

Form ADV Part 2A: FIRM BROCHURE

TYREE & D'ANGELO PARTNERS

TDP

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This Investment Adviser Brochure (“**Brochure**”) provides information about the qualifications and business practices of Tyree & D'Angelo Partners Management LP. If you have any questions about the contents of this Brochure, please contact us at (312) 489-5050. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

Tyree & D'Angelo Partners Management LP is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). However, such registration does not imply a certain level of skill or training.

Additional information regarding Tyree & D'Angelo Partners Management LP is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Since Tyree & D’Angelo Partners Management LP last annual amendment of this Brochure on March 26, 2019, the following Items have been updated:

- Item 4: updated description of the advisory business to account for a new relying adviser that will be providing services to a real estate focused pooled investment vehicle;
- Item 5: updated to clarify certain supplemental fees received by the adviser in relation to the new real estate fund; and
- Item 8: updated to reflect additional risk factors and conflicts of interest related to the new real estate fund.

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Item 4 – Advisory Business

Tyree & D’Angelo Partners Management LP (together with its general partners and relying advisers, unless otherwise specified, collectively “**TDP**” or the “**Firm**”), a Delaware limited partnership, is a private equity firm based in Chicago. Tyree & D’Angelo Partners Management LP’s relying advisers, Tyree & D’Angelo Partners LLC (the “**TDP Relying Adviser**”) and Fundamental Real Estate Investment Partners (the “**FREIP Relying Adviser**” and collectively with the TDP Relying Adviser, the “**Relying Advisers**”), are each also investment advisers subject to the Advisers Act pursuant to Tyree & D’Angelo Partners Management LP’s registration in accordance with SEC guidance. Tyree & D’Angelo Partners Management LP commenced operations in June 2018, the TDP Relying Adviser commenced operations in August 2013 and the FREIP Relying Adviser commenced operations in April 2019.

TDP serves as the investment adviser for and provides discretionary investment advisory services to private funds exempt from registration under the Investment Company Act of 1940 (“**Investment Company Act**”). Specifically, Tyree & D’Angelo Partners Management LP acts as the investment manager for the following funds: Tyree & D’Angelo Partners Fund II LP; Tyree & D’Angelo Partners Fund II-A LP; Tyree & D’Angelo Partners Fund II-B LP; and Tyree & D’Angelo Partners Fund II-C LP (collectively, “**TDP Fund II**”). The TDP Relying Adviser acts as the investment adviser to Tyree & D’Angelo Partners Fund I LP (“**TDP Fund I**” and together with TDP Fund II, each a “**TDP Fund**” and collectively the “**TDP Funds**”). The FREIP Relying Adviser acts as the investment adviser to Fundamental REIP Fund I LP and Fundamental REIP Fund I-A LP (collectively “**FREIP Fund I**” and together with TDP Fund I and TDP Fund II, each a “**Fund**” and collectively the “**Funds**” unless the context otherwise requires).

Each Fund is affiliated with a general partner with authority to make investment decisions on behalf of the Funds: Tyree & D’Angelo Partners GP II LP is the general partner of TDP Fund II, Tyree & D’Angelo Partners GP I LLC is the general partner of TDP Fund I (each a “**TDP General Partner**” and collectively the “**TDP General Partners**”) and Fundamental Real Estate Investment Partners GP LP is the general partner of FREIP Fund I (the “**FREIP General Partner**” and together with the TDP General Partners, each a “**General Partner**” and collectively the “**General Partners**”). These General Partners are deemed registered under the Advisers Act pursuant to TDP’s registration in accordance with SEC guidance. While the TDP General Partners maintain ultimate authority over the respective TDP Funds, TDP has been designated the role of investment adviser. Tyree & D’Angelo Partners Management LP, the TDP Relying Adviser and the TDP General Partners collectively: (i) operate as a single advisory business; (ii) manage and provide investment advisory services solely to private funds; (iii) share the same investment professionals and office space; and (iv) operate under a unified compliance program. While the FREIP General Partner maintains ultimate authority over FREIP Fund I, the FREIP Relying Adviser has been designated the role of investment adviser. The FREIP Relying Adviser and the FREIP General Partner collectively: (i) operate as a single advisory business; (ii) manage and provide investment advisory services solely to private funds; and (iii) have a commonality of ownership with and operate under a unified compliance program with

Tyree & D'Angelo Partners Management LP. For more information about the Funds, General Partners and Relying Advisers, please see TDP's Form ADV Part 1, Schedule D Sections 7.A.(1) and 7.B.(1) and Schedule R.

The TDP Funds and FREIP Fund I are private equity funds that invest through negotiated transactions in, respectively, operating entities (generally referred to herein as “**portfolio companies**”) and real estate investments (“**portfolio investments**”, which are typically properties that are owned by, leased by or expected to be leased by portfolio companies within a TDP Fund, and both individually and collectively with portfolio companies, generally referred to herein as “**portfolio investments**”). Investment advisory services provided by TDP to the TDP Funds and FREIP Fund I consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted. Where such investments consist of portfolio companies, the senior principals (the “**Principals**”) or other personnel of TDP or its affiliates or third parties appointed by TDP generally serve on such portfolio companies' respective boards of directors or otherwise act to influence control over management of portfolio companies held by the Funds.

TDP does not tailor its advisory services to the individual needs of investors in its Funds; the Firm's investment advice and authority for each Fund is tailored to the investment objectives of that Fund. TDP's advisory services to the Funds are detailed in the applicable private placement memoranda or other offering documents, investment management or investment advisory agreements, limited partnership or other operating agreements or governing documents (“**Governing Documents**”) and are further described below in Item 8. The Firm does not seek or require investor approval regarding each investment decision.

Fund investors generally cannot impose restrictions on investing in certain securities or types of securities. Investors in the Funds participate in the overall investment program for the applicable Fund and generally cannot be excused from a particular investment except pursuant to the relevant Governing Documents. While the Funds or the relevant General Partner is permitted to enter into side letters or other similar agreements with certain investors that have the effect of establishing rights (including economic or other terms) under, or altering or supplementing the terms of, the relevant Governing Documents with respect to such investors, neither TDP Fund I nor TDP Fund II has done so to date.

As of June 30, 2019, TDP managed \$316,289,529 in Fund regulatory assets under management, all on a discretionary basis. Tyree & D'Angelo Partners Management LP is controlled and owned by Michael Tyree and Enzo D'Angelo. The TDP Relying Adviser is controlled and owned by Michael Tyree, Enzo D'Angelo and James Tyree. The FREIP Relying Adviser is controlled and owned by Paul Simcox, Michael Tyree and Enzo D'Angelo. More information about TDP's and the Relying Advisers' owners and executive officers is available in TDP's Form ADV Part 1, Schedules A, B and R.

Item 5 – Fees and Compensation

In general, TDP receives a management fee and a carried interest allocation in connection with advisory services provided to the Funds. TDP entities or affiliates receive additional compensation in connection with management and other services performed for portfolio investments of the Funds. For TDP Fund II, such additional compensation will offset in part the management fees otherwise payable to TDP subject to the terms of the TDP Fund II Governing Documents; TDP Fund I does not have a fee offset provision; FREIP Fund I's offset is limited to excess organizational expenses and placement fees, if any. Investors in a Fund also bear certain expenses as more fully described below. Investors should refer to the Governing Documents of the applicable Fund for a complete understanding of how TDP is compensated for its advisory services; the information contained herein is a summary only and is qualified in its entirety by such documents.

Management Fees

TDP Funds

The TDP Funds generally pay TDP, semi-annually, calculated partially in advance and partially in arrears, a management fee (the “**Management Fee**”) equal to 2.0% (2.5% for TDP Fund I) per annum of aggregate Fund investor capital commitments (“**Commitments**”), which are held by partners not designated as “affiliated partners” by the relevant General Partner. Investors participating in a closing after the relevant Fund's initial closing date generally bear the Management Fee from such initial closing date plus interest. Each Fund's Management Fee generally steps down following certain events specified in the relevant Governing Documents of such Fund and differs by Fund. For example, TDP Fund II's Management Fee, after the expiration of the investment period (as described in the relevant Governing Documents) equals (i) 2% of the aggregate funded Commitments, less (ii) permanent write downs and distributions constituting returns of capital, in each case with respect to partners not designated as “affiliated partners”. The Management Fee will be payable until all portfolio investments are distributed or until TDP's relationship with the applicable Fund is terminated for other reasons (as described in the relevant Governing Documents). Installments of the Management Fee payable for any period other than a full six-month period are adjusted on a pro rata basis according to the actual number of days in such period.

For TDP Fund II only, the Management Fee will be reduced by the Fund's share (based on the Fund's relative ownership or anticipated ownership) of 80% of “**transaction fees**” attributable to partners not designated as “affiliated partners” of the Fund paid to TDP by or with respect to any portfolio company as further provided in the relevant Governing Documents. To the extent that such an offset credit would reduce the Management Fee for a given six-month period below zero, the credit will be carried forward for future application against payable Management Fees; if a credit remains upon liquidation, a payment will be made to TDP Fund II investors that have not elected to waive such amount for tax or other reasons. For TDP Fund I only, the General Partner of TDP Fund I paid the Management Fee on behalf of the TDP Fund I investors.

For FREIP Fund I, the FREIP General Partner and/or its affiliates receive certain supplemental fees and compensation with respect to the portfolio investments of FREIP Fund I, including certain deemed contributions, excess organizational expenses and third party private placement fees, if any. For the avoidance of doubt, any such offset is not expected to apply to acquisition fees, financing fees and property management fees or other fees received by the FREIP General Partner, FREIP Relying Adviser or their affiliates as a result of those or similar services provided to portfolio investments of FREIP Fund I.

Additionally, as further described below and in the TDP Fund II Governing Documents, TDP intends to retain an Operations Group (as defined below) to provide services to (or with respect to) certain portfolio companies in which TDP Fund II invests. Such Operations Group generally receives compensation and other amounts described below and in the TDP Fund II Governing Documents, but no such amounts will result in additional offsets to the Management Fee.

FREIP Fund I

FREIP Fund I will generally pay the FREIP Relying Adviser, quarterly, calculated in arrears, a Management Fee (the “**FREIP Management Fee**”) which is a blended rate equal to (i) 1.0% per annum or (ii) 0.75% per annum in the event the investment is by way of any debt interest (including mortgages, subordinate notes, mezzanine and other loans (both whole loans and participations), structured debt or preferred equity, in either case based on the current gross cost basis of FREIP Fund I’s investments multiplied by the percentage of commitments held by partners not designated as “affiliated partners” by the FREIP General Partner. Investors participating in a closing after the Fund’s initial closing date generally bear the Management Fee from such initial closing date plus interest. The Management Fee will be payable until all portfolio investments are distributed or until the FREIP Relying Adviser’s relationship with FREIP Fund I is terminated for other reasons (as described in the relevant Governing Documents). Installments of the Management Fee payable for any period other than a full three-month period are adjusted on a pro rata basis according to the actual number of days in such period.

The FREIP General Partner (or one of its affiliates) will also be entitled to acquisition fees, financing fees and property management fees relating to FREIP Fund I investments, which will generally be in accordance with the following schedule which is subject to partial or complete waiver in the discretion of the FREIP General Partner: (i) the acquisition fee will generally be equal to 3.0% of the gross cost (excluding taxes and any third party brokerage fees) of each property acquired by FREIP Fund I; provided that the acquisition fee will equal 2.0% of the gross cost (excluding taxes and any third party brokerage fees) for any property with a purchase price greater than \$10 million; (ii) the financing fee will generally be equal to: (A) 1.0% of all new mortgage or facility financing arranged by the FREIP General Partner or its affiliates and (B) 0.5% of any assumed loans; and (iii) to the extent that typical property management services, including property level operations, construction management, development, property accounting, tenant communications, new and renewal leasing, site visits, co-ordination of maintenance and upkeep of the property, and other property-related services are

performed by the FREIP General Partner (or one of its affiliates) the property management fee will generally be equal to 3.0% of gross revenue of such properties managed.

Generally

TDP is permitted to exempt certain “affiliated partner” investors in the Funds from payment of all or a portion of Management Fees and/or carried interest (“**Carried Interest**”, as further described in Item 6 below), including TDP and any other person designated by TDP. Any such exemption from Management Fees and/or Carried Interest is permitted to be made by a direct exemption, a rebate by TDP and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where a TDP professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and Carried Interest with respect to such Fund. Additionally, to the extent permitted by the relevant Governing Documents, the TDP Fund II General Partner has the right to permit investors affiliated with TDP or otherwise to invest through the TDP Fund II General Partner or other vehicles that do not bear Management Fees or Carried Interest.

Principals or other current or former employees of TDP generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, Carried Interest or other compensation received by TDP or its affiliates.

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the relevant Governing Documents, over the term of the relevant Fund, and investors generally are not permitted to withdraw or redeem interests in the Funds.

Carried Interest

Each General Partner generally will receive a Carried Interest with respect to each Fund equal to 20% of all realized profits subject to an annually compounded preferred return of 8% for TDP Fund II; an annually compound preferred return of 10% for TDP Fund I; and an annually compounded preferred return of 6% for FREIP Fund I, as more fully described in the relevant Governing Documents and briefly below in Item 6.

Fund Expenses

In addition to the Management Fee and Carried Interest payable to TDP, each Fund bears certain expenses. As set forth more fully in the applicable Governing Documents of each Fund, a Fund generally bears all expenses relating to the Fund’s activities, investments and business to the extent not reimbursed by a portfolio investment or applied to reduce transaction fees.

