

ITEM 1. COVER PAGE

PART 2A OF FORM ADV: FIRM BROCHURE

EM ADVISOR, LLC

March 29, 2024

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ADDITIONAL INFORMATION ABOUT EM ADVISOR, LLC ALSO IS AVAILABLE ON THE SEC'S WEBSITE AT WWW.ADVISERINFO.SEC.GOV.

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ITEM 2. MATERIAL CHANGES

EM Advisor, LLC filed its most recent Form ADV Part 2A Brochure on March 31, 2023. This annual amendment updates the description of the business of EM Advisor, LLC and its affiliates, including the related conflicts of interest and risk factors.

Recipients of this Brochure are encouraged to read it carefully and in its entirety.

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ITEM 4. ADVISORY BUSINESS

A. General Description of Advisory Firm

EM Advisor, LLC (the “Adviser,” “we,” or “us,”) is a Delaware limited liability company that was formed and commenced operations on March 19, 2021, with principal offices located in New York, New York. The Adviser is a wholly owned subsidiary of Equity Multiple, Inc. (the “Website Operator”), a Delaware corporation founded in February 2015. The Adviser acts in coordination with the Website Operator and certain affiliated companies in the conduct of its business. Unless otherwise indicated, any references to the “Adviser” hereinafter refer collectively to the Adviser, its affiliates, and the Website Operator.

Since the filing of the Adviser’s last Brochure, the Adviser has launched several new Funds (as defined below) on the Website (as defined below). The Adviser provides investment management services to the Clients (as defined below) on a discretionary basis.

B. Description of Advisory Services

The Website Operator operates and manages the EquityMultiple.com online platform (the “Website”). Through the Website, accredited investors can browse and screen commercial real estate (“CRE”) investment opportunities, view details of a prospective investment, and then complete the investment subscription process online. The Website allows individuals to become investors in historically difficult-to-access alternative investment opportunities. These opportunities are offered through investment vehicles structured as follows:

- Investment-specific special purpose vehicles (“SPVs”);
- Investment vehicles that offer exposure to alternative investment opportunities through issuing notes (“Note Issuers”, and collectively with the SPVs and Blind Pool Fund, the “Funds”, and each individually, a “Fund”).

Each Fund has an operating agreement or other similar organizational documents, a subscription agreement, a listing on the Website and other applicable disclosure documents (collectively, “Offering Documents”). This Brochure refers to investors within the Funds as “Fund Investors.” The Adviser generally provides investment advice solely to the Funds, which at times are referred to herein as the Adviser’s “Clients,” and not individual Fund Investors. The Adviser may sub-advise or co-manage funds or SPVs with third-party advisers.

i. Investment-Specific SPVs

An investment-specific SPV is generally a limited liability company formed by the Adviser to serve as a special purpose investment vehicle for each such investment. Through the Website, individual accredited investors may purchase membership interests in the applicable SPV to participate in the investment opportunity. Each SPV is formed specifically to make a particular investment or set of investments and its investment guidelines limit the SPV to making only such investment or set of investments, as applicable.

The advisory services performed by the Adviser with respect to SPVs include, but are not limited to: (i) identifying and acquiring each SPV’s investment, which is generally accomplished through the Adviser’s network of loan and/or other investment originators, sponsors and specialty finance

companies (each, an “Originator”) who provide access to potentially attractive investment opportunities; (ii) monitoring and managing each SPV’s existing investments; and (iii) coordinating distribution of proceeds and the ultimate liquidation of each SPV. Ultimately, each investor in a SPV chooses their investments and the amounts thereof and the Adviser has no discretion or authority with respect to such investor’s investment decisions.

ii. **Note Issuers**

The Adviser currently manages two categories of Note Issuers:

- Delaware limited liability companies that offer multiple series of privately placed borrower payment dependent notes (the “RENOTE Funds”); and
- A Delaware limited liability company that offers multiple series of privately placed 90-day promissory notes, 180-day promissory notes and 270-day promissory notes (the “ALPINE NOTE Fund”).

The Adviser implements the RENOTE Funds’ investment objectives by creating wholly owned special purpose investment vehicles, each of which (a) corresponds to a series of notes and (b) funds, acquires or originates one or more investments. Payments on each series of notes are dependent on the payments each corresponding special purpose investment vehicle receives (and therefore, in turn, the relevant RENOTE Fund receives) on one or more specific investments.

The ALPINE NOTE Fund similarly invests in special purpose investment vehicles that fund, make, acquire, originate, refinance, purchase or invest in investments. No note or series of notes issued by the ALPINE NOTE Fund, however, is directly associated with any particular investment, unless specifically stated otherwise in the ALPINE NOTE Fund’s Offering Documents. Instead, the notes are debt obligations that are secured by all of the assets of the ALPINE NOTE Fund.

The Adviser manages Note Issuers and, in the case of the RENOTE Funds, their underlying special purpose investment vehicles, and is responsible for making their investment decisions on a discretionary basis. Ultimately, each note purchaser chooses their investments and the amounts thereof and the Adviser has no discretion or authority with respect to such note purchaser’s decisions.

The Funds typically invest directly or indirectly in real estate and real estate securities, including in direct loans to borrowers secured by income producing assets or in participation interests (such as individual loans or pools of loans) held by a third party (collectively, “Credit Investments”, and each individually, a “Credit Investment”). Such Credit Investments are typically secured by interests in real or personal property. Certain Funds may also acquire equity or similar ownership interests in assets of the type underlying the Credit Investments the Adviser intends to target, including real estate (collectively, “Equity Investments”, and each individually, an “Equity Investment”).

In accordance with the foregoing strategies, the Adviser will generally seek to acquire Credit Investments that (i) are believed to be sufficiently collateralized to preserve capital, and (ii) will generate income in accordance with the Adviser’s desired investment characteristics. Given the nature and risks associated with special-situation lending, the Adviser will generally seek to focus first on the collateral available for each Credit Investment in order to protect principal, and then second on obtaining an appropriate return given the term, risk and liquidity associated with each specific Credit Investment. The Adviser will generally apply similar criteria for any Equity Investment the Funds may acquire, with a focus on the Adviser’s expected risk adjusted return on

such Equity Investments.

The Adviser also manages one open-end blind pool fund, EM Ascent Fund I, L.P. which primarily targets investments in private senior real-estate-backed loans.

* * *

The descriptions set forth in this Brochure of specific advisory services that we offer to Clients, the investment strategies pursued, and investments made by us on behalf of our Clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each Client's investment objectives and guidelines. The investment strategies we pursue are speculative and entail substantial risks.

