



Item 1 - Cover Page

Reef Investment Management LLC

2600 N Ashton Blvd., Suite 200

Lehi, UT 84043

(801) 216-8850

www.reefim.com

December 20, 2024

This “Brochure” provides information about the qualifications and business practices of Reef Investment Management LLC (“RIM”). If you have any questions about the contents of this Brochure, please contact us at (801) 216-8850. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. RIM is an SEC-registered investment adviser. Registration as an investment adviser does not imply any level of skill or training. Additional information about RIM is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

Since the last annual update of this Brochure on October 24, 2023, there have been significant clarifying, simplifying, and updating edits made throughout to help investors better understand RIM, the investment advisory services RIM offers, and the relationship between RIM and its affiliates. Specifically, the following material changes have been made to this Brochure:

- Added disclosure related to a new investment advisory client, Common Investment Fund LLC (“CIF”), and removed disclosure related to REM Fund I, L.P., which liquidated. Although these disclosure changes broadly impacted the Brochure, notable changes occurred to the fee disclosures in Item 5, financial industry activities and affiliations disclosures in Item 10, and interest in client transactions disclosures in Item 11.
- Enhanced disclosures related to RIM affiliates and related conflicts of interest throughout the Brochure, most notably in Items 8, 10, and 11.
- Significantly expanded disclosures related to key strategy risks in Item 8 by adding numerous real estate-related risks, along with liquidity, operational, and regulatory risk disclosures.
- Addressed in more detail the role of the Investment Committee of RIM’s parent company, Reef Capital Partners LLC (“RCP”), in implementing RIM’s investment strategy (Items 8, 12, and 16) and reviewing and monitoring portfolios (Item 13).
- Updated Item 15 to more sufficiently describe custody-related considerations for RIM.
- Clarified the type of investments made by RIM and the types of investors serviced by RIM throughout the Brochure.

In addition, please note that RIM changed its Chief Compliance Officer effective in June 2024. You may contact RIM’s current Chief Compliance Officer, Chad D. DeCoursey, at (801) 216-8850 or via email at Chad@Reefcp.com.

All current and prospective investors are encouraged to read this Brochure carefully in its entirety.

Item 3 - Table of Contents

Item 1 - Cover Page	
Item 2 - Material Changes	i
Item 3 - Table of Contents	ii
Item 4 - Advisory Business	3
Item 5 - Fees and Compensation	5
Item 6 - Performance-Based Fees and Side-By-Side Management.....	6
Item 7 - Types of Clients	7
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	8
Item 9 - Disciplinary Information	13
Item 10 - Other Financial Industry Activities and Affiliations	14
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	17
Item 12 - Brokerage Practices	19
Item 13 - Review of Accounts.....	20
Item 14 - Client Referrals and Other Compensation.....	21
Item 15 - Custody	22
Item 16 - Investment Discretion.....	23
Item 17 - Voting Client Securities (i.e., Proxy Voting).....	24
Item 18 - Financial Information	25

Item 4 - Advisory Business

Our Firm & Ownership

Reef Investment Management LLC (“RIM”) (formerly known as Select Fund Advisors LLC) is a limited liability company organized under the laws of the State of Delaware on May 20, 2019. RIM is a wholly owned subsidiary of Reef Capital Management LLC, which is wholly owned by RCP. RCP and its subsidiaries specialize in private credit and private equity transactions primarily in real estate and real estate-related assets. CIF owns approximately 42% of RCP.

Advisory Services Offered

RIM provides investment advice and related investment management services to pooled investment vehicles (each, a “Fund” and collectively, the “Funds”) which are offered to investors on a private placement basis. RIM’s advice with respect to the Funds is, and will be, made pursuant to an investment management agreement with each Fund and in accordance with the investment objectives and guidelines set forth in each respective Fund’s private placement memorandum, operating agreement, and/or subscription agreement, as applicable (collectively, the “Offering Documents”).

RIM specializes in investment advice related to investing in, purchasing, selling, financing and managing asset-backed loans secured by real property or other assets, as well as private equity real estate investments. Affiliates of RIM service the loans, manage development activities, assist in managing any loan defaults or property foreclosures, and liquidating collateral, as necessary. Most private equity real estate investments will be LLC or partnership interests owned by a broad investment group that includes one or more Funds. Debt transactions will typically be syndicated loan interests evidenced by a promissory note secured by a fractionalized deed of trust.

