

# Temerity Strategic Partners Part 2A of Form ADV The Brochure

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This brochure provides information about the qualifications and business practices of TSP Investment Advisers, L.L.C. (“**Temerity Strategic Partners**” or “**TSP**”). If you have any questions about the contents of this brochure, please contact us at (312) 971-9855. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

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

## Item 2. Material Changes

There are no material changes to report on at this time.

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## Item 4. Advisory Business

TSP Investment Advisers, L.L.C. is a Delaware limited liability company formed in November 2022 (referred to herein as “**We**,” “**Our**,” “**Us**,” the “**Firm**,” “**TSP**,” “**Temerity**” or “**Temerity Strategic Partners**”). TSP is a wholly owned subsidiary of Temerity Strategic Capital Management, L.L.C. (“**Sponsor**”). Each of Bruce R. Cohen and Jeffrey B. Citrin indirectly owns more than 25% of TSP and Sponsor.

Sponsor is a Chicago-based private equity real estate investment manager with an office in New York City whose business was established in 2022. TSP provides or intends to provide investment advisory services to privately offered commingled real estate funds (the “**Funds**”) and separate accounts for institutional investors (including endowments and foundations, insurance companies, hedge funds, corporate and public pension funds) and high net worth investors, including family offices.

The current investment strategy is to provide programmatic co-GP equity to real estate owner/operators to support their US real estate investments and growth trajectory along with operational and strategic advice, and other platform and equity limited partner capital solutions. TSP targets real estate owner/operators with active pipelines, in-depth product knowledge, access to institutional capital and a demonstrated track record.

Industry veterans Bruce R. Cohen and Jeffrey B. Citrin guide the management and operations functions and investment committees, setting strategies and policies for the Firm.

The approximately ten-person team collectively has over 150 years of commercial real estate experience through numerous investing cycles. This level of engagement in investing, capital markets, asset and portfolio management and company development has evolved into a deep network of industry relationships including local operating partners, financial institutions, investors, brokers and other owners who are integral to sourcing investment opportunities in a highly competitive environment. Additional information regarding Sponsor is available at [www.temeritystrategic.com](http://www.temeritystrategic.com).

Interests in the Funds are expected to be exempt from registration under the Securities Act of 1933, as amended, and exempt under the Investment Company Act of 1940, as amended. Such Funds will only be offered via “private offering,” and will be intended only for investment by “accredited investors,” “qualified purchasers” and “qualified clients”. The investment guidelines for the Funds will be defined in the private placement memorandums and governing documents for each Fund. The investment guidelines for any separate accounts will be defined in the advisory agreements for such separate accounts.

As of December 1, 2024, TSP holds \$180,025,000 in discretionary regulatory assets under management. TSP does not manage any assets on a non-discretionary basis. Calculations are available upon request.

## **Item 5. Fees and Compensation**

In general, TSP earns management fees, and certain of the Firm's affiliates have the potential to earn performance-based fees, from each of the Funds. The existence of the performance-based fees may create an incentive for the Firm to approve, and cause the Funds to make, more speculative investments than it would otherwise make, or to hold investments for longer than it would otherwise hold them, in the absence of such performance-based fees.

The Funds are charged management fees as detailed in each Fund's limited partnership agreement or other governing documents. Management fees are generally payable by the Funds to the Firm or General Partner(s), quarterly in advance each December 31, March 31, June 30 and September 30. Management fees are indirectly borne by the Investors in such Fund. Payment of the management fees for any partial period will be adjusted on a pro rata basis according to the actual number of days in such period. The Firm may waive or negotiate lower fees for certain Investors at the General Partner's discretion.

## **Item 6. Performance Based Fees and Side-by-Side Management**

TSP and its affiliates receive some compensation from the Funds in the form of performance-based fees which may create an incentive to make investments in the Funds that are riskier than would be the case in the absence of performance-based fees. However, neither TSP nor any related party will receive performance-based fees if the Investors in a particular Fund do not receive a return of their invested capital and a stated preferred return. We believe that the subordination of performance-based fees to Fund (and Investor) returns aligns our interest with those of the Fund's Investors and tempers this risk.

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

TSP's only Clients are the Funds to which TSP directly provides investment advisory services. TSP does not provide investment advisory services to individual Investors within the Funds.

TSP generally imposes a minimum investment commitment requirement for each Fund. The offering materials for each Fund provide additional information about the Fund's minimum investment commitment, if any, which may be waived by the Firm or its affiliates in its sole discretion.