For TDP Fund I, these expenses include all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) all routine administrative expenses of TDP Fund I incurred in the ordinary course,

including the cost of the preparation of the annual audit, financial and tax returns and tax reports required for investors or the Fund, cash management expenses and routine legal and accounting expenses; (ii) all reasonable out-of-pocket costs and expenses, if any, incurred in holding, developing, negotiating, structuring, acquiring and disposing of actual permanent investments, including without limitation any financing, legal, accounting, advisory and consulting expenses in connection therewith (to the extent not subject to any reimbursement of such costs and expenses by portfolio companies or other third parties); (iii) all third-party expenses in connection with permanent investments, and broken deal expenses, including, without limitation, the out-of-pocket costs and expenses incurred in connection with obtaining third-party financing (such as commitment fees that are paid); (iv) brokerage commissions, registration fees and expenses, custodial expenses and other investment costs actually incurred in connection with actual portfolio investments; (v) interest on and fees and expenses arising out of all borrowings made by TDP Fund I, including, but not limited to, the arranging thereof; (vi) the out-of-pocket costs of any litigation, directors and officers liability or other insurance (which in no way includes insurance with respect to the premises maintained by the TDP General Partner and TDP Relying Advisers (including the operations and equipment related thereto)) and indemnification or extraordinary expense or liability relating to the affairs of TDP Fund I; (vii) expenses of liquidating TDP Fund I; (viii) registration expenses and any taxes, fees or other governmental charges levied against TDP Fund I and all expenses incurred in connection with any tax audit, investigation, settlement or review of TDP Fund I; and (ix) the expenses of the executive partners and advisory partners council, the board of advisors and meetings of the investors.

For TDP Fund II and FREIP Fund I, in each case unless explicitly stated otherwise, these expenses include all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) for TDP Fund II only, activities with respect to origination and sourcing of investment opportunities for the Fund, including meeting with broker-dealers, investment banks and other sources of investments and developing an investment pipeline; (ii) activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to periodicals or databases), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving, or otherwise disposing of (and for FREIP Fund I only, developing (including costs and expenses of tenant and capital improvement), leasing and servicing), as applicable, portfolio investments and the applicable Fund's actual and potential investments (including follow-on investments) (and, for FREIP Fund I only, in connection with any direct or indirect subsidiary of the Fund that has qualified or intends to qualify as a real estate investment trust under the U.S. Internal Revenue Code of 1986, as amended from time to time (a "REIT Subsidiary") (including fees, costs and expenses attributable to qualifying any REIT Subsidiary as a REIT and maintaining such qualification), or in) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, tax professionals, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses (and for FREIP Fund I only, and/or compensation) related to transactions offered to co-investors, if applicable (or, for FREIP Fund I only, pursued with joint venture partners)), whether or not any contemplated transaction or project is consummated and

whether or not such activities are successful; (iii) indebtedness of, or guarantees made by, certain affiliated entities on behalf of the applicable Fund (including any credit facility, letter of credit or similar credit support), including repayment of principal and interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iv) financing, commitment, origination and similar fees and expenses; (v) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (vi) brokerage, sale, custodial, depository (including any depository appointed pursuant to the European Union Alternative Investment Fund Managers Directive (the “AIFMD”)), Swiss representative and Swiss paying agent (appointed pursuant to the Swiss Collective Investment Schemes Act (as amended) and its implementing ordinance) trustee, record keeping, account and similar services; (vii) legal, accounting, research, auditing, administration (including fees and expenses associated with the applicable Fund’s third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals or pricing services), consulting (including, for TDP Fund II only, consulting and retainer fees and other compensation paid to the Operations Group or any of its members, consultants performing investment initiatives and other similar consultants), tax and other professional services (and for FREIP Fund I only, real estate title, survey and hedging services); (viii) expenses associated with the reporting, filings or other ongoing compliance requirements contemplated by AIFMD; (ix) reverse breakup, termination and other similar fees (“**Broken Deal Expenses**”); (x) property management, property accounting, maintenance and upkeep, leasing, tenant communication, construction management, development, environmental, brokerage, sales agents and other services contemplated by the FREIP Fund I’s Governing Documents (for FREIP Fund I only); (xi) directors and officers liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance (including cyber insurance) and regulatory expenses, including any costs and expenses related to any retention or deductibles; (xii) filing, title, transfer, registration and other similar fees and expenses; (xiii) printing, communications, marketing and publicity (other than, in the case of FREIP Fund I, any printing, communications, marketing and publicity expenses incurred in connection with fundraising for the Fund and/or any parallel fund, it being understood and agreed that any such expenses shall be organizational expenses); (xiv) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, other communications with investors, or any other administrative, compliance or Fund-related or investment-related regulatory filings or reports (including Form PF (and also including, in the case of FREIP Fund I, any filings or reports contemplated by the AIFMD or any similar law, rule or regulation), or other information, including fees and costs of any third-party service providers, distribution agents and professionals related to the foregoing; (xv) solely for FREIP Fund I, the FREIP Relying Adviser’s, the FREIP General Partner’s and FREIP Fund I’s compliance with the requirements of the AIFMD (excluding, for clarity, the initial and/or preliminary registrations, filings and compliance related thereto), as implemented in any relevant jurisdiction and including any secondary legislation, regulations, rules and/or associated guidance, and any related requirements; (xvi) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the

benefit of the applicable Fund and its investors; (xvii) any activities with respect to protecting the confidential or non-public nature of any information or data; (xviii) to the extent provided in the relevant Governing Documents, or otherwise approved by the relevant General Partner in its sole discretion, activities or proceedings of the applicable Fund's advisory board (including any costs and expenses (including reasonable out-of-pocket expenses) incurred by representatives of such General Partner, advisory board members, permitted observers and other persons in attending or otherwise participating in meetings of such advisory board); (xix) indemnification subject to the terms of the applicable Governing Documents; (xx) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs and expenses of discovery related thereto and any judgment, other award or settlement entered into in connection therewith; (xxi) (A) any annual investor meeting or other periodic, if any, meetings of the applicable Fund's investors, (B) any other conference or meeting with any investor(s), and (C) solely in the case of TDP Fund II, any periodic executive forum of portfolio company management and/or other persons, in each case to the extent incurred by the applicable Fund, General Partner or any other affiliate of such General Partner; (xxii) the Management Fee; (xxiii) except as otherwise determined by the relevant General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio investments or actual or potential investments (to the extent not borne or reimbursed by a portfolio investment of such alternative investment vehicle) that would be an expense of the applicable Fund if it were incurred in connection with such Fund, and any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to the applicable Fund to the extent not paid by the investors investing in such entities, and any other costs and expenses related to any structuring or restructuring of the applicable Fund and/or its affiliated entities; (xxiv) the termination, liquidation, winding up or dissolution of the applicable Fund; (xxv) defaults by partners in the payment of any Commitments; (xxvi) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the applicable Fund, parallel fund, General Partner, parallel fund's general partner, ultimate general partner, TDP and any alternative investment vehicle of such Fund or parallel fund, including the preparation, distribution and implementation thereof; provided that, solely for TDP Fund II, with respect to amendments to, and waivers, consents or approvals pursuant to, the constituent documents of such General Partner, the parallel fund general partner, ultimate general partner and TDP, such amendments, waivers, consents or approvals relate to the affairs of the applicable Fund, parallel fund or any alternative investment vehicle thereof; (xxvii) (A) complying with any law, regulation or policy related to the activities of the applicable Fund (including any legal fees and expenses related thereto and any regulatory expenses of the relevant General Partner incurred in connection with the operation of such Fund) and/or (B) any litigation or governmental inquiry, investigation or proceeding involving the applicable Fund, including any costs and expenses of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, except to the extent such expenses or amounts have been determined to be excluded from the indemnification provided for in the relevant Governing Documents; (xxviii) any third-party experts, including independent appraisers, engaged by the relevant General Partner in connection with the applicable Fund considering, making or holding an investment

in the same entity as one or more investment vehicles (other than such Fund) managed or controlled by such General Partner or any of its affiliates; (xxix) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer of an investor's interest in the applicable Fund that is contemplated by the relevant Governing Documents; (xxx) any taxes, fees and other governmental charges levied against the applicable Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of such Fund (except to the extent that the relevant Governing Documents provide otherwise); (xxxi) distributions to investors and other expenses associated with the acquisition, holding and disposition of the applicable Fund's investments, including extraordinary expenses; (xxxii) solely for TDP Fund II, unreimbursed expenses and unpaid fees of the Operations Group or its members, employees or other persons engaged by the Operations Group; (xxxiii) compliance or regulatory matters related to the applicable Fund, except as otherwise set forth in the applicable Governing Documents; (xxxiv) any travel, lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxv) solely for FREIP Fund I, all costs and expenses associated with operating (A) a feeder vehicle which invests in debt and equity interests of a feeder blocker, and (B) a feeder blocker which invests all or substantially all of its assets in FREIP Fund I including all expenses associated with any such feeder vehicle's management, operation, winding-up, liquidating and dissolution and with preparing and distributing such feeder vehicle's financial statements, tax returns and feeder vehicle limited partner reports, but not including any income based or similar taxes, fees or other governmental charges levied against such feeder vehicle; (xxxvi) any organizational expenses; (xxxvii) any placement fees; and (xxxviii) any other fees, costs, expenses, liabilities or obligations approved by an advisory board.

For FREIP Fund I only, TDP may provide to the FREIP Fund I, its affiliates and/or any portfolio investment all accounting, financial, reporting, administration, tax, internal audit, legal, debt placement, technology- related services, brokerage, sales agent, property-related services (including property management, leasing, construction management, development and other property-related services) and any other services in lieu of third parties providing such services to FREIP Fund I, its affiliates and/or any portfolio investment; provided that such services will be on terms that are determined by TDP to be fair and reasonable to FREIP Fund I or such portfolio investment (including reimbursing TDP for any overhead expense (including rent, utilities, office maintenance, office supplies and hardware, storage, human resources and benefits administration, technology and software costs) or employee compensation costs (including salary, bonus, deferred compensation, salary overhead and payroll administration and charges) that TDP determines are applicable to such services); provided that any fees paid to TDP or any of their respective affiliates for any such services will not exceed the rate that would be payable by FREIP Fund I or such portfolio investment if such services were provided by third parties in the business of providing comparable services in the applicable market on an arm's length basis

Excluded from both TDP Fund II's and FREIP Fund I's expenses, as set forth in the applicable Governing Documents, are: (i) ordinary overhead and administrative expenses of TDP, the Relying Advisers, or the applicable General Partner, including employees' salaries, rent and equipment

expenses (except in the case of salaries and certain reimbursable associated with additional services provided by TDP to FREIP Fund I, and as further described above and in Item 8 below); (ii) any expenses that are used by the applicable Fund to make an investment or, as determined by the applicable General Partner, to pay expenses incurred in direct connection with the making, maintaining or disposing of such investment; and (iii) certain regulatory expenses incurred solely in connection with the applicable General Partner's, the Relying Advisers and/or TDP's registration (and the ongoing maintenance of such registration) as an investment adviser under the Advisers Act. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in Item 12 below.

Co-Investment Fees and Expenses

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio investments alongside one or more Funds, subject to TDP's related policies and the relevant Governing Documents. Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the relevant General Partner, ultimately is not consummated, all Broken Deal Expenses relating to such proposed transaction will be borne by the Fund(s) and not by any potential co-investors that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction or otherwise contractually committed to participate in such co-investment, such vehicle is expected to bear its share of such Broken Deal Expenses.

From time to time, TDP (including, for the avoidance of doubt, any Relying Adviser) receives supplemental fees and compensation from, on behalf of or with respect to, co-investors in an investment. The portion of any such fees received attributable to amounts co-invested (or on behalf of or with respect to any co-investors in a Fund investment) will not reduce the Management Fee payable by any Fund(s) that have also invested in such investment, and as a result a Fund will, in most cases, only benefit with respect to its allocable portion of any such fee and not the portion of any fee that relates to such co-investors.

Portfolio Investment Remuneration

As mentioned above, TDP and/or its affiliates receive certain supplemental fees and compensation with respect to TDP Fund portfolio companies, including transaction fees, monitoring fees or other compensation to a portfolio company. Transaction fees refers to all closing fees, investment banking fees, placement fees, commitment fees, breakup fees, litigation proceeds from transactions not consummated, monitoring fees, consulting fees, directors' fees and other similar fees (whether in the form of cash, securities or otherwise) received by any TDP employee from any portfolio investment or prospective portfolio investment in respect of the Partnership's investment or prospective

investment therein. With respect to portfolio companies of TDP Fund II, all such fees received are offset 80% against the Management Fee, net of any expenses incurred in connection with such portfolio investment; however, any such fees received by non-TDP employees, including the Operations Group, are not subject to an offset against Management Fees.

Any reduction of a Fund's Management Fee as described above is typically limited to the extent of such Fund's proportionate interest in any such portfolio investment and only to the extent a Management Fee is payable by such Fund.

Each portfolio investment typically pays for or reimburses the Firm for the travel of TDP (and/or its affiliates) employees to visit such portfolio investment. However, any reimbursement by a portfolio investment of out-of-pocket expenses incurred by TDP, a General Partner or their respective affiliates will not be offset against the Management Fee payable by the Funds.

From time to time, TDP and/or its affiliates (in its sole discretion) is permitted to pay a transaction fee, portion of Carried Interest or other fee received from an actual or prospective portfolio investment to a third party, such as a consultant, adviser, Operations Group member, finder, placement agent, joint venture partner, broker and/or investment bank. In such event, the third-party fee is not a fee that TDP is entitled to retain and, therefore, TDP is not required under the terms of the applicable Governing Documents to share such third-party fees with a Fund.

