's products and services is not based on MWAM giving particular investment advice, such as buying particular securities for clients.

Referral Fees

MWAM pays referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to MWAM in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 ("Advisers Act"). Such referral fee represents a share of investment

advisory fee charged to MWAM clients. This arrangement will not result in higher costs to the referred client. In this regard, MWAM maintains Solicitors Agreements in compliance with Rule 206(4)-3 of the Advisers Act and applicable state and federal laws. All clients referred by Solicitors to MWAM are given full written disclosure that describes the terms and fee arrangements between MWAM and Solicitor(s). In cases where state law requires licensure of solicitors, MWAM ensures that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of MWAM. If MWAM pays solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

Item 15: Custody

MWAM is deemed to have custody of certain client assets. Pursuant to Advisers Act Rule 206(4)-2 (the "Custody Rule"), these client assets are maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We recommend that MWAM clients use Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian for separately managed accounts. We are independently owned and operated and not affiliated with Schwab. Schwab holds client assets in a brokerage account and buys and sells securities when we instruct them to. While we recommend that clients use Schwab as custodian/broker, clients will decide whether to do so and open an account with Schwab (or another broker) by entering into an account agreement directly with them. We do not open the account for the client. With respect to client assets over which MWAM has custody, except for the Funds, MWAM engages an independent public accountant to perform a surprise examination and submit their report to the SEC within 120 days of the surprise exam via Form ADV-E.

With respect to the Funds, MWAM relies on the audit exemption under the Custody Rule and subjects the Funds to an annual financial statement audit by an independent public accountant. Consistent with the Custody Rule, MWAM ensures that the Funds' cash is kept on deposit with qualified custodian banks until it is needed to invest, directly or indirectly, in real estate assets or other privately offered securities; in addition, investors in the Funds receive their respective audited financial statements within 120 days of the relevant Fund's fiscal year-end.

Item 16: Investment Discretion

Clients will provide MWAM with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, MWAM is authorized to execute securities transactions, determine which securities are bought and sold, and the total amount to be bought and sold. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion with MWAM's written acknowledgement.

As noted above, although MWAM has trading authorization for its Non Wrap Accounts MWAM will not execute any trades in such accounts without verbal authorization from such clients. Non Wrap Accounts may put restrictions on investments.

Item 17: Voting Client Securities

MWAM does not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent and received, MWAM forwards them to the appropriate client and ask the party who sent them to mail the proxies directly to the client in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Item 18: Financial Information

MWAM is not required to provide financial information in this Brochure because:

- MWAM does not require the prepayment of more than \$1,200 in fees and six or more months in advance.
- MWAM does not have a financial condition or commitment that impairs its ability to meet contractual and fiduciary obligations to clients.

MWAM has never been the subject of a bankruptcy proceeding.