In the future, TSP may provide separate account advisory services related to real estate related investments for high-net-worth individuals and institutional clients.

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

### **General Investment Objectives and Process**

This Brochure may be provided to prospective investors in a Fund, together with the Fund's private placement memorandum, organizational documents and other related documents, in connection with an Investor's consideration of an investment in a Fund. While this Brochure may include information about such Fund, it does not represent a complete discussion of the features, risks or

conflicts associated with the Fund. More complete information about each Fund is included in its respective placement memorandum, organizational documents and other related documents.

In identifying and structuring investments, TSP and Sponsor attempt to select investments that are expected to provide the best opportunity to achieve a specific Fund or Client's return and programmatic objectives. Each of the strategies requires a combination of the ability to evaluate the skills and anticipated performance of joint venture partners, fundamental real estate expertise, a keen understanding of capital market flows, and asset and portfolio management oversight. Driven by experience in multiple economic cycles, TSP and Sponsor are highly focused on identifying best in class co-GP joint venture partners who are, in turn, dedicated to acquiring high-quality properties, improving property-level operations, and achieving well-balanced capitalization structures. In addition, Sponsor's leadership has maintained a reputation for transparency and integrity among existing and potential Investors, capital partners and lenders and which it believes are fundamental to its success.

TSP relies upon disciplined systems and processes to source, underwrite, and execute its investment programs.

### **Material Risks Associated with the Investment Strategies**

An investment in TSP's Funds involves a substantial degree of risk and is intended and appropriate only for investors whose sophistication and financial resources are sufficient to enable them to evaluate such an investment and to assume such risks, including the risk of complete loss of their investment. In evaluating whether to subscribe to a Fund or separate account, prospective investors should carefully consider the following risk factors, among others. Investors are urged to consult with their own financial, legal, and tax advisers before making any decision regarding an investment in a Fund. There can be no assurance that the use of any strategy for any Fund or other Client will achieve particular returns or avoid a loss. The ability to achieve returns will depend on a variety of factors and is subject to a number of risks, many of which are beyond the control of TSP. The various risks discussed below are not the only risks associated with an investment in the Funds, or the types of investments typically made by or for the Funds, and include the following:

**General Economic and Market Conditions.** The Firm's activities may be affected by general economic and market conditions, such as changes in interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of the Fund investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect real estate values and rates of delinquency, default and foreclosure and thus the profitability of the Fund investments. Volatility in the real estate markets or the economy in general could impair the Fund's profitability or result in losses. The Fund could incur material losses even if the Firm reacts quickly to difficult market conditions, and there can be no assurance that the Fund will not suffer material losses and other adverse effects from broad and rapid changes in market or economic conditions in the future. Even a well-analyzed approach may not protect the Fund from significant losses under certain market and economic conditions.

**Disruption in Capital Markets and Volatility.** The U.S. capital markets have experienced disruption including losses in the value of investments, the failure of certain major financial institutions and general volatility in the financial markets. During periods of disruption, general economic conditions may deteriorate, with material and adverse consequences for the broader financial and credit markets. These conditions may continue for a prolonged period of time, or materially worsen in the future. A severe disruption in the global financial markets, deterioration in credit and financing conditions or uncertainty regarding U.S. Government spending and deficit levels and tariffs, European sovereign debt, Chinese economic slowdown or other global economic conditions could have a material adverse effect on the profitability of the Fund's investments. The Funds' ability to generate attractive investment returns may be adversely affected to the extent the Funds is unable to obtain favorable financing terms for its investments. These conditions may also have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Deteriorating economic conditions could adversely affect the financial resources of the Funds and their ability to make principal and interest payments on, or refinance, outstanding debt when due. Similarly, economic conditions could also adversely affect the financial resources of tenants of the Funds' investments and their ability to make rent payments. In the event of such defaults, the Funds could lose both invested capital in and anticipated profits from affected investments

**Terrorist Attacks and War.** Terrorist activities, anti-terrorist efforts and other armed conflicts involving the United States or its interests abroad may adversely affect the United States, its financial and real estate markets and global economies and could prevent the Fund from meeting its investment objectives and other obligations. The potential for future terrorist attacks, the national and international response to terrorist attacks, and other acts of war or hostility have created many economic and political uncertainties, which may adversely affect the United States and the Fund for the short or long term in ways that cannot presently be predicted.

