

Item 1 – Cover Page

Part 2A of Form ADV: Firm Brochure

NCP CAPITAL MANAGEMENT, LLC

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This brochure provides information about the qualifications and business practices of NCP Capital Management, LLC (“NCP”). If you have any questions about the contents of this brochure, please contact us at (303) 893-9500 or Brian@northstarcp.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. Registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.

Additional information about Northstar Commercial Partners is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This brochure contains information about NCP and its affiliates and has been produced in connection with NCP's initial registration as an investment adviser with the SEC.

In the future, this section of the brochure will discuss only the specific material changes that were made to the brochure and will provide you with a summary of all material changes that have occurred since the last filing of this brochure. This section will also identify the date of NCP's last annual brochure update.

Item 3 – Table of Contents

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Item 4 – Advisory Business

NCP, a Delaware limited liability company, was formed in 2018 as a wholly owned subsidiary of W.D.C. Holdings, LLC d/b/a Northstar Commercial Partners a Colorado limited liability company that was founded in 2000 and is a commercial real estate owner, operator, and fund sponsor (“Northstar”). The principal office and place of business for NCP and Northstar is in Denver, Colorado. NCP has one owner Brian Watson, who also hold the title and role of President. Additionally, there are two individuals who hold executive officer positions for NCP, Scott Gibler and Brent Gray Brian Watson.

Northstar provides investment management and general management services to privately offered real estate pooled investment vehicles, each of which has one or more investors (the “Northstar Funds”). NCP provides securities investment advisory services to the Northstar Funds. An affiliate of NCP acts as general partner or managing member of each Fund (each, a “General Partner”). While the Northstar Funds primarily invest in real estate, NCP provides investment advisory services to Northstar Funds that seek opportunities in real estate related securities such as the acquisition and recapitalization of real estate asset companies, real estate operating companies, and real estate backed debt securities. The General Partner of each Northstar Fund has entered into an investment adviser agreement with NCP, whereby NCP acts as securities investment adviser to oversee the acquisition, management and disposition of the relevant Northstar Fund’s securities investments. In certain cases, the Funds rather than the General Partner have entered into investment management agreements directly with NCP. This brochure describes the business practices of NCP.

NCP tailors its advisory services to the specific investment objectives and restrictions of each Northstar Fund set forth in such Northstar Fund’s limited partnership agreement (or similar governing agreement) and investment management agreement, as applicable. Investors and prospective investors of each Northstar Fund should refer to the confidential private placement memorandum, limited partnership agreement (or similar governing agreement), investment management agreement and/or other governing documents, as applicable (together, the “Governing Documents”) of the applicable Northstar Fund for complete information on the investment objectives and investment restrictions with respect to such Northstar Fund. There is no assurance that any of the Northstar Funds’ investment objectives will be achieved. The funds generally invest directly into real estate assets or into equity and debt securities that are directly or indirectly secured by real estate. NCP’s investment advisory services consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and ultimately achieving dispositions for such investments. NCP provides investment advice and management service directly to the Northstar Funds and not individually to the limited partners of or investors in the funds (the “Investors”). All investment restrictions are described in the Governing Documents. Investors should review the Governing Documents for additional information regarding the Northstar Funds in which they have invested.

We do not participate in wrap fee programs.

NCP manages all assets on a discretionary basis in accordance with the terms and conditions of each Northstar Fund's Governing Documents. The amount of client assets we are managing on a discretionary basis as of 12/4/2018 is \$270,000,000.

Item 5 – Fees and Compensation

ADVISORY FEES

All Investors and prospective investors should review the Governing Documents of each Northstar Fund in conjunction with this Brochure for complete information on the fees and compensation payable in connection with a particular Northstar Fund. Different Northstar Funds may be subject to different management fees and performance-based compensation arrangements. NCP charges its clients annual advisory fees that generally range from 0.25% to 2.0% of an asset fee base. The asset fee base for an initial period of years (usually 3 to 5) is equal to the client's full committed capital regardless of how much has been contributed by Investors.

