

Part 2A of Form ADV: *Firm Brochure*

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March 29, 2019

This brochure provides information about the qualifications and business practices of Transwestern Investment Management, LLC. If you have any questions about the contents of this brochure, please contact: Reid Bourgeois (214) 572-9817, Reid.Bourgeois@transwesterninvest.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. While Transwestern Investment Management, LLC is a “registered” investment adviser, registration does not imply a certain level of skill or training.

In addition, a wholly owned subsidiary (Transwestern Corporate Properties Adviser, LLC) and one affiliate (Transwestern Strategic Partners, LLC) of Transwestern Investment Management, LLC, as well as the General Partners to the Private Funds are relying advisors and have not registered themselves. Thus, Transwestern Corporate Properties Adviser, LLC and Transwestern Strategic Partners, LLC, are together referred to as “**Relying Advisors**”. Transwestern Investment Management, LLC and its Relying Advisors are collectively referred to as “**TIM**” in this brochure.

Additional information about Transwestern Investment Management, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 159520.

Item 2 Material Changes

This brochure, dated March 29, 2019, is an update to our disclosure document prepared according to the SEC's current requirements and rules. As a registered investment adviser, our firm is required to comply with applicable reporting and filing requirements.

Since the Firm's last annual update, we have updated our regulatory assets under management listed in Item 4.

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

Item 4 Advisory Business

Transwestern Investment Management, LLC (together with its relying advisors, “**TIM**”) is a SEC-registered investment adviser with its principal place of business located in Dallas, Texas and was organized in the state of Delaware in 2010.

Transwestern Investment Group LLC (“**TIG**”) wholly owns Transwestern Investment Management, LLC and Transwestern Strategic Partners, LLC which are affiliated relying advisors (the “Relying Advisors”). TIG has its principal place of business located in Dallas, Texas and was organized in the state of Delaware in 2011. TIG is owned by individuals and its principal shareholder is Robert D. Duncan, who is the only shareholder controlling 25% or more of TIG.

Transwestern Corporate Properties Adviser, LLC is a wholly owned subsidiary of Transwestern Investment Management, LLC, with its principal place of business located in Dallas, Texas and was organized in the state of Delaware in 2016.

As an affiliate of Transwestern Investment Management, LLC owned by the same parent entity, Transwestern Strategic Partners, LLC is a relying advisor with its principal place of business located in Dallas, Texas and was organized in the state of Delaware in 2011.

TIM, our real estate investment management firm, specializes in providing a broad range of advisory services regarding investments in commercial real estate in all major markets in the United States with specific expertise in certain regional markets and property sectors including commercial, industrial and residential properties as detailed below. These services are primarily tailored to institutional clients, such as insurance companies, pension plans, endowments, fund vehicles and similar entities. For purposes of this brochure all references to “Client” shall not include the underlying investors or beneficiaries of a Client (i.e., “Client Investors”), unless otherwise specified.

As of December 31, 2018, TIM managed approximately \$513,908,340 in discretionary client assets and approximately \$4,102,665,694 in non-discretionary client assets.

Investment Management Services

Strategy Development and Portfolio Design. TIM provides advice and guidance on the development of real estate investment portfolios. TIM works with clients to develop and implement effective strategies to achieve appropriate return and performance objectives. TIM incorporates risk management throughout the strategic planning phase and consistently utilizes various tools including customized investment policies and guidelines, investment limitations and restrictions to mitigate certain risks.

Real Estate Purchases and Sales. We provide advice to our institutional clients on matters dealing with the acquisition, sale, development and management of real estate, as well as recommendations to achieve effective alignment of interest in real estate related services. We do not invest in or manage publicly traded securities for our clients.

Portfolio Management Services. Our firm assists clients by selecting and acquiring real estate assets to create a customized portfolio designed to match the client's return objectives and tolerance for the various risks associated with real estate asset investments. TIM utilizes third party independent research and its own proprietary investment evaluation tools, striving to optimize potential returns and to minimize the potential risks related to any specific strategies. TIM may present these recommendations to the client for approval or implement its recommendations where TIM has been delegated discretion in writing by its client to do so.