C. Availability of Customized Services for Individual Funds

The Adviser tailors its investment advisory services to each Client. However, the Adviser does not tailor its advisory services to the individual needs of Fund Investors, and Fund Investors may not impose restrictions on investing in certain securities or types of investments. The Adviser's investment decisions and advice with respect to each Fund are subject to each Fund's investment objectives and guidelines, as set forth in each Fund's Offering Documents. The Offering Documents of certain Funds, such as the SPVs, restrict the Adviser from purchasing on behalf of such Fund any securities or investments other than the initial investment made by such Fund. Investors and prospective investors should refer to such Fund's Offering Documents for complete information regarding the investment restrictions and other information with respect to such Fund.

D. Wrap Fee Programs

The Adviser does not participate in wrap fee programs.

E. Assets Under Management

The Adviser manages approximately \$150,480,422 in regulatory assets under management on a discretionary basis as of December 31, 2023.

ITEM 5. FEES AND COMPENSATION

A. Advisory Fees and Compensation

The fees applicable to each Fund are set forth in detail in each Fund's Offering Documents. A brief summary of such fees is provided below. In the sole discretion of the Adviser or its affiliates, the fees and expenses discussed herein may be waived, reduced or calculated differently with respect to certain Fund Investors or Clients.

i. SPVs

The Adviser is generally paid an annual management fee, payable quarterly or monthly in arrears between 1% and 2% of the aggregate capital contribution balance with respect to each SPV as set forth in the each SPV's Offering Documents. Each SPV's management fee is set before accepting subscriptions from investors. In some cases, the first-year management fees may be higher than subsequent years due to the initial work involved at inception or the management fee may decline over time. Management fees are generally accrued and paid to the Adviser simultaneous with distributions to Fund Investors. The management fee is payable by set-off against any amount which would be distributed to such Fund Investor or by deduction from such Fund Investor's expense reserve, as set forth in each SPV's Offering Documents.

ii. Note Issuers

Each Fund Investor in the RENOTE Funds pays the Adviser a management fee, payable monthly or quarterly in arrears (unless otherwise set forth in the applicable SPV's Offering Documents), that varies with each series of notes but generally ranges between 1% and 2% of the principal amount of the notes, as set forth in the offering documents of each series of notes. Management fees are generally accrued and paid to the Adviser simultaneous to payments of interest to the noteholders.

The ALPINE NOTE Fund pays the Adviser an annual management fee, payable quarterly in arrears, in an amount equal to 4% multiplied by the total net assets of the ALPINE NOTE Fund, calculated as of the last calendar day of each calendar quarter but excluding the aggregate outstanding amount of the notes of all outstanding series of notes. The management fee is payable with respect to each series of notes, but such payment is subordinated to the payment in full of interest on, and principal of, such notes (together with all other amounts payable by the ALPINE NOTE Fund in respect of such notes), and payment of the management fee allocable to any series of notes is deferred until the date on which such notes are repaid in full.

To the extent there are any excess proceeds from investments made by the RENOTE FUNDS or the ALPINE NOTE Fund after making payments due on notes issued, the RENOTE FUNDS or ALPINE NOTE Fund, as appropriate, may keep such excess proceeds as performance-based compensation.

B. Additional Fees and Expenses

Each Fund will reimburse, either through a fixed-fee or otherwise, the Adviser for any expenses paid by the Adviser that are properly borne by the Fund, as set forth in the applicable Fund's Offering Documents, unless the Adviser elects to bear such expenses. However, any such election by the

Adviser to bear such expenses shall not be deemed a waiver of the Adviser's right to seek reimbursement from the Funds with respect to any future expenses of a similar nature. As set forth in each Fund's Offering Documents, the Adviser will keep the balance of any flat expense fee over actual expenses incurred.

Due to the fact that the Adviser manages investments on behalf of a number of the Funds, certain expenses may be shared by more than one Fund. With respect to expenses attributable to one or more of the Funds, the Adviser seeks to allocate such expenses fairly, taking into consideration (i) the extent of each such Fund's utilization of the services associated with the expense, (ii) the relative benefit to each such Fund that is derived from the expense, (iii) the association of the expense with a legal, contractual or other obligation of one or more of such Funds, and (iv) the aggregate or outstanding capital contribution balance with respect to each Fund.

A summary of additional fees and expenses related to clients' investment activities, which may be paid to the Adviser or its affiliates, is provided below.

i. Origination Fee

When a Fund or a Fund's underlying special purpose investment vehicle (or an affiliate thereof) charges (with respect to transactions that do not involve securities) any origination fee, upfront fee, and exit fee to sponsor or borrower, the Website Operator, the Adviser, or an affiliate thereof will retain such fees, except if the corresponding Offering Documents provide otherwise.

ii. Due Diligence Fees

A due diligence fee is payable to the Website Operator (or an affiliate thereof) for each investment acquired, funded and/or purchased by a Fund or a Fund's underlying special purpose investment vehicle. This fee is a flat fee negotiated on a case-by-case basis with the Originator of the underlying investment opportunity. This fee is sometimes waived at the discretion of the Website Operator.

iii. Extension and Modification Fees

Except if the Offering Documents provide otherwise, extension and modification fees are collected from sponsors or borrowers and payable to, as applicable, the relevant Fund, the relevant Fund's underlying special purpose investment vehicle or the servicer of the investment, which may be a third party or an affiliate of the Adviser. Such fees are typically between 0.5% and 2% of the original or outstanding underlying investment amount, but such fees could be higher depending on market rates and conditions. All or a portion of such fees will be distributed to, and retained by, the Website Operator, the Adviser or an affiliate thereof, except if the corresponding Offering Documents provide otherwise.

iv. Processing, Documentation and Similar Fees

Processing and documentation and other similar fees that are collected from the sponsor or borrower are payable to a Fund or a Fund's special purpose investment vehicle at prevailing industry rates, if the Fund or the Fund's special purpose investment vehicle is entitled to such fees by virtue of being the investment's Originator or under a participation interest. Such fees are distributed to, and retained by the Website Operator, the Adviser or an affiliate thereof, unless the applicable Offering Documents provide otherwise.