**General Investment Risks.** All investments risk the loss of capital. No guarantee or representation is made that the Fund's investment program will be successful or profitable. Real estate investments are subject to various specific risks, many of which are beyond the control of the Fund, the General Partner and any affiliates, such as adverse changes in international, national or local economic and demographic conditions; local conditions (such as an oversupply of space or a reduction in demand for space); the quality and philosophy of management; competition based on rental rates; adverse changes in financial conditions of tenants, buyers and sellers of properties; quality of maintenance, insurance and management services; reduction or change in sources of debt or equity financing, including changes in interest rates; increases in real estate taxes and operating expenses, including energy prices; changes in law, regulations and governmental policies, including environmental laws, health and safety laws, zoning laws and governmental fiscal policies; potential liability under changing environmental and other laws; changes in the relative marketability of properties; cyclical overbuilding in property sectors; risks due to dependence on cash flow; risks and operating problems arising out of the presence of certain construction materials; structural or property latent defects; natural and unnatural disasters; acts of terrorism and vandalism; uninsurable losses; condemnations and others. As a result, the Fund may be subject to claims and expenses in respect of an asset in excess of the Fund's investment in such an asset that could significantly impact the costs of operations, cash flow and results of operations, thereby leading to losses. There can be no assurance that the Fund will be able to achieve its investment objectives.

**Lack of Investment Opportunities.** There can be no assurance that the Firm will be able to identify suitable investment opportunities for the Fund or that it will be able to fully invest all capital commitments. If the Firm fails to identify investment opportunities or otherwise fails to fully invest capital commitments, the potential return to Investors could be materially adversely affected.

**Competition.** The business of identifying investment opportunities is extremely competitive. There can be no assurance that the Fund will be able to identify or successfully pursue attractive investments in the current or future economic and regulatory environment. The Firm, the Funds and their affiliates compete with many other firms that may have substantially greater financial resources, more favorable financing arrangements and larger research staffs than are available to the Firm, the Funds and their affiliates.

**Joint Venture Investments:** The Fund's investments in joint ventures involve delegating significant discretion to operational issues to operating partners. Operating partners may have tax or financial goals that are different from those of the Fund, which could cause them to act in a manner not consistent with a Fund's objectives. Joint venture partners may be highly dependent upon one or a limited number of individuals, the unavailability of whom may adversely affect the value of the joint venture investment.

**Difficulty in Selling Properties.** Real estate assets and the equity positions therein are generally illiquid in nature. There is a risk that the Fund will be unable to realize its investment objectives through the sale or disposition of one or more of its investments at an attractive price or within any given period of time or that the Fund will otherwise be unable to achieve any planned exit strategy. These risks could arise from the absence of an established market for a property, changes in the financial condition or prospects of purchasers (including joint venture partners), changes in national or international economic conditions, and changes in laws, regulations or fiscal policies of jurisdictions in which the relevant investment is located. Furthermore, in some cases, the Fund may have certain contractual obligations to tenants or joint venture partners in connection with a sale or disposition that may limit or prohibit the Fund's ability to complete an exit strategy in a timely fashion. Any of the foregoing factors could limit the ability of the Fund to vary its investments rapidly in response to changes in economic and other conditions. Any difficulty in selling or otherwise disposing of investments could have a material adverse effect on the Fund and the Investors.

**Environmental Risks.** Under various federal, state and local laws, ordinances and regulations, an owner of real property may be liable for the costs of removal or remediation of certain hazardous or toxic substances or petroleum products on, under or in such property. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of such hazardous or toxic substances. In addition, the presence of, or the failure to properly remediate, such substances may adversely affect an owner's ability to borrow using such real property as collateral or to sell such property. In connection with the ownership (direct or indirect), management and development of real estate investments, the Fund or one of the entities that hold title to Fund assets could be considered an owner or operator of the property and may be liable for significant removal or remediation costs, as well as certain other potential costs relating to such hazardous or toxic substances or petroleum products.

**Climate Change.** The Firm's indirect real estate investments are potentially subject to climate change, including increased storm intensity and weather severity (e.g., floods or hurricanes), sea level rise, fires and extreme and changing temperatures. These could result in financial impacts and operational disruptions; increased insurance costs; decreases in available coverages; decreased net migration to certain areas resulting in reduced demand for investments; increased insurance claims/liabilities; increased energy costs; changes in the availability or quality of water, food or other natural resources; and incorrect long-term valuation due to changing conditions not anticipated at the time of the investment.