Research / Performance Measurement / Reporting. TIM provides performance reports to the firm's clients, consolidating individual investment information as needed. Portfolio composition is monitored and reported by a variety of different attributes. Performance reports on individual real estate investments may also be made available to clients as stipulated in the specific investment management agreement with the client. Our goal is to provide appropriate information and transparency to allow our clients to monitor their investments effectively.

Other Services. TIM can and does: (i) attend meetings with its clients (including boards, committees and staff) on an as-needed or regularly scheduled basis, and (ii) provides incidental functions as required to effectively assist (for non-discretionary clients) or direct (for discretionary clients) investment and portfolio management activity consistent with institutional portfolio management practices.

The exact scope of services provided to each of TIM's clients depends upon the terms of the investment management agreement negotiated with each client. We provide customized advice and recommendations to our clients based upon the research, portfolio management practices and investment processes conducted by our investment professionals. Significant investment decisions, recommendations and portfolio construction decisions are fully reviewed by the appropriate investment officers or investment committee, prior to being released to non-discretionary clients or discretionary clients.

Private Fund Management

TIM may establish individual entities and serve as the managing member of various special purpose entities to manage the investments of a single client as described in this paragraph and hereinafter referred to as "Single Client Fund(s)". TIM may also manage under a contractual agreement, the investment activities of a fund or funds committed to invest in commercial real estate. The general partner of these entities commits capital based upon the investment advice and recommendation of TIM, or its affiliates, to buy certain real estate assets or make certain real estate investments. TIM may also supervise the investment activities of certain investment management affiliates. Accordingly, as supervised persons of Transwestern Investment Management, LLC, the Relying Advisors intend to conduct their activities in accordance with the Advisors Act and the rules thereunder. Any employees of the Relying Advisors and any other persons acting on their behalf are and shall be subject to the supervision, control and compliance regime of Transwestern Investment Management, LLC. The Relying Advisors are relying

on Transwestern Investment Management, LLC's registration under the Advisors Act and are not registering separately.

Our firm, or affiliates thereof, acting as the managing member, may participate in the economics of the investments and may receive incentive compensation, if minimum return thresholds are exceeded. Please see Item 6 "Performance Based Fees and Side-By-Side Management" and Item 10 "Other Financial Industry Activities and Affiliations" for additional disclosures.

Item 5 Fees and Compensation

Real Estate Investment Advisory Services Fees

Fee arrangements between TIM and its clients vary based on, among other things, the nature and scope of services, the structure of the account, the amount of assets contributed to the account and the client-specific investment mandate. Each fee arrangement is determined in advance and set based on these factors.

We offer clients the following fee options, as applicable:

1. Flat fee;
2. A percentage fee based upon either (i) capital committed to a client's real estate asset portfolio or (ii) portfolio market value or (iii) cost basis of the assets or (iv) amount of equity invested
3. Per-project fee;
4. Carried Interest (a type of incentive based performance fees)*; or
5. Some combination of the above;
6. Although TIM does not seek to provide services pursuant to an hourly fee schedule, on certain occasions we may provide services to a client on an hourly basis (for example, TIM may provide services on a project to a prospective client in advance of being retained on a more comprehensive basis).
7. Acquisition Fees

** Item 6 provides more information about performance-based fees and Item 10 provides more information about our participation in Single Client Fund special purpose vehicles.*

TIM's management fees accrue and are charged periodically in accordance with the applicable client investment management agreement or vehicle document and are reflected on the corresponding financial statements. Transaction based fees such as a project fee or carried interest will generally be payable upon the occurrence of some threshold event such as a transaction closing and will also be reflected on the corresponding financial statements.

Negotiability of Advisory Fees: TIM retains the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These considerations include the complexity of the client's portfolio or investment strategy, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, and reporting requirements, among other factors. The specific fee schedule is identified in the contract between TIM and each client.

General Information

TIM investment advisory agreements may be terminated by either party pursuant to specific notification periods, terms and conditions incorporated into each client's separate advisory agreement. TIM does not have any investment advisory relationships in which the client does not have specific rights to terminate.