Processing and documentation fees include, appraisal fees, title fees, inspection fees, escrow fees, environmental assessment fees, construction disbursement fees, warehousing fees, administration fees and other similar charges.

v. Other Fees

All other fees paid by Originator, sponsor or borrower on account of investments or participation interests are retained by the Website Operator, the Adviser or an affiliate thereof (except if the applicable Offering Documents provide otherwise) including, but not limited to, all forbearance fees, late fees, late charges, attorneys' fees or any collection fees imposed in connection with collection efforts on a delinquent asset, prepayment penalties, default interest, and all other similarly related fees incurred by sponsors or borrowers (including, but not limited to, other fees authorized by legal documents for work performed regarding the subject investment or loan).

vi. Servicing Fee

Any servicing fees payable to a servicer are calculated as an expense to the applicable Fund, unless the Fund, the Fund's special purpose investment vehicle or an affiliate thereof is the loan servicer in which case such fees are retained by the Website Operator, the Adviser or an affiliate thereof, and generally will not be paid to the Fund Investors or offset other fees paid by Fund Investors, unless the applicable Offering Documents provide otherwise.

vii. Additional Expenses Related to SPVs

Investors in SPVs are assessed a flat expense fee each year (as set forth in each SPV's Offering Documents) intended to reimburse the Adviser for annual SPV expenses, which include, but are not limited to, (i) annual state-mandated franchise and registered agent fees, (ii) annual accounting and tax return preparation, (iii) allocable software expenses related to property analysis and asset management and (iv) allocable insurance costs. These expenses are externally required regardless of the performance of a SPV's investment, and SPV investors' allocation of these fixed amounts will reduce the distributions to such SPV investors as set forth in each SPV's Offering Documents. Any excess of the flat expense fee remaining over actual expenses incurred by the SPV is retained by the Adviser.

The relevant operating agreement for each SPV generally requires the SPV to indemnify the Adviser from any loss or expense incurred by the Adviser in connection with any actions taken by the Adviser on behalf of the SPV in accordance with the operating agreement, including expenses associated with holding, financing, monitoring, maintaining, servicing and disposing of investments, but excluding certain losses and expenses, such as those primarily attributable to fraud, willful misconduct or gross negligence.

viii. Additional Expenses Related to the Note Issuers

Generally, with respect to the RENOTE Funds, noteholders also are allocated and are responsible for a flat amount (as set forth in the applicable Offering Documents) used to reimburse the Adviser for certain operating expenses, which include, but are not limited to: (i) mandated expenses required by the SEC such as Form D filings and custody costs, (ii) state Blue Sky filings, (iii) out-of-pocket legal fees and expenses, if any, incurred to structure and document any loan or participation interest, (iv)

the related special purpose investment vehicle's annual Delaware franchise and registered agent fees, (v) the annual fees associated with the Note Issuer's trustee and other fees associated therewith and (vi) fees and costs associated with preparation of the Note Issuer's and special purpose investment vehicle's annual financial statements and tax returns. Such allocation shall reduce interest distributions otherwise payable to the noteholders. If the actual expenses are less than the flat expense allocation, the difference will be retained by the Adviser, as set forth in the applicable Offering Documents.

C. Pre-Payment of Fees

Fees are not paid to the Adviser in advance. In certain cases, an expense reserve may be created and fees may be deducted from such reserve as incurred.

D. Additional Compensation and Conflicts of Interest

Neither the Adviser, nor any of its supervised persons receive compensation in connection with the sale of securities or other investment products.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As discussed in Item 5(A) above, pursuant to the applicable Offering Documents, the Adviser generally will be entitled to receive performance-based compensation from certain Funds in connection with advisory services provided to such Funds provided specified investment portfolio performance conditions are met. For the Note Issuers, the Adviser does not charge performance-based fees.

Performance-based compensation will only be charged in accordance with the requirements of the Advisers Act.

The Adviser may also share in the performance-based fees earned by the Originators of any investment.

The existence of performance-based compensation has the potential to create conflicts of interest. Performance-based compensation can incentivize the Adviser to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such arrangement. In addition, the terms of the performance-based compensation could give the Adviser an incentive to make decisions regarding the timing, structure or realization of transactions that are not in the best interest of a Fund's investors. However, the Adviser seeks to mitigate such conflicts and align interests through equity commitments by Adviser and its affiliates in the Clients themselves or alongside the Clients. In addition, to the extent the Adviser manages Funds that have varying performance-based compensations, it may have an incentive to allocate investments, dedicate resources or otherwise provide preferential treatment to certain Funds over others if such Funds have more favorable performance-based compensation terms than other Funds.

ITEM 7. TYPES OF CLIENTS

The Adviser provides investment advisory services to the Funds (as described in Item 4 of this Brochure). The Adviser generally requires that each Fund investor be an accredited investor as defined in Regulation D under the Securities Act of 1933, as amended.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies.

The descriptions set forth in this Brochure of specific advisory services that we offer to Clients, and investment strategies pursued and investments made by us on behalf of our Clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each Client's investment objectives and guidelines. The investment strategies we pursue are speculative and entail substantial risks. Clients and Fund Investors should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

The Adviser's objective generally is to present Clients with real estate investment opportunities that offer an appropriate return given the term and risk associated with each specific investment.

i. Asset Managers / Originators

The Adviser generally works with sponsors, loan originators or other asset managers (i.e., Originators) who can provide access to potentially attractive investment opportunities and other deal flow. The Adviser identifies and cultivate relationships with experienced Originators that they believe have significant experience and a track record of originating and managing the types of investment opportunities it expects to target for investment. These Originators perform primary due diligence on the potential investment and negotiate terms and documentation with the seller or borrower. With respect to certain SPVs, Originators also generally retain responsibility for managing or servicing investments or loans they originate through their respective life cycles. The Adviser vets and conducts due diligence on potential Originators, including reviewing their background, credit and underwriting policies, evaluating their existing portfolio and performance and review their business policies, among other things. Once an Originator has been vetted, the Adviser will then evaluate potential investment opportunities from that Originator that may be suitable for Clients and make investment decisions on a deal-by-deal basis. However, there is no guarantee that the Adviser will be able to appropriately vet the Originator and/or the investment opportunities from the Originator before making the relevant investment, and a risk of loss of some or all of an investment exists if negative information about the applicable Originator and/or investment opportunities is discovered once the relevant investment has been made.

ii. Analysis of Investments

The Adviser generally looks at a range of real estate and real estate related investment opportunities with a focus on opportunities that offer an appropriate return given the term and risk associated with each specific investment. The Adviser reviews the analysis of the Originator, who frequently has experience in the specific property type, market or business plan contemplated in the investment. The Adviser also reviews relevant market data, third party appraisals and market studies where available. Additionally, with respect to investments in loans, the Adviser generally looks at investment opportunities with loan-to-value (LTV) ratios under 80%, but may be higher. In these cases, even if an investment opportunity does not perform as expected, some or all of the investment may be able to be recovered via a sale or other disposition of the asset.

