

**Firm Brochure**  
(Part 2A of Form ADV)

**Item 1. Cover Page**

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This brochure provides information about the investment advisory business of Dome Equities, LLC (“Dome”). If you have any questions about the contents of this brochure, please contact us at 646-278-1360 or by e-mail at info@domeeq.com. 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.

Additional information about Dome is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration of an investment adviser with the SEC does not imply any particular level of skill or training.

March 21, 2019

## **Item 2. Material Changes**

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This brochure has been revised throughout to update and/or clarify disclosure in relation to the private funds sponsored by Dome (including with respect to fees and expenses, investment strategies and related risks), as well as Dome's regulatory assets under management.

Item 3.

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## Item 4. Advisory Business

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### Firm Description

Dome Equities, LLC, a Delaware limited liability company (“Dome”), was founded in November 2010. Dome is a private equity real estate investment management firm. Dome’s business includes the operating and management of real estate investments sponsored by a prior related entity of Dome. This brochure describes only that segment of Dome’s activities that might be deemed to be an investment management business as opposed to the direct property investments of the prior related entity of Dome. The principal difference between the two business segments is not the underlying assets, which are real estate properties in all cases. The principal difference is instead one of ownership and investment management structure, given that since November 2010, Dome’s management has elected to employ the indirect Fund-Master Entity investment model described in this brochure.

Dome is currently providing investment advisory services for one type of client—private, unregistered investment funds (each a “Fund”), to date each a limited liability company or limited partnership, which invests in entities (usually a limited liability company) whose primary asset consists of real estate, with a focus on the multifamily sector (each such entity, a “Master Entity”). Most Master Entities invest in incoming-producing, improved real estate, although certain Funds have invested in Master Entities pursuing ground up real estate development projects. As of December 31, 2018 Dome acts as investment adviser to 19 Funds with total assets under management of approximately \$1.448 billion. Three such Funds, Dome US Multifamily Fund I, LLC, Dome U.S. Multifamily Fund II, L.P. and Dome U.S. Multifamily Fund III, L.P. (together with their respective dedicated parallel funds, as applicable, “Fund I”, “Fund II” and “Fund III”), differ from most other Funds in that they are structured to invest in multiple properties through multiple Master Entities.

The investment objective of each Fund is to achieve long-term capital appreciation and current income by investing in a Master Entity whose primary asset is real estate. Dome believes that each Master Entity to date has characteristics of a joint venture between the relevant Fund and an independent, local real estate operator identified by Dome as qualified to manage (and/or develop, as applicable) the underlying real estate property. To date, each Fund that Dome advises owns a non-managing member interest in the relevant Master Entity (or, in the case of Funds I-III, multiple Master Entities). The managing member interest of each Master Entity is generally held by the relevant local real estate operator who sourced and identified the property acquisition.

Dome provides each Fund with such investment advice and supervision as it considers necessary for the proper supervision of the investment of assets of the Fund. Dome furnishes the investment program for each Fund, consisting of a review of the real property proposed to be purchased by each relevant Master Entity and the identification of each local real estate operator, as well as monitoring each

investment on a continuous basis and implementing the sale of the underlying real estate which, for all Funds other than Funds II and III, requires approval of a majority in interest of the members of a Fund. Dome will at all times supervise the purchasing and selling of the real estate investment. Dome will determine what portion of the other assets of the Fund should be held uninvested, subject always to the restrictions of the Operating Agreement of the Fund then in effect, as it may be amended from time to time, and to the Fund's then-current Confidential Private Placement Memorandum under which the Fund offers and sells its interests to investors. To date, Dome has managed each Fund's cash flows to minimize uninvested amounts, so that, while Dome has the authority to manage a Fund's short-term investments, uninvested amounts generally are held as cash in demand deposits.

An affiliate of Dome, Dome GP, LLC (the "Manager"), acts as the manager of Dome pursuant to Dome's Limited Liability Company Agreement and as the managing member of each Fund (or, in the case of Fund II and III, the manager of the relevant Fund II and Fund III general partner). The Manager is included under the umbrella registration provisions of Part 1, Form ADV, Schedule R for Dome. Subject as to certain limited matters to approval by a majority or more in interest of the members/partners of a Fund, the Manager shall have sole and exclusive control over the Fund and the power and authority to take such actions from time to time as the Manager may deem to be necessary, appropriate or convenient with respect to the management and conduct of the Funds. The Manager is responsible for all financial matters of each Fund, including processing the receipt and disbursements of monies, as well as payment for advisory services of Dome provided to a Fund.