After the initial period of years (usually 3 to 5), the asset fee base will generally decrease over time with asset sales, write-offs or capital commitment waivers, subject to certain caveats. NCP may be granted a direct or indirect interest in capital accounts (at no charge) in client funds as an indirect payment of advisory services.

Investors who are related to NCP or an affiliate may receive up to a 100% discount or rebate of their share of advisory fees. These discounts, if applicable, are disclosed in detail in the applicable fund's Governing Documents or other agreement negotiated directly with its Investor(s).

Management fees, performance-based incentive allocations and other fees paid by the Northstar Funds to NCP not generally negotiated with the client but certain Investors may negotiate terms (including fees payable to NCP and carried interest payable to applicable General Partners) through the negotiation of the limited partnership agreement, side letters, or similar documents. With respect to private investment funds that the Northstar Funds may raise in the future, certain limited partners negotiate future investment fund terms (including fees payable to NCP and carried interest payable to applicable General Partners) through the negotiation of the Governing Documents.

The Governing Documents of the Northstar Funds will generally provide that the General Partner will allocate capital from the capital accounts of limited partners to pay fees and performance-based compensation to NCP and/or the General Partner of the fund. The General Partners of the Northstar Funds generally may elect to apply distributable proceeds to pay management fees.

OTHER COMPENSATION, FEES AND EXPENSES

The General Partners or managers of most of our clients (or their special-purpose affiliated entities) may receive a share of the profits generated by the client. This share of profits is often referred to as a carried interest or promote. The specific payment terms and other conditions of the carried interest are set forth in the relevant Governing Documents..

If other types of fees and expenses will be paid by a client, they will be described in the client's Governing Documents or other agreement negotiated directly with its Investor(s) if known.

Some of the other types of fees and expenses that usually will be paid by a client are: auditing fees and costs; custodial fees and costs; development fees, disposition fees, acquisition fees, banking fees and costs; franchise taxes and entity formation and maintenance fees; legal expenses; securities and "blue sky" filing fees; an allocable portion of the costs (including third party service fees) related to recording, managing and reporting of accounting, tax and financial information, Investor subscription processing, cash calls and distributions; fees and costs related to asset management information technology and software; fees and costs related to anti-money laundering and other regulatory compliance; expenses related to roadshows, printing and offering related activities; postage and travel expenses.

EXPENSES CHARGED TO CLIENTS

Organizational Expenses. Subject to its Governing Documents, each Northstar Fund will pay or otherwise bear all fees, costs, expenses and other liabilities incurred in connection with the formation, organization and/or sale of interests in such fund, its General Partner or similar person and/or investment manager, including commissions, costs and all out-of-pocket legal, accounting, tax, consulting, filing, capital raising, marketing, printing, electronic database, travel (which may include expenses for the use of private aircraft, first class or business class travel), accommodations, meals and other similar fees, costs and expenses (collectively, the "Organizational Expenses").

Not all client are subject to the same fees, costs and expenses. For example, when the General Partner of a Northstar Fund enters into arrangements with, and compensates, unaffiliated third parties for Investor referrals to the funds, these arrangements will be fully disclosed to affected Investors. The General Partner of the fund may cause the applicable Northstar Fund to pay the placement agent a placement fee and reimburse the placement agent for expenses incurred by it in connection with such arrangement.

Allocation of Expenses. NCP, the General Partners, and their affiliates from time to time incur fees, costs and expenses on behalf of one or more Northstar Funds. To the extent such fees, costs and expenses are incurred for the account of more than one client, each client will bear an allocable portion of any such fees, costs, and expenses generally in proportion to the size of its investment in the activity or entity to which the expense relates (subject to the terms of each fund's applicable Governing Documents) or in such other manner as the General Partners

consider fair and equitable under the circumstances. Northstar endeavors to allocate such fees, costs and expenses on a fair and equitable basis over time.

BILLING PROCEDURES

We charge advisory fees monthly in advance, but sometimes we charge fees quarterly in advance. If the fee start date is not the first of a month, the first billing period may include a partial month. If an advisory contract with a client is terminated before the end of a billing period, NCP will refund any overpayment of fees to the client. The overpayment of fees will be calculated based on the number of full months remaining in a billing period after the contract was terminated. No refund will be given for a partial month.