Operations Group

Additionally, and as further described in the TDP Fund II Governing Documents, TDP retains certain operating partners, executive partners, advisory partners, resource partners and employees and other similar consultants to provide services to (or with respect to) TDP Fund II or certain current or prospective portfolio companies in which TDP Fund II invests (collectively, the “**Operations Group**”). Operations Group members are expected to provide services to, or in connection with, TDP Fund II in relation to its activities, or to one or more portfolio companies in relation to the identification, acquisition, holding, improvement and/or disposition of such portfolio companies, including operational aspects of such companies. TDP may form an exclusive consulting firm affiliated with the Firm to employ certain members of the Operations Group. The Operations Group generally provides services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies.

Members of the Operations Group receive and/or are expected to receive compensation including, but not limited to, cash fees, retainers, transaction fees, a profits or equity interest in a portfolio company, profits or equity interests in TDP Fund II or its General Partner, remuneration from TDP and/or TDP Fund II or affiliates or other compensation, which typically is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such members of the Operations Group, a percentage of the value of the portfolio

company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. Additionally, portfolio companies may provide opportunities for the Operating Group to invest in such portfolio company and reimburse costs and expenses incurred by the Operations Group. Specifically, members of the Operations Group also generally will be reimbursed for certain travel and other costs in connection with their services and such expenses are generally borne by the relevant portfolio company which the Operations Group is advising, but may also be paid by TDP Fund II as permitted in the Fund's Governing Documents. No such amounts received by the Operations Group will offset the Management Fee. The use of the Operations Group subjects TDP to conflicts of interest, as discussed under Item 8 below.

Allocation of Fees and Expenses

In good faith and in its fair and reasonable discretion, TDP and/or its affiliates will determine on a case by case basis whether an expense should be borne by the Firm, a Fund or a portfolio investment. To the extent that the Governing Documents do not expressly provide for a method of allocation or to the extent that an invoice does not relate to a specific Fund, TDP will typically allocate common expenses among multiple Funds on a pro rata basis and in accordance with its internal policies and procedures governing expense allocations.

Affiliated Service Provider Fees and Expenses

Subject to the Governing Documents of FREIP Fund I, affiliates of the FREIP Relying Adviser (including employees thereof or of TDP) are hired to provide property level operations, property accounting, tenant communications, new and renewal leasing, site visits, co-ordination of maintenance and upkeep of the property, and other services (which include but are not limited to: (i) industry monitoring; (ii) tenant credit and unit-level performance monitoring; (iii) tenant and lease covenant compliance; (iv) physical condition assessments; and (v) local and regional property resale transaction comparables) in connection with real estate investments (collectively, the "Property-Related Services"). Additionally, as described in the Governing Documents of FREIP Funds I, affiliated service providers (including affiliated property managers) are generally reimbursed for certain expenses and costs incurred in connection with the provision of Property-Related Services, including the salaries and travel expenses of the applicable employees plus related overhead charges allocable thereto based on the time expended by the employees providing such services, which can be substantial. Any such fees and reimbursements paid by FREIP Fund I or a portfolio investment to such affiliated service provider are in addition to the Management Fee and Carried Interest received by TDP, the FREIP Relying Adviser or any of their affiliates, and such fees and reimbursements will not be shared with FREIP Fund I, will be in addition to, and will not offset the Management Fee.

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

A Carried Interest allocation represents an adviser's compensation based on a percentage of net profits of the funds it manages. As described above in Item 5, each General Partner receives a Carried Interest

allocation on certain realized profits in the relevant Fund equal to 20% of all realized profits subject to an annually compounded preferred return (or hurdle) (6% for FREIP Fund I, 8% for TDP Fund II; 10% for TDP Fund I) and subject to reimbursement of all relevant Fund expenses, including Management Fees. The Carried Interest allocated to a General Partner is subject to a potential giveback if the respective General Partner has received excess cumulative distributions. Each Fund's Carried Interest calculation, as well as the clawback provisions of each Fund, is further described in the relevant Fund Governing Documents. For TDP Fund I only, the General Partner of TDP Fund I paid its pro rata portion of Carried Interest under the same terms as TDP Fund I investors.

These performance fee arrangements have been structured subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. The General Partner of each Fund has, in its sole discretion, waived or reduced the amount of Carried Interest for certain investors in the Funds. Specifically, if the Principals and employees and their respective family are Fund investors they will generally pay reduced Carried Interest or none at all. Similarly, investors in co-investment Funds, if applicable, are expected to pay a lower amount of Carried Interest.

The fact that the General Partner's Carried Interest allocations are based on the performance of each Fund can create an incentive for TDP to make investments that are more speculative than would be the case in the absence of such distributions. TDP believes this incentive is sufficiently mitigated, however, due to the fact that any losses the Funds sustain will reduce the applicable General Partner's Carried Interest distribution and the fact that Carried Interest is generally calculated only after investors have received as distribution 100% of their capital contributions plus a preferred return.

Funds with specified investment objectives which are similar are generally managed in a similar way and are permitted to invest in the same assets. Investment opportunities which satisfy the investment parameters of more than one Fund will be allocated in accordance with TDP's Governing Documents and policies and procedures on allocation. TDP's policies and procedures for the allocation of investments are determined by the Investment Committee and monitored by TDP's Chief Compliance Officer.

Item 7 – Types of Clients

TDP, including its Relying Advisers and their affiliates, provide investment advice to the Funds. The Funds include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act. The investors participating in the Funds include individuals, other investment entities, family offices, trusts, estates or other corporations or business entities and typically include, directly or indirectly, the Principals or other employees of TDP and its affiliates and members of their families, members of the Operations Group or other service providers retained by TDP.

The Funds also include alternative investment vehicles established from time to time in order to permit one or more investors to participate in one or more particular investment opportunities in a manner

desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the related Fund.

The Funds limit their respective investors to investors who are: (i) “accredited investors” as defined in the Securities Act of 1933, and (ii) “qualified purchasers” or “knowledgeable employees,” each as defined in the Investment Company Act, or (iii) “qualified clients,” as defined in the Advisers Act. Investors in the Funds must also meet certain other suitability qualifications prior to making an investment in the Funds. The Funds are not registered or required to be registered under the Investment Company Act; their securities are not registered or required to be registered under the Securities Act of 1933 and are privately placed to qualified investors in the United States and elsewhere. Each Fund generally has a minimum investment amount of \$250,000 to \$1,000,000 for third-party investors (depending on the Fund and whether the investor is an individual or entity), although the applicable Fund’s General Partner has, in its sole discretion, accepted lesser amounts.

Additionally, from time to time and as permitted by the relevant Governing Documents, TDP expects to provide co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, consultants and other service providers, TDP personnel, Operations Group members and/or certain other persons associated with TDP and/or its affiliates. Such co-investment opportunities may be provided through a vehicle formed by TDP’s Principals to co-invest an annually specified percentage alongside a particular Fund’s transactions. Co-investments are expected to involve investment and disposal of interests in the applicable portfolio investments at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, it is possible that a co-investor or co-invest vehicle may purchase a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio investment (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor or co-invest vehicle generally is expected to occur shortly after the Fund’s completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in TDP’s sole discretion, in the event TDP organizes a co-investment vehicle or opportunity, TDP will be authorized to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

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

General

TDP is a private investment firm that, for the TDP Funds, seeks to make control private equity investments in Lower Middle Market (as defined below) companies that are generally located in the United States and Canada. TDP, on behalf of the TDP Funds, focuses on investments in healthcare, business services and consumer industries in the Midwest, although there can be no assurance that any

or all investments made by each Fund will share each investment criteria. TDP will seek to generate long-term capital appreciation and investment returns by making value-oriented equity investments in companies with approximate annual EBITDA between \$1 million and \$5 million or revenue below \$50 million (“**Lower Middle Market**” or “**LMM**”).

The FREIP Relying Adviser, on behalf of FREIP Fund I, seeks to make control investments in real estate and real estate-related assets that are associated with portfolio investments held by the TDP Funds.

There can be no assurance that TDP will achieve the investment objectives of any Fund and a loss of investment is possible.

Investment and Operating Strategy – TDP Funds

TDP intends to make control ownership investments in Lower Middle Market companies where the TDP team, with its combination of investing and operating experience, believes it can add value to these smaller and generally less sophisticated companies. TDP has established five investment principles that it believes are fundamental in both limiting a Fund’s investment risk and helping to efficiently identify attractive investment targets. TDP believes that the disciplined application of these investment criteria, discussed below, will help TDP be efficient and focus its efforts on high potential qualified opportunities:

Ability for TDP to Predictably Grow and Improve the Value of the Company. TDP typically only focuses on opportunities where its investment staff believes they can substantially increase the size of a company in a reasonable time frame. This is expected to lead the applicable Fund to focus on investing in companies operating in industries with a high degree of fragmentation where TDP believes add-on acquisitions can be completed at reasonable price points. In addition, TDP intends to gravitate towards opportunities in which simple profitability improvements and organic growth initiatives can be identified before and implemented upon acquisition. This generally includes helping company management execute on: an improved sales strategy, adjacent market and product/service expansion, improved product/service development, improved pricing, improved cost management, improved working capital and cash flow management and bolstering human capital and business processes.

Attractive Purchase Price and Transaction Structure. TDP seeks to complete acquisitions at a reasonable purchase price relative to the cash flow generated by the underlying company. TDP addresses valuation early on in the review process with sellers of businesses to ensure that price expectations are reasonable to TDP. TDP also explores certain structuring arrangements with business sellers, including the utilization of third-party debt, seller financing, earn-out structures or preferred securities to mitigate the chances of investment loss and lower potential financial risk.

Strong Collaborative Partnership with Management. Each Fund generally only invests in companies in which a strong ongoing working relationship with management is expected. In addition, TDP generally requires the owners and existing managers of initial acquired companies to roll-over a meaningful

amount of their equity value, co-investing in the transaction alongside the applicable Fund. This creates the potential for a continuing alignment of economic interests and reinforce the desire of the management team to work collaboratively with TDP to maximize the value of their roll-over investment.

Attractive Underlying Business Model. Each Fund focuses on investing in companies that TDP believes have a suite of high quality services and/or products that provide strong and sustainable value propositions to underlying customers. Companies that have demonstrated an ability to secure customers over a long-term basis and generate meaningful recurring revenues are more attractive investment targets for such Fund. In addition, TDP seeks to target companies that differentiate themselves relative to their competitors and have a strong reputation in their market, with the potential to increase market share over time.

Positive Industry Demand Trends. Each Fund focuses on investing in companies operating in stable to growing industry segments where TDP believes that significant opportunities exist to take advantage of both long-term secular and short-term cyclical demand growth trends. The Funds do not focus on distressed or turnaround situations, and avoid industry segments that are expected to experience negative growth. TDP believes choosing companies in markets with positive demand growth provides more certainty with respect to organic sales growth and aids in positioning the company for a more attractive sale process when the company is eventually sold.

Investment and Operating Strategy – FREIP Fund I

FREIP Fund I’s principal business strategy is to assemble a primarily off-market portfolio of net leased properties diversified primarily by geographical location. To that end, FREIP Fund I focuses primarily on properties owned or leased by TDP portfolio companies having some or all of the following characteristics.

High-Quality Tenants. FREIP Fund I’s net leased properties are targeted to be leased to tenants the FREIP Relying Adviser believes are capable of providing consistent, long-term rental income. FREIP Fund I expects that its tenants will provide corporate parent guarantees in excess of the individual property lease requirements.

Critical-Use Properties. FREIP Fund I seeks to invest in properties that the FREIP Relying Adviser believes are mission critical or of “critical-use” operationally to the tenants.

Hard to Access Properties. The properties under review by the FREIP Relying Adviser are generally off-market transactions not being actively marketed by agents or brokers. The FREIP Relying Adviser believes that the ownership background of these properties, while likely to be physically sound from a real estate perspective, are potentially difficult to underwrite from an operational and tenant covenant perspective.

Smaller Size Properties. FREIP Fund I seeks to invest primarily in smaller size properties that are approximately 4,000 to 20,000 square feet in size.

Long-Term Leases. FREIP Fund I expects to acquire properties that are subject to leases with approximately 15 years remaining on the lease term as it believes longer-term leases have the potential to provide FREIP Fund I flexibility in its exit timing, stable cash flows with minimal rollover vacancy, and an attractive portfolio on exit. FREIP Fund I may maintain its interest in properties following either the termination of the lease by a TDP portfolio company or after such entity remains as a tenant but ceases to be a TDP portfolio company.

Primary, Secondary and Tertiary Markets. FREIP Fund I seeks to acquire a mix of properties in primary, secondary and tertiary markets throughout the United States, with a focus on high-growth primary and secondary markets. FREIP Fund I expects that a blend of the three market types has the potential to provide a portfolio premium on sale, particularly when applied to acquisitions completed in tertiary markets.

Market Rents with Favorable Rent Escalations. FREIP Fund I seeks net leased properties with in-place rents approximately equivalent to current market rents. Additionally, FREIP Fund I anticipates leases will include annual rental rate increases of approximately 1-2% each year of the lease term.

Active Asset Management. FREIP Fund I seeks to employ a hands-on asset management approach with its portfolio. The FREIP Relying Adviser believes that active asset management is required to properly maintain and protect the properties as well as to encourage tenants to renew upon lease expiration.