iii. Sale of Investments

The Adviser does not plan on acquiring investments for its Clients for the primary purpose of reselling such investments in the ordinary course of business. However, we may sell investments, or fractional interests in such investments, when we determine that it may be advantageous for Clients to do so, based upon then current interest rates, the length of time that the investment has been held by the Client and the Client's investment objective and strategies.

iv. Use of Leverage

To seek to enhance client returns and manage client liquidity needs, the Adviser may cause Clients to borrow money from time to time in the Adviser's discretion, within the levels permitted by the Client's Offering Documents and applicable law, when the terms and conditions available are favorable to investing and well-aligned with the Client's investment strategy and portfolio composition. In determining whether and when to borrow money, the Adviser will analyze the maturity, covenant package and rate structure of the proposed borrowings as well as the risks of such borrowings compared to the relevant Client's investment outlook, taking into account such Client's current liquidity needs and the relative maturity dates of such Client's portfolio. The use of borrowed funds or the proceeds of preferred stock to make investments has its own specific set of benefits and risks, and all of the costs of borrowing funds or issuing preferred stock would be borne by Clients.

B. Material, Significant or Unusual Risks Relating to Investment Strategies

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the Adviser's Clients. These risk factors include only those risks the Adviser believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by the Adviser. Investors are advised to review the applicable Offering Documents for a more extensive description of the risks of investing in the Adviser's Clients.

General Risk of Loss.

In all cases, Fund Investors are advised that:

- investing in securities involves a risk of loss, including the risk that borrowers will not repay their loans;
- the risks of investing mean that Fund Investors may lose all or most of their investment;
- investment performance of any kind can never be guaranteed. Investments may lose value over time and no return is guaranteed;
- investments are not guaranteed or insured by the Federal Deposit Insurance Corporation ("FDIC"), any bank, any governmental agency or any third party;
- historical performance of the Funds and the Originators is not indicative of future performance and Fund Investors may lose part or all of their capital; and
- there can be no assurances that a Client's or a Fund Investor's desired return and risk level can, or will, be achieved.

Specific risks are disclosed in connection with the relevant Fund's Offering Documents. All prospective investors are urged to review all Offering Documents and other offering materials, including disclosures, risk factors and transaction documents in their entirety and with their tax, legal

and financial advisors prior to investing.

The Adviser relies on third parties and FDIC-insured banks to process transactions through the Website.

The Adviser relies on third-party and FDIC-insured depository institutions to process transactions through the Website, including payments on Fund Investors' investments. Under the ACH rules, if the Website Operator or its affiliates experience a high rate of reversed transactions, the Website Operator may be subject to sanctions and potentially disqualified from using the system to process payments. In addition, if for any reason, the Website Operator's third-party vendor and/or FDIC-insured bank that processes transactions were no longer able to do so, the Adviser would be required to transition such services for Fund Investors. In such event, Fund Investors could experience significant delay in their ability to process payments timely and their ability to receive payments on their investments will be delayed or impaired.

If the security of a Fund Investor's confidential information stored on the Website's systems is breached or otherwise subjected to unauthorized access, their secure information may be stolen.

The Website is designed to store Fund Investors' bank information and other personally identifiable sensitive data. The Website is hosted in data centers that are compliant with payment card industry security standards and uses daily security monitoring services and intrusion detection services monitoring malicious behavior. However, any accidental or willful security breach or other unauthorized access could cause otherwise secure information to be stolen and used for criminal purposes, and Fund Investors could be subject to increased risk of fraud or identity theft. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until they are launched against a target, the Website Operator and its third-party hosting facilities may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, many states have enacted laws requiring companies to notify individuals of data security breaches involving their personal data. These mandatory disclosures regarding a security breach are costly to implement and often lead to widespread negative publicity, which may cause Fund Investors, Originators and/or borrowers to lose confidence in the effectiveness of the Website Operator's data security measures. Any security breach, whether actual or perceived, would harm the Website Operator's reputation, could diminish Fund Investor interest, and the value of an investment in the Clients could be adversely affected.

Any significant disruption in service on the Website or in its computer systems could materially and adversely affect the Adviser's ability to perform its obligations.

If a catastrophic event resulted in a Website outage and physical data loss, the Adviser's ability to perform its obligations would be materially and adversely affected. The satisfactory performance, reliability, and availability of the Website's technology and its underlying hosting services infrastructure are critical to the Adviser's and its Clients' operations, level of customer service, and reputation. The Website's hosting services infrastructure is provided by a third-party hosting provider (the "Hosting Provider"). The Website Operator also maintains a backup system at a separate location that is owned and operated by a third party. The Hosting Provider does not guarantee that users' access to the Website will be uninterrupted, error-free or secure. The Website's operations depend on the Hosting Provider's ability to protect its and the Website's systems in its facilities against damage or interruption from natural disasters, power or telecommunications failures, air quality,

temperature, humidity and other environmental concerns, computer viruses or other attempts to harm the Adviser's systems, criminal acts and similar events. If the Website's arrangement with the Hosting Provider is terminated, or there is a lapse of service or damage to its facilities, an interruption in service as well as delays and additional expense in arranging new facilities could be experienced. Any interruptions or delays in the Website's service, whether as a result of an error by the Hosting Provider or other third-party error, the Website Operator's error, natural disasters or security breaches, whether accidental or willful, could harm the Adviser's ability to perform any services with respect to Clients' investments or maintain accurate accounts, and could harm the Adviser's relationships with Fund Investors and the Adviser's reputation. Additionally, in the event of damage or interruption, the Adviser's and Clients' insurance policies may not adequately compensate Clients for any losses that they may incur. The Adviser's disaster recovery plan has not been tested under actual disaster conditions, and there would be some delay in recovering data and services in the event of an outage at a facility operated by the Hosting Provider. In addition, there is no guarantee that all data would be recoverable. These factors could prevent the Adviser from processing or posting payments on Client investments, divert employees' attention and damage the Adviser's brand and reputation.

If the Adviser causes Clients to borrow money, the potential for loss will be magnified and may increase the risk of Fund Investors investing in Clients advised by the Adviser.

The Adviser may cause Clients to borrow funds to make investments. The use of borrowings, also known as leverage, increases the volatility of investments and magnifies the potential for loss on invested equity capital. If Clients use leverage to partially finance their investments, through borrowing from banks and other lenders, Fund Investors will experience increased risks of investing in such Clients. If the value of a Client's assets decreases, leveraging would cause the Client's net asset value to decline more sharply than it otherwise would have had such Client not leveraged. Similarly, any decrease in a Client's income would cause net income attributable to such Client to decline more sharply than it would have had the client not borrowed. Such a decline could negatively affect a Client's ability to make distribution payments. Leverage is generally considered a speculative investment technique. In addition, the decision to utilize leverage will increase a Client's assets and, as a result, will increase the amount of management fees payable to the Adviser.

