

# FIG Capital Management, LLC

1000 Riverside Avenue, Suite 400  
Jacksonville, FL 32204  
(904) 378-8098

<http://www.figadvisors.com>

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This brochure provides information about the qualifications and business practices of FIG Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (904) 378-8098 or [rachel.beck@figadvisors.com](mailto:rachel.beck@figadvisors.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about FIG Capital Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

We are a registered investment adviser with the SEC. Our registration as an Investment Adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this brochure, is information you use to evaluate us (and other advisers) which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship.

## Item 2: Material Changes

None.

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## Item 4: Advisory Business

FCM is located in Jacksonville, Florida and was formed as a Florida limited liability company on February 1, 2013. FCM's Managing Member is Finch Investment Group, LLC which is majority owned by John C. Finch.

FCM provides investment supervisory services, on a discretionary basis, for the following private investment companies: FIG Capital Investments, LLC and FIG Real Estate Collective, LP (collectively the "Funds").

FIG Real Estate Collective, LP is managed by FRM which is a relying advisor of FCM and is also wholly owned by FCM. FRM was formed as a Delaware limited liability company on July 13, 2017.

We currently provide investment supervisory services to the Funds listed above, which services include, but are not limited to, selecting investments for acquisition, managing risk and servicing assets.

The total value of the Funds as of December 31, 2018 is \$232,350,000 which is comprised of delinquent tax lien and real estate acquisitions. We did not manage any assets on a non-discretionary basis.

## Item 5: Fees and Compensation

In consideration for the provision of our investment advisory services, we may charge a servicing fee and/or a management fee. If a servicing fee is charged it will not exceed 1% of a Fund's total gross assets. If a management fee is charged, the management will fall within a range of 20% to 80% of a Fund's realized net profit ("Management Fee"). Detailed examples of Management Fee calculations will be provided upon request.

Payment of the Management Fee shall be in addition to the proportionate allocations of realized net profit to any of our principals or owners based upon their respective capital account in the Funds. During normal operation scheduled Management Fee payments will be made either quarterly or semi-annually. Management Fees are due upon termination or dissolution of the Funds.

The Manager may, in its sole discretion, reduce, waive or calculate differently the Management Fee with respect to any Investor, including, without limitation, Investors that are members, affiliates or employees, members of immediate families of such persons and trusts or other entities for their benefit.

#### Item 6: Performance-Based Fees and Side-by-Side Management

Although we have the authority to enter into such an arrangement, we do not charge advisory fees based on a share of the capital appreciation of the Funds or securities in a client account (so called performance-based fees) at this time. Our advisory fee compensation is charged only as disclosed in Item 5, therefore, there is no side-by-side management.

#### Item 7: Types of Clients

The Manager manages the Funds and has no other clients.

#### Item 8: Method of Analysis, Investment Strategies and Risk of Loss

The Manager undergoes rigorous upfront due diligence and underwriting procedures by using hundreds of data variables prior to acquisition.

The Manager expects that majority of assets will be disposed of within twelve (12) to twenty-four (24) months following acquisition.

The Manager monitors both its current net returns as well as a continual review of back-tested returns based on historical data to ensure the product is performing as expected.

#### Item 9: Disciplinary Information

There have been no disciplinary actions against us or any of our principals or employees within the last ten years by any domestic, foreign or military court; the SEC, any other federal regulatory agency; any state regulatory

agency or any foreign financial regulatory authority; or any self-regulatory organization (SRO).

### Item 10: Other Financial Industry Activities and Affiliations

At the time of the Brochure being issued no persons of management has any pending applications for the various financial industry activities listed.

Additionally, there are no relationships or arrangements deemed to be material which would create a conflict of interest.

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

We have adopted a Code of Ethics and Professional Standards (the “Code”) for avoiding prohibited acts and designed to eliminate potential conflicts of interest. The Code works in conjunction with our written Statement of Policy and Procedures (the “Statement”) designed to detect and prevent insider trading and to govern personal securities trading. Such statement, among other things, forbids any member or employee from trading, either personally or on behalf of others, on material non-public information or communicating material non-public information to others in violation of the law (i.e. insider trading).

We, our principals and employees, may buy or sell securities that we also recommend to our clients. Therefore, our Code sets forth our policy that clients’ interests are always placed ahead of our personal interests. Our policy requires our personnel to do their buying and selling after transactions have been completed for clients and includes procedures requiring all of our principals and employees to report their personal securities transactions to the designated supervisor on a periodic basis. We believe that the Code and Statement designed to detect and prevent insider trading and to govern personal securities trading are appropriate to prevent or eliminate potential conflicts of interest situations between us, our employees and our clients. However, clients should be aware that no set of rules can possibly anticipate or relieve all potential conflicts. We will

provide a copy of our Code of Ethics to any client or prospective client upon request.

## Item 12: Brokerage Practices

We do not use the services of a broker-dealer for the securities that we buy and sell for the Funds.

We generally determine which securities are bought or sold and the total amount of the securities to be bought or sold. However, in making the decision as to which securities are to be bought or sold and the amount thereof, we are guided by the general guidelines which are set up at the inception of the adviser-client relationship in cooperation with the client. These general guidelines cover such things as relative asset allocation, the degree of risk which the client wishes to assume, and the types and amounts of securities to constitute the portfolio. We then endeavor to manage the portfolio in accordance with these guidelines.

## Item 13: Review of Accounts

The Funds' accounts are reviewed by John Finch. He continually reviews these accounts in light of the Funds' needs and looks to such factors as particular acquisitions in which the Funds' assets are invested, sector exposure and asset allocation in connection with any such review. All Funds' accounts are reviewed in detail on a monthly basis.

## Item 14: Client Referrals and Other Compensation

We do not directly nor indirectly compensate any person for client referrals.

## Item 15: Custody

We do not maintain physical custody of client assets. However, as the manager of the Funds, we are considered to have "constructive" custody of the Funds' assets.

Annually, FCM will furnish either audited or reviewed financial statements to all Investors within 90 days following the conclusion of each fiscal year. Financial statements will include a balance sheet or statement of financial condition, and an income statement or statement of operations. In addition, all Investors will receive the information necessary to permit them to prepare their federal and state income tax returns following the conclusion of such fiscal year as soon thereafter as reasonably practical.

All Investors will also receive, on a monthly basis, an unaudited statement which will itemize the changes, if any, to the Investor's capital account. Such statement will include contributions, withdrawals, total net income or loss for the period and other appropriate allocations. FCM will not be required to provide information with regard to specific investment transactions of the Funds.

Upon any reasonable request, FCM will provide Investors with available additional information as well as reasonable access to FCM and our employees for relevant information.

#### Item 16: Investment Discretion

We have the authority to determine on behalf of the Funds the securities to be bought and sold and the quantity of said securities. The investments we make on behalf of the Funds are governed by the investment guidelines established for each of the Funds.

#### Item 17: Voting Client Securities

We do not vote proxies on behalf of our clients.

#### Item 18: Financial Information

There are no financial issues that are likely to impair our ability to meet our contractual commitments to clients.