In accordance with the terms of each investment advisory agreement, third party costs related to the provision of advisory services to TIM clients are generally paid in addition to any compensation paid to TIM. Costs such as valuation/appraisal fees, legal expenses, leasing, property management, property condition assessments and environmental reviews are paid directly to the third party service provider. TIM does not participate in any portion of any fees paid to such third parties, but they may be affiliates of TIM.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

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

As disclosed in Item 5 of this Brochure, TIM or its affiliates may receive performance-based fees in the form of carried interest from various clients. With real estate asset investments in general, TIM or the affiliated general partner will receive carried interest after capital contributed by the investors or clients is returned, and, in certain cases, the portfolio also has generated a previously agreed upon rate of return (the hurdle rate). Each advisory or management agreement that has a carried interest provision will fully document the performance-based fees as part of the client investment agreement or fund vehicle agreement(s).

Investors should be aware that performance-based fee arrangements may create an incentive for TIM to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. In addition, this arrangement may cause investors to pay a greater expense than if such fees were not charged.

TIM manages multiple Funds with similar investment strategies on a side-by-side basis. As a result of the foregoing, TIM, its principal(s), and/or affiliate(s) may have conflicts of interest in: (i) allocating their time and activity among the multiple Funds; (ii) allocating

investments among the multiple Funds; and (iii) effecting transactions among the multiple Funds, including ones in which TIM, its principal(s), and/or affiliate(s) may have a greater financial interest. These conflicts of interest could create an incentive for TIM to favor a Fund in which TIM, its principal(s), and/or affiliate(s) have a greater financial interest with respect to allocation of time and activity, limited investment opportunities, or investments that TIM regards as more attractive or better performing investments.

To address these conflicts of interest, TIM has implemented reasonably designed policies and procedures aimed at ensuring that all Funds receive equitable and fair treatment over time with respect to the allocation of investment opportunities. These policies and procedures require TIM to allocate investments among the Funds in a manner which it believes to be fair and equitable and prohibit TIM from basing an allocation decision on any of the following, or similar, reasons: (i) to generate higher fees paid by one Fund over another, or to produce greater fees to TIM or any of its affiliates; (ii) to develop a relationship with an existing or potential limited partner in a Fund; (iii) to compensate a limited partner in a Fund for past services or benefits rendered to TIM or any employee of TIM; or (iv) to induce future services or benefits to be rendered to TIM or any employee of TIM.

Item 7 Types of Clients

TIM specializes in providing advice to institutional clients, including:

- Insurance Companies
- Pension Plans
- Endowments and Foundations
- High Net Worth Individuals
- Fund vehicles

Minimum Investment

TIM generally does not require a minimum client account size and does not have a minimum fee requirement.

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

Methods of Analysis

We tailor our advice to clients based on each client's investment objectives and risk tolerance. TIM develops appropriate investment strategies for each client consistent with the investment parameters outlined in the client's investment management agreement, as adjusted from time to time.

Real Estate Asset Portfolios

TIM may recommend one or more or a combination of the following categories of real

estate investments to its clients.

Core Investments - A “core” portfolio typically seeks to take no more risk than the market in general and seeks to provide investment returns similar to or slightly above the market benchmark with a similar risk profile. Typically, this means a portfolio that is diversified by property type and location. It also means that the portfolio invests primarily in existing and leased properties and that the portfolio employs limited leverage. Lease rollover is generally well balanced in a core portfolio, on the premise that a balanced rollover schedule mitigates the adverse impact of an economic downturn on the portfolio’s income stream. Similarly, a core portfolio will also seek to limit its single asset exposure, in the same way that many core stock funds limit their exposure to a single issuer to a stated percentage of the fund’s assets. In a core portfolio, property income often comprises the largest share of return, with appreciation generally anticipated to result from capitalizing the growth in income and because another buyer will pay a greater multiple for the same cash flow/income stream. At the property level, core portfolio investments generally involve the major property types – office, retail, multifamily, and industrial properties.

Value Added - Moving further along the risk spectrum, a “value-added” portfolio entails additional risk with the accompanying expectation of a greater return. A value-added portfolio generally seeks to capitalize on the interplay of market forces and the imbalances that may arise as a result.