Dome provides its investment supervisory services through its officers. Determinations whether to organize a particular Master Entity and thereby to acquire a specific real estate property are made by Dome's investment committee, which is comprised of Dome's Chief Executive Officer/Chief Investment Officer, Eric D. Jones, Dome's Chief Operating Officer/Chief Compliance Officer, Todd Cather and two Managing Directors, Jeremy Klein and Dan Bourla. Dr. Nitin V. Doshi, who has a minority membership interest in Dome, is not a member of the investment committee but is typically informed about acquisition decisions, and Dr. Doshi or his affiliated entities provide acquisition financing for certain Funds on a bridge basis.

Interests in each Fund are privately offered pursuant to Regulation D under the Securities Act of 1933, as amended and exemptions from registration under state laws. Each Fund relies on an exemption from registration under the Investment Company Act.

Relevant information, terms and conditions relating to each Fund, including the compensation received by Dome and its affiliates, minimum investment amounts, investor qualification requirements, investment limitations, indemnification, risk factors and potential conflicts of interest are set forth in the Confidential Private

Placement Memorandum of each Fund, the Operating Agreement of the Fund, and/or the Subscription Agreement of the Fund (collectively the “Offering Documents”), all of which each investor is required to receive (and, as applicable, execute) prior to being accepted as an investor in the Fund.

Dome does not sell annuities, insurance, stocks, bonds, mutual funds, or other commissioned products. Dome is not affiliated with entities that sell such financial products or securities.

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**Principal Owners**

Dome is principally owned by its senior management and their families. The two largest direct owners of the firm are family entities for Mr. Eric Jones, Dome’s Chief Executive Officer and Chief Investment Officer, and Mr. Todd Cather, Dome’s Chief Operating Officer and Chief Compliance Officer (each owning 24.50%). Mr. Jones also owns, directly and indirectly, the managing member of each of the Funds (or, in the case of Fund II and III, the manager of the relevant Fund II and Fund III general partner). Dr. Nitin V. Doshi and entities associated with the Doshi family, of which Mr. Cather is a member, also own direct equity interests in Dome.

**Item 5. Fees and Compensation**

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Dome furnishes, generally at its own expense in accordance with each Fund’s Operating Agreement, all necessary services, facilities and personnel in connection with its investment advisory responsibilities. In some cases the Fund Operating Agreement provides for Dome to be reimbursed for the cost and expenses of Dome personnel performing certain tax and audit services. The internal reimbursement policy for this activity was instituted in the fourth quarter of 2015. Subject to an aggregate dollar cap on organizational expenses in the case of Fund II and Fund III, Dome is also reimbursed by each Fund for all organizational expenses incurred in creating the Fund, and each Fund bears all expenses incurred in connection with its ongoing operations, including, without limitation, taxes and other related costs; legal, audit, tax preparation and accounting fees; and costs of litigation or other “extraordinary” events.

Generally, an annual investment advisory fee of 150 basis points of the cumulative total of all capital contributions of the members/partners of each Fund other than affiliated parties of Dome (and, in the case of Fund II and Fund III, certain other limited partners) is required to be paid by each Fund in quarterly installments (either in advance or in arrears); provided, however, that with respect to each Fund, other than Fund II and Fund III, each quarterly installment of the advisory fee will be payable only to the extent of available net cash flow from operations as defined in the Fund’s Operating Agreement. Additionally, during Fund III’s investment period, the generally applicable annual investment advisory fee is calculated by reference to a limited partner’s capital commitment (as opposed to capital contributions). These fees are non-refundable. Past due advisory fees that are not

paid pending receipt of sufficient cash flows will accrue until paid but will not separately accrue interest.

Fees are generally deducted from each Fund as directed by Dome to the Manager, which Manager is affiliated with Dome.