Risks of Investment for all Funds

An investment in the Funds involves a high degree of risk, including the risk of a partial or total loss of capital, and investors must be prepared to bear capital losses which might result from investments. An investment in the Funds is speculative, illiquid and long-term in nature, and is suitable only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment in the Funds. Investors should also refer to a Fund's Governing Documents for a description of the risk factors specific to their Fund. Risks and potential conflicts of interest for all Funds include, but are not limited to, the following:

Concentration of Investments. Each Fund will participate in a limited number of investments and intends to seek to make several investments—in the case of the TDP Funds, in one industry or one industry segment and in the case of FREIP Fund I, in certain regions or sectors—within a short period of time. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry (or real estate sector, as applicable) has the potential to substantially affect its aggregate return. Furthermore, with respect to FREIP Fund I, to the extent that the capital raised is less than the targeted amount, it is possible that the Fund will invest in fewer real estate and real estate-related assets and thus be less diversified. The TDP Funds will typically focus on investments in the healthcare industry. Instability, fluctuation or an overall decline within the

healthcare industry will likely not be balanced by investments in other industries not so affected. In the event that the healthcare industry as a whole declines, returns to a Fund's investors can decrease. In circumstances where the relevant General Partner intends to refinance all or a portion of the capital invested in a transaction, there will be a risk that such refinancing may not be completed, which could lead to increased risk as a result of the applicable Fund having an unintended long-term investment as to a portion of the amount invested and/or reduced diversification.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring and completing private equity (or real estate and real estate-related transactions in the case of FREIP Fund I) transactions is highly competitive and involves a high degree of uncertainty. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, in the case of the TDP Fund's investors will be required to bear Management Fees through such Fund during the investment period based on the entire amount of such investors' Commitments and other expenses as set forth in the relevant Governing Documents. In the case of FREIP Fund I, the investors will be required to bear the Management Fee based on the cost basis of acquired assets and are also expected to bear certain other supplemental fees based on different calculations which are further detailed in the applicable Governing Documents.

Dynamic Investment Strategy. While each General Partner generally intends to seek attractive returns for the relevant TDP Fund primarily through making growth equity investments (or for FREIP Fund I primarily through making or acquiring value-add investments in U.S.-focused real estate and real estate related assets), each as further described herein, the relevant General Partner may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process and investment techniques as it determines appropriate. A General Partner is permitted to pursue investments outside of the industries and sectors (or regions) in which the Principals have previously made investments or have internal operational experience.

Illiquidity; Lack of Current Distributions. An investment in a Fund should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment can be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund (including the Management Fee payable to the relevant General Partner or its affiliate(s)) may exceed its income, thereby requiring that the difference be paid from the applicable Fund's capital, including unfunded Commitments.

Limited Transferability of Fund Interests. There will be no public market for Fund interests, and none is expected to develop. There are substantial restrictions upon the transferability of Fund interests under the relevant Governing Documents and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for the majority, if not all, of each Fund's investments, and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the investors of a Fund and it may be difficult to liquidate the investments at a price or within a time period that is determined to be ideal by such partners. After a distribution of an investment is made to the partners, partners have the option to decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such investments. The price at which such investments are sold by such investors may be lower than the value of investment determined pursuant to the relevant Governing Documents, including the value used to determine the amount of Carried Interest available to the relevant General Partner with respect to such investment.

Reliance on the General Partner and Portfolio Investment Management. Control over the operation of each Fund will be vested with the relevant General Partner, and each Fund's future profitability will depend largely upon the business and investment acumen of the Principals. In addition, in the case of FREIP Fund I, the General Partner will rely on the FREIP Relying Adviser for acquisition, redevelopment, property management and leasing management services needed by the Fund. The loss or reduction of service of one or more of the Principals could have an adverse effect on a Fund's ability to realize its investment objectives. In addition, the Principals currently, and expect in the future to, manage other Funds or investment vehicles besides a particular Fund and the Principals are expected to devote substantial amounts of their time to the investment activities of such other Funds or investment vehicles, which can pose conflicts of interest in the allocation of the time of the Principals. Investors generally have no right or power to take part in the management of the Funds, and as a result, the investment performance of each Fund will depend on the actions of the relevant General Partner. In addition, certain changes in a Fund's General Partner or circumstances relating to such General Partner can have an adverse effect on the relevant Fund or one or more of its portfolio companies (or the real estate and real estate related assets in the case of FREIP Fund I) including potential acceleration of debt facilities.

Solely with respect to the TDP Funds: although each General Partner will monitor the performance of each relevant Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although each Fund generally intends to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with the relevant Fund's objectives.

Projections. Projected operating results of a Fund's investments normally will be based primarily on financial projections, which in the case of the TDP Funds will be prepared by such company's management with adjustments to such projections made by TDP in its discretion. In all cases, projections are only estimates of future results that are based upon (i) information relating to investments, which may be received from third parties (or, in the case of the TDP Funds, which is expected to be received from the portfolio company) and/or (ii) assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will

be attained, and actual results can be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Conflicting Investor Interests. Investors often have conflicting investment, tax, and other interests with respect to their investments in a Fund, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts can arise in connection with decisions made by a General Partner regarding an investment that may be more beneficial to one investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, a General Partner generally will consider the investment and tax objectives of the relevant Fund and its partners as a whole, not the investment, tax, or other objectives of any investor individually.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on a Fund's activities, including the ability of a Fund to effectively and timely address such regulations, otherwise execute its investment strategy or achieve its investment objectives, and in the case of the TDP Funds, implement operating improvements.

Need for Follow-On Investments. Following its initial investment in a given portfolio investment, TDP (and/or one of its affiliates) typically provides additional funds to such portfolio investment or has the opportunity to increase its investment in a successful portfolio investment (or, in the case of FREIP Fund I, to purchase additional real estate assets related thereto) (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that a Fund will make follow-on investments or that such Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments can have a substantial negative effect on a portfolio investment (or particular real estate asset) in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Particularly in the case of the TDP Funds, such failure to make such investments can result in a lost opportunity for such Fund to increase its participation in a successful portfolio investment or the dilution of the Fund's ownership in a portfolio investment if a third party invests in such portfolio investment.

Non-U.S. Investments. A Fund is permitted to invest in portfolio investments that are organized or headquartered, or in the case of FREIP Fund I are physically located in, or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments are typically subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of a Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Fund and/or such Fund's investors with respect to the Fund's income, and possible non-U.S. tax return filing requirements for the Fund and/or such Fund's investors.

Additional risks of non-U.S. investments include: (i) economic dislocations in the host country; (ii) less publicly available information; (iii) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (iv) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (v) civil disturbances; (vi) government instability; and (vii) nationalization and expropriation of private assets. Moreover, non-U.S. companies are often not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Significant Adverse Consequences for Default. Each Fund's Governing Documents provides for significant adverse consequences in the event an investor defaults on its Commitment or any other payment obligation. In addition to losing its right to potential distributions from a Fund, a defaulting investor may be forced to transfer its interest in such Fund for an amount that is less than the fair market value of such interest and that may be paid over a period of up to ten years, without interest.

Transfer by General Partner. To the extent a General Partner, its partners, the Principals and/or their respective affiliates commit to make a direct or indirect investment in or along-side the relevant Fund, a material participation in or a portion of such investment may thereafter be transferred to others, subject to any express limitations thereon in the Governing Documents.

Contingent Liabilities Upon Disposition. In connection with the disposition of an investment, each Fund and the relevant General Partner may be required to make (and/or be responsible for another person's or entity's breach of) representations and warranties, e.g., about the business and financial affairs of the applicable portfolio investment, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents are inaccurate (or, in the case of FREIP Fund I, as a result of any statutorily imposed liability for construction defects). These arrangements can result in contingent liabilities, which would be borne by a Fund and, ultimately, its investors.

Litigation. In the ordinary course of its business, the Funds may be subject to litigation from time to time. The outcome of such proceedings may materially adversely affect the value of FREIP Fund I and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of a General Partner's and its Principals' time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. To the extent that a portfolio investment is subject to cyber-attack or other unauthorized access is gained to a portfolio investment's systems, such portfolio investment may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio investment financial information; (iii) portfolio investment

software, contact lists or other databases; (iv) portfolio investment proprietary information or trade secrets; or (v) other items. In certain events, a portfolio investment's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Any of such circumstances could subject a portfolio investment, or the relevant Fund, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at a General Partner, TDP, its affiliates or one of their service providers holding financial or investor data, the General Partners, TDP, their affiliates and/or the Funds may also be at risk of loss.

Risks Specific to TDP Fund

Business Risks. A TDP Fund's investment portfolio is expected to consist primarily of securities issued by privately held, Lower Middle Market companies, and operating results will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Investment in Junior Securities. The securities in which a TDP Fund will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect a TDP Fund's investment once made.

Growth Equity Transactions. Each TDP Fund's strategy includes targeting growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments may involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Growth-equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

General Risks of Investments in Healthcare Companies. While investments in healthcare companies offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial or total loss. Healthcare companies can face intense competition, including competition from companies with greater financial resources, more extensive research and development, sales and marketing, customer services and support and other capabilities and a larger number of qualified managerial and technical personnel. Companies in which a TDP Fund invests could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, or an economic downturn. A TDP Fund's portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources.

Healthcare Reform. Healthcare reform continues to be a significant factor in the profitability of companies in which a TDP Fund invests. The efforts to reform the healthcare delivery system in the United States and Europe has resulted in increased pressure on healthcare providers and other participants in the healthcare industry to reduce costs. These competitive forces place constraints on the levels of overall pricing, and thus could have a material adverse effect on profit margins for the companies in which a TDP Fund invests.

Healthcare Regulation and Reimbursement. Various segments of the healthcare industry are (or may become) (i) highly regulated at both the federal and state levels in the United States and internationally, (ii) subject to frequent regulatory change and (iii) dependent upon various government or private insurance reimbursement programs. While each TDP Fund intends to make investments in companies that comply with relevant laws and regulations, certain aspects of their operations may not have been subject to judicial or regulatory interpretation. An adverse review or determination by any one of such authorities, or an adverse change in the regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which a TDP Fund invests. Recent legislative changes, including the passage of the U.S. Patient Protection and Affordable Care Act, have had, and will likely continue to have, a significant impact on the healthcare industry. In addition, various legislative proposals related to the healthcare industry are introduced from time to time at the U.S. federal and state level, and any such proposals, if adopted, could have a significant impact on the healthcare industry and/or on companies in which a TDP Fund invests.

Healthcare Research and Innovation. The healthcare industry spends heavily on research and development. Research findings (e.g., regarding side effects or comparative benefits of one or more particular treatments, services or products) and technological innovation (together with patent expirations) has the potential to make any particular treatment, service or product less attractive if previously unknown or underappreciated risks are revealed, or if a more effective, less costly or less risky solution is or becomes available. Any such development could have a material adverse effect on the companies in which a Fund invests.

Leveraged Investments. A Fund makes use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in such portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in

the value of such Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, such Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency.

A Fund may also borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund also will result in interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. A Fund may incur leverage on a joint and several basis with one or more other Funds and entities managed by such Fund's General Partner or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts may be secured by Commitments made by such Fund's investors and such investors' Commitments may be required to be made directly to the lenders instead of the Fund. Moreover, tax-exempt investors should note that the use of borrowings by the Fund has the potential to cause the realization of UBTI.

Use of Credit Facility. The Funds are permitted to borrow funds pursuant to a revolving credit facility or other debt facility, including a facility based on the aggregate Commitments available to be called. Documentation relating to such borrowing can provide that during the continuance of a default under such borrowing, the interests of the investors can be subordinated to such Fund-level borrowing, and the lenders have the ability to call capital directly from investors. Additionally, a Fund's use of such facilities will be determined by the relevant General Partner, and the performance of such Fund may be impacted by how such General Partner causes the relevant Fund to utilize such facilities. Although, the use of such a facility may increase a Fund's ability to swiftly invest capital, it also will cause such Fund to incur interest expense. Conflicts of interest can arise in that the use of such facilities likely would delay the need for investors to make certain Commitments to a Fund, which has the potential to enhance such Fund's performance figures and thereby benefit the relevant General Partner and its affiliates.

Public Company Holdings. A Fund's investment portfolio may contain securities and debt issued by publicly held companies. Such investments can subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of a Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Principals, and increased costs associated with each of the aforementioned risks.

Non-Controlling Investments. A Fund will generally hold meaningful minority stakes in privately held companies and in some cases may have limited minority protection rights. In addition, during the process of exiting investments, a Fund at times may hold minority equity stakes of any size such as might occur if portfolio companies are taken public. As is the case with minority holdings in general, such minority stakes that a Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where a Fund holds a minority stake, it will generally be more difficult for such Fund to liquidate its interests than it would be had the Fund owned a controlling interest in such company. Even if a Fund has contractual rights to seek liquidity of such Fund's minority interests in such companies, it likely will be very difficult to sell such interests or seek a sale of such company upon terms acceptable to the Fund, especially in cases where the interests of the other investors in such company have different business and investment objectives and goals.

Director Liability. A Fund will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes a Fund's representatives, and ultimately such Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from a Fund's investment activities.

Certain Consultants. As mentioned in Item 5 above, TDP has retained, on behalf of TDP Fund II and/or the TDP Fund II portfolio companies, as applicable, an Operations Group comprised of operating partners and other consultants, which may be affiliates of the TDP Fund II General Partner, employees of such affiliates, portfolio companies of TDP Fund I or its affiliates, third-party consultants (including individual Operations Group members, consultants and external executives), "strategic partners," "executive partners," "advisory partners," "resource partners" or "senior advisors." The Operations Group provides services to, or in connection with, TDP Fund II in relation to its activities, or to one or more portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies, including operational aspects of such companies.