Value-added strategies may involve some or all of the following:

- An investment strategy of identifying individual properties which are under performing due to below market lease contracts with the tenants or below market occupancy that with proper management and capital investment can be reasonably expected to perform at market.
- A significant overweight or even an exclusive investment of the portfolio in a particular property type or region because the property type or region may be considered a particularly attractive buying opportunity compared to the broader market. An investment strategy of identifying and meeting underserved market needs through development or renovation.
- A specialization in non-traditional property types where management sees significant new demand and inadequate skills and/or capital sources available to meet the market’s needs.
- Compared to core, more leverage may be utilized, particularly if such financing can be found at relatively attractive borrowing rates/terms. Value-added strategies may still restrict leverage to some specified limit, such as a percentage of the portfolio value.

Opportunistic - An “Opportunistic” portfolio moves even further out on the risk spectrum with the anticipation of even greater returns. Real estate investments which may be considered for an opportunistic investment strategy are generally expected to be currently valued at steep discounts to replacement cost due to a lack of capital and poor property market fundamentals.

Various Forms of Real Estate Investment

Direct Investments - Direct investments by TIM on behalf of its clients provide greater control over investments, leverage, portfolio construction, property specific and return criteria and potentially lower fees than other indirect investment options. In addition, it may be easier to liquidate direct investments (through a sale) in many market cycles. The negatives of direct investing include the inability to immediately invest in a widely diversified portfolio and increased staff time necessary to administer and oversee a direct investment portfolio.

Limited Partnerships - The benefits of investing or committing capital to limited partnerships, which are capitalized by more than one investor are that institutional investors can access a dedicated team of TIM professionals who will invest and draw capital over a specified time period. TIM has formed and manages limited partnerships that invest client's capital pursuant to a pre-established strategy or guidelines and where incentives are in place for TIM to liquidate properties and return capital to investors following the completion of the fund life. The vehicles generally provide TIM with extensive flexibility to access different property types in a wide number of target markets. These funds can provide good diversification benefits to an institutional real estate asset portfolio.

The fees are generally incentive based, although depending upon the terms of the funds, fees may be charged on committed, rather than invested, capital. The negative aspects of closed end limited partnerships which should be considered by investors include the illiquidity and lack of control in a vehicle with a life ranging generally from eight to ten years.

Risks For All Forms of Analysis

Our analysis, due diligence and evaluation methods rely on quantitative review of historical property investment performance and qualitative review of subjective factors that TIM believes contribute to the probabilities of performance of each investment meeting our estimates and projections.

The following risk factors are carefully evaluated before recommending an investment to a client. As a result of these considerations, as well as other risks inherent in any real estate asset investment, there can be no assurance that the investment objectives of those vehicles recommended by TIM will be achieved. TIM clients should only invest in real estate asset investment vehicles as a part of an overall investment strategy after taking into consideration the risks associated with owning various types of real estate and the capital structure to be utilized.

Difficulty in Locating Suitable Investments. A limited partner in a Fund must rely upon the ability of TIM to identify, structure, and implement investments consistent with such Fund's investment objective and policies. There can be no assurance that there will be a sufficient number of suitable investment opportunities to enable a Fund to invest

all of its committed capital in opportunities that satisfy the Fund's investment objectives, or that such investment opportunities will lead to completed investments by the Fund. Identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. The return of capital and the realization of profits, if any, will generally occur only upon the partial or complete disposition of an investment. Only certain investments are expected to generate current cash flows, and with respect to such investments, interim cash flow generated by such investments may not be sufficient to pay Fund expenses and service borrowings.

Illiquidity of Investments. An investment in the Fund requires a long-term commitment with no certainty of return. It is unlikely there will be near-term cash flow available. Many of the Fund's investments will be highly illiquid, and there can be no assurance that the Fund will be able to realize such investments at attractive valuations or otherwise be able to affect a successful realization or exit strategy. Consequently, dispositions of such investments may require a lengthy period or may result in distributions in-kind. Additionally, the Fund may acquire securities that cannot be sold except pursuant to a registration statement filed under the Securities Act, or in accordance with Rule 144 promulgated under the Securities Act. There can be no assurance that private purchasers can be found for the Fund's investments.