RIM currently provides investment advice and related investment management services to the following Funds: (i) RCP; (ii) CIF; and (iii) Reef Preferred QP Fund LP (the “QP Fund”). RCP operates as a master fund that holds operating companies (including RIM and its affiliates) and private equity and debt real estate-related investments. RCP issues both common and preferred units. The QP Fund operates as a feeder fund that invests exclusively in RCP preferred units, whereas CIF operates as a feeder fund that invests in RCP common units.

The Funds are offered to qualified investors in reliance upon an exemption from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), set forth in Section 4(a)(2) of such act, and are not registered as investment companies under, or otherwise subject to the provisions of the Investment Company Act of 1940, as amended (the “Investment Company Act”), either because the vehicles do not meet the

definition of “investment company” or in reliance upon an exclusion from the definition of “investment company” provided in the Investment Company Act.

Fund investors generally may not impose restrictions on investing in certain securities or certain types of securities. However, as allowed by a Fund’s Offering Documents, RIM and affiliates have the right to enter into agreements, such as side letters, with certain underlying investors of the Funds that may, in each case, provide for terms of investment that are more favorable than the terms provided to other underlying investors of the Funds.

This Brochure provides only broad summaries of the information provided in the Offering Documents for the Funds. Investors should refer to a Fund’s Offering Documents for definitive and more comprehensive information regarding a specific investment concept and the matters described in this Brochure. Each Fund’s Offering Documents will describe the terms and conditions related to the specific purchase and sale of each investor’s interest in the Fund in addition to disclosures related to the risks of investing in the Fund, among other things.

Assets Under Management

As of September 30, 2024, RIM advises approximately \$484,235,500 of Fund assets, all on a non-discretionary basis.

Item 5 - Fees and Compensation

Management Fees

RIM is compensated for its investment management activities through contracted fixed fees ranging from \$2,000 per year to \$45,000 per quarter or, alternatively, a percentage of the respective Fund's assets under management (currently 0.15%). These fees may be negotiated at the Fund level, but not for individual investors in the Funds.

Other Fees or Expenses

Each Fund will pay or reimburse RIM and its affiliates (to the extent actually paid by RIM or its affiliates) for all fees, costs, and expenses incurred or paid on behalf of the Fund relating to the formation, operation, dissolution, winding up, or termination of the Fund. In addition, the Funds will pay acquisition fees, servicing fees, component fees, origination fees, and other fees associated with the procurement, management, or liquidation of certain loans. The foregoing fees are typically paid to RIM affiliates and are in addition to and will not offset management fees paid or allocated to RIM. RIM and its affiliates will not be reimbursed by a Fund for the following expenses: (i) salaries, compensation or fringe benefits of the managers, officers or employees of RIM and its affiliates; (ii) overhead expenses of RIM and its affiliates, including, without limitation, rent and general office expenses; and (iii) the cost of providing any services or goods for which RIM or its affiliates are otherwise entitled to compensation. Traditional brokerage costs are generally not applicable to the Funds given the nature of their investments (please refer to Item 12).

Payment of Fees

Fees and compensation paid or allocated to RIM by the Funds are generally deducted from the assets of such Funds, either quarterly or annually in arrears.

The foregoing list is not all inclusive and only highlights primary Fund expenses. Fund investors are directed to the applicable disclosures in the Offering Documents for a complete listing and description of the fees and expenses related to each specific Fund.

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

RIM does not charge a performance or incentive fee. RIM does not simultaneously manage Funds that are charged a performance-based fee and Funds that are charged a fixed fee or a fee only based on assets under management (referred to as “side-by-side” management).

Item 7 - Types of Clients

As described in Item 4, RIM provides investment advice to privately offered pooled investment vehicles that typically qualify for an exemption from the definition of “investment company” under Section 3(c)(1), Section 3(c)(5), or Section 3(c)(7) of the Investment Company Act. The Funds have investor suitability criteria that are set forth in their respective Offering Documents. Investors are required to make certain representations when investing in a Fund, including but not limited to that: (i) they are acquiring interests for their own accounts; (ii) they received or had access to all information they deem relevant to evaluate the merits and risks of the prospective investment; and (iii) they have the ability to bear the economic risk of an investment in the applicable Fund.