As a condition of its investment in the relevant Master Entity, each Fund (other than Fund II and Fund III) is obligated to pay a pro rata portion of a real estate structuring fee relating to the underlying real estate asset purchased by the Master Entity. That fee is usually 1% of the purchase price (or development budget, as applicable), and is paid to Dome or a Dome affiliate by the Master Entity. As an expense of the relevant Fund, this structuring fee operates as an indirect expense borne by the members of such Fund. Because the Master Entity will obtain debt to pay a significant part of the purchase price (or development budget, as applicable) of any acquired real estate, the fee typically represents significantly more than 1% of the assets paid into a Fund by Fund investors. Dome or its affiliates typically invest approximately between 5% and 10% of the equity in each Fund formed (though no particular level of investment is required, except in the case of Fund II and Fund III), so that Dome or its affiliates indirectly bear a proportional amount of the fee, net of the local operator's proportional share of the fee. Notwithstanding the foregoing, Fund II and Fund III are not subject to the structuring fee.

The revenues to Dome or the Dome affiliate associated with these structuring fees are significant and, by way of comparison, in the past have represented amounts equivalent to approximately 3% of the total equity of a Master Entity. Each structuring fee presents a conflict of interest for Dome in that it may be an inducement to recommend that a Fund buy properties more quickly or at higher prices (or with a higher development budget, as applicable) than if a lower price or development budget could be negotiated.

In addition, each Fund will allow investors to make additional capital contributions, which may take the form of capital or loans to the Fund. In the case of Fund II and Fund III, investors are required to make additional capital contributions in respect of their commitment upon notice. It is expected that additional capital contributions may be requested at such time, if any, at which each relevant Master Entity needs additional capital to operate and manage the real property purchased by it (and, in the case of Fund II and Fund III, for the purchase of interests in a new Master Entity or to pay expenses). Dome will be paid its advisory fee on such additional contributed amounts as well.

In addition to fees payable to Dome and its affiliates, each Master Entity will typically also be obligated to pay certain fees to the unaffiliated local operating partner. Such fees may include acquisition fees, property management fees, development and general contractor fees, as well as an incentive fee. In some cases the Master Entity may also be obligated to pay a real estate brokerage fee to an unaffiliated party.

It should be noted that persons who invest in a Fund may pay lower overall fees to other investment advisers and potential investors have the right to invest with other firms, but in doing so they will not be exposed to the specific real estate-related investments for which Dome provides advice, because these investments are only offered through Dome.

## **Item 6. Performance-Based Fees**

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Dome will not receive any performance-based fees directly from a Fund; however affiliates of Dome, including DIH II, LLC (“DIH”) and the general partners of Fund II and Fund III will receive payments that are based on a Fund’s investment returns. Generally, each Fund’s terms provide that after investors in the Fund receive distributions equal to their contributed capital plus a preferred return (typically at least 8% compounded annually), then the applicable Dome affiliate receives 15% of the total profits. It is expected that supervised persons of Dome will be paid amounts by DIH or another Dome affiliate equal to approximately one-half of these performance-based payments pursuant to agreements between DIH or another Dome affiliate and such supervised persons.

These payments may encourage Dome and its supervised persons to select more risky real estate investments than if Dome and its affiliates otherwise received compensation based solely on contributed capital, for example.

## **Item 7. Types of Clients**

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As described, Dome provides investment advice to only one type of client—the Funds. The majority of the Funds are single asset funds formed as a limited liability company to invest in a single Master Entity. Most Master Entities invest in incoming-producing, improved real estate, although certain Funds have invested in Master Entities pursuing ground up real estate development projects. Dome and its affiliates also manage co-mingled, multi-asset private investment funds that seek to generate current income, achieve long-term capital appreciation and provide protection against inflation by investing in U.S. real estate assets, with an exclusive focus on multi-family rental properties already in operation at the time of investment.

Investors in each Fund must qualify as “accredited investors” (as defined in Regulation D under the Securities Act of 1933, as amended) and “qualified clients” under the Investment Advisers Act of 1940. Investors in Dome U.S. Multifamily Fund II (A), L.P. (the dedicated Fund II parallel fund) and Dome U.S. Multifamily Fund III (A), L.P. (the dedicated Fund III parallel fund) must also be “qualified purchasers”, as such term is defined in Section 2(a)(51) of the Investment Company Act of 1940.