Limited Partner Default. If limited partners in a Fund fail to fund their subscription obligations or make required capital contributions when due, the Fund's ability to complete its investment program or otherwise continue operations may be substantially impaired.

Diversification. While diversification may be an objective of certain Funds, there is no assurance as to the degree of diversification that will actually be achieved in a Fund's investments either by geographic region or asset type. A Fund may participate in a limited number of investments and, as a consequence, the aggregate return of the Fund may be adversely affected by the unfavorable performance of even a single investment.

Expedited Transactions. Investment analyses and decisions by TIM are frequently required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to TIM at the time an investment decision is made can be limited, and TIM or seller/owner may not have access to detailed information regarding the investment property. Therefore, no assurance can be given that TIM will have knowledge of all circumstances that adversely affect an investment.

Credit and Financing. TIM and the Funds agree to arrange for and deliver financing and equity to a Fund's portfolio investment based on agreed to terms. However, because of changes in interest rates, market conditions, perceived risk, acquisitions and mergers of credit providers, and other related factors, the credit providers to TIM and the Funds could reduce or eliminate credit availability or seek to revise the terms made available. Such actions could make it difficult for the obligated parties to deliver on their agreements on favorable terms, if at all, and could have an adverse effect on the

Funds.

Interest Rates. Interest rates are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political considerations, and other factors beyond TIM's or the Funds' control. Interest rate fluctuations may adversely affect the Funds' returns.

Leverage. A Fund can incur indebtedness to fund acquisitions, development or capital improvements, restructure existing debt or enhance returns. This leverage will increase the exposure of such investments to adverse economic factors such as rising interest rates, economic downturns, or deterioration in the condition of the investment or its corresponding market. There can be no assurances that a Fund, upon the incurrence of debt, will be able to meet its debt service obligations. To the extent that a Fund cannot meet its debt servicing obligations, the value of the Fund's investments could be significantly reduced or even eliminated, and the Fund risks the loss of some or all of its assets to foreclosure.

Key Personnel. Each Fund's success is highly dependent on the talents, efforts, and experiences of the Principals. The diminution of it or loss of services of a Principal could have a material adverse effect on the Funds.

Competition. A Fund may encounter competition for real property investments. Competition for investments have the effect of increasing costs, thereby reducing investment returns for a Fund.

Investment Strategies

TIM recommends or directs investments based on our client specific objectives which can include long term and/or short term holding periods. We employ various strategies when:

- We believe the potential returns justify the risks assumed related to the business plan and execution capabilities of the investment manager; and/or
- When our client wants exposure to a particular asset class over time, regardless of the current or near term total return projection for specific category or investment strategy.

Real Estate Market. Real estate asset investments are subject to the risks inherent in the ownership and operation of real estate asset and real estate asset-related businesses and properties. Most of the assets that we manage involve commercial real estate in some form, either as an equity interest in such real estate, as debt secured by the real estate or by interests in the entities that own the real estate. The value of commercial real estate is typically dependent upon the ability of the applicable property to produce cash flow (or at least its potential to generate cash flow). However, a property's net operating income and cash flow can be volatile. There is no assurance that the operations of a Fund will be profitable or that cash from investments will be available for distribution to its limited partners. Since real estate, like many other types of long-term investments, historically has experienced significant fluctuations and cycles in value, specific market