Changes in interest rates may affect Clients' cost of capital and net investment income.

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 Adviser. If Clients borrow funds to make investments, their net investment income will depend, in part, upon the difference between the rate at which they borrow funds and the rate at which they invest those funds. As a result, the Adviser can offer no assurance that a significant change in market interest rates will not have a material adverse effect on Clients' net investment income. Changes in the general level of interest rates can affect such Clients' income by affecting the spread between the income on their assets and the expense of their interest-bearing liabilities, as well as, among other things, the value of their interest-earning assets, the market value of their assets, and their ability to realize gains from the sale of investments. The Adviser expects that its Clients' fixed-rate investments will be financed primarily with equity and debt. The Adviser may cause Clients to use interest rate risk management techniques in an effort to limit their exposure to interest rate fluctuations. These techniques may include various interest rate hedging activities as set forth in, and permitted by, the Clients' Offering Documents and applicable law. These activities may limit a Client's ability to participate in the

benefits of lower interest rates with respect to the hedged portfolio. There is no perfect hedge for any investment, and a hedge may not perform its intended purpose of offsetting losses on an investment and, in certain circumstances, could increase such losses. A Client may also be exposed to the risk that the counterparties with which such Client trades may cease making markets and quoting prices in such instruments, which may render such Client unable to enter into an offsetting transaction with respect to an open position. Adverse developments resulting from changes in interest rates or hedging transactions could have a material adverse effect on a Client's business, financial condition and results of operations. Also, the Adviser has limited experience in entering into hedging transactions and may have to purchase or develop such expertise.

Bank Deposit Risk.

Clients, their affiliates or any of their respective investments may make deposits in regulated financial institutions, which may include national, regional and community banks. The solvency of national, regional and community banks are affected by many factors including changes in interest rates, economic and political conditions, broad trends in business and finance, bank regulation and legislation, monetary and fiscal policies, inflation, market conditions, and confidence in the safety and soundness of the banking system or a specific institution. National, regional and community banks are affected by many risks, including: (i) liquidity risk where a bank's management fails to ensure that sufficient funds are available to meet demands of capital providers, depositors, as well as borrowers; (ii) asset quality and credit risk attributable to a bank's assets based on the creditworthiness of borrowers as well as the value of the assets securing such loans; (iii) capital risk if a bank fails to maintain appropriate capital reserves to serve as a cushion against losses; (iv) earnings risk if a bank fails to generate sufficient earnings to support asset growth, provide for loan losses, and/or support its ability to pay dividends to stockholders; (v) management risks if a bank's management incorrectly identifies, measures, monitors and/or controls the risks of a bank's activities to ensure safe, sound, and efficient operation in compliance with applicable laws and regulations; (vi) litigation risks due to the volume of claims and amount of damages and penalties sought in any litigation and regulatory proceedings against financial institutions; (vii) market risks directly and indirectly attributable to changes in market conditions including fluctuations in interest rates, equity and futures prices, changes in the implied volatility of interest rates, and price deterioration or changes in value of long-term assets due to changes in market perception or actual credit quality; (viii) market competition resulting in a bank's rapid loss of customers and deposits to larger banks or financial institutions which are perceived to offer more competitive interest rates and/or greater safety and stability; (ix) monetary policy risks attributable to net interest margin requirements in a volatile interest rate environment; and (x) regulatory risks attributable to violations of or changes in various state and federal banking regulations which have a negative adverse impact on such institutions. Any deposits made to a depository institution are subject to risks that losses may occur if the depository institution fails and amounts on deposit are not adequately insured. In light of interest rate volatility, the Adviser expects that certain banks may be subject to greater than average risk of failure. In the case of any bank failure there are risks that Clients, their affiliates or any of their respective investments may experience losses, including a loss of certain funds in excess of applicable FDIC insurance limits which have been deposited with any insured bank. Moreover, in periods of economic stress, the bank default rate may increase, which may have an adverse effect on deposits available to Clients, their affiliates or any of their respective investments from any bank.

Clients, their affiliates or any of their respective investments may seek financing from certain banks. Banks or other lenders which finance Clients' or their affiliates' investments may become insolvent, enter into receivership, or otherwise become unable to fulfill their respective financial obligations to

Clients, their affiliates or any of their respective investments. Clients, their affiliates or any of their respective investments may be required to seek additional financing, which could prove more difficult in the economic environment at such time, and Clients, their affiliates or any of their respective investments may not be able to obtain favorable terms if it does acquire such financing.

Epidemics, Pandemics and Other Health Risks.

The world has experienced a number of outbreaks of infectious illnesses in recent decades, including swine flu, avian influenza, Ebola, SARS, COVID-19, and similar outbreaks. Such pandemics continue to adversely impact global commercial activity and have contributed to significant volatility in financial markets. Outbreaks such as the novel coronavirus, COVID-19, or other similarly infectious diseases may have material adverse impacts on Clients. Epidemics and/or pandemics, such as the coronavirus, have and may further result in, among other things, closing borders, extended quarantines and stay-at-home orders, order cancellations, disruptions to supply chains and customer activity, widespread business closures and layoffs, as well as general concern and uncertainty. The extent of the impact of any public health emergency on a Client's operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency may materially and adversely impact (i) the value of Clients; (ii) the value and liquidity of their investments; (iii) Clients' ability to fulfill their investment objectives; or (iv) the Adviser's ability to source, manage and divest Clients' investments, all of which could result in significant losses to Clients.

In addition, the operations of Clients and the Adviser may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. There can also be no assurance that other infectious diseases will not arise in the future.

Inflation and Deflation.

Inflation risk is the risk that the value of certain investments or income thereon will be worth less in the future, as inflation decreases the value of money. As inflation increases, the real value of Clients' investments can decline. Many world economies are experiencing unprecedented levels of inflation. As a result, central banks have begun raising interest rates, which can have a negative impact on economic growth and world markets. If central banks raise rates to a point that stalls or restricts economic growth, a recession may be more likely, which may result in a decline in the value of Clients' investments.

Deflation risk is the risk that prices decline over time – the opposite of inflation. Deflation may have an adverse effect on the creditworthiness of companies in which Clients invest (directly or indirectly) and may make defaults more likely, which may result in a decline in the value of Clients' investments.

Market Dislocation.