Although TDP intends to retain the Operations Group with a view to reducing costs to portfolio companies (and, ultimately, TDP Fund II) and/or improving portfolio company performance, a number of factors can result in limited or no cost savings from such retention. In addition, TDP intends to retain only such Operations Group members which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Valuation of Investments. Generally, the relevant General Partner will determine the value of all the related Fund's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for virtually all of a Fund's investments because, among other things, the securities of portfolio companies held by such Fund generally will be illiquid and not quoted on any exchange. Each General Partner will determine the value of all of the Fund's investments that are not readily marketable based on ASC 820 guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. There can be no assurance that the relevant General Partner will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of a General Partner with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by such General Partner can cause it to ineffectively manage the relevant Fund's investment portfolios and risks, and also affect the diversification and management of such Fund's portfolio of investments.

Risks Specific to FREIP Fund I

General Real Estate Risks. FREIP Fund I's investments will be subject to the risks incident to the ownership and operation of real estate and real estate-related businesses and assets, including changes in the general economic climate, local, national or international conditions (such as an oversupply of space or a reduction in demand for space), the quality and philosophy of management, competition based on rental rates, attractiveness and location of the properties and changes in the relative popularity of property types and locations, changes in the financial condition of tenants, buyers and sellers of properties, changes in operating costs and expenses, uninsured losses or delays from casualties or condemnation, changes in applicable laws, government regulations (including those governing usage, improvement and zoning) and fiscal policies, the availability of financing, interest rate levels, environmental liabilities, contingent liabilities, successor liability for investments in existing entities (*e.g.*, buying out a distressed partner or acquiring an interest in an entity that owns a real property), acts of God, acts of war (declared or undeclared), terrorist acts, work stoppages, shortages of labor, strikes, union relations and contracts, fluctuating prices and supply of labor and/or other labor-related factors and other factors beyond the control of the FREIP General Partner, FREIP Fund I and their respective affiliates.

Potential Restrictive Covenants. FREIP Fund I is expected to enter into a credit facility with one or more lenders in order to finance its operations (including the acquisition of FREIP Fund I's investments). It is anticipated that any such credit facility will contain a number of common covenants that, among other things, might restrict the ability of FREIP Fund I to: acquire or dispose of assets or businesses; incur additional indebtedness; make expenditures, distributions or capital calls; create liens on assets; enter into leases, investments or acquisitions; consent to transfers of interests in FREIP Fund I; make

amendments to the governing documents of FREIP Fund I; or engage in certain transactions with affiliates, and otherwise restrict activities of FREIP Fund I without the consent of the lenders. In addition, such a credit facility would likely require FREIP Fund I to maintain specified financial ratios and comply with tests, including minimum interest coverage ratios, maximum leverage ratios, minimum net worth and minimum equity capitalization requirements.

Inability to Execute Business Plan. There can be no assurance that the FREIP General Partner will be able to execute the business plan for FREIP Fund I or any or all of FREIP Fund I's investments. Unforeseen factors may arise that the FREIP General Partner is not in a position to control, which may interrupt the FREIP General Partner's investment program and/or negatively impact returns on FREIP Fund I's investments. For example, opportunities to renegotiate or restructure existing, unfavorable debt with respect to a FREIP Fund I investment may be limited due to the existence of conflicting priorities of lenders or other third parties. Alternatively, in the case of an investment by FREIP Fund I in a real estate-related loan or debt security, FREIP Fund I may (subject to contractual protection limiting such exposure) be subject to borrowers re-paying such mortgage debts earlier than anticipated and as such, be exposed to downside prepayment risk, which may impact the returns with respect to such an investment. Furthermore, an applicable tax regime or regulation, such as planning or zoning regulations with respect to development projects that may have made a particular FREIP Fund I investment desirable upon acquisition may be subsequently varied or amended and, as a consequence, such FREIP Fund I investment may no longer achieve the same returns as originally anticipated.

Third Party Involvement. Certain of FREIP Fund I's investments may be made as a co-venturer or partner with the seller of the property, an affiliate of the seller, an investor in FREIP Fund I or other third parties (including other investment funds, accounts and clients managed or advised by the FREIP Relying Adviser or its affiliates). Such investments may involve risks not present in investments where a third party is not involved, including the possibility that: (i) FREIP Fund I and such co-venturer may reach an impasse on a major decision that requires the approval of both parties; (ii) a co-venture or partner of FREIP Fund I may at any time have economic or business interests or goals that are inconsistent with those of FREIP Fund I; (iii) the co-venturer or partner may encounter liquidity or insolvency issues or may become bankrupt; (iv) the co-venturer or partner may be in a position to take action contrary to FREIP Fund I's investment objective; (v) the co-venturer or partner may take actions that subject the property to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances FREIP Fund I may be liable for actions of its co-venturers or partners. In addition, FREIP Fund I may rely upon the abilities and management expertise of a co-venturer or partner. It may also be more difficult for FREIP Fund I to sell its interest in any joint venture, partnership or entity with other owners than to sell its interest in other types of investments. FREIP Fund I may grant co-venturers or partners joint approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks. A deadlock could delay the execution of the business plan for the investment or require FREIP Fund I to engage in a buy-sell of the venture with the co-venturer or partner or conduct the forced sale of such investment. As a result of these risks, FREIP Fund I may be unable to fully realize

its expected return on any such investment. Further, to the extent FREIP Fund I offers any co-investment opportunity to any investors or third parties, some or all of the risks described above may also apply to such co-investments.

Reliance on Third-Party Developers and Joint Venture Partners. FREIP Fund I may rely on third parties (some of which may also become joint venture partners with FREIP Fund I) to act as developers or joint venture partners in connection with the development, construction or renovation of its properties. This reliance on third-party developers or joint venture partners may increase the costs to FREIP Fund I through the payment of development fees, incentive fees and other amounts and may increase the risks of development to FREIP Fund I if, and to the extent, such a developer fails or is unable to comply with agreed-upon plans, budgets or timetables.

Expedited Transactions. Investment analyses and decisions by the FREIP General Partner or the FREIP Relying Adviser may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the FREIP General Partner or the FREIP Relying Adviser at the time of making an investment decision may be limited, and they may not have access to detailed information regarding the investment property, such as physical characteristics, environmental matters, zoning regulations or other local conditions affecting an investment property. Therefore, no assurance can be given that the FREIP General Partner or the FREIP Relying Adviser will have knowledge of all circumstances that may adversely affect an investment. In addition, the FREIP General Partner or the FREIP Relying Adviser expects to rely upon independent consultants in connection with its evaluation of proposed investment properties, and no assurance can be given as to the accuracy or completeness of the information provided by such independent consultants or to FREIP Fund I's right of recourse against them in the event errors or omissions do occur.

Leveraged Investments. FREIP Fund I is permitted to employ leverage in the acquisition, operation and ownership of its investments and may refinance its investments, if desirable. Debt could take the form of mortgage or other financing at the property level or ownership level. Such use of leverage generally magnifies both FREIP Fund I's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage by FREIP Fund I will also result in interest expense and other costs to FREIP Fund I that may not be covered by distributions made to FREIP Fund I or appreciation of its investments. Leveraged investments may be subject to restrictive financial and operating covenants and FREIP Fund I may provide guarantees in order to secure such leverage. In the event an investment cannot generate adequate cash flow to meet debt service, FREIP Fund I may suffer a partial or total loss of capital invested in such investment, which could adversely affect the returns of FREIP Fund I. Furthermore, should the credit markets be limited or costly at the time FREIP Fund I determines that it is desirable to sell all or a part of an investment, FREIP Fund I may not achieve an exit capitalization rate consistent with its forecasts. FREIP Fund I may also borrow

money or guaranty indebtedness (such as a guaranty of an investment's debt). FREIP Fund I may incur leverage on a joint and several basis with one or more other investment funds, accounts or clients managed or advised by the FREIP General Partner or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent FREIP Fund I incurs leverage (or provides such guaranties), such amounts may be secured by capital commitments made by FREIP Fund I's investors and such investors' contributions may be required to be made directly to one or more lenders instead of FREIP Fund I.

Impact of Government Regulations. Government authorities at all levels are actively involved in the regulation of land use and zoning, environmental protection and safety and other matters affecting the ownership, use and operation of real property. Regulations may be promulgated that could restrict or curtail certain usages of existing structures, or require that such structures be renovated or altered in some manner. The promulgation and enforcement of such regulations could increase expenses, and lower the income or rate of return, as well as adversely affect the value of any of FREIP Fund I's investments. Operators are also subject to laws governing their relationship with employees, including minimum wage requirements, overtime, working conditions and work permit requirements. Compliance with, or changes in, these laws could reduce the revenue and profitability of FREIP Fund I. Changes in U.S. federal, state, and local or foreign tax law, interpretations of existing tax law, or adverse determinations by tax authorities, could increase FREIP Fund I's tax burden or otherwise adversely affect FREIP Fund I's financial condition or results of operations. Changes to accounting rules or regulations may adversely affect FREIP Fund I's financial condition. In addition, regulation of the leasing of residential property by many state and local governments includes controls over rents that may be charged to tenants. Such regulations often impose limits on rent increases and may require that properties comply with specified requirements as a precondition for rent increases.

Hedging Arrangements. The FREIP General Partner is permitted to (but is not obligated to) endeavor to manage FREIP Fund I's or any investment's interest rate exposures or other exposures, using hedging techniques where available and appropriate. FREIP Fund I may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used.

In some cases, particularly in OTC contexts, hedging arrangements will subject FREIP Fund I to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose FREIP Fund I to additional liquidity risks if such contracts cannot be adequately settled.

Certain hedging arrangements may create for the FREIP General Partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission or other regulator or comply with an applicable exemption.

Controlling Person Liability. The exercise of control over an entity can impose additional risks of liability for environmental damage, failure to supervise management, violation of government regulations (including securities laws) or other types of liability in which the limited liability characteristic of business ownership may be ignored. If these liabilities were to arise, the Fund might suffer a significant loss.

Increase in Market Interest Rates. If interest rates increase, so could FREIP Fund I's interest costs for new debt, including variable rate debt obligations under any credit facility or other financing. This increased cost could make the financing of any development or acquisition more costly. Rising interest rates could limit FREIP Fund I's ability to refinance existing debt when it matures or cause it to pay higher interest rates upon refinancing, which would negatively impact liquidity and profitability. In addition, an increase in interest rates could decrease the access third parties have to credit or the amount they are willing to pay for FREIP Fund I's assets.

Development and Construction or Renovation Risks. FREIP Fund I's investments may include acquisition of direct or indirect interests in undeveloped land or underdeveloped real property (which can be non-income producing), real estate developments or redevelopments and/or businesses that engage in real estate development or redevelopment. To the extent that FREIP Fund I invests in such assets or activities, it will be subject to the risks normally associated with such assets and development activities, including the possibility of development cost overruns and delays due to various factors (including inclement weather, labor or material shortages, the unavailability of construction and permanent financing and timely receipt of zoning and other regulatory approvals), the availability of both construction and permanent financing on favorable terms and market or site deterioration after acquisition. Any unanticipated delays or expenses could have an adverse effect on the results of operations and financial condition of FREIP Fund I. Properties under development or properties acquired for development may receive little or no cash flow from the date of acquisition through the date of completion of development and may continue to experience operating deficits after the date of completion. In addition, market conditions may change during the course of development that make such development less attractive than at the time it was commenced.

Competition with Other Owners of Commercial Properties. FREIP Fund I will face significant competition from other developers, owners and operators of similar properties in the same markets and may be in competition with other properties owned or managed by FREIP for its own account or for other client accounts. This competition has the potential to affect FREIP Fund I's ability to attract and retain tenants and may reduce the rents FREIP Fund I is able to charge. Additionally, when FREIP Fund I seeks to sell its properties, it will compete with other owners of commercial properties, which, in certain instances, may include FREIP for its own account or for other client accounts, in connection with the sale of properties.

Investments in Real Estate Debt. FREIP Fund I is permitted to hold direct or indirect investments in certain real estate-related debt instruments. In addition to the risks of borrower default (including loss of principal and nonpayment of interest) and the risks associated with real estate investments generally, real-estate related debt investments are subject to a variety of risks, including the risks of illiquidity, lack of control, mismanagement or decline in value of collateral, contested foreclosures, bankruptcy of the debtor, claims for lender liability, violations of usury laws and the imposition of common law or statutory restrictions on the exercise of contractual remedies for defaults of such investments. Debt investments have special inherent risks relative to collateral value. In the event of default, the source of repayment is limited to the value of the collateral and may be subordinate to other lien holders (and the collateral value of the property may be less than the outstanding amount of the investment). Real estate loans acquired by FREIP Fund I may be at the time of their acquisition, or may become after origination, participation or acquisition, non-performing for a wide variety of reasons. Non-performing real estate loans may require a substantial amount of workout negotiations and/or restructuring, which can entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. To the extent that FREIP Fund I purchases partial interests in non-performing loans, FREIP Fund I may not have control over the workout process and the management of the real estate assets. It may be necessary or desirable to foreclose on collateral securing one or more real estate loans purchased by FREIP Fund I, and the foreclosure process can be lengthy and expensive.

Potential Environmental Liabilities. Under various federal, state and local laws, ordinances and regulations, an owner of real property may be liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such laws often impose such liability without regard to whether the owner knew of, or was responsible for, the presence of such hazardous or toxic substances. The cost of any required remediation and the owner's liability therefore as to any property are generally not limited under such laws and could exceed the value of the property and/or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate contamination from such substances, may adversely affect the owner's ability to sell the real estate or to borrow funds using such property as collateral, which could have an adverse effect on FREIP Fund I's return from such investment.