A description of the transfer rights and procedures, minimum investments, and Dome’s ability to waive such rights, procedures and minimums is described in the Offering Documents of each Fund.



## Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

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Dome management has broad-based experience identifying value add and distressed real estate acquisitions. Dome's approach is strategy-driven and includes investing in competitively bid or off-market transactions. Management employs a disciplined, proprietary macro-research capability intended to target economically strong regions of the United States. Due diligence regarding properties, regional economics, the local operating partner and proposed property managers is performed, and historical cash flows and various scenarios of future cash flows are reviewed. Typical real estate transaction size ranges from \$5 to 20 million of investor equity in each Fund, with properties with a total cost of \$20 to 60 million.

Dome has historically acquired and developed properties in the commercial office, retail, industrial and residential markets. Mr. Jones, through Dome and prior platforms, has increased the acquisition of multi-family rental property since approximately 2005. Dome believes that the key aspects that have driven this strategy direction are the following:

- Echo Boom Generation otherwise known as Millennials just entering their prime renting years.
- Life changing events such as marriage and first birth occurring later in life.
- Student loan debt outstanding reaching record levels.
- Single-family home (“SFH”) ownership peaked in 2004, SFH construction peaked in 2006— and renting as an alternative has become far more attractive and accessible.
- Historically low mortgage rates and attractive government sponsored entity financing for multi-family rental property.
- Rental property represents a hard asset and inflation hedge, with key elements of short duration fixed income (e.g., one year leases).

An investment in each Fund involves significant risks not associated with other investment vehicles and is suitable only for persons of adequate financial means who have no need for liquidity in such an investment. There can be no assurances or guarantees that (i) any Fund's investment objectives will prove successful or (ii) investors will not lose all or a portion of their investment in the Fund.

Investors should consider a Fund as a supplement to an overall investment program and should only invest if they are willing to undertake the risks involved.

There are numerous market and strategy risks in connection with investing in a Fund, including:

- Each Fund is newly created and it therefore has no operating history upon which prospective investors may base an evaluation of performance of the Fund.
- The success of each Fund is significantly dependent upon the expertise of Eric D. Jones. The loss of Mr. Jones' services could have a material adverse effect on the Fund.
- Members/partners do not participate in management of any Fund.
- Each Fund's portfolio will be comprised of and concentrated in holdings in a limited liability company (or similar vehicle) whose sole purpose is to invest in real estate (in most cases income-producing, improved real estate, but in some cases real estate development projects). Each Fund will not be able to readily dispose of its holdings and, in some cases, may be contractually prohibited from disposing of such holdings for a period of time.
- An investment in any Fund provides almost no liquidity since the interests in a Fund are not freely transferable and investors have very limited rights of withdrawal.
- Each Fund is not, nor is it intended to be, registered under the Investment Company Act and thus is (i) different in many ways from open-end investment companies (known as "mutual funds") that are registered and (ii) not subject to the provisions of the Investment Company Act designed for investor protection.
- The Master Entity in which each Fund invests will likely have significant leverage in seeking to achieve a higher rate of return. While leveraging presents opportunities for increasing the Fund's total return, it has the effect of increasing losses as well.
- A Master Entity usually uses a local operator to manage (and/or develop, as applicable) its real estate. While there are various protective rights negotiated for the Master Entity in its dealings with a local operator, including the right to remove a local operator in specified circumstances, neither the Master Entity nor Dome has control over local operators, and disagreements and non-performance could arise, ultimately jeopardizing the economics of the real estate investments. From time to time disagreements have arisen in the past which were detrimental to operating results and financial performance of acquired properties.
- A wide range of economic, political, competitive and other conditions (including acts of war or terrorism) may affect Fund investments.
- No investor will have any right to manage any Fund or make any significant operating decisions for it.
- It is expected that there will be significant material restrictions on a Fund investor's rights to transfer its interests. These restrictions include (i) prior written consent of the Manager; (ii) restrictions on transfers to any real estate private equity or opportunity fund that raises capital from third-party investors and (iii) during such time as

the property beneficially owned by the Fund is the subject of possible purchase by affiliates or others.