An extended or worsening economic downturn could negatively impact the financial resources of

Clients and their investments, and their ability to make principal and interest payments on, or refinance, outstanding debt when due. In such situations, Clients may lose both invested capital in, and anticipated profits from, the affected investments. Any future financial crisis may lead to a marked decrease in the availability of financing (and, in many cases, an increase in the interest cost) for leveraged transactions, which may impair Clients' ability to consummate certain transactions or cause Clients to enter into such transactions on less attractive terms.

Global Conflict.

In response to the Russian Federation's invasion of Ukraine in 2022, the United States, the United Kingdom, European Union ("EU") member states, and other countries have imposed economic sanctions on the Russian Federation, parts of Ukraine, as well as various designated parties. In response to a series of attacks by Hamas in 2023, Israel's security cabinet declared war against Hamas and the U.S. Department of Treasury's Office of Foreign Assets Control has imposed sanctions on various Hamas group members, operatives, and financial facilitators in Gaza and elsewhere. The ultimate impact of these conflicts and associated sanctions, and their effect on global economic and commercial activity, and Clients' operations, financial condition, and performance, is impossible to predict. Depending on direction and timing, these conflicts and associated sanctions may result in adverse changes to, among other things: (i) general economic and market conditions; (ii) shipping and transportation costs; (iii) supply chain constraints; (iv) energy costs, inflation, and overall price levels; (v) interest rates and available credit; (vi) laws, regulations, treaties, pacts, accords, and governmental policies; and (vii) demand for real properties in certain markets. Such conflicts and associated sanctions may also result in reductions in revenue and growth, unexpected operational losses and liabilities, reductions in the availability of capital, and limits on the Adviser ability to source, diligence and acquire new investments, and/or manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory systems in ways that are adverse to Clients' investment strategies, all of which could adversely affect Clients' ability to fulfill their investment objectives.

LIBOR Reform.

To the extent Clients' investments bear interest based on the U.S. dollar London interbank offered rate ("LIBOR"), which historically has been commonly used as a reference rate within various contracts (any such rate, a "Reference Rate"), Clients will be subject to certain risks described below.

Over the past several years, LIBOR has experienced historically high volatility and significant fluctuations. Regulators and law-enforcement agencies from a number of governments, including entities in the United States and the United Kingdom, have been conducting civil and criminal investigations into whether the member banks that contribute to the British Bankers' Association in connection with the calculation of LIBOR may have been under-reporting or otherwise manipulating or attempting to manipulate LIBOR for their own benefit. There have also been allegations that member banks may have manipulated other inter-bank lending rates. If LIBOR or another inter-bank lending rate is manipulated, it may result in that rate being artificially lower (or higher) than it would otherwise have been and, to the extent an investment is made or acquired that bears interest on such rates, it may not appropriately embed a return that is commensurate with its risk exposure.

As a result of recent developments, LIBOR is no longer being published. In anticipation of the end of LIBOR, the United States and other countries are replacing LIBOR with alternative Reference

Rates. SOFR is the Reference Rate recommended by the Alternative Reference Rates Committee (the “ARRC”) convened by the U.S. Federal Reserve Board and the Federal Reserve Bank of New York. The ARRC and regulators have stated that any party choosing another Reference Rate should do so carefully. As a general matter, the expected discontinuation of LIBOR may significantly impact financial markets; specifically, discontinuation may impact financial contracts to which Clients (directly or indirectly through their investments) are a party. Generally, the transition to alternative Reference Rates may (i) cause the value of a Reference Rate to be uncertain or to be lower or more volatile than it would otherwise be; (ii) result in uncertainty as to the functioning, liquidity or value of certain financial contracts; (iii) involve actions of regulators or rate administrators that adversely affect certain markets or specific financial contracts; and/or (iv) impact the strategy, products, processes, legal positions and information systems of market participants, including Clients and their counterparties. Fund Investors should expect that Clients (directly or indirectly through their investments) will be a party to SOFR-based contracts, or contracts utilizing different Reference Rates. Considered in their entirety, the impacts of the discontinuation of LIBOR on financial markets generally and on the specific financial contracts to which Clients are a party may adversely affect the performance of Clients.

Changes in the Regulatory Environment.

The regulatory environment for private funds and other financial entities is evolving. Changes in law or regulations, or changes in judicial or administrative interpretations of existing laws and regulations, may adversely affect the value or performance of investments held (directly or indirectly) by Clients, may affect the ability of Clients to pursue their investment strategies, or may restrict or prevent the Adviser from continuing to perform services for Clients in the manner currently contemplated.

There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private investment fund industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on Clients’ activities, including the ability of Clients to effectively and timely address such regulations, implement operating improvements or otherwise execute their investment strategy or achieve their investment objectives.

Scrutiny of private investment firms (along with other alternative asset managers) and their investments by policymakers, regulators and market commentators, and market perception of the impact of such scrutiny may complicate or prevent Clients’ efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, Clients may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

The SEC, as well as other regulators, self-regulatory organizations and exchanges, have taken various extraordinary actions and may take additional actions in the future. For example, on August 23, 2023, the SEC adopted rules for certain private fund advisers under the Advisers Act including new (i) restrictions on certain conflicted activities (including the charging of certain fees and expenses); (ii) prohibitions on certain preferential treatment relating to investment information and redemption rights, as well as increased transparency of all preferential treatment; (iii) requirements to issue quarterly statements to investors on performance, fees and expenses, and adviser and related person compensation; (iv) enhanced annual audit requirements; and (v) requirements relating to adviser-led secondary transactions. These rules prohibit private fund adviser activities that had previously been addressed through disclosure and significantly expand the information disclosed to Investors and the SEC. It is anticipated that these changes to standard operating and disclosure practices will

significantly increase the regulatory and compliance burden of private fund advisers and may adversely affect the Adviser, Clients and/or any Fund Investor. Further, the effect of any future regulatory changes on the Adviser, Clients and/or any Fund Investor, could be substantial and result in material amendments to the terms of the operating agreement or other similar organizational document of each Client.

Further, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as applicable Clients (including any carried interest) as ordinary income for United States federal income tax purposes that under current law is treated as an allocation of such Clients' income, which may be taxed at lower rates than ordinary income. Enactment of any such legislation, whether during or after the initial closing of an applicable Client, could adversely affect the ability of entities within the Adviser or other individuals associated with such Client or the Adviser who were or may in the future be granted direct or indirect interests in the applicable general partner, to benefit from carried interest taxed at lower rates. This may reduce such persons' after-tax returns from the applicable Client and the general partner, which could make it more difficult for the general partner and its affiliates to incentivize, attract and retain individuals to perform services for such Client.

Generative Artificial Intelligence (AI) Use.