Under most of our advisory contracts, after an initial period of years (usually 3 to 5), we can collect advisory fees only out of cash available for distribution and not out of capital contributions made by Investors. If cash is not available to pay advisory fees in the period earned, the fees may be accrued and their payment deferred. We will collect deferred fees when cash becomes available before cash distributions are made to Investors, unless we waive payment of those fees at our sole discretion. If a client does not deploy all of the capital originally committed by Investors, and as a result elects to reduce the amount of such uncalled capital commitment, advisory fees that have already been paid or accrued on such uncalled capital will not be refunded.

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

The General Partners of our clients (or their special-purpose affiliated entities) may receive a share of the profits generated by the client. This share of profits is often referred to as a carried interest or promote. Because of our relationship with the General Partners, the carried interest may be considered performance based compensation that indirectly benefits NCP. Although carried interest may align NCP's and its affiliates' interests with those of the clients, carried interest may also create an incentive for NCP to recommend, and the General Partner of each respective client to make, more speculative investments or different decisions regarding the timing and manner of the realization of such investments than would be made if such carried interest were not allocated to the General Partner. In addition, the likelihood of earning a carried interest may give NCP an incentive to favor one client over another in allocating investment opportunities or making buy, hold or sell recommendations. We address these potential conflicts of interest by (i) careful review of investment opportunities by an investment committee, (ii) recognizing our fiduciary duty owed to each client, (iii) reviewing each client's objective, strategy and investment guidelines alongside our recommendations, and (iv) disclosure of investments to limited partners by way of written notices and quarterly reports.

Item 7 – Types of Clients

NCP's advisory clients generally will be private real estate funds. NCP will provide investment advisory services directly to its clients based on the particular investment objectives and strategies described in the client's offering documents. NCP does not provide advisory services individually to Investors.

As mentioned in Item 4 (Advisory Business) above, the shares or interests in a Northstar Fund are not registered under the Securities Act of 1933, and a private fund client is not registered under the Investment Company Act of 1940. Accordingly, interests in a Northstar Fund are offered and sold exclusively to sophisticated investors satisfying certain eligibility and suitability requirements in private transactions within the United States. Northstar Funds' Investors are usually either institutions or high net worth individuals (including trusts and other family investment entities created by those individuals). In some cases high net worth investors may be considered institutional accounts. Investors are required to meet certain suitability qualifications as described in the applicable entity's governing documents, such as being an "accredited investor" within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act. Also, Investors will be required to make certain representations when investing in a Fund, including, but not limited to, that (i) they are acquiring an interest for their own account, (ii) they received or had access to all information they deem relevant to evaluate the merits and risks of the prospective investment and that (iii) they have the ability to bear the economic risk of an investment in the fund. Details concerning applicable investor suitability criteria are set forth in the respective Northstar Fund's Governing Documents and subscription materials, which are furnished to each prospective Investor.

Each Northstar Fund may impose a minimum initial investment requirement. However, Northstar may waive any such requirement at its sole discretion. In addition, the each fund may enter into separate agreements, commonly referred to as "side letters," with certain Investors, to provide such Investors with additional or different terms than those specifically described in the Governing Documents. These side letters relate to a variety of topics, including, information and reporting rights and fees and expenses, as well as laws, policies and procedures applicable to specific Investors. These side letters could create preferences or priorities for such Investors with respect to other Investors. Moreover, side letters may impose additional costs on a fund, which will be borne by all Investors, not solely those to which the side letter relates.

All of our clients are expected to be closed-end (meaning they do not accept additional subscribers after a stated offering period) investment funds with capital committed by Investors that is drawn down and contributed over time to purchase investments and pay expenses.

We do not currently manage separate advisory accounts for individual or institutional investors, although an institutional investor may be the only Investor or one of only a few Investors in an advised private fund. Investors often invest in more than one Northstar Fund or related investment opportunity.