- Funds investing in real estate development projects are subject to additional risks inherent in such projects. These include potential deviations from the agreed business plan and/or liability for cost overruns, construction delays and defects, the inability to secure sufficient tenant commitments, changes in local demand during the time of development and construction, and environmental, zoning and permitting uncertainties.

There are regulatory and operational risks, including:

- *Limited Regulatory Oversight.* Although Dome is registered as an investment adviser with the SEC, the SEC does not review investment advisers as to their qualifications or fitness prior to accepting a firm's registration, and while the SEC does inspect the operations of registered investment advisers, such inspections as to any particular registered adviser are not conducted on any specific recurring schedule.
- *Cybersecurity Risk.* As the use of technologies, such as the internet, has become more common in conducting business, Dome may be more susceptible to operational, information security and related risks in connection with breaches in cybersecurity. Generally, a cybersecurity failure may result from either intentional attacks or unintentional events and include, but are not limited to, unauthorized access to digital systems, the misappropriation of assets or sensitive information, the loss of proprietary information, corruption of data and operational disruption, including denial-of-service attacks on websites. A cybersecurity failure could cause a Fund and/or Dome to become subject to regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial losses. Cybersecurity failures may involve third party service providers, joint venture partners, and investments made by, or counterparties involved in transactions with, Dome or the Funds. Dome has established policies and procedures reasonably designed to reduce the risks associated with cybersecurity failures; however there can be no assurance that these policies and procedures will prevent or mitigate the impact of cybersecurity failures.

There are conflicts of interest between Dome and its affiliates, on one hand, and each Fund, including the following:

- *There is no obligation by Dome to provide full-time services to any Fund.*

- *Because of the nature of fees paid to Dome and its affiliates, there may be an incentive for Dome to invest in more risky and speculative real estate that may not have economically sound operating parameters. See Item 6 above.*
- *The structuring fee described above (at Item 5) presents a conflict of interest for Dome in that it may be an inducement to recommend that a Fund buy properties more quickly or at higher prices (or with larger development budgets, as applicable) than if a lower price or development budget could be negotiated. This fee is not incurred by Fund II or Fund III.*
- *The “bridge financing” practice described below (at Item 11 below) may create a conflict of interest for Dome, as it may have an incentive to recommend a property acquisition more quickly in order to facilitate repayment of the financing. These transactions collectively also may have the effect of representing a transfer of an equity interest in the underlying investment from the Dome related party to the relevant Fund (and thus, indirectly, to the Fund’s investors).*

Relevant information, terms and conditions relating to each Fund, including the compensation received by Dome and its affiliates, minimum investment amounts, investor qualification requirements, investment limitations, indemnification, risk factors and potential conflicts of interest are set forth in the Offering Documents of each Fund, which each potential investor in the Fund must receive (and execute, as applicable), prior to being accepted as an investor in the Fund. There are numerous other risks set forth in the Offering Documents of each Fund.

All investment involves risk of loss, which clients and investors should be prepared to bear.

## **Item 9. Disciplinary Information**

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### **Legal and Disciplinary**

Dome and its supervised persons have not been involved in legal or disciplinary events that are material to a client’s evaluation of Dome’s advisory business or the integrity of its management.

Dr. Nitin Doshi, who has a minority membership interest in Dome, together with his family, own and operate or have interests in a variety of businesses that are unrelated to Dome. Those businesses previously were principally in the medical device and medical services industries, and subject to litigation claims and governmental inquiries arising, for the most part, in the ordinary course of business. Private litigation claims can include allegations of employment law violations, medical malpractice, non-compliance with state and federal regulatory regimes, marketing misconduct, patent infringement and so on. Medical businesses are subject to routine, regular and special investigations, audits, examinations and reviews by, and from time to time will receive subpoenas and other requests for

information from, the U.S. Department of Health and Human Services, various state insurance and health care regulatory authorities, state attorneys general and offices of inspector general, federal Medicare and Medicaid authorities, the U.S. Department of Justice, the Federal Trade Commission, U.S. attorneys, and other state and federal governmental authorities. In 2014, businesses previously related to Dr. Doshi and his family entered into a \$15.5 million dollar settlement of certain Medicare related billing claims brought by the U.S. Department of Justice and two states attorney general. The claims alleged that Medicare had been billed for procedures that were not medically necessary, not ordered by a physician and/or not performed. No admission of liability was made under the settlement.