In line with advances in computing technology and data analytics, there has been an increasing trend towards utilizing machine learning, natural language processing, artificial generative intelligence, artificial neural networks, artificial narrow intelligence, or similar tools, models and systems generally referred to as "artificial intelligence" (collectively, "AI") as part of portfolio management, trading, portfolio risk management and other applications in the investment management processes used by various market participants. The impact of such evolving technology to the Adviser, Clients and their investments cannot be fully determined at this time. While the Adviser has established policies and procedures which impose parameters on the use of third-party and open-source AI tools, such as ChatGPT, the Adviser's employees, consultants, service providers and other third-parties, including third-party research providers, may use these tools on an unauthorized basis. Such unauthorized use poses additional risks relating to the protection of data, including the potential exposure of proprietary confidential information to unauthorized recipients and the misuse of the Adviser's or a third-party's intellectual property. Use of AI tools may result in allegations or claims against the Adviser, Clients or their affiliates related to violation of third-party intellectual property rights, unauthorized access to or use of proprietary information and failure to comply with open-source software requirements. AI tools may also produce inaccurate or biased responses that could lead to errors in decision-making, miscommunications, or other unintended outcomes with respect to business or investment activities, which could have a negative impact on the Adviser and Clients, including operating results and financial condition. The Adviser's ability to mitigate these risks will depend on its continued effective maintaining, training, monitoring and enforcement of appropriate policies and procedures governing the use of AI tools, and the results of any such use, by the Website Operator or its affiliates. As a result of these and other challenges associated with innovative technologies, the Adviser's implementation of AI systems could subject the Adviser, Clients and their affiliates to competitive harm, regulatory action, legal liability (including under newly proposed legislations regulating AI in jurisdictions such as the EU and the United States, new applications of existing data protection, privacy, intellectual property, and other laws), and brand or reputational harm.

C. Risks Associated with Particular Types of Securities

The Funds managed by the Adviser invest primarily in real estate or real estate related investments. Risks specific to this type of investment include but are not limited to:

General Risks Associated with Real Estate Investments.

Real estate values can be impacted by a variety of factors. Some of those factors include: (i) economic conditions in the U.S. and/or international markets; (ii) local market factors such as an abundance of space or a drop in demand for space; (iii) financial condition of tenants, buyers and sellers of properties; (iv) changes in rental rates; (v) location and quality of the properties and changes in the relative demand for property types and locations; (vi) the strength and capability of property management; (vii) potential liability under changing environmental and other laws or succession in ownership and fluctuations in real estate tax rates and other operating costs and expenses; (viii) energy and supply shortages; (ix) fluctuations in interest rates and the availability of debt financing; (x) uninsured losses or delays from casualties or condemnation; (xi) government regulations (including those governing usage, improvements, zoning and taxes) and fiscal policies; (xii) quality of maintenance, insurance and management services; (xiii) property level or structural latent defects; and (xiv) acts of God, acts of war (declared or undeclared), terrorist acts, strikes, epidemics and pandemics (such as COVID-19) and other factors beyond the control of an Originator or Adviser.

Real Estate Insurance.

The insurance coverage applicable to real estate investments contains policy specifications and insured limits customarily carried for similar properties, business activities and markets. There may be certain losses, including losses from floods and losses from earthquakes, acts of war, acts of terrorism or riots, that are not generally insured against or that are not generally fully insured against because it is not deemed to be economically feasible or prudent to do so. If an uninsured loss or a loss in excess of insured limits occurs with respect to a real estate investment, Clients could experience a significant loss and could potentially remain obligated under any recourse debt associated with the property.

Potential Environmental Liability.

Under various U.S. federal, state, and local laws, ordinances and regulations, a current or previous owner, developer or operator of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances at, on, under or in its property. The costs of removal or remediation of such substances could be substantial. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release or presence of such hazardous substances. The Adviser will attempt to assess such risks as part of our due diligence activities, but cannot give any assurance that such conditions do not exist or may not arise in the future. The presence of such substances on Client real estate investments could adversely affect a Client's ability to sell such investments or to borrow using such investments as collateral.

Real Estate-Related Securities.

Securities issued by entities which invest in real estate, including "real estate investment trusts", generally will be subject to the risks incident to the ownership and operation of commercial real estate and/or risks incident to the making of nonrecourse mortgage loans secured by real estate. Such risks

include, without limitation, the risks associated with both the domestic and international general economic climates; local real estate conditions; risks due to dependence on cash flow; risks and operating problems arising out of the absence of certain construction materials; changes in supply of, or demand for, competing properties in an area (as a result, for instance, of over-building); the financial condition of tenants, buyers and sellers of properties; changes in availability of debt financing; energy and supply shortages; changes in the tax, real estate, environmental, and zoning laws and regulations; various uninsured or uninsurable risks; natural disasters; and our ability or third-party managers to manage the real properties. In addition, clients may incur the burdens of ownership of real property, which include the paying of expenses and taxes, maintaining such property and any improvements thereon, and ultimately disposing of such property.

Real Estate Debt Investments.

Investments in real estate debt have certain inherent risks relative to collateral value. In some circumstances, an investment may include a loan not secured by a mortgage, but by partnership interests or other collateral that may provide weaker rights than a mortgage. In the event of a default, the source of repayment is limited to the value of the collateral and may be subordinate to other lien holders (and the collateral value of the property may be less than the outstanding amount of the investment). Returns on an investment of this type depend on the borrower's ability to make required payments and, in the event of default, the ability of the loan's servicer to foreclose and liquidate the mortgage loan. In addition to the risks of borrower default (including loss of principal and nonpayment of interest) and the risks associated with real estate investments generally, real-estate related debt investments are subject to a variety of risks, including the risks of illiquidity, lack of control, mismanagement or decline in value of collateral, contested foreclosures, bankruptcy of the debtor, claims for lender liability, violations of usury laws and the imposition of common law or statutory restrictions on the exercise of contractual remedies for defaults of such investments.

Valuation Risks.

Real estate valuation is an inherently inexact process and depends on numerous factors, all of which are subject to change. Appraisals or opinions of value may prove to be insufficiently supported, and the Adviser's review of the value of the underlying property in determining whether a Client should make or participate in an underlying investment and the value of the underlying property may be based on information that is incorrect or opinions that are overly optimistic. The risk of default in such situations is increased, and the risk of loss to Clients will be commensurately greater.

Lack of Control Over Real Estate Projects.