**Interest Rate Risks.** The Fund has exposure to interest rate risks, meaning that changes in prevailing interest rates could negatively affect the value of assets held by the Fund. Changes in the general level of interest rates can affect the Fund's income by affecting the spread between the income on its assets and the expense of its interest-bearing liabilities, as well as, among other things, the value of its interest-earning assets, the capitalization rate at which its assets are valued in the market and its ability to realize gains from the sale of investments. Increases in interest rates will raise the Fund's interest costs, which will in turn reduce cash flow and the Fund's ability to make distributions to Investors. Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the control of the Firm.

**Inflation Risks.** The Fund has exposure to inflation risks, meaning that the value of the Fund's investments or income from the Fund's investments will be worth less in the future as inflation decreases the value of money over time. As inflation increases, the real value of the Interests and distributions related thereto may decline.

**Uninsured Losses.** The Fund generally expects to require insurance coverage with respect to its underlying real estate investments on a per-occurrence and annual aggregate basis to the extent such coverage is available at commercially reasonable rates, as determined by the Firm. The Firm also generally expects to require insurance coverage against liability to third parties for injury and property damage in such amounts determined by the Firm to be commercially reasonable. However, the insurance industry is extremely unpredictable, and, as a result, the actual premiums and deductibles payable by the Fund may be substantially different than the Firm's projections of such premiums and deductibles. Insurance against certain risks, such as earthquakes, floods, windstorms, biological agents (e.g., mold) or damage by terrorism, may be commercially unavailable, available in amounts that are less than the full market value or replacement cost of an investment, subject to large deductibles or not economically insurable. In addition, there can be no assurance that the risks that are currently insurable will continue to be insurable on a commercially reasonable basis. There is no guarantee that an insurer will pay the full amount of any claim, that an insurer will not dispute or refuse to pay with respect to any claim of loss or that the insurer will be solvent or financially able to pay any claim, especially in the case of a catastrophic loss in one geographical area.

Additionally, properties in which the Fund has an interest may be at risk in the event of uninsured liability to third parties. Should an uninsured loss or a loss in excess of insured limits occur, the Fund could lose all or a portion of its capital invested in such real estate investment, as well as the



anticipated future revenue from that real estate investment. In that event, ownership may nevertheless remain obligated for any notes payable or other financial obligations related to the applicable investment, in addition to obligations to ground lessors, franchisors and managers. Inflation, changes in building codes and ordinances, environmental considerations, provisions in loan documents encumbering the portfolio properties pledged as collateral for such loans, and other factors may also prohibit the use of insurance proceeds to replace or renovate an investment after it has been damaged or destroyed. Under such circumstances, the insurance proceeds received may be inadequate to restore the Fund's economic position on any damaged or destroyed investment.

**Regulatory Risks Related to Real Estate.** The Fund's direct and indirect investments may be subject to various laws and regulations, including building codes, laws and regulations pertaining to fire safety and handicapped areas, and other laws and regulations that may from time to time be enacted by federal, state and local governments. The regulations applicable thereto vary from location to location and from time to time. There is a risk that the Fund could be required to incur significant costs and expenses that may be necessary or appropriate to comply with any changes in any applicable laws or regulations. Non-compliance with existing or future laws or regulations applicable to an investment could result in substantial capital expenditures to bring the relevant investment into compliance, as well as the imposition of fines or an award of damages to private litigants, which generally are required to be borne by the Fund (and may materially adversely affect the Fund and the Investors).

**Risks Related to Debt Investments.** The Fund may invest capital in debt investments, including construction, participating and other real estate-related loans (collectively, "**Debt Investments**"). The value of the Debt Investments held by such subsidiaries and the ability to realize full repayment on any Debt Investment may be adversely affected by all the factors that affect an investment. In particular, certain important risks associated with Debt Investments include, among others: (a) dependency for repayment on successful operation of the underlying property and tenant businesses operating thereon; (b) the non-recourse nature of such loans with respect to the borrower; and (c) amortization schedules that are often longer than the stated maturity and provide for balloon payments at stated maturity rather than periodic principal payments. Debt Investments are also subject to risks of borrower defaults, bankruptcies, fraud and special hazard losses that are not generally covered by standard hazard insurance. In the event of any default under mortgage loans held, directly or indirectly, by the Fund or any entity in which the Fund has an interest, the Fund will bear a risk of loss of principal to the extent of any deficiency between the value of the collateral and the principal amount of the mortgage loan and may not receive interest payments on such mortgage loan. Foreclosures of mortgage loan, bankruptcies affecting mortgage loan borrowers and other collateral realization processes will be expensive and lengthy processes that could have a substantial negative effect on the Fund's anticipated return on investment.