## **Item 10. Other Financial Industry Activities and Affiliations**

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### **Other Activities**

As noted above, Dome is a private equity real estate investment management firm. Dome's business includes the operating and management of real estate investments sponsored by a prior related entity of Dome. There are approximately 5 of these investments that Dome oversees. This brochure describes only that segment of Dome's activities that might be deemed to be an investment management business as opposed to the direct property investments of the prior related entity of Dome. For further information, see Item 1 above.

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

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### **Code of Ethics**

Dome has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("Code of Ethics"). The Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by Dome or any of its associated persons. Prospective clients and clients may contact Dome at the telephone number or email listed on the cover of this Firm Brochure to request a copy of its Code of Ethics. Dome has appointed Todd Cather to serve as Chief Compliance Officer. The Chief Compliance Officer is responsible for monitoring and enforcing the Code of Ethics of Dome.

The Code of Ethics may be described briefly as follows: The Code of Ethics states that Dome employees should strive to be judicious, accurate, objective and reasonable in dealing with both clients and other parties, and that the personal integrity of all employees is paramount. Further, the policies provide that all Dome personnel must act within the spirit and the letter of all federal, state, and local laws and regulations pertaining to the securities business, and at all times, the interest of each Dome investment advisory client has precedence over any personal interest. Also, the policies require that officers, directors and employees shall provide reports of securities transactions upon request of management and Dome personnel will not accept compensation of any sort for services, from any outside source without the permission of the Chief Compliance Officer. In addition, the policies

state that when personal interests conflict with the interests of Dome and its investment advisory clients, the employee will report the conflict to the Chief Compliance Officer for resolution. In addition, all personal transactions of Dome personnel relating to real estate shall be reported to the Chief Compliance Officer.

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**Participation or Interest in Client Transactions**

Subject to the requirements of Dome's Code of Ethics, Dome and persons associated with Dome ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with the Dome's policies and procedures. The Associated Persons may purchase ownership in a Fund on more advantageous terms than other investors in the Fund. The interests of these persons may conflict with the interests of outside investors, as some affiliates may seek higher percentage investments when they perceive greater value in a particular transaction. Dome addresses this conflict by generally limiting the ownership by Associated Persons in any one Fund to generally 20% of such Fund, unless a greater ownership percentage is needed to complete the required financing for that Fund.

It is expected that a related party of Dome will provide "bridge financing" for a Fund investment in the respective Master Entity that will purchase the real estate which such Fund intends to own beneficially, provided, however, that this bridge financing activity, if used at all, is expected to be limited for Fund II and Fund III. This arrangement is expected to entail that related party loaning money to the Fund and being repaid after the Fund obtains financing from third parties and makes its investment in the relevant Master Entity. It is expected that this related party will be entitled to distributions associated with such ownership. A Dome affiliate typically will maintain between 5% and 10% of any Fund's ownership interest, or another amount as specifically disclosed in the Offering Documents for the Fund (i.e., a greater or lower percentage may be retained). This financing practice may create a conflict of interest for Dome, as it may have an incentive to recommend a property acquisition more quickly in order to facilitate repayment of the financing to its related party. Dome addresses this conflict by using comprehensive review policies relating to any proposed real estate investment such that a bridge financing determination is made after the Dome personnel have determined that the investment in the underlying real estate is desirable. These transactions collectively also may in some cases have the effect of representing a transfer of an equity interest in the underlying investment from the financing party to the relevant Fund (and thus, indirectly, to the Fund's investors), a conflict of interest that is disclosed where applicable to Fund investors, who are deemed by investing in the Fund to have given their consent to the arrangement, including any aspect of the arrangement that may be viewed as an otherwise prohibited "principal transaction" under Section 206 of the Investment Advisers Act (a legal provision that prevents investment advisers or their affiliates from selling property to or buying property from investment adviser clients without a client's express consent).

**Item 12. Brokerage Practices**

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Dome will not select or recommend broker-dealers for client transactions because the Funds, Dome's sole clients, do not engage in transactions in actively traded securities, as discussed above.