Harmful Mold and Other Air Quality Issues. When excessive moisture accumulates in buildings or on building materials, mold may grow, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources and other biological contaminants such as pollen, viruses and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of FREIP Fund I's properties could require FREIP Fund I to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the

presence of significant mold or other airborne contaminants could expose FREIP Fund I to liability from its tenants, employees of its tenants and others if property damage or health concerns arise.

Americans with Disabilities Act and Similar Laws. Under the Americans with Disabilities Act of 1990 (the “ADA”), all public accommodations must meet federal requirements related to access and use by disabled persons. If one or more of the properties in FREIP Fund I’s portfolio does not comply with the ADA, then FREIP Fund I may be required to incur costs to bring the property into compliance, which may or may not have been foreseen at the time of acquisition. Future changes to federal, state and local laws also may require modifications to FREIP Fund I’s properties, or restrict FREIP Fund I’s ability to renovate its properties. FREIP Fund I cannot predict the ultimate cost of compliance with the ADA or other legislation. If FREIP Fund I incurs substantial costs to comply with the ADA and any other similar legislation, FREIP Fund I’s financial condition, results of operations, cash flow, cash available for distribution and ability to satisfy its debt service obligations could be materially adversely affected.

Casualty and Condemnation. Investments in real estate are subject to the risks of partial or total condemnation in accordance with applicable law or regulation and casualty, whether arising from destruction by fire, earthquake, flood, hurricane or otherwise. In either case, FREIP Fund I’s investments (depending on such investments’ status as lender, borrower or equity owner) may be subject to one or more of the following liabilities: (i) lenders may require prepayments of outstanding loans with any proceeds arising from a casualty or condemnation recovery event (i.e., insurance coverage), (ii) insurance coverage may not be sufficient to cover renewal of an investment, (iii) renovations or developments with respect to an investment may be delayed and (iv) a seller may bear the risk of loss for such casualty or condemnation in connection with the disposition of an investment through the date of disposition.

Insurance May Not Cover All Losses. Uninsured and underinsured losses at the FREIP Fund I level or investment level could harm FREIP Fund I’s overall financial condition, results of operations and ability to make distributions to its investors. Certain types of losses generally are either uninsurable (or not economically insurable) or may be subject to insurance coverage limitations. Should an uninsured loss or a loss in excess of insured limits occur, FREIP Fund I could lose all or a portion of the capital it has invested in an investment, as well as the anticipated future revenue from the investment. These same risks apply to any capital deployed by an investment of FREIP Fund I. In that event, FREIP Fund I and/or its investment might nevertheless remain obligated for any notes payable or other financial obligations related to the investment, in addition to obligations to FREIP Fund I’s and/or its investment’s ground lessors, franchisors and managers. Inflation, changes in building codes and ordinances, environmental considerations, provisions in loan documents encumbering the investments pledged as collateral for loans, and other factors might also keep FREIP Fund I and/or its investment from using insurance proceeds to replace or renovate an investment after it has been damaged or destroyed. Under those circumstances, the insurance proceeds FREIP Fund I and/or its investment receives might be inadequate to restore FREIP Fund I’s and/or its investment’s economic position on the damaged or destroyed investment.

Conflicts of Interest

Conflicts Applicable to All Funds

TDP and/or its affiliates are subject to a number of potential conflicts of interest. TDP attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by TDP's advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among the Funds in a fair and equitable manner. To the extent that an investment or relationship raises particular conflicts of interest, TDP will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, TDP consults and receives consent to conflicts from an advisory board consisting of investors of the relevant Fund(s) and such other investment vehicles.

TDP and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of the Funds, and providing transaction-related, legal, management and other services to the Funds and portfolio investments. TDP will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the relevant Governing Documents, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of TDP conducting its activities, the interests of a Fund may conflict with the interests of TDP, one or more other Funds, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein. As a general matter, TDP will determine all matters relating to structuring transactions and Fund operations using its best judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory boards of the participating Funds.

Transactions Among Funds. Although uncommon, from time to time TDP may cause a Fund to enter into a transaction whereby the Fund purchases securities from, or sells securities to, other Funds managed by TDP, or co-investors or co-investment vehicles. Such transactions can arise in the context of re-balancing an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company acquired by another Fund. Any such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the relevant Funds' Governing Documents or otherwise in the sole discretion of TDP, TDP may seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. In certain circumstances, TDP may determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to the

Fund under then-current market conditions. TDP intends that any such transactions be conducted in a manner that it believes in good faith to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

Although TDP generally structures Funds to avoid cross-guarantees and other circumstances in which one Fund bears liability for all or part of the obligations of another Fund, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In each such case, TDP intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements.

Allocation of Fees and Expenses. Subject to any relevant restrictions or other limitations contained in the Governing Documents of the Funds, TDP will allocate fees and expenses in a manner that it believes in good faith is fair and equitable to its clients under the circumstances and considering such factors as it deems relevant, but in its sole discretion. In exercising such discretion, TDP may be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions will generally be made by TDP or its affiliates using their best judgment, considering such factors as they deem relevant, but in their sole discretion. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining whether to allocate pro rata based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size. The Funds have different expense reimbursement terms, including with respect to Management Fee offsets, which can result in the Funds bearing different levels of expenses with respect to the same investment.

TDP and its affiliates will from time to time incur fees, costs and expenses, including in connection with transactions not consummated, on behalf of the Funds. To the extent practicable, any fees, costs and expenses that are incurred in connection with a consummated investment will be charged to the applicable portfolio investment. To the extent such fees, costs and expenses are not charged to a portfolio investment, they will be paid by each Fund that participated or was expected to participate in such investment. The Funds will typically bear a portion of any such fees, costs, and expenses in proportion to the size of its actual or proposed investment, or in such other manner as TDP considers, in good faith, to be fair and equitable. There are occasions when one Fund (the "Payor Fund") pays an expense common to multiple Funds (the "Allocated Funds"). On such occasions, each Allocated Fund will reimburse the Payor Fund for its share of such expense, without interest, promptly after the payment is made by the Payor Fund. There are also occasions where the Firm or a Payor Fund pays an expense on behalf of a portfolio investment. On such occasions, the portfolio investment will

reimburse the Firm or Payor Fund for the expense, without interest, and such reimbursement will not be subject to the fee offset provision of TDP Fund II.

A conflict of interest could arise in TDP's determination whether certain costs or expenses that are incurred in connection with the operation of the Funds meet the definition of Fund operational expenses for which the Funds are responsible, whether such expenses should be borne by TDP or the manner in which TDP allocates expenses among the Funds. The Funds will be reliant on the determinations of TDP in this regard. From time to time, it is possible that subsequent review of allocations could result in an identification of expenses that should have been allocated in a different manner, in which case measures would be undertaken to correct such circumstance, which might include a reversal of the original expense allocations, if possible, or such other equitable adjustment believed by TDP to be the most appropriate corrective measure.

Employees and Service Providers. Additionally, a portfolio investment typically will reimburse TDP or service providers retained at TDP's discretion for expenses (including without limitation travel expenses) incurred by TDP or such service providers in connection with its performance of services for such portfolio investment. This subjects TDP and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. TDP determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to TDP or such service providers generally is subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of, or lenders to, portfolio investments; and/or third-party co-investors in its transactions. TDP believes that these factors help to mitigate related conflicts of interest.

TDP generally exercises its discretion to recommend to a Fund or to a portfolio investment thereof that it contract for services with (i) TDP or a related person of TDP (which may include a portfolio investment of such Fund), (ii) an entity with which TDP or its affiliates or current or former members of their personnel has a relationship or from which TDP or its affiliates or their personnel otherwise derives financial or other benefit or (iii) certain investors or their affiliates. For example, TDP may be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain investors or their affiliates that are engaged in lending or related business. This discretion subjects TDP to conflicts of interest, because although TDP selects service providers that it believes are aligned with its operational strategies and will enhance portfolio investment performance and, relatedly, returns of the relevant Fund, TDP may have an incentive to recommend the related or other person (including an investor) because of its financial or other business interest. There is a possibility that TDP, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or TDP), may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Whether or not TDP has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

TDP and/or its affiliates may also, from time to time, employ personnel with pre-existing ownership interests in portfolio investments owned by the Funds or other investment vehicles advised by TDP and/or its affiliates; conversely, current or former personnel or executives of TDP and/or its affiliates may serve in significant management roles at portfolio investments or service providers recommended by TDP. Similarly, TDP, its affiliates and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio investment finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio investment executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, TDP and/or its affiliates, and/or the Funds or other investment vehicles they advise. TDP can have a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio investment if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide TDP information about markets and industries in which TDP operates (or is contemplating operations) or will provide other services that are beneficial to TDP. TDP can have a conflict of interest in making such recommendations, in that TDP has an incentive to maintain goodwill between it and the existing and prospective portfolio investments for a Fund, while the products or services recommended may not necessarily be the best available to the portfolio investments held by a Fund.

Time and Attention. The Principals currently spend a significant portion of their business time and attention pursuing investment opportunities that fall within the investment objectives or investment strategy of the Funds for other investment vehicles, accounts, clients and joint ventures and other than on behalf of the Funds. Following the Fund's initial closing date, the Principals and investment staff will continue to spend a portion of their business time and attention managing and monitoring such investment vehicles, accounts, clients, joint ventures and investments. However, the General Partners believe that the significant indirect investment of their Principals in a Fund, as well as their interest in the Carried Interest, operate to align, to some extent, the interest of the Principals with the interest of a Fund's investors, although the Principals have or may have economic interests in such other investment vehicles, accounts, clients, joint ventures and investments as well and receive Management Fees and Carried Interests relating to these interests. Such other investment vehicles, accounts, clients, joint ventures and investments that the Principals may control, manage or advise may compete with a Fund or investments acquired by such Fund.

Intangible Benefits. TDP and its employees receive certain intangible and/or other benefits or perquisites arising or resulting from their activities on behalf of a Fund, including benefits and other discounts

provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses often result in “miles” or “points” or credit in loyalty/status programs to TDP and/or its employees, and such rewards or amounts will exclusively benefit TDP and/or such employees and will not be subject to the offset arrangements of TDP Fund II or otherwise shared with a Fund, its investors, or the portfolio investments.

Conflicts Specific to TDP Funds

Investment Allocation. During the commitment period of a TDP Fund, all appropriate investment opportunities will be pursued by TDP Principals through such TDP Fund, subject to certain limited exceptions. Without limitation, TDP Principals currently manage, and expect in the future to manage, several other investments similar to those in which the most recently raised Fund will be investing, and may direct certain relevant investment opportunities to those investments. TDP’s Principals and TDP’s investment staff will continue to manage and monitor such investments until their realization. Such other investments that TDP Principals may control or manage may potentially compete with companies acquired by a newly raised or existing TDP Fund. Following the commitment period of a TDP Fund, TDP Principals may and likely will focus their investment activities on other opportunities and areas unrelated to such TDP Fund’s investments.

From time to time, TDP will be presented with investment opportunities that would be suitable for more than one TDP Fund and possibly for other investment vehicles operated by advisory affiliates of TDP. In determining which investment vehicles should participate in such investment opportunities, TDP and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Investments by more than one TDP Fund in a portfolio company may also raise the risk of using assets of a TDP Fund to support positions taken by other TDP Funds.

TDP must first determine which TDP Fund(s) will, or are required to, participate in the relevant investment opportunity. TDP generally assesses whether an investment opportunity is appropriate for a particular TDP Fund based on such TDP Fund’s Governing Documents. For example, a newly organized TDP Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A TDP Fund may invest together with other TDP Funds advised by an affiliated adviser of TDP in the manner set forth in the relevant Governing Documents and TDP’s policies and procedures regarding investment allocation. TDP will determine the allocation of investment opportunities among TDP Funds in a manner that it believes is fair and equitable consistent with TDP’s obligations and may take into consideration factors such as those set forth above.

Following such determination of allocation among TDP Funds, TDP will determine if the amount of an investment opportunity in which one or more TDP Funds will invest exceeds the amount that would be appropriate for such TDP Fund(s) and any such excess may be offered to one or more potential co-investors, including third parties, as determined by the TDP Funds’ Governing Documents and TDP’s procedures regarding allocation. TDP’s procedures permit it to take into consideration a variety of factors in making such determinations.

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities may be made by TDP or its related persons in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities may be offered to some and not to other TDP investors. When and to the extent that employees and related persons of TDP and its affiliates make capital investments in or alongside certain TDP Funds, TDP and its affiliates are subject to conflicting interests in connection with these investments. There can be no assurance that any TDP Fund's return from a transaction would be equal to and not less than another TDP Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

TDP's allocation of investment opportunities among the persons and in the manner discussed herein may not, and often will not, result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to others. While TDP will allocate investment opportunities in a manner that it believes in good faith is fair and equitable to its TDP Funds under the circumstances over time and considering relevant factors, there can be no assurance that a TDP Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the conflicts of interest to which TDP may be subject, discussed herein, did not exist.

In certain cases, TDP will have the opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Documents, no obligation) to identify one or more secondary transferees of interests in a TDP Fund. In such cases, TDP will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on eligibility and other factors, and unless required by the relevant Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of TDP Fund interests should be offered to one or more existing TDP Fund investors.