conditions can result in occasional or permanent reductions in the value of real property interests. The marketability and value of the real property interests will depend on many factors beyond the control of the Funds and the Adviser, including, without limitation: (i) changes in general or local economic conditions; (ii) changes in supply or demand for competing properties in an area; (iii) changes in interest rates; (iv) promulgation and enforcement of governmental regulations relating to land-use and zoning restrictions, environmental protection, and occupational safety; (v) unavailability of mortgage funds which may render the sale of a property difficult; (vi) the financial condition of tenants, buyers, and sellers of properties; (vii) changes in real estate tax rates and other operating expenses; (viii) the imposition of rent controls; (ix) energy and supply shortages; (x) various uninsured or uninsurable risks; and (xi) acts of God and natural disasters. Investments in multi-family housing in particular are subject to a number of factors affecting the demand for such housing, including, but not limited to, the national economic climate, the local economic climate (which can be adversely impacted by industry slowdowns, business or military base closings, and changing demographics), local real estate conditions (such as oversupply of or reduced demand for apartments), the perceptions of prospective residents of the safety, convenience, and attractiveness of the communities or neighborhoods in which such multi-family housing units are located and the quality of local schools and other amenities, and other factors beyond the control of the Adviser or the Funds. Because investments in real estate generally are not liquid, there is no assurance that there will be a ready market for real property interests held by a Fund.

Real Estate Tenants. Adverse changes in the operation of any acquired property, or the financial condition of any tenant, could have an adverse effect on the Adviser's ability to collect rent payments and, accordingly, on its ability to make distributions to a Fund's limited partners. A commercial tenant of an acquired property may experience, from time to time, a downturn in its business, which weakens its financial condition and result in the failure to pay rent when due. The ability of residential tenants to pay rent when due can also be affected by changes in the national and local economic climate or other factors beyond the control of the Adviser or the Funds. At any time, a tenant can seek the protection of bankruptcy or insolvency laws, which could result in the rejection and termination of such tenant's lease and thereby cause a reduction in the distributable cash flow of a Fund. No assurance can be given that tenants will not file for bankruptcy protection in the future or, if any tenants file, that they will affirm their leases and continue to make rental payments in a timely manner. If a tenant's lease is not affirmed following bankruptcy or if a tenant's financial condition weakens, a Fund's operating cash flow may be adversely affected.

Foreclosure. It is possible that a Fund would find it necessary or desirable to foreclose on some of the collateral securing one or more debt investments. The foreclosure process can be lengthy and expensive. At any time during the foreclosure proceedings, the borrower may file for bankruptcy, which can have the effect of further delaying the foreclosure process. Foreclosure litigation tends to create a negative public image of the collateral property and result in disrupting ongoing leasing and management of the property. Under certain circumstances, lenders who have inappropriately exercised control of the management or policies of a debtor can be found liable for damages

suffered by various parties as a result of such actions. In addition, under certain circumstances, payments to a Fund can be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment. Following a foreclosure, a Fund subsidiary would need to operate the collateral property, thus subjecting the Fund subsidiary to environmental and other risks associated with the ownership and operation of real property. Furthermore, there can be no assurance that the Fund would be able to sell its foreclosed properties at a price that would result in a return on the original investment.

Insurance. The Adviser generally maintains, where appropriate and available at a reasonable cost to the Funds, comprehensive casualty insurance on its real property. The Adviser seeks to obtain coverage of the type and in the amount customarily obtained by owners of properties similar to the real property held by the Funds. However, there may be a limited number of cases where the coverage of insurance may differ from the Adviser's general guidelines for reasons such as the value of the asset being primarily attributable to the underlying land or the building being functionally obsolete. Additionally, there are certain types of losses that are generally of a catastrophic nature, such as earthquakes, floods, and hurricanes, that can be uninsurable or not economically insurable. Inflation, changes in building codes and ordinances, environmental considerations, provisions in loan documents encumbering properties that have been pledged as collateral for loans, and other factors also might make it economically impractical to use insurance proceeds to replace a property if it is damaged or destroyed. Under such circumstances, the insurance proceeds received by a Fund, if any, may not be adequate to restore the Fund's investment with respect to the affected property.

Environmental Liabilities. Under various federal, state, and local laws and regulations, an owner or operator of real estate can be held liable for the costs of removal or remediation of hazardous or toxic substances located on or in the property. These 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 costs of any required removal or remediation of such substances can be substantial. In addition, a Fund's liability as to any property is generally not limited under such laws and regulations and could exceed the value of the property and/or the aggregate assets of the Fund. The presence of such substances, or the failure to remediate such substances properly, may also adversely affect the owner's ability to sell or lease the property or to borrow using the property as collateral. A Fund may also be liable for environmental contamination of properties that are sole or for the release of hazardous or toxic substances from such properties.