In general, preferred and common units of RCP are available only to “accredited investors” and units of the QP Fund are available only to “qualified purchasers”. Units of CIF are generally not available to outside investors and CIF’s investor base is comprised of RCP’s founders and other key employees (or their families and/or entities owned by the founders and employees). In addition, the Offering Documents for each Fund will set minimum amounts for investment by prospective investors. RIM may modify or waive such minimum investment requirements from time to time.

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

Methods of Analysis and Investment Strategy

RIM intends to build portfolios of real estate-related loans and private equity real estate projects serviced and/or managed by certain RIM affiliates with the objective to maximize returns while preserving capital and mitigating risk. RIM and its affiliates use their experience and relationships in the industry to source potential lending opportunities and private equity real estate transactions. RIM and its affiliates analyze historical performance data on a large population of loans and use multiple predictive factors to evaluate the likelihood of default for a given loan. The resulting models are used to set loan selection criteria for loans collateralized by different asset types.

RIM and its affiliates conduct due diligence on each advised-Fund transaction by analyzing real estate, geographic, demographic and economic data from targeted business-friendly or lender-friendly areas across the U.S. with the aim of identifying transactions with the best risk-adjusted returns. RIM and its affiliates review models that are used to set loan selection criteria for loans collateralized by different asset types, with the objective of maximizing return while preserving capital and mitigating risk. RIM intends to leverage the experience and expertise of its affiliates (see Item 10) to manage private equity real estate projects, service real estate-related loans, assist in managing any loan defaults or property foreclosures, and liquidate collateral, as necessary.

More specifically, RIM's and its affiliates' strategies include the following: (i) engage, directly or indirectly, in the making of, the purchase of, or the sale of asset-based loans secured by real property or other assets, including, without limitation, water rights, mining claims, mineral rights, or other tangible assets, and majority equity interests in partnerships or limited liability companies holding real estate; (ii) directly or indirectly, own, develop, mortgage, encumber, hypothecate, lease, maintain, improve, alter, remodel, expand, manage, otherwise operate and deal with, and sell, exchange, transfer or otherwise dispose of any property that served as collateral for a loan; and (iii) manage and direct the business operations and affairs of the Funds' subsidiaries (including the development, adoption and implementation of strategies, business plans and policies concerning the conduct of each subsidiary's businesses). RIM expects that the Funds will participate with other investors, including affiliates of RIM, in the making of most asset-backed loans and private equity real estate investments.

RIM investment personnel participate in regular meetings of RCP's Investment Committee, which has the ultimate authority to determine whether RCP will move forward with a particular project or investment opportunity. For CIF and the QP Fund, RIM is responsible for overseeing each Fund's investments into RCP, including by facilitating investments, providing investor relations support to current and potential investors, and

other functions outlined in each Fund's investment management agreement.

The risks discussed below relate directly to RCP and its investment strategy but are indirectly shared by CIF and the QP Fund given that the two Funds invest almost exclusively in RCP. Each Fund's Offering Documents contain a complete description of the Fund's investment strategy.

General Risks

Speculative Investment; No Guarantee of Returns. There is no assurance that RCP's objectives will be achieved. RCP's results may vary significantly over time. Investing entails substantial risk, and results could include a total loss of investment.

No Public Market and Illiquidity. RCP's units are not registered under federal or state securities laws, will not be listed on any exchange, and have no established trading market. Transfer is restricted. As a result, an investment in the units is highly illiquid, and investors must be prepared to hold the securities for an indefinite period.

Dependence on Management and Key Personnel. RCP's success depends on the experience, skill, and judgment of its management team, RIM, and other key personnel. The departure, death, disability, or poor decision-making by key individuals could materially and adversely affect the RCP's performance. Key personnel may not be contractually obligated to remain with RCP.

Conflicts of Interest. RCP's management team, affiliates, or related entities may have financial, tax, or other interests that differ from or conflict with those of RCP's investors. The management team's profit participation may incentivize taking greater risks. Affiliates may source, finance, or manage competing projects. Investors should carefully consider how these conflicts might affect decision-making.