**Litigation.** The Fund's investment activities may subject it to the risks of becoming involved in litigation with third parties. The expense of defending against claims against the Fund by third parties and the payment of any amounts pursuant to settlements or judgments would generally be borne by the Fund, reduce net assets and could require Investors to return distributed capital to the Fund. The Firm, and their respective affiliates generally are indemnified by the Fund in connection with any such litigation, subject to certain conditions.

**Financial Conditions of Tenants.** Adverse changes in the operation of any property owned directly or indirectly by the Fund, or the financial condition of any tenant located on any such property, could have an adverse effect on the ability to collect rent payments and, accordingly, on the Fund's ability to make distributions to Investors. A tenant may experience, from time to time, a downturn in its business which may weaken its financial condition and result in its failure to make rental payments when due. At any time, a tenant may seek the protection of applicable bankruptcy or insolvency laws, which could result in the rejection and termination of such tenant's lease or other adverse consequences and thereby cause a reduction in distributions to the Investors. No assurance can be given that tenants will not file for bankruptcy protection in the future or, if they do, that their leases will continue in effect.

**Risk of Investments in Entities.** The Fund may invest indirectly through subsidiaries including partnerships, special purpose vehicles, co-investment arrangements or other structures. The Fund will participate in joint ventures. Such investments may involve risks, for example, the possibility that such entities might become bankrupt, or may at any time have economic or business interests or goals which are inconsistent with those of the Fund, or that such entities or joint venture partners may be in a position to act contrary to the Fund's objectives. In addition, in certain situations the Fund may be liable for the actions of any of its joint venture partners. While the Firm seeks to limit the Fund's exposure to such risks, there can be no assurance that it will be successful, in whole or in part.

**Leverage Risks.** The Fund is permitted to incur indebtedness in connection with its investment activities, subject to the limitations in the governing documents. The use of borrowing and leverage can, in certain circumstances, maximize the losses to which investments held by the Fund may be subject and will involve a high degree of risk. Because the use of leverage and borrowing will allow the Fund to control assets worth more than its investment in such assets, the amount that the Fund may lose in the event of adverse valuation changes will be high in relation to the amount invested in such assets, which may adversely affect the Fund. The Firm, the Fund and their affiliate's access to capital could be impaired by many factors, including market forces, economic conditions or regulatory changes.

**Operational Risks.** The Fund will be dependent to a substantial degree on the continued service of key employees of TSP and Sponsor. Should all or some of the key employees discontinue their services it may materially and adversely affect the performance of a Fund's investments. Additionally, the personnel of TSP and Sponsor responsible for making investments on behalf of a Fund may also be responsible for managing or making investments on behalf of other Funds or Clients. Those persons will not devote substantially all of their business activities to any single Fund, Client or party. The Fund's transactions and investments may place substantial burdens on the Firm's operational systems and resources. Human error, system failure or other problems with any of these processes could result in material losses or costs, which generally are borne by the Fund subject to limitations in each Funds' governing documents.

**Cybersecurity Risks.** The number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. We face risks associated with security breaches through cyber-attacks, malware, computer viruses and malicious codes, ransomware, unauthorized access attempts, denial of service attacks, phishing, social engineering, bad actors with access to systems

inside our organization, and other significant disruptions of our IT networks and related systems. Our IT networks and related systems, as well as the IT networks and related systems used by our Fund Administrator, are essential to the operation of our business, the availability and integrity of our data and our ability to perform day-to-day operations. Security breaches or system interruptions could result in misstated financial reports, violations of loan covenants, missed reporting deadlines, our inability to monitor our compliance with rules and regulations, unauthorized access to, and destruction, loss, theft, misappropriation or release of proprietary, confidential, sensitive or otherwise valuable information of ours or others, the diversion of management attention and resources to remedy any resulting damages, liability for claims for breach of contract, damages, credits, penalties or termination of leases or other agreements, or damage to our reputation among our customers, lenders, vendors and investors generally.