Where multiple TDP Funds invest at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions can arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring can raise conflicts of interest, particularly with respect to TDP Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the TDP Funds may or may not provide such additional capital, and if provided, each TDP Fund generally will supply such additional capital in such amounts, if any, as determined by TDP in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, TDP may face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of one TDP Fund versus another TDP Fund (*e.g.*, the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If a TDP Fund enters into any indebtedness with another TDP Fund on a joint and several basis, the applicable General

Partner is expected to enter into one or more agreements that provide each TDP Fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, TDP may be subject to conflicts of interest, for example between a TDP Fund with a reimbursement obligation and a TDP Fund seeking reimbursement. TDP intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each TDP Fund to bear its proportionate share of the applicable indebtedness, without undue favoritism over time.

Conflicts can arise when a TDP Fund makes investments in conjunction with an investment being made by another TDP Fund, or if it were to invest in the securities of a company in which another TDP Fund has already made an investment. A TDP Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other TDP Funds. This may result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant TDP Fund and the other TDP Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. TDP and its affiliates may express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one TDP Fund's investments will be the same as the returns obtained by other TDP Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both TDP Funds. In that regard, actions may be taken for one or more TDP Funds that adversely affect other TDP Funds.

Portfolio Company Board Appointments. As a result of the TDP Funds' controlling interests in portfolio companies, TDP and/or its affiliates typically have the right to appoint portfolio company board members (including current or former TDP personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to TDP and/or its affiliates. Unless such amounts are subject to the TDP Fund II Governing Document's offset provisions, they will be in addition to any Management Fees or Carried Interest paid by a TDP Fund to TDP. Additionally, from time to time, portfolio company board members approve compensation and other amounts payable to TDP in connection with services provided by the Firm and its affiliates to such portfolio company, and, except to the extent such amounts are subject to the TDP Fund II's offset provision, are in addition to the Management Fee or Carried Interest. TDP's authority to appoint or influence the appointment of portfolio company board members who will potentially be involved in approving compensation payable to the Firm subjects TDP and any such portfolio company board appointees to potential conflicts of interest.

Seconded Employees. In certain circumstances, current or former TDP personnel may serve in interim or part-time roles at a portfolio company, or may provide services to a portfolio company as a secondee or in similar capacities, while maintaining certain benefits, support services or indicia of employment at TDP. Under such arrangements, TDP and/or the relevant portfolio company may pay all or a portion of the personnel costs of such employee, or supervise or oversee such employee. These arrangements have the potential to create conflicts of interest, in that amounts paid by a

portfolio company in connection with seconded relationships will not result in additional offsets to the Management Fee in the case of TDP Fund II. Due to the nature of seconded relationships, which are often initiated to meet a temporary portfolio company need, the arrangements between such employees and the related portfolio company are expected to change over time, and in many cases will be terminated when the portfolio company is sold. Employees may or may not return to TDP at the end of such seconded arrangement.

Conflicts Associated with the Operations Group. As described above, TDP Fund II portfolio companies (and, to a lesser extent, TDP Fund II) typically pay certain fees to members of the Operations Group and other consultants (including consultants introduced or arranged by TDP and/or its affiliates that regularly provide services to one or more portfolio companies), and such fees do not offset the Management Fee as described herein. Members of the Operations Group generally make use of TDP resources or otherwise are associated with TDP (and, in certain instances, members of the Operations Group may be employed by an exclusive consulting firm affiliated with TDP and may make use of TDP's offices and be provided with a TDP email address, among other TDP resources). TDP and/or its affiliates may agree to compensate certain of such persons to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Members of the Operations Group generally receive investment opportunities, reimbursements and other compensation that do not offset the Management Fee of TDP Fund II. Although the use of the Operations Group and the allocation of compensation paid to the members thereof by TDP, its affiliates and/or the portfolio companies subjects TDP and/or its affiliates to potential conflicts of interest, TDP believes that such potential conflicts are potentially reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit TDP Fund II) that will result if the cost of the members of the Operations Group is lower than market rates for the services provided and/or if the services of the members of the Operations Group align with TDP's model for the portfolio company and improve portfolio company performance. Although TDP seeks to retain Operations Group members with a view to reducing costs to portfolio companies (and, ultimately, TDP Fund II) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. TDP also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that TDP believes will align such persons' interests with those of the TDP Fund II investors, and seeks to retain only Operations Group members and other service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Conflicts Specific to FREIP Fund I

Relationship with TDP and the TDP Funds. The FREIP Relying Adviser is affiliated with TDP and the Principals of TDP serve on the FREIP Relying Adviser's investment committee. TDP currently sponsors and manages, and expects to continue to sponsor and manage, the TDP Funds. The TDP Funds principally invest in the equity securities of TDP portfolio companies. It is anticipated that

FREIP Fund I will primarily invest in real estate leased by the TDP portfolio companies. Such target properties may include a coordinated sale of the business to a TDP Fund and sale of the related property to the Fund. FREIP Fund I may maintain its interest in such properties after the tenants cease to be a TDP portfolio company. As a result, FREIP Fund I will rely, in part, upon the TDP Funds to make investments in TDP portfolio companies with available real estate assets for FREIP Fund I to purchase alongside a TDP Fund's investment in such TDP portfolio company. However, there can be no assurance that any investment opportunities identified by TDP and/or its affiliates will include real estate assets suitable for FREIP Fund I or at all and, further, TDP has no obligation to identify prospective TDP portfolio companies with attractive real estate assets or any real estate assets. It is possible that an investment made by a TDP Fund will not result in an attractive investment opportunity, or any investment opportunity, for FREIP Fund I. FREIP Fund I and the TDP Funds have different investment objectives, guidelines, restrictions and strategies and there can be no guarantee that FREIP Fund I will be able to identify or consummate sufficiently attractive investments to become fully invested.

To the extent that FREIP Fund I invests in real estate leased by a TDP portfolio company, the FREIP Relying Adviser, TDP and their respective affiliates expect to be subject to potential conflicts of interest in determining the terms of (i) the acquisition of such real estate and (ii) the lease or other agreement between FREIP Fund I and such TDP portfolio company.

Potential conflicts may arise in cases where the TDP Funds desire optimal flexibility to grow a TDP portfolio company that may impact the TDP portfolio company's ability to continue to make timely payments under its lease agreement with FREIP Fund I or may otherwise make a TDP portfolio company a more risky tenant. Further, because of the different legal rights associated with lessors and lessees, the FREIP Relying Adviser, TDP and their respective affiliates may face a potential conflict of interest in respect of the advice given to, and the actions taken on behalf of, FREIP Fund I as compared to the relevant TDP Fund and/or TDP portfolio company. For example, in the event of a default on a lease by a TDP portfolio company, questions may arise as to whether payment obligations and covenants should be enforced, modified or waived by FREIP Fund I. In addition, certain actions which may benefit FREIP Fund I (e.g., allowing an investment to go into default or the divestiture of a particular investment) may adversely affect the related TDP portfolio company and, as a result, the FREIP Relying Adviser may be incentivized to take a course of action that may not lead to the best result for FREIP Fund I.

Any (i) sale of real estate or other assets from a TDP Fund to FREIP Fund I, and (ii) contract or agreement between FREIP Fund I and a TDP portfolio company to lease real estate, could be viewed, especially in hindsight, to have been made based on a non-arm's length basis. Similarly, other entities or individuals may (i) compete with TDP portfolio companies to lease real estate from FREIP Fund I or (ii) later enter into leasing agreements for real estate in which FREIP Fund I has invested, both of which may have an effect (either positive or negative) on the market value of the space leased to such TDP portfolio companies. Further, circumstances may arise where FREIP Fund I could receive more favorable lease terms from a prospective, non-TDP portfolio company tenant but, nevertheless,

in order to further the strategic relationship between the FREIP Relying Adviser and TDP and/or for other reasons determined by the General Partner, may choose to lease such property to a TDP portfolio company at a less attractive rate.

Transactions with Affiliates. The FREIP General Partner and its affiliates will be entitled to receive certain fees for services rendered on behalf of FREIP Fund I or in connection with its investments, including Management Fees, acquisition fees, financing fees and property management fees. For each property acquired by FREIP Fund I, the FREIP Relying Adviser or its affiliates may provide to FREIP Fund I, any of its affiliates and any portfolio investment all accounting, financial, reporting, fund administration, tax, internal audit, legal, debt placement, technology-related services, brokerage, sales agent, property-related services (including property management, leasing, construction management, development and other property-related services) and any other services in lieu of third parties providing such services to such persons, so long as (i) such services are on terms that are determined by the FREIP General Partner to be fair and reasonable to FREIP Fund I or such portfolio investment (including reimbursing the FREIP Relying Adviser or any of its affiliates for any overhead expense (including rent, utilities, office maintenance, office supplies and hardware, storage, human resources and benefits administration, technology and software costs) and/or employee compensation costs (including salary, bonus, deferred compensation, salary overhead and payroll administration and charges) that the FREIP General Partner determines is allocable to such services), and (ii) any fees paid to the FREIP Relying Adviser or its affiliates for such services shall not exceed the rate that would be payable by FREIP Fund I, such affiliate(s) or such portfolio investment if such services were provided by third parties in the business of providing comparable services in the applicable market on an arm's length basis or as otherwise set forth in the FREIP Fund I Governing Documents. Accordingly, the FREIP General Partner, the FREIP Relying Adviser and such affiliates will receive these payments even if such investments do not generate a profit, and such use or retention may create an incentive for the FREIP General Partner to favor its affiliates over more qualified service providers.

Competitive Activities. Notwithstanding that the FREIP Relying Adviser and its affiliates are expected to provide services on behalf of FREIP Fund I or in connection with its investments, except as set forth in the Governing Documents, the FREIP Relying Adviser and its affiliates are not prohibited from engaging, directly or indirectly, in any other business or from possessing interests in any other business, venture or real estate asset, including businesses and ventures involved in the acquisition, development, ownership, management, leasing or sale of real estate projects. For example, the FREIP Relying Adviser and its affiliates provide services to other investment funds, vehicles, accounts and clients that are similar to those furnished by the FREIP General Partner and the FREIP Relying Adviser to FREIP Fund I and pursue real estate development or acquisition projects with investors other than investors in FREIP Fund I. The scope of the activities permitted to be conducted by the FREIP Relying Adviser and its affiliates outside of FREIP Fund I is very broad, and there can be no assurance that permitted activities will not compete or otherwise be in conflict with the business of FREIP Fund I. Conflicts of interest exist to the extent that FREIP Fund I acquires properties in the same geographic areas where properties owned by other investment funds, vehicles, accounts or clients managed by, advised by or affiliated with the FREIP Relying Adviser and its affiliates are

located. In such a case, a conflict could arise in the leasing of properties in the event that FREIP Fund I and such person or entity were to compete for the same tenants, or a conflict could arise in connection with the sale of properties in the event that FREIP Fund I and such person or entity were to attempt to sell similar properties at the same time.

Other Real Estate Funds. The FREIP Relying Adviser reserves the right to raise and/or manage additional real estate investment funds, accounts, joint ventures or other vehicles, including joint ventures or other vehicles that may have the same or similar investment objectives as FREIP Fund I for specific geographical areas and other sector-specific investment funds, accounts, joint ventures or other vehicles.

General Partner's Interest in Carried Interest, Asset Management Fees and Property Management Fees. The fact that the FREIP General Partner's (i) Carried Interest is based on a percentage of net profits, (ii) the property management fee is based on a percentage of gross revenues, and (iii) asset Management Fee is based on a percentage of FREIP Fund I's investment capital, may create an incentive for the FREIP General Partner to cause FREIP Fund I to make riskier or more speculative investments or to hold an investment longer than otherwise would be the case. Additionally, under the 2017 Tax Legislation, certain partnership allocations of capital gains to service providers such as the FREIP General Partner are treated as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset which generated such gain for more than three years. This could increase the tax liability of the FREIP Relying Adviser's investment professionals, employees or other individuals associated with FREIP Fund I or the FREIP General Partner with respect to some or all of the income attributable to their interests. As a result, the after-tax returns from FREIP Fund I and the FREIP General Partner could be reduced, which could make it more difficult for the FREIP General Partner and its affiliates to incentivize, attract and retain individuals to perform services for FREIP Fund I. It could also create an incentive for the FREIP General Partner to cause FREIP Fund I to hold assets for longer periods of time than might otherwise be the case.

Item 9 Disciplinary Information

Like other registered investment advisers, TDP is required to disclose all material facts regarding any legal or disciplinary events that would materially impact an investor's evaluation of TDP or the integrity of TDP's management. TDP and its management persons have not been subject to any material legal or disciplinary events applicable to this Item.

On occasion, in the ordinary course of its business, TDP, the Funds, or the Funds' portfolio investments (or their respective directors, and executive officers) may be named as defendants in a legal action. Although there can be no assurance of the outcome of such legal actions, TDP does not believe that any current legal proceedings or claims to which TDP, the Funds, or the Funds' portfolio investments (or their respective directors, and executive officers) are a party, if any, would individually or in the aggregate materially affect a client's or prospective client's evaluation of the Firm or the integrity of the Firm's management.

Item 10 – Other Financial Industry Activities and Affiliations

Neither TDP nor any of its management persons are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer. Neither TDP nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing.

TDP does not have arrangements with a related person who is a broker-dealer, municipal securities dealer, government securities dealer or broker, investment company, other investment adviser or financial planner, futures commission merchant, commodity pool operator, commodity trading adviser, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer, or sponsor or syndicator of limited partnerships that are material to its advisory business or to its clients. TDP has and will continue to develop relationships with professionals who provide services it does not provide, including legal, accounting, banking, investment banking, tax preparation, insurance brokerage and other personal services. Some of these professionals provide services to the Funds or their portfolio investments. Additionally, some of these professionals are investors in TDP Funds, either personally or through their company.