Risks Related to Capitalization and Financing

Insufficient Capital; Future Funding Needs. RCP's business or projects may require substantial capital. If adequate funds are not raised, RCP may be unable to pursue its objectives or pay distributions. Additional financing (debt or equity) may be required. There can be no assurance that such financing will be available on acceptable terms, if at all. Additional financing may dilute existing ownership or impose restrictive covenants.

Leverage and Indebtedness. RCP or its affiliates may use leverage, including loans and credit facilities, to pursue their business strategies. While leverage can enhance returns, it also increases exposure to adverse economic factors. Rising interest rates, inability to refinance debt, restrictive loan covenants, or defaults may significantly harm RCP's performance and limit its operational flexibility.

Real Estate and Lending Risks

Real Estate Market Volatility. Real estate values and market conditions can fluctuate due to changes in local, regional, and national economic conditions, interest rates, property taxes, supply and demand, and regulatory environments. Declines in property values could cause loan defaults and reduce returns on both debt and equity real estate investments.

Foreclosure and Loan Default Risk. Loans made or acquired by RCP may default, requiring foreclosure or other collection efforts. Foreclosure involves legal, regulatory, and practical complexities. Costs can be substantial, and recoveries may be less than the outstanding loan amounts, resulting in losses.

Uncertainty of Diversification. RCP's portfolio may not be widely diversified. A limited number of transactions or geographic concentration could expose RCP to significant risks if a particular market or project performs poorly.

Competition. RCP competes with numerous other lenders, real estate investors, and developers, many of whom have greater resources. Competition may reduce yields, limit access to desirable projects, and increase costs, impairing RCP's profitability.

Unpredictable Market Conditions. Interest rate fluctuations, inability of borrowers to secure refinancing, failure of tenants or buyers to meet obligations, and unforeseen changes in economic or demographic trends could negatively affect occupancy, rental rates, sales prices, and overall returns.

Risks Related to Development Projects

Real Estate Development Risks. Development or redevelopment projects, including large-scale, mixed-use developments, involve higher risk due to complexity, long timelines, and uncertain outcomes. Delays in permitting, construction, cost overruns, contractor disputes, unexpected environmental remediation, and changes in zoning or land-use regulations can adversely affect completion, profitability, and value.

Strategy and Execution Risk. Success depends on accurate assessments of market demand, construction costs, sales prices, and rental rates. If assumptions prove incorrect or market conditions shift, projected returns may not be realized. Hospitality or resort components of a development may require large, skilled staffs, adding cost and complexity.

Dependence on Third-Party Partners, Suppliers, and Contractors. Development often requires relying on contractors, engineers, architects, hospitality service providers, and other professionals. Failure by these third parties to perform on time, within budget, or at expected levels of quality could increase costs, delay completion, and reduce returns.

Need for Additional Capital in Projects. Complex developments may require more capital than initially anticipated. If RCP or underlying borrowers cannot raise additional funds when needed, a project may be delayed, scaled back, or abandoned, potentially resulting in losses.

Timing of Projects. Development projects may extend well beyond the maturity date of related loans or investment horizons. Returns may depend on the ability to refinance debt or sell underlying properties at favorable prices, which may not be achievable.

Regulatory, Legal, and Environmental Risks

Regulatory Approvals and Compliance. Real estate projects and lending activities are subject to extensive federal, state, and local regulations. Changes in laws, zoning, building codes, health and safety standards, environmental regulations, or permitting requirements can impose significant costs and delays. Regulatory restrictions may limit RCP's ability to develop, operate, foreclose upon, or resell properties.

Environmental Liabilities. Properties may be subject to existing or future environmental issues, including hazardous substances, mold, asbestos, or endangered species protections. Compliance with environmental laws can be costly, and failure to comply may result in fines, penalties, reduced property values, and liability for clean-up costs.

Litigation Risks. RCP, its affiliates, and any underlying borrowers could face litigation from various parties, including clients, competitors, vendors, borrowers, tenants, or government agencies. Legal proceedings, even if without merit, can be time-consuming, costly, and uncertain, potentially resulting in material adverse effects on financial results.

Changes in Tax Law. Tax laws and regulations are subject to change. Uncertainty in the tax code, legislative or administrative changes, and differing interpretations could affect the tax consequences of investments and alter after-tax returns.