We rely on information systems across our operations and corporate functions, in particular our finance and accounting departments, and depend on such systems to ensure payment of obligations, collection of cash, data warehousing to support analytics, and other various processes and procedures, and there can be no assurance that our security efforts will be effective in deterring security breaches or disruptions. Even the most well protected information, networks, systems and facilities remain potentially vulnerable because the techniques, tools and tactics used in such attempted security breaches evolve and generally are not recognized until launched against a target, and in some cases are designed to not be detected and, in fact, may not be detected. Accordingly, we may be unable to anticipate these techniques or to implement adequate security barriers, disaster recovery or other preventative or corrective measures, and thus it is impossible for us to entirely counteract this risk or fully mitigate the harms after such an attack. And as we periodically upgrade our IT systems, we face the risk that these systems may not function properly and expose us to increased cybersecurity breaches and failures, which would expose us to reputational, competitive, operational, financial and business harm, as well as potential litigation and regulatory action.

**Valuation Risk.** As set forth in each Funds' governing documents, the General Partner (or TSP on its behalf) will periodically value each investment by the Fund. Any such valuation, however, is a subjective analysis of the fair value of an asset and requires the use of techniques that are costly and time-consuming and ultimately provide no more than a rough estimate of value. Similarly, certain of the Fund's liabilities may be valued based on estimates. Accordingly, there can be no assurance that the value of the Fund's assets will be accurate on and as of any given date, nor can there be any assurance that the sale of any investment would be at a price equivalent to the last estimated value of such investment.

**Internal Controls and Employee Misconduct.** The Firm has adopted supervisory guidelines and other controls with the intention of detecting and preventing the misappropriation of the Fund's property and other misconduct and violations of law by employees of the Firm and other agents of the Fund. There can be no assurance, however, that such procedures and controls will be effective. Any violation of such procedures and controls, including acts of fraud and dishonesty by employees or agents of the Firm, or even unsubstantiated allegations of such misconduct, could result in material losses or costs.

**Absence of Regulatory Oversight.** While the Fund may be considered similar to an investment company, the Fund is not and will not be registered as such under the Investment Company Act,

and, accordingly, the provisions of the Investment Company Act (which, among other matters, require investment companies to have a majority of disinterested directors and regulate the relationship between the adviser and the investment company) generally are not applicable to the Fund.

**Side Letters.** The Firm, the Funds, or its affiliates may from time to time enter into side letter agreements or other similar agreements (collectively, “**Side Letters**”) with one or more Investors, including, without limitation, affiliated Investors and select third parties, that alter, modify or change the terms of the Interests held by such Investors. Side Letters may provide such Investor(s) with additional and/or different rights (including, without limitation, with respect to a reduction in the management fee, carried interest distributions, minimum capital commitment amounts, informational rights, capacity rights and other rights) than the other Investors. Except to the extent required by applicable law, the Fund generally will not be required to notify any or all of the other Investors of any such Side Letters or any of the rights and/or terms or provisions thereof, nor will each Fund be required to offer such additional and/or different rights and/or terms to any or all of the other Investors.

**Business and Regulatory Risks of Private Funds.** The financial services industry generally, and the activities of private investment funds and their managers, have been subject to intense and increasing regulatory scrutiny. Such scrutiny may increase the Fund’s exposure to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight may also impose additional administrative burdens on the Firm, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens may divert the Firm’s time, attention and resources from portfolio management activities.

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE FUNDS. INVESTORS ARE ENCOURAGED TO READ THEIR RESPECTIVE FUND’S LIMITED PARTNERSHIP AGREEMENT AND MEMORANDUM IN THEIR ENTIRETY BEFORE MAKING ANY INVESTMENT DECISIONS.

Investors should be aware of their risk tolerance level and financial situations. The Firm cannot guarantee the successful performance of an investment, and we are expressly prohibited from guaranteeing accounts against losses arising from market conditions and any material risks stated associated with the investment strategy. Investors should be prepared to bear the risk of loss.

## **Item 9. Disciplinary Information**

None of TSP, its officers or its employees have been involved in any legal or disciplinary events in the past 10 years that would be material to a Fund or to an Investor’s evaluation of the Firm or its personnel.

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

None of TSP, its officers or its employees is registered, or has an application pending to register as a broker-dealer or as a registered representative of a broker-dealer except that Jennifer Perkins, a managing director of the Firm, maintains her Series 7 and Series 63 licenses which she obtained under a prior employer.

None of TSP, its officers or its employees is registered, or has an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

TSP will receive a variety of services from Sponsor. For example, we will obtain general real estate market and economic information from and will share office facilities as well as executive, back-office and administrative personnel with Sponsor.