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

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

NCP will advise its clients primarily about making investments in real estate related or real estate backed securities. Each client will have a specific strategy and investment focus that is described in the client's offering memorandum and other Governing Documents, or other agreement negotiated directly with an Investor. Some clients may have strategies similar to other clients. The client's Governing Documents or other agreement negotiated directly with an Investor may include specific guidelines or restrictions on investments. NCP's role is to (i) find investment opportunities that fit the client's specific strategy, (ii) diligently investigate each investment's benefits and risks (called due diligence), (iii) make recommendations to each client whether to buy, hold or sell an investment, and (iv) monitor the performance of investments made. NCP will review its recommendations against any specific guidelines or restrictions on the client's investments.

DUE DILIGENCE

Professional employees of NCP or its affiliates perform due diligence on each investment opportunity. Due diligence will vary depending on the type of investment but will usually include some or all of the following:

- Review of real estate title, zoning and survey
- Review of real estate environmental and engineering conditions
- On-site visits to real estate and/or company offices
- Review, preparation and/or analysis of business plan
- Review, preparation and/or analysis of development plan
- Review/negotiation of legal documents relevant to the investment
- Review of insurance coverage
- Review of historical financial information
- Research and analysis of market information
- Research and review of competition
- Review, preparation and/or analysis of financial projections
- Review of joint venture or co-investment partners
- Lien searches of company assets and real estate
- Review of material contracts and other company data

The above is not an exhaustive list, nor does every item on the list apply to all investment opportunities. Our employees use their experience and expertise to review each investment opportunity in a diligent way. For certain items on the list that require special expertise, consultants may be engaged on behalf of the client to perform research and prepare reports. Our employees then review and analyze those third party reports. In addition, legal counsel is engaged on behalf of each client to prepare or review and negotiate legal documents with reasonable and customary provisions to protect the interests of the client. The client pays the fees and costs of consultants and legal counsel.

RISK OF LOSS AND RISK FACTORS

Investing in securities involves risk of loss that clients and investors should be prepared to bear. There can be no possibility of profit without risk of loss, including the risk of loss of one's entire investment.

The types of securities we recommend to our clients are illiquid and speculative. There is no guaranty that our recommendations will turn out to be profitable to our clients or their Investors. Our clients may not be able to sell or liquidate recommended securities or investments if our clients need capital for other purposes. Most of our clients do not offer redemption rights or other liquidity options to their Investors.

There are certain risk factors that may apply generally to the types of investments we recommend to our clients. There are also numerous risk factors that may apply to the specific investment program or strategy to be followed by a particular client. These general and specific risks are described in the offering materials or memorandum of the particular client, or joint venture or other agreement negotiated directly with its Investor(s). All risk factors should be considered by any prospective Investor prior to making a decision to invest. Some of the risk factors that apply generally to our clients are summarized below.

Illiquid Securities. Almost all of the investments made by NCP's clients will be private securities or assets for which there is no public market. As a result, these investments are illiquid and are subject to sale restrictions due to securities laws or contractual obligations. In addition, these investments may take several years to mature. During the investment holding period, there may be no cash distributions to the client's Investors. These limitations on sale could make it difficult to sell an investment or reduce the amount of sale proceeds.

Unidentified Investments - Blind Pool. In some cases, NCP's clients will be blind pools – meaning that the investments are not fully identified at the time of the client's equity offering. As a result, a prospective Investor considering an investment in the client will not know or be able to evaluate all investments to be made by the client prior to making an investment decision. Rather, the prospective Investor must rely upon the ability of the client's General Partner, and advice provided by NCP, to select appropriate investments on behalf of the client.

General Risks of Investing in Real Estate. Investments in real estate and securities backed by or secured by real estate are subject to various risks. These risks usually relate to expenses being higher than expected, cash flow being less than expected, or both. If cash flow is insufficient to pay all expenses, the investment could suffer losses. Mortgage financing or other debt can increase these risks and result in an investment being lost through foreclosure. Adverse changes in local, regional, national and international economic conditions can negatively affect real estate values. For example, high unemployment rates, declines in population, and tenant bankruptcies can adversely impact real estate income. Similarly, high real estate taxes, insurance costs, increases in interest rates and high fuel and heating costs due to rising crude oil prices result in higher operating costs. Other risks include zoning laws and other government rules and fiscal

policies and changes in such laws, rules and policies; environmental claims; and uninsured losses and other risks that are beyond the control of NCP or its clients.