Operational and Other Risks

Limited Reporting and Transparency. Investors may receive only limited financial or operational information. Without extensive disclosures, it may be difficult to fully evaluate RCP's performance or risk profile.

Cybersecurity and Data Privacy. RCP and its affiliates may store sensitive information and rely on technology for operations. Cyber incidents, data breaches, or technology failures could disrupt operations, expose confidential information, result in financial losses, and harm reputation.

Anti-Money Laundering and Terrorism Prevention Laws. Compliance with the U.S. Patriot Act and other anti-money laundering regulations may require additional disclosures and verification of investor identities and funding sources. Failure to comply could lead to

regulatory sanctions, fines, and reputational damage.

Risks Related to Offering Structure and Compliance

Unregistered Offering. RCP units are offered pursuant to exemptions from federal and state securities registration. Regulators have not reviewed or approved any offering. If an offering fails to qualify for an exemption, RCP could face liability, rescission rights by investors, and other adverse consequences.

Investment Company Act and Advisers Act Regulation. If RCP's activities inadvertently subject it to regulation under the Investment Company Act or the Advisers Act without appropriate exemptions, it may incur significant compliance costs, be forced to alter its business model, or face sanctions.

Risks Associated with Underlying Industries and Borrowers

Borrower Non-Performance. RCP's performance may depend on the success of underlying borrowers who own and develop real estate and on their ability to repay loans. These borrowers may have limited operating histories, face financial difficulties, or encounter unforeseen problems that impair their ability to meet obligations.

Joint Ventures and Partnerships. RCP may co-invest or participate in joint ventures with other parties. Joint ventures may present risks, including disputes with partners, misaligned interests, bankruptcy of a partner, and the inability to control all decisions regarding the investment. Such events can negatively impact results and restrict flexibility.

Geographic Concentration. If investments are concentrated in one region, adverse local or regional economic conditions, natural disasters, or regulatory changes could disproportionately affect performance.

The foregoing list of risk factors does not purport to be a complete explanation of the risks involved in the investment strategies employed for the Funds. Potential investors should read a Fund's Offering Documents carefully in their entirety, and consult their own legal, tax and investment advisers before deciding whether to invest in any Fund.

Item 9 - Disciplinary Information

RIM is obligated to disclose any legal or disciplinary events that would materially impact a Fund investor's evaluation of RIM or the integrity of RIM's management. No such events have occurred at RIM.

Item 10 - Other Financial Industry Activities and Affiliations

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

RIM is one entity within a diversified corporate organization controlled by RCP that includes entities whose businesses could cause a perceived or real conflict of interest. Notable related entities who have a direct or indirect material relationship with RIM and/or the Funds are summarized below.

Reef Capital Partners LLC ("RCP") (www.reefcp.com)

RCP and its subsidiaries specialize in private credit and private equity transactions primarily in real estate and real estate-related assets. RCP's focus is attractive investment opportunities in distressed debt, high-yield senior loans, direct equity, and hybrid investments. Long Term Holding, Inc. is the manager of RCP. RCP is the ultimate owner of RIM and the affiliated entities described below.

RCP is the master fund and the QP Fund is a feeder fund in a master-feeder arrangement. Reef Preferred QP Fund GP LLC ("QP GP") is the general partner of the QP Fund. CIF operates similar to a feeder fund in that it invests the majority of its assets in common units of RCP. Long Term Holding is also the manager of CIF. Because RCP is both the parent company and an advisory client of RIM, it creates a material conflict of interest. However, because CIF and the QP Fund invest almost exclusively in RCP, any revenue generated by RIM, RCP, or the affiliates listed below benefits the investors of each Fund.

Reef Private Credit LLC ("RPC") (www.reefpc.com)

RPC is a key service provider to RIM and has a fee sharing agreement with RCP (which is disclosed in detail in the Fund Offering Documents). RPC is a loan servicer, specializing in facilitating and servicing private lending transactions in commercial real estate. RPC services the transaction from the underwriting phase all the way through repayment, or in cases of distress, foreclosure, and liquidation. Generally, all real estate-related loans that RCP invests in are underwritten and serviced by RPC. Although RIM believes this relationship is beneficial to the Funds, it creates a material conflict of interest. However, because RCP is the parent company of RPC, and CIF and the QP Fund invest almost exclusively in RCP, any revenue generated by RPC benefits the investors of each Fund.