TSP and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

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

TSP has adopted a written code of ethics (the “**Code**”) that is applicable to all employees and supervised persons. Among other things, the Code requires such parties to act in the best interest and fulfill their fiduciary duty to the Firm’s Clients, abide by all applicable regulations, avoid even the appearance of insider trading, and pre-clear and report on many types of personal securities transactions specifically stated in the Code. TSP’s restrictions on personal securities trading apply to all employees, supervised persons and their respective family members living in the same household. A copy of TSP’s Code is available upon request.

The Chief Compliance Officer monitors employees and supervised person personal trading to ensure that such parties do not transact in securities that could create a potential conflict of interest with TSP’s Clients. The Chief Compliance Officer does this through trade pre-clearance and reviewing the Firm’s restricted list. Under TSP’s Code, pre-clearance is required for IPO’s and private limited offerings. TSP’s Code and compliance policies are overseen by the Chief Compliance Officer.

Neither TSP nor any of its related persons (i) recommends to the Clients, or buys or sells for any Client accounts, securities in which TSP or its related persons have a material financial interest and (ii) invests in the same securities that TSP nor any of its related persons recommends to the Funds, subject to TSP’s Code and the Funds’ governing documents. However, (i) the General Partner of any Fund advised by TSP may commit to invest capital in such Fund, (ii) Sponsor’s principals and the Firm’s officers, employees and other supervised persons may invest capital in a Fund or in the General Partner (and therefore indirectly in such Fund), and (iii) Sponsor’s principals and the Firm’s officers, employees and other supervised persons may invest capital on a co-invest basis with its separate account investors in accordance in the advisory agreements for such separate accounts.

## **Item 12. Brokerage Practices**

TSP does not utilize broker-dealers to affect investments. TSP does not engage in soft dollar arrangements.

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

The Firm's investment team monitor Fund and separate account performance and investments on a regular periodic basis under the supervision of the Firm's executive team. Additionally, the investment committee for each Fund reviews and approves quarterly Fund valuations.

Clients and Investors generally receive the following written reports: (i) quarterly financial statements and estimates of valuations of a Fund's investments, (ii) annual audited financial statements for such Fund; (iii) information required for the preparation of Investor tax returns; and (iv) ad hoc reports as requested by an Investor or its representative. Investors in Funds are also generally invited to Fund annual meetings. Each Fund's "Limited Part Advisory Committee" comprised of certain Fund Investors or their representatives will typically meet annually and receive periodic written reports including: (i) Fund performance; (ii) operational summaries and estimates of valuations of the Fund's investments, and; (iii) updates on operations, all as provided in the governing documents for such Fund. The reports to be received by any non-Fund Client will be determined on a case by case basis and specified in the advisory agreement between TSP and such Client.

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

No person who is not a Client of TSP will provide an economic benefit to TSP for providing investment advice or other advisory services to TSP's Clients.

TSP does not compensate any third-party for Fund or Investor referrals.

## **Item 15. Custody**

TSP utilizes Wintrust Bank to hold custody of the Fund's cash.

For each Fund with assets over which TSP manages, the Firm conducts an annual audit by an independent public accountant that is registered with and subject to regular inspection by the Public Company Accounting Oversight Board (PCAOB) and distributes audited financial statements, prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), to Investors of those Funds no later than 120 days after the end of each fiscal year.

In addition, upon the final liquidation of any such Fund, TSP will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all investors promptly after completion of the audit.

## **Item 16. Investment Discretion**

TSP has full discretionary authority over each of the Funds, as described in each Funds' governing documents and offering materials. Investment advice is provided directly to each Fund and not individually to the Investors of any Fund. Investment restrictions for the Funds are generally set forth in the respective governing documents of the Funds. Investors may not impose additional restrictions on the management of the Funds. However, TSP may enter side letters with certain Investors whereby the terms applicable to such Investor's investment in a Fund may be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory

or other similar reasons. In the event TSP has discretionary authority over any Client separately managed account, the scope of such discretionary authority will be specified in the advisory agreement between TSP and such Client.

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

TSP does not anticipate that any Fund will acquire any publicly traded securities and therefore, proxy voting is not applicable. If proxy voting were to become applicable in the future, this section will be updated accordingly.

### **Item 18. Financial Information**

TSP is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to Clients and TSP has never filed for bankruptcy.