As described above in Item 4, TDP is affiliated with both (i) the Relying Advisers, who rely on TDP's registration with the SEC and (ii) the Funds' General Partners, which are deemed registered with the SEC under the Advisers Act pursuant to TDP's registration. The Relying Advisers and the General Partners operate as a single advisory business together with TDP and serve as managers or General Partners of Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants, Operations Group members or persons occupying similar positions. The FREIP Relying Adviser employs three people, the FREIP Principal, a financial controller and a senior associate, who are not common to or shared with any TDP affiliates, but who are covered under the TDP compliance program.

From time to time, TDP receives training, information, promotional materials, meals, gifts, entertainment or prize drawings and other perquisites from vendors, and others with whom it does business or to whom it makes referrals. However, at no time will TDP accept any benefits, gifts, entertainment or other arrangements that are conditioned on directing individual Fund transactions to a specific investment, product or provider. Similarly, TDP employees have in the past, and expect to in the future, speak at conferences and programs for potential investors interested in investing in private funds that are sponsored by various investment bankers, broker-dealers or others. Through such capital introduction events, prospective investors have the opportunity to meet with TDP. Neither TDP nor any Fund compensates these investment bankers, broker-dealers or others for organizing such events or for investments ultimately made by prospective investors attending such events.

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

Code of Ethics and Personal Trading

TDP has adopted the TDP Code of Ethics and Securities Trading Policy and Procedures (the “**Code**”) pursuant to Rule 204A-1 of the Advisers Act, which sets forth standards of conduct that are expected of TDP supervised persons and addresses conflicts that arise from personal trading. The Code of Ethics requires all supervised persons to place Fund interests ahead of the Firm’s interests, to avoid taking advantage of his or her position and to maintain full compliance with the federal securities laws.

Supervised persons are required to certify to their compliance with the Code of Ethics upon hire and on an annual basis. Supervised persons who violate the Code will be subject to remedial actions, including, but not limited to, censure, suspension or dismissal. Supervised persons are also required to promptly report any violations of the Code of which they become aware.

The personal trading policy for TDP supervised persons is set forth in TDP’s Code of Ethics and is acknowledged as received and understood by each supervised person. TDP’s personal trading policies are designed to ensure that no Fund is disadvantaged by the transactions executed by a supervised person and that supervised persons in no respect misappropriate any benefit properly belonging to a Fund.

TDP’s supervised persons are prohibited from trading, either personally or on behalf of others, in securities while in possession of material nonpublic information regarding publicly traded securities or communicating material nonpublic information about such securities to others. The Code of Ethics establishes guidelines for personal trading requirements, insider trading and reporting of personal securities transactions, including certain pre-clearance and reporting obligations. TDP maintains a restricted list of issuers about which it has, or may have, material nonpublic information. Pre-clearance is required by supervised persons for certain personal securities transactions, including restricted list securities, initial public offerings and certain limited offerings. In addition, supervised persons are required to file certain reports and submit their brokerage account statements to the Chief Compliance Officer for review. A copy of the Code will be provided to any investor or prospective investor upon request to Jay Ashvin Dave, the TDP Chief Compliance Officer, at (312) 489-5050.

Participation or Interest in Client Transactions

Certain TDP employees and related entities and trusts of TDP employees have invested in or through the General Partner and/or as investors in the Funds. As mentioned in Item 5 above, TDP generally reduces all or a portion of the Management Fee and Carried Interest allocation related to investments held by such persons. Principals and employees of TDP and its affiliates directly or indirectly own an interest in one or more Funds. To the extent that co-invest vehicles exist, such vehicles will be permitted to invest in one or more of the same portfolio investments as a Fund. Co-invest opportunities may also be presented to certain affiliates of TDP, as well as third-party investors and

other persons, and such co-investments may be effected through co-invest vehicles or directly in a particular portfolio investment. Such co-investment opportunities generally will be allocated in the manner described under Item 8, “Methods of Analysis, Investment Strategies and Risk of Loss.”

TDP supervised persons carry on investment activities for their own account and for family members, friends or others who do not invest in a Fund, and give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Fund, even though their investment objectives are the same or similar. In certain situations, the Principals, employees and affiliates may be permitted to buy securities in transactions offered to, but rejected by, the Funds or that are outside the investment mandate of the Funds.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account, knowingly buys from or sells a security to an advisory client. This prohibition extends to any affiliates or controlling persons of the adviser (*i.e.*, an owner, employee or affiliate of the adviser). The SEC also views cross trades between Funds to be principal transactions if the adviser (and/or its affiliates, owners, or controlling persons) own, in the aggregate, 25% or more of either Fund. Agency cross transactions occur when an adviser or an affiliate arranges a transaction (*i.e.*, acts as a broker) between two or more different funds or accounts that are managed by that same adviser or an affiliate. Agency cross transactions may also arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. An adviser is not “acting as a broker” if the adviser receives no compensation (other than the advisory fee earned in the ordinary course of managing the asset) for effecting the transaction and therefore is not considered to be conducting an agency cross transaction under Section 206(3) of the Advisers Act.

In the event TDP were to recommend a principal transaction or agency cross transaction, it would only be after: (i) the Firm has determined the transaction to be in the best interest of participating Funds; (ii) the transaction is permitted by the relevant Governing Documents; (iii) proper disclosure is given to the investors or advisory board, as appropriate; (iv) if necessary, consent is obtained from the appropriate parties; and (v) the Firm ensures that best execution is achieved for the transaction.

Item 12 – Brokerage Practices

TDP focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions. In pursuing privately negotiated transactions, TDP will, on occasion, engage the services of a broker-dealer, investment banker, real estate or mortgage broker in connection with the purchase and sale of a portfolio investment. Whether for private or public securities transactions, TDP selects a broker-dealer, investment banker or real estate or mortgage broker with the overall aim of maximizing returns for the client.

Selection of a broker-dealer, investment banker or real estate or mortgage broker is based on TDP’s judgment regarding a variety of factors, which will not be limited solely to ultimate deal price, and including but not limited to: TDP’s prior experience in working with the broker or banker; the broker or banker’s execution capability, financial responsibility, reputation and expertise within the industry;

the broker or banker's responsiveness to the Firm; the broker or banker's expertise in dealing with investments that are restrictive or illiquid in nature; and the commission rates, cost, among other factors.

Although TDP generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent, especially in private securities transactions that rely heavily on the specialty services or experience of a broker or banker that operate outside of a competitive bidding environment. Transactions that involve such specialized services on the part of the broker or banker can thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

TDP does not receive research or other soft dollar benefits in connection with securities transactions for the Funds, does not receive client referrals in connection with selecting or recommending broker-dealers for the Funds and does not engage in directed brokerage. In the event TDP were to aggregate the purchase or sale of securities for client accounts, it would do so on a pro rata basis.

Item 13 – Review of Accounts

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, TDP monitors each Fund's investments, and the TDP Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

Each Fund generally will provide to its investors (i) annual audited financial statements prepared in accordance with United States generally accepted accounting principles ("GAAP") as promulgated by the Financial Accounting Standards Board ("FASB"), accompanied by the report of the independent certified public accountant, within 120 days of fiscal year end, (ii) capital account statements for the first three quarters of each fiscal year, (iii) following June 30 of each fiscal year, unaudited valuations of a Fund's investments, (iv) annual tax information necessary for each investor's U.S. tax return (K-1's) and (v) descriptive investment information for each portfolio investment annually. All reports are written and delivered to investors electronically.

In the course of conducting due diligence or otherwise, investors periodically request information pertaining to their investments. TDP responds to these requests, and in answering such requests, provides information that will generally not be made available to investors who have not requested such information. Additionally, upon request, certain investors receive additional information and reporting that other investors do not receive. The Firm also has contact with investors (personal visits, telephone, email) throughout the year as conditions warrant.

Item 14 – Client Referrals and Other Compensation

TDP and/or its affiliates provide certain business or consulting services to companies in a Fund's portfolio and receive compensation from these companies in connection with such services. As

described in Item 5 above and in the Governing Documents, for TDP Fund II this compensation will generally offset a portion of the Management Fees paid by such Fund; however, there is no such offset mechanism for TDP Fund I or FREIP Fund I. In other cases (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio investment), these fees are in addition to Management Fees.

These types of arrangements present potential conflicts of interest and provide TDP with an incentive to recommend investments based on compensation received rather than the best interests of the Funds. To help mitigate this potential conflict, an allocable portion of such benefits received by TDP or its employees in connection with services rendered to portfolio investments or transactions of the Fund are offset (in the case of TDP Fund II, and not for the Operations Group) against Management Fees payable by the Funds to the extent described above and detailed in TDP Fund II's Governing Documents.

Because there is a fixed investment period after which capital from investors in a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, the Firm's fee structure may create an incentive to deploy capital when TDP may not otherwise have done so.

Since TDP is permitted to retain certain supplemental fees (as described under Item 5) in connection with Fund investments, it could have a conflict of interest in connection with approving transactions and setting such compensation.

Finally, in the case of FREIP Fund I, and as further described above, the FREIP Relying Adviser receives acquisition fees, financing fees and property management fees which will be based on a percentage of the assets cost, amount financed, or revenue from applicable properties. This can create a conflict of interest for the FREIP Relying Adviser, its affiliates and/or their Principals or employees as they may have an incentive to, for example, acquire higher value properties over properties that may be deemed more profitable in the long run, finance acquisitions using a larger percentage of debt or prioritize properties based on revenue streams rather than long-term appreciation. As disclosed elsewhere, the Firm believes that the interests of its Principals are ultimately aligned with those of each Fund's investors through a number of factors, including the allocation of Carried Interest and the Principals' beneficial ownership interests in such Fund.

As of the date hereof, TDP does not directly or indirectly compensate any person who is not a supervised person for client referrals and does not use placement agents to assist in its fundraising efforts.

Item 15 – Custody

TDP is deemed to have custody of the Funds' assets because of its affiliation with each Fund's General Partner and the General Partners' ability to deduct fees from Fund accounts. In order to comply with the Advisers Act Rule 206(4)-2 (the "Custody Rule"), TDP has elected to undergo an annual GAAP financial statement audit by an independent public accountant registered with and subject to

examination by the Public Company Accounting Oversight Board for each of the Funds over which it is deemed to have custody, copies of which are (or will be, for newly closed Funds) delivered to the Funds and their respective investors within 120 days of fiscal year end. Investors in the Funds should carefully review such financial statements.

TDP does not, however, accept physical custody of any client assets (other than certain privately offered securities to the extent permitted by the Advisers Act). Called capital is directly sent or wired into the relevant Fund's qualified custodial account. TDP receives monthly statements from each of its qualified custodians on behalf of the Funds. For more information about TDP's qualified custodians, please see Form ADV Part 1, Schedule D, 7.B.(1).

Item 16 – Investment Discretion

TDP has discretionary authority to manage investments on behalf of each Fund. Investment advice is provided directly to the Funds, subject to the discretion and control of the relevant General Partner, and not to investors in the Funds individually. TDP assumes this discretionary authority pursuant to the terms of the Governing Documents and powers of attorney executed by the investors of such Fund. Once an investor executes these documents, with limited exceptions, such as certain conflicts of interest as discussed elsewhere in this Brochure, TDP is not required to contact such investor prior to transacting business in a Fund. As mentioned above in Item 4, TDP has not entered into any side letters with investors and as a general policy, has not allowed investors to place limitations on its authority to provide advice to the Funds.

Item 17 – Voting Client Securities

TDP Funds

By virtue of the applicable TDP Governing Documents, TDP has the authority to vote client proxy statements on behalf of the Funds. The majority of "proxies" received by TDP, however, are written shareholder consents or similar instruments for private companies owned by the TDP Funds. As such, TDP has adopted the TDP Proxy Voting Policies and Procedures (the "**Proxy Policy**") pursuant to Advisers Act Rule 206(4)-6 to address how it will vote proxies, as applicable, for each Fund's portfolio companies. The Proxy Policy seeks to ensure that TDP votes proxies (or similar instruments) in the best interest of each Fund, including where there are material conflicts of interest in voting proxies. TDP generally believes its interests are aligned with those of each Fund's investors, for example, through the Principals' beneficial ownership interests in such Fund, and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that TDP can address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Investors in the TDP Funds cannot direct how TDP votes proxies or shareholder consents, nor is TDP required to seek investor approval or direction from investors when voting proxies or when giving consent on any matter requiring the consent of shareholders.

The Principals and affiliated or unaffiliated third parties appointed by TDP often sit on the boards of portfolio companies to which TDP provides operational, management and consulting services and, as such, exercise authority with respect to various issues faced by the portfolio companies. TDP does not consider service on portfolio company boards by TDP personnel or TDP's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by TDP when voting proxies on behalf of a TDP Fund.

FREIP Fund I

Because FREIP Fund I invests solely in real estate and real estate-related assets that will generally not have proxies or shareholder consents, the FREIP Relying Adviser does not expect to vote client securities. In the rare event that a portfolio investment has proxies, shareholder consents, or any other vote is required, the FREIP Relying Adviser expects to follow the Proxy Policy implemented by TDP.

Generally

Investors that would like a copy of TDP's complete Proxy Policy or information regarding how TDP voted proxies for particular portfolio companies can contact Jay Ashvin Dave, the TDP Chief Compliance Officer, at (312) 489-5050, and it will be provided at no charge.

Item 18 – Financial Information

TDP does not require or solicit prepayment of more than \$1,200 in management fees more than six months in advance; has no financial condition reasonably likely to impair its ability to meet contractual commitments to Funds or investors; and has not been the subject of a bankruptcy proceeding.