Reef Private Equity LLC ("RPE") (www.reefpe.com)

RIM and its affiliates may outsource special servicing responsibilities to RPE, which is a private equity real estate firm focused on commercial development and transaction management for commercial real estate projects located throughout the United States.

RIM leverages RPE's experience investing in and managing various types of real property investments. Generally, all private equity real estate deals that RCP invests in are underwritten and managed by RPE. Although RIM believes this relationship is beneficial to the Funds, it creates a material conflict of interest. However, because RCP is the parent company of RPE, and CIF and the QP Fund invest almost exclusively in RCP, any revenue generated by RPE benefits the investors of each Fund.

Canyon Accounting LLC ("Canyon") (www.canyonaccounting.com)

Canyon focuses on helping small, growing businesses primarily in the real estate industry. The majority of its business focuses on small business tax preparation. Canyon provides administrative, bookkeeping, human resources, and tax services to RIM and the Reef family of companies and also provides income tax preparation services to third parties, including many of the entities managed by its sister companies. In addition, Canyon performs certain administrative functions for RCP. It is important for investors in RCP to note that the administrator is not an independent third-party due to its common ownership with RIM.

The relationships with RPC, RPE, and Canyon create conflicts of interest as RIM has an incentive to utilize these affiliates regardless of the quality of services it receives, and these affiliates are incentivized to preference the interests of RIM. RIM addresses these conflicts by treating its affiliates as if they were third parties from a due diligence and expectation of services perspective. Furthermore, RIM believes that utilizing RPC, RPE, and Canyon provides benefits to the Funds due to the common ownership and cross-utilization of personnel.

RIM is also affiliated with The Real Estate Collective, LLC ("TREC"), a Utah-based real estate brokerage firm. Although TREC acts as a broker on the sale of condominiums within certain real estate projects developed by RIM affiliates, TREC's business activities are not currently considered material to RIM's advisory business or to the Funds.

Relationship with Other RIM Entities

Some of the principals of RIM are key executives of RCP or other affiliates and serve as officers of RIM or provide key services to the Funds and RIM. Such individuals will devote as much of their time to the activities of the Funds as they deem necessary and appropriate. These dual roles cause real or potential conflicts of interest as a particular individual's responsibilities with one affiliate could conflict with their responsibilities to another affiliate (including RIM and the Funds). RIM addresses this conflict through the implementation of its compliance program, which includes ongoing monitoring to ensure that each Fund is invested in line with its investment objectives.

Pursuant to certain agreements between the Funds (and/or a controlled affiliate thereof) and RIM and its affiliates (including RCP, QP GP, RPC, RPE, and Canyon) (the "RIM Agreements"), RIM or its affiliates provide services to certain Funds with respect to: (i)

sourcing investment opportunities, underwriting, and managing the purchase process for investments; (ii) servicing or overseeing the servicing of certain of the loans in such Funds' portfolios; (iii) providing loss mitigation services, foreclosure services and bankruptcy services to sub-servicers with respect to mortgage loans owned by Funds; and/or (iv) providing loan origination services, third-party origination services and information technologies services including, without limitation, services relating to various sales functions in connection with sourcing eligible third party originated loans, loan underwriting and loan processing, capital market activities, credit policy and lender management, new loan set-up and other support functions. As discussed in Item 5, Funds will pay acquisition fees, servicing fees, component fees, origination fees, and other fees associated with the procurement, management, or liquidation of certain loans, in respect of such services.

The RIM Agreements have been negotiated between related parties and their terms, including fees payable, may not be as favorable to the Funds as if they had been negotiated at arm's length with an unaffiliated third-party and may be costly and difficult to terminate. However, RIM believes the fees to be competitive with those standards in the market.

Finally, certain inherent conflicts of interest arise from the fact that RIM provides investment management services to multiple Funds and may in the future provide investment management services to other funds, client accounts or proprietary accounts (such other funds, clients, and accounts, collectively the "Other Accounts"), in which the Funds may not have an interest. While RIM will undertake to manage the Funds and Other Accounts diligently in pursuit of their respective investment objectives, RIM will devote as much of its time to the activities of the Funds and Other Accounts as it deems necessary and appropriate. When a conflict of interest arises, RIM will endeavor to ensure that the conflict is resolved fairly.