Some of the properties we acquire are newly constructed and/or recently opened and, as such, have a limited operating history. We cannot assure clients that such properties will perform as anticipated. Real estate asset investments and other investments recommended by TIM are not guaranteed and clients may lose money on investments. We ask that you work with us to help us understand your tolerance for risk.

Item 9 Disciplinary Information

Registered investment advisers are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

TIM and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

TIM may also provide advice and consulting services to other affiliated companies on matters dealing with the acquisition, sale, development and management of real estate.

Transwestern companies are part an integrated operating platform. Although TIM gains knowledge and resources from its affiliated real estate services firm and affiliated development companies, its investment advisory activities are client focused and benefit from the experience and resources of the individual investment managers or investment teams who are assigned to different investment strategies or accounts. In most cases, investment opportunities that are identified and recommended by particular investment managers or teams will be offered and allocated to the respective accounts or strategies assigned to those investment managers. In addition, investment opportunities that originate within TIM's non-advisory affiliates, are not typically offered to or considered by TIM for TIM's advisory clients. When and if there are opportunities that can be made available to other TIM clients, TIM works to mitigate any conflicts such allocations may create by applying TIM's allocation policy. As noted in Item 6, TIM has implemented allocation policies and procedures to ensure that all Funds and accounts receive equitable and fair treatment over time.

In certain instances, as described above, TIM may provide advice to a single client through the creation of a Single Client Fund, in which TIM has an interest by virtue of its receipt of certain fund-level fees and its control and partial ownership of the Single Client Fund's general partner. The general partner of any Single Client Fund will generally have an interest in the Single Client Fund. As discussed in Item 6, for clients that invest through a Single Client Fund, performance fees may be paid (if earned) by the Single Client Fund to the general partner managed by TIM, which generally retains any fund-level performance based fees.

Clients should be aware that the receipt of additional compensation by TIM and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. For example, due diligence and asset management fees could be earned by TIM or its affiliates in connection with adding new investments to a client's portfolio. Clients should consider the existence of these fees in connection with TIM's advisory services.

Neither TIM nor any of our management persons is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor or as an associated person of any of the foregoing entities.

TIM endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser. TIM has established specific safeguards to assure clients are equally treated regardless of the compensation arrangements. These safeguards are incorporated into our Code of Ethics and are described in Item 11 below.

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

Our firm has adopted a Code of Ethics pursuant to SEC rule 204A-1 which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws. TIM and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code of Ethics.

TIM's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal investments identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain investment which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any real estate prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

Our Standards include:

- No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry.
- All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- Any individual not in observance of the above may be subject to disciplinary action

or termination.

Please contact TIM for a copy of our Code of Ethics which is available to our advisory clients and prospective clients.

Related Person Arrangements. Robert Duncan is an Indirect Owner of TIM and is also an owner of Transwestern Development Company (“TDC”). TDC develops commercial real estate (“TDC Investments”) and invests alongside institutional equity partners. TIM has identified the following conflicts of interest based on TDC’s activities:

- certain TDC Investments may be geographically close to TIM investments and may compete directly with TIM investments;
- certain TDC Investments may be suitable for TIM Clients, however based on how the TDC Investments are sourced TDC Investments may not be presented to TIM Clients, and
- TIM contracts with TDC and subsidiaries of TDC for certain management, operating and other services.

TIM addresses and mitigates these conflicts by:

- disclosing Mr. Duncan’s relationship with TDC to our Clients,
- disclosing the services TDC contracts to provide to our Clients,
- maintaining an allocation policy, and
- maintaining a fee and expense allocation policy and appropriate contemporaneous documentation.

Employees and representatives of TIM and TDC (to the extent the employees and representatives of TDC are subject to TIM’s Code of Ethics) have various personal interests in a variety of independent business entities. While such employees and representatives do not typically invest in business entities that would create a direct conflict of interest with a Client’s interest, a conflict of interest may arise. If such a conflict did arise, TIM and such employees would take action to minimize any such conflict and take action in accordance with the Clients’ organizational documents and TIM’s code of ethics and standards of conduct to resolve the conflict.