General Risks Associated with Debt Markets. The types of investments made by NCP's clients can be affected by the debt markets. The value and marketability of real estate investments may depend upon the availability and cost of credit to finance operations or acquisitions. Current conditions in the debt markets include reduced credit availability and increased debt costs for many market participants. These conditions, which increase the cost and reduce the availability of debt, may continue or worsen in the future. Continued and future disruptions in the debt markets could have an adverse impact on investment values and on acquisition and exit opportunities.

Risk of Co-Investment. In cases where a Northstar Fund or a related party invests with certain co-investment partners, an unaffiliated third party may serve as a General Partner of a sub-partnership that owns a client asset and/or may have certain control or veto rights with respect to a client investment. As a result, there is a possibility that a co-investment partner may be in a position to take action with respect to a Northstar Fund investment that is contrary to the desires or objectives of the fund.

Item 9 – Disciplinary Information

NCP and its employees have not been involved in any legal or disciplinary events in the past 10 years that it believes would be material to the evaluation of NCP or its personnel.

Item 10 – Other Financial Industry Activities and Affiliations

CERTAIN REGULATED ENTITIES

Neither NCP nor any of its management persons is registered or has a pending application 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 any of the foregoing.

FINANCIAL INDUSTRY AFFILIATIONS

Affiliates of NCP act as General Partners of its clients. NCP and/or its affiliates may also act as property manager, construction manager and/or development manager for most of the real estate assets owned by its clients. Such services are provided on the terms and conditions set forth in its clients' Governing Documents and entail the payment of additional compensation to those affiliates. NCP and its affiliates are subject to conflicts of interest when they provide such services to its clients or the real estate projects in which its clients invest.

Development Services

NCP Healthcare Development is an operating affiliate that provides development services to the investments held by various private equity-oriented private funds that are advised by NCP. Don Marcotte is a control person associated with NCP and is also the control person associated with NCP Healthcare Development.

Property Management

Northstar Property Management, LLC, an affiliate of NCP, is a property management company that performs property management services and maintains either themselves or through their principals or officers various real estate related licenses. This company manages real estate properties, some of which are owned by certain clients of NCP. They also manage properties owned or advised by other related parties.

General Partners or Managers of Clients

Generally NCP's clients' General Partners are either controlled by or under common control with NCP. Affiliates of those General Partners, and affiliates of NCP, typically form separate investment partnerships for related party investments (for example employee partnerships) and other special-purpose entities involved in the organizational structure of an investment transaction. Related parties participating in an investment opportunity are disclosed to Investors before they make a decision to invest.

SELECTION OR RECOMMENDATION OF OTHER INVESTMENT ADVISERS

NCP does not recommend or select other investment advisers to its clients for which it receives compensation directly or indirectly from such investment advisers, and does not have any other business relationships with any such advisers that create a material conflict of interest.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

CODE OF ETHICS

General. NCP has adopted a Code of Ethics (the "Code of Ethics") in order to establish the standard of conduct expected of all employees of NCP in light of the duties of NCP to its clients. The Code of Ethics applies to all employees of NCP, including all members, officers, or directors of NCP or other persons who are involved in providing investment advisory or investment management services for the benefit of its clients.

Set forth below is a summary of the principal elements of the Code of Ethics. A complete copy of the Code of Ethics is available to any Investor or prospective Investor upon request. Requests for copies of the Code of Ethics should be directed to the CCO at the address or telephone number shown on the cover page of this brochure.

Standards of Conduct. NCP requires all of its employees to act at all times in accordance with its fiduciary duty to its clients. As a result, employees should place the interests of NCP's clients before their own and act with honesty and integrity with respect to the clients and their Investors. An employee should never take inappropriate advantage of his or her position for personal benefit. In addition, an employee should make full and fair disclosure of all material facts, particularly where NCP's or an employee's interests may conflict with those of a client. Each employee should have a reasonable, independent basis for any investment advice provided to any client.