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

Code of Ethics and Personal Trading

RIM has adopted a written “Code of Ethics” pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). All employees of RIM are subject to this Code of Ethics. In carrying on its daily affairs, RIM and its supervised persons shall act in a fair, lawful, and ethical manner. The Code of Ethics sets forth standards of conduct and requires compliance with federal securities laws. The Code of Ethics also addresses personal trading and requires RIM’s access persons to report their personal securities holdings and transactions, including those involving RIM affiliates, to RIM’s Chief Compliance Officer.

The Code of Ethics establishes standards and procedures for the detection and prevention of certain conflicts of interest, including activities by which persons having knowledge of the investments and investment intentions of RIM might take advantage of that knowledge for their own undisclosed benefit. RIM’s Insider Trading Policy complements the Code of Ethics and together these documents help ensure that RIM’s personnel (i) observe applicable legal (including compliance with applicable state and federal securities laws) and ethical standards in the performance of their duties; (ii) at all times place the Funds’ interests first; (iii) disclose all conflicts of interest; (iv) adhere to the highest standards of loyalty, candor and care in all matters relating to the Funds and the Funds’ investors; (v) conduct all personal trading consistent with the Code of Ethics and in such a manner as to avoid any conflicts of interest or any abuse of their position of trust and responsibility; and (vi) do not use any material non-public information in securities trading. The Code of Ethics also establishes policies regarding other matters such as the giving or receiving of gifts and entertainment. The Code of Ethics is available to any current or prospective Fund investors upon request.

RIM’s employees are required to conduct their personal investment activities in a manner that is not detrimental to the Funds or the Funds’ investors. Access persons must provide RIM’s Chief Compliance Officer with a list of their personal accounts and initial and annual holdings reports. RIM also requires access persons to report their securities transactions on a quarterly basis. All supervised persons are provided with a copy of the Code of Ethics and are required to acknowledge receipt and understanding of the Code of Ethics on at least an annual basis. All reportable transactions are reviewed for compliance with the Code of Ethics.

Participation or Interest in Client Transactions

Related persons of RIM have financial ownership interests in the Funds and receive performance-based compensation for their services. RIM’s principals, employees, and

their respective family members may invest directly in the Funds. As noted in Item 10, RIM recommends investments for RCP that are underwritten, managed, serviced, and/or developed by RPC and RPE. RIM also directs assets of CIF and the QP Fund into common and preferred units of RCP, respectively. RIM employees and affiliates have an ownership stake in one or more of RCP, CIF, and the QP Fund, and may also directly or indirectly participate in the real estate-related private debt and equity projects underwritten by RPC and RPE. All these situations create conflicts of interest that RIM attempts to mitigate in part through RIM's Code of Ethics, which sets forth a fiduciary standard that requires supervised persons to act in the best interests of the Funds and to place the interests of the Funds ahead of their own. In addition, RIM regularly monitors the Funds' portfolios for consistency with the Funds' objectives, strategies, and target capacity and subjects RIM principals, employees, and their respective family members who invest in a Fund to the same liquidity constraints as other investors.

Investments may be purchased jointly by or for the benefit of one or more of the Funds and Other Accounts (whether currently in existence or formed in the future) managed by RIM. For purposes of operational efficiency, such investments may be initially purchased by an entity jointly owned by some or all of such investment entities before being allocated at cost among the participating Funds and/or Other Accounts pursuant to RIM's allocation policy.

Pursuant to one of the RIM Agreements, RIM affiliates may originate a new loan to a borrower, originate a new loan to refinance an existing loan owned by one or more Funds, or may accomplish modifications that result in a new loan. A Fund may purchase such loan from the RIM affiliate at a price equal to the fair market value of the loan at the time of such sale or otherwise purchase assets from a RIM affiliate at fair market value from time to time. No Fund will purchase assets from RIM affiliates unless such purchase is disclosed and allowable in such Fund's Offering Documents or is approved by such Fund's advisory board or investors.