### **Item 13. Review of Accounts**

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Dome monitors each Fund and its contemplated investment as part of an ongoing process and regular account reviews are conducted on at least a monthly basis. Such reviews are conducted by an investment advisory supervised person of Dome. Dome currently provides written reports monthly for each Fund relating to its investments except for Fund II and Fund III, which are provided quarterly. The reports describe the investment and the underlying real estate and financial results in respect of such real estate.

### **Item 14. Client Referrals and Other Compensation**

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Dome and its affiliates expect to pay cash referral fees to persons who refer investors in a Fund. Such payments are not subject to the so-called "solicitor rule" (Rule 206(4)-3) promulgated under the Investment Advisers Act of 1940, because that rule does not apply to investors in pooled investment vehicles. An investor who is solicited to invest in a Fund by a third party should address questions about that party's compensation, including any payments from Dome or its affiliates, directly to the other party.

### **Item 15. Custody**

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The Manager or another Dome affiliate may be deemed to have custody of each Fund's assets, which to date have consisted almost exclusively of the uncertificated limited liability company interests issued to the Fund by each relevant Master Entity as well as any bank accounts associated with each Fund.

Information about the financial results of each Master Entity is prepared by the independent, local real estate operator who is responsible for the real estate property underlying the Master Entity. Those independent operator reports are the basis for account statements assembled by Dome and the Manager and are sent to investors in each Fund quarterly. All investors are urged to review these statements carefully.

Financial statements and cash flows for each Fund are verified annually by an independent public accounting firm, which also verifies the information presented on investor account statements. The report of the independent public accounting firm is sent to Fund investors annually, generally within 120 days following the Fund's fiscal year end.

### **Item 16. Investment Discretion**

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#### **Discretionary Authority for Trading**

Dome's discretionary authority is discussed at Item 4 above.

## **Item 17. Voting Client Securities**

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### **Conflicts of Interest**

- (a) Dome will have the ability to vote with respect to the interests expected to be held by every Fund but (except with respect to Fund II and Fund III) must solicit a majority approval of equity interests in each Fund before selling or encumbering the Fund's interest in the Master Entity or the real estate held by the Master Entity. Dome intends to vote those interests in the best interests of each Fund subject to the outcome of votes of the owners of such Fund. Each investor in a Fund (except with respect to Fund II and Fund III) will be solicited in the event the underlying real estate investment of that Fund is proposed to be sold, and Dome will not receive authority to sell or encumber such assets absent the vote of a majority in interest of such Fund. In the event investors are solicited with respect to a vote, Dome will provide a written summary of such vote. Also, where Dome exercises discretionary authority to vote other securities held by a Fund, Dome will notify investors in each Fund of Dome's votes. Each Fund is permitted to obtain the voting history of Dome as it relates to each Fund, upon request. A copy of Dome's voting policies and procedures is available upon request. Dome will identify any conflicts that exist between its interests and the interests of the Fund and between its affiliates and the interests of the Fund by reviewing its relationship with each entity in which a Fund invests to determine if it or any of its employees has any financial, business or personal relationship with such entity. The Manager (through the Fund II and Fund III general partners) will have the responsibility to cast the vote with respect to any Master Entity or Fund II or Fund III decisions, as applicable, versus seeking a majority approval of equity interests in Fund II or Fund III, except as set forth in the Fund II and Fund III Operating Agreements, respectively;
- (b) If a material conflict of interest exists, a determination will be made whether it is appropriate to disclose the conflict to the Fund so as to give the Fund an opportunity to vote the proxies itself, or to address the voting issue through other objective means such as voting in a manner consistent with a predetermined voting policy or receiving an independent third party voting recommendation. Fund II and Fund III will have an LP Advisory Committee to address and resolve conflict of interest matters; and
- (c) Dome will maintain a record of the voting resolution of any conflict of interest.

## **Item 18. Financial Information**

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### **Financial Condition**

Dome does not have any financial impairments that will preclude the firm from meeting contractual commitments to clients. It has never been the subject of a bankruptcy proceeding.

## **Item 19. Requirements for State-Registered Advisers**

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### **Not Applicable**