With respect to certain SPVs, either the sponsor or borrower (or a third-party real estate management company affiliated with or engaged by sponsor or borrower) is responsible for various management functions that are essential to the success of a real estate project, including property marketing and leasing rates, payment of bills, maintenance of insurance, and property management generally. Poor management on the part of the real estate company could adversely affect the financial performance of the corresponding project investment or expose it to unanticipated operating risk, which could reduce the property's cash flow and adversely affect the borrower's ability to repay the underlying investment, which could have a material adverse effect on a Client's investment. This risk also pertains to construction of, or renovations to, real estate. Real estate construction brings with it the risk of cost overrun and time delays. Construction projects are also contingent on correct zoning, various approvals, and regulation. These situations may require additional capital or delay the

completion of the project and impair the sponsor's or borrower's ability to repay the underlying investment, which could have a material adverse effect on a client's investment.

Nature of Common Equity; No Lien on Underlying Property

The nature of common equity financing is that the common equity investor will not have any lien on the property itself. The common equity is thus in a position effectively subordinate to any primary loan on the property or other indebtedness. As a result, use of leverage enhances risk of loss on equity investments, including the potential for full loss of original investment. The sponsor cannot offer any assurances that there will be sufficient cash available to make distributions to common equity investors from either net cash from operations or proceeds from the sale of the asset. The sponsor may, in its discretion, retain any portion of such funds for property operations or capital improvements. Common equity investors are typically only entitled to distributions after required payments are made to all creditors.

Nature of Preferred Equity; No Lien on Underlying Property

The nature of preferred equity financing is that the preferred equity investor will not have any lien on the property itself, but rather a contractual right to take over the sponsor's control rights in the target property in certain circumstances or receive an increased rate of return. The preferred equity is thus in a position effectively subordinate to any primary loan on the property or other indebtedness. As a result, use of leverage enhances risk of loss on preferred equity investments, including the potential for full loss of original investment. The preferred equity interest will typically not participate in any appreciation of the property's value. In addition, although there is typically a defined maturity date for a preferred equity investment, an extension option or options may be exercised and in any event there can be no assurance that the investment will be liquidated at or promptly after such maturity date (as it may be extended).

Investment in loans and related participation interests are subject to unique risks.

Client investments will include investments in loans and related participation interests. These obligations are subject to unique risks, including, (i) the possible invalidation of an investment transaction as a fraudulent conveyance under relevant creditors' rights laws, (ii) so-called lender-liability claims by the issuer of the obligations, (iii) environmental liabilities that may arise with respect to collateral securing the obligations, (iv) limitations on the ability to directly enforce rights with respect to participations, and (v) possible claims for the return of some or all payments in a debt made within 90 days (and in some cases, within one year) of the date that the issuer's/borrower's insolvency came under Title 11 of the United States Code (the "Bankruptcy Code") and under certain state laws. In analyzing each loan or participation, the Adviser will compare the relative significance of the risks against the expected benefits of the investment. Any loss incurred as a result of these risks may be significant and adversely affect client performance.

Some of the Credit Investments purchased by Clients will be or will become non-performing, which could significantly and adversely affect Client performance.

It is anticipated that some of the Credit Investments that Clients will purchase will be or become non-performing and possibly in default. Furthermore, the obligor and/or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments with respect to the Credit Investments. By their nature, these investments will involve a high degree

of risk. Such non-performing loans (“NPLs”) may require substantial workout negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate, a substantial write-down of the principal of the loan and/or the deferral of payments. Commercial and industrial loans in workout and/or restructuring modes and the bankruptcy or insolvency laws of non-U.S. jurisdictions are subject to additional potential liabilities, which may exceed the value of a Client’s original investment. For example, borrowers often resist foreclosure on collateral by asserting numerous claims, counterclaims and defenses against the holder of loans, including lender liability claims and defenses, in an effort to delay or prevent foreclosure. Even assuming that the collateral securing each loan provides adequate security for the loans, substantial delays could be encountered in connection with the liquidation of NPLs. In the event of a default by a borrower, these restrictions as well as the ability of the borrower to file for bankruptcy protection, among other things, may impede the ability to foreclose on or sell the collateral or to obtain net liquidation proceeds sufficient to repay all amounts due on the related loan. Under certain circumstances, payments earned from these NPLs may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment. Bankruptcy laws may delay a Client’s ability to realize on collateral for loan positions held by such Client or may adversely affect the priority of such loans through doctrines such as equitable subordination or may result in a restructure of the debt through principles such as the “cramdown” provisions of the Bankruptcy Code. Any loss incurred on these types of investments may be significant and adversely affect Client performance.

Usury laws may affect the Credit Investments.

Certain states where collateral related to Credit Investments are located have usury laws in place that limit the maximum interest rate of an underlying loan. At times, these laws may effectively affect payments by preventing the recovery of certain payment amounts. Further, usury laws may be subject to change at the hands of state legislators. If a borrower were to succeed in bringing a claim against a lender of record for a state law usury violation, and the court were to find that the rate charged exceeded the maximum allowable rate applicable in such state, not only would the underlying Credit Investment not receive the anticipated full value of its loan investment, but Clients could be subject to fines and other penalties if such Client was the lender of record.

Participation interests are unsecured and participants have limited rights.

Clients will hold many of their assets in participation interests or other indirect economic interests in loans or other debt assets. In such circumstances, Clients will not directly own the debt assets underlying such participation interests or other economic interests and/or have custody thereof. While the originating lender’s interest is secured by the assets pledged to the underlying loan from which the participation interest stems, the participation interests held by Clients are not directly secured by the same assets. As such, if the originating lender becomes insolvent, then Clients’ participation interests could be superseded by the senior creditors of the originating lender and Clients may lose some or all of their investment or payment thereon could be substantially delayed.

In addition, as an owner of participation interests or other indirect economic interests (including as a member of a loan syndicate), Clients may not be able to assert any rights against borrowers of the underlying indebtedness, and may need to rely on the holder/custodian (or other financial institution) issuing the participation interests or such other entity charged with the responsibility for asserting such rights, if any. Such holders/custodians and financial institutions or other entities may have reasons not to assert their rights, whether due to a limited financial interest in the outcome, other relationships with the underlying defaulting borrowers, the threat of potential counterclaims or other reasons, that may diverge from the relevant Client’s interests. The failure of such holders/custodians

and financial institutions or other entities to assert their rights (on a Client's behalf) or the insolvency of such entities could materially adversely affect the value of such Client's assets.

Loan origination or purchase of participation interests may expose Clients to risk of losses resulting from default and foreclosure.

Although the Adviser expects to cause Clients to invest in Credit Investments that are directly or indirectly secured by collateral, Clients may be exposed to losses resulting from default and foreclosure of any such Credit Investments in which they have invested. Therefore, the value of underlying collateral, the creditworthiness of borrowers and the priority