Item 12 - Brokerage Practices

The Funds invest directly or indirectly in asset-backed loans secured by real property or other assets, structured notes collateralized by real property or other assets, and private equity real estate investments typically structured as LLCs or LPs. Research and brokerage arrangements typical to more traditional publicly traded securities transactions do not apply to these types of private investments and RIM does not engage broker-dealers to facilitate securities transactions for the Funds. Therefore, RIM does not: (i) cause the Funds to pay or receive soft dollar benefits, (ii) consider whether RIM or its affiliates receive client referrals from broker-dealers or other third parties when making Fund investments; or (iii) have any directed brokerage arrangements.

RIM does not aggregate orders for multiple Funds in brokered securities transactions. If a private debt or equity investment is deemed appropriate for multiple Funds, the investment will be allocated by RCP's Investment Committee in accordance with RIM's allocation policies and procedures.

Item 13 - Review of Accounts

Each Fund's respective portfolio is regularly reviewed by RCP's Investment Committee, with input from RIM's Managing Director. The Investment Committee meets as needed to review, evaluate, and authorize investments and, with regard to each respective Fund's investment policy, assess the ongoing suitability of the investments used to meet the investment policy objectives of the Funds. These portfolios are also reviewed to evaluate and assess, among other things, investment performance, sensitivity to market changes and whether the Fund continues to meet certain established investment criteria.

Investors will receive quarterly updates about the progress of a Fund or the underlying investments therein, typically within 60 days following quarter-end. In addition, each Fund investor receives audited year-end Fund financial statements annually and applicable Fund and/or investor tax documents shall be distributed to all investors annually, typically by April 15 of each year.

Investors are encouraged to review all reports from RIM and/or the Funds and compare them against the Offering Documents for the Funds they are invested in. Investors should immediately inform RIM of any discrepancy noted between these reports/documents.

Item 14 - Client Referrals and Other Compensation

RIM does not receive economic benefits from non-clients (other than arrangements with affiliates described in Item 10) for providing investment advice and other advisory services to the Funds.

Neither RIM nor any related person directly or indirectly compensates any person who is not a supervised person for advisory client referrals. RIM does compensate a third party for introducing potential Fund investors to RIM and its affiliates. In the future, RIM may enter into other arrangements with placement agents providing for payments to such agents of a one-time or ongoing fee based on a percentage of the management fee and/or incentive compensation attributable to the interests of an investor introduced by such placement agent.

Item 15 - Custody

Because RIM affiliates act as general partner or manager of the Funds, RIM may be deemed to have custody of the assets of those Funds because the general partners or managers each serve in a capacity that gives them access to Fund assets (including with respect to deduction of advisory fees payable to RIM).

RIM complies with Rule 206(4)-2 under the Advisers Act (the “Custody Rule”) by (i) entrusting the custody of any funds and securities of a Fund that are not privately offered securities with a qualified custodian; and (ii) meeting the conditions of the pooled vehicle annual audit provision of the Custody Rule by obtaining an annual audit of the Funds’ financial statements by an independent auditor who is a member of and subject to inspection by the Public Company Accounting Oversight Board, with such audited financial statements made available to investors in compliance with the Custody Rule. The audited financial statements will be prepared in accordance with U.S. generally accepted accounting principles and distributed within 120 days of each Fund’s fiscal year end.

Item 16 - Investment Discretion

Investment decisions are governed by the Offering Documents of each Fund, with oversight from the general partner, manager, or executives of each Fund. Although RIM may be granted investment discretion through an investment management agreement with a Fund, RIM is generally not deemed to have investment discretion with respect to the Funds given that investment decisions typically require approval from each Fund's general partner or manager. RIM provides recommendations and research analysis to the applicable general partner or manager for potential investment, and the general partner or manager makes the final determination, typically through RCP's Investment Committee, in accordance with each Fund's Offering Documents.

Prospective Fund investors are provided with Offering Documents prior to their investment and are encouraged to carefully review these documents, and to be certain that the proposed investment is consistent with their investment goals and tolerance for risk. Prior to making any investment, prospective investors should also consult with their legal, tax or other advisors. Prospective investors typically must also execute a subscription agreement, in which they make various representations, including representations regarding their suitability to invest in a high-risk investment pool.

Item 17 - Voting Client Securities (i.e., Proxy Voting)

The types of securities RIM provides advice on do not have proxy votes. RIM does not accept or have the authority to vote Fund securities.

Item 18 - Financial Information

RIM is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to the Funds or Fund investors.