Charles Hazen is the President of TIM and is also a minority noncontrolling interest holder and the Chairman of Stanmore Partners (“Stanmore”). Stanmore purchases and develops commercial real estate, which primarily consists of multifamily projects (the “Stanmore Projects”) as a Company and with other investors. While Mr. Hazen currently has a controlling interest in certain Stanmore Projects, his interests in future Stanmore Projects are expected to be noncontrolling minority interests. Additionally, Mr. Hazen’s responsibilities at Stanmore Partners do not include day to day operations or sourcing new investment opportunities. TIM has identified the following potential conflicts of interest:

- existing Stanmore Projects do not currently compete with any TIM investments, it is possible in the future Stanmore Projects may be geographically close to TIM investments and/or may compete directly with TIM investments;

- certain Stanmore Projects may be suitable for TIM Clients, however, based on how the Stanmore Projects are sourced and capitalized, the Stanmore Projects may not be presented to TIM Clients;
- some information, contacts or experiences Mr. Hazen gains from TIM and its affiliates could impact his activities at Stanmore;
- Mr. Hazen may devote time away from TIM to Stanmore activities.

TIM addresses and mitigates these conflicts by:

- disclosing Mr. Hazen's relationship and conflicts with Stanmore to our Clients;
- monitoring potential overlap with respect to TIM and Stanmore Clients;
- monitoring the nature of Mr. Hazen's outside business activities (including the nature of his role with respect to Stanmore and requiring prompt notification of any prospective change with respect to such role); and
- monitoring Mr. Hazen's investment activity pursuant to our Code of Ethics.

Item 12 Brokerage Practices

None of Transwestern Investment Management, LLC or any of its Relying Advisors, is a broker-dealer. TIM does not accept compensation for the sale of securities. TIM does not invest in or manage publicly traded securities portfolios.

Item 13 Review of Accounts

Oversight and Monitoring. TIM provides continuous advisory services to our Clients. The investments of each Client as designated by each Client's governing documents are monitored primarily by a team of investment professionals, which currently includes our managing principals, principals, vice presidents, analysts and CFO.

Reports. TIM provides periodic reports to our clients in accordance with the requirements of the applicable investment management agreements and investment vehicle documents. These reports typically include budget, investment activity, portfolio analysis and a market overview.

Item 14 Client Referrals and Other Compensation

TIM does not engage solicitors or pay related or non-related persons for referring potential clients to our advisory firm. It is TIM's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

The services provided to our clients may include maintaining physical custody of client assets in the form of committed capital for real estate purchases. As well, TIM is deemed under Rule 206(4)-2 of the Advisers Act to have custody of Single Client Fund investment fund assets due to the nature of being both the adviser and an affiliate of the general partner to the various Single Client Funds and investment funds we manage.

To help protect investors, each Fund is audited annually by an independent accountant registered and subject to inspection by PCAOB in accordance with U.S. GAAP standards. TIM or the fund issues these audited financial statements within 120 days of the end of the fiscal year.

Item 16 Investment Discretion

Clients may hire us to provide discretionary portfolio management services, in which case we may purchase real estate assets in a client's account without contacting the client prior to each purchase or commitment and we are not required to obtain the client's permission for such activity. Our discretionary authority typically includes the ability to do the following without contacting the client:

- Determine the real estate asset investments to buy or sell
- Determine to hire or fire other real estate asset managers/management teams
- Determine the amount of the real estate asset to buy or sell within the limited, stated commitments made by the clients

Activity within discretionary client portfolios or accounts may be subject to restrictions and must be consistent with such client's investment plan, policies or other guidelines. Clients give us discretionary authority when they sign a discretionary client agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

Due to the nature of real estate asset investments, TIM does not vote proxies.

The client and Single Client Funds invest in real estate and related investments and typically do not gain voting authority with regard to corporate governance matters.

Item 18 Financial Information

The Firm does not require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, the Firm is not required to include a financial statement.

We have no financial commitment that impairs our ability to meet contractual or fiduciary commitments to our clients. As well, we have not been the subject of a bankruptcy petition.