All employees are expected to be familiar and comply with the laws and regulations applicable to their day-to-day responsibilities, including applicable U.S. federal securities laws and regulations. If an employee has any question with respect to any such law or regulation, he or she should consult with the CCO.

Reporting Violations. If any employee becomes aware of any violation of the Code of Ethics, he or she must report such violation to the CCO.

Personal Securities Transactions. NCP has adopted a personal securities transactions policy that addresses personal trading by "access persons" of NCP in securities, including stocks, bonds, options, warrants, financial commodities, other derivative products and interests in privately placed offerings, limited partnerships and other entities. For this purpose, "access persons" consist of all directors, officers and partners of NCP and all other employees (i) who have access to non-public information regarding any client's investments or purchase or sale of securities or (ii) who are involved in making securities recommendations to any client, or have access to such recommendations that are non-public.

The personal securities transactions policy of NCP requires that all access persons:

- obtain pre-clearance before directly or indirectly acquiring beneficial ownership of any security in (i) any U.S. initial public offering or (ii) any security sold in the United States in a private placement; and
- submit to the CCO initial, quarterly, and annual reports disclosing personal securities holdings and transactions.

PARTICIPANT OR INTEREST IN CLIENT TRANSACTIONS

As currently in effect, the governing documents for NCP's clients do not impose any limitations on investments by affiliates of NCP in securities that are the same as or related to the securities acquired by its clients. To the extent that affiliates of NCP invest in any such securities, a conflict of interest may arise, in which case NCP would endeavor to resolve such conflict of interest in a manner deemed equitable to the extent possible under the prevailing facts and circumstances and in accordance with NCP's fiduciary duties to its clients. Any such investments shall be made on the same economic terms as the corresponding asset capital investments made by its clients.

In addition, NCP may be required to obtain the consent of its clients in connection with transactions in which it or a related party acts as a principal or broker. In those cases, NCP

intends to solicit the consent of Investors that hold interests in the applicable client in accordance with the terms of the relevant client's governing document and law.

CERTAIN CONFLICTS OF INTEREST

NCP is related to persons that are in the advisory business, real estate acquisition and management and other businesses. NCP is also related to its clients. As a result of these relationships, various conflicts of interest arise from time to time. NCP attempts to resolve conflicts of interest in a fair and equitable way to all parties consistent with its fiduciary duties. However, it is not always possible for the outcome to be equally favorable to all parties.

Transactions between NCP's clients may create conflicts of interest. Set forth below are examples of transactions between NCP's clients that may occur:

- (i) Two or more clients may invest in the same transaction if the investment is appropriate for both clients. If the transaction is entered into at the same time and on the same terms, the conflict is minimized. However, if one client purchases at a different time and/or on different terms, the conflict is heightened;
- (ii) One client may sell an investment to, or purchase an investment from, another client;
- (iii) One client may make a loan to, or acquire debt or preferred equity securities, in an investment entity in which another client holds common equity;
- (iv) One client may have a contractual relationship with another client, such as landlord/tenant, lender/borrower, customer/supplier, and other relationships;
- (v) One client may invest in another client; AND
- (vi) Any of the above examples may occur between one of NCP's clients and a client of another advisory affiliate.

In certain instances, NCP may buy investments for itself from, or sell investments it owns to, a client. It is also possible that NCP (or a related party) may have a direct or indirect interest in an investment that a client buys or sells.

In all cases, NCP will attempt to structure the transaction so that it is fair to all clients involved in the transaction and is on terms that are comparable to an arms' length transaction between unrelated parties. In cases of potential conflicts, NCP will obtain an independent third party valuation of the investment involved in the transaction. When conflicts of interest arise, it may not be possible to be fair to all clients involved in all cases. A transaction structure, performance or outcome may turn out to be more favorable to one client over another.

Sometimes a broker-dealer or agent related to NCP may act as a broker or agent for compensation in buying or selling investments for or among one or more Northstar Funds and/or Investors. In such cases, the commissions or other compensation charged are comparable to the commissions and other compensation that would be charged by independent third parties.

Northstar Property Management, LLC (related to NCP) or other affiliate property managers (“Northstar Property Managers”) may manage real estate properties that are held as investments by NCP’s clients. Northstar Property Managers receive fees for providing day-to-day on-site property management and leasing services, as well as certain other services which may include due diligence related services and/or construction management for certain investments. In such cases, the fees charged are comparable to the fees that would be charged by independent third parties.

Conflicts of interest that are applicable to a particular client and are known at the time of the offering of interests in the client are disclosed in the client’s offering memorandum or Governing Documents or other agreement negotiated directly with an Investor.

Item 12 – Brokerage Practices

NCP or related persons are not expected to recommend to or select brokers for clients for the purpose of selling public securities, because clients typically hold private securities or real estate.

NCP does not participate in soft dollar arrangements. A soft dollar arrangement is one where higher commissions may be charged in exchange for products, research or services other than services directly related to the trade itself.

NCP does not permit directed brokerage.

Item 13 – Review of Accounts

NCP will periodically review the investments made by its clients and provide ongoing advice and recommendations to clients on whether to hold or sell those investments. These reviews and services will usually occur during NCP’s Investment Committee meetings or during asset class subcommittee meetings, but may also take place during other less formal discussions among Investment Committee members.

NCP will be primarily responsible for valuations of each client’s investments. Valuations will be updated on a quarterly basis; full valuation reviews will be performed on at least an annual basis. NCP determines the valuation of each investment in accordance with its valuation procedures. Valuation procedures have been adopted for each different type of investment and are updated as necessary.

Progress reports are issued to Investors in each Northstar Fund on a periodic basis.

In some cases an investment report is generated for Investors on a quarterly basis for each Investor who utilizes the private side of a web-based investor portal.

In some instances reporting will be provided to certain Investors on a negotiated basis and schedule.

Item 14 – Client Referrals and Other Compensation

NCP does not receive economic benefits from any party who is not a client for providing investment advice or other advisory services to our clients.

If NCP compensates a person who is not related to NCP for referring clients, such arrangements will be disclosed in the applicable client offering memorandum or otherwise in writing to the client and Investors, but such fees will typically be borne by NCP.

Item 15 – Custody

NCP is deemed to have custody over the cash and securities held by its clients because NCP and the General Partners serve as manager, adviser and General Partner or managing member (or similar capacity) to its clients. As required by the Rule 206(4)-2 under the Advisers Act (the “Custody Rule”), NCP maintains cash and securities with an independent qualified custodian. The private fund clients are subject to an annual independent audit, and audited financial statements prepared in accordance with generally accepted accounting principles will be distributed to the Northstar Funds’ Investors in accordance with the Custody Rule. In addition, NCP may provide Investors with additional reports in accordance with the applicable client’s governing documents.

To the extent a client is audited, NCP will deliver audited financial statements to Investors. If a client is not audited, NCP has engaged an independent public accountant subject to registration and inspection by the PCAOB to conduct annual surprise asset verifications at a time decided by the independent accountant and provides reports to the SEC as to the results of those verifications.

Item 16 – Investment Discretion

NCP will exercise discretionary authority in managing the investments of its clients based on each client’s particular investment objectives, policies and strategies disclosed in its offering documents or other investment management agreements. Discretionary authority over a private fund client is generally defined by the provisions of an agreement between NCP, a General Partner or member, and a client fund.

Item 17 – Voting Client Securities

The Northstar Funds normally invest in real estate properties and financial investments supported by real estate properties that do not issue proxies. NCP generally does not hold securities which possess voting rights on behalf of the Northstar Funds. NCP maintains proxy voting policies as required should NCP be required to vote proxies for a client and address and resolve any material conflicts of interest that may arise in the course of such voting.

Copies of relevant proxy logs, identifying how proxies were voted in connection with a client and copies of proxy voting policies will be available to any Investor or prospective Investor upon written request. Any such request may be made to the CCO at the telephone number or address shown on the cover page of this brochure.

Item 18 – Financial Information

NCP is not required to include financial statements in this brochure, there is no financial condition which is likely to impact our ability to meet our contracted commitments to clients, and NCP has not been the subject of a bankruptcy petition at any time during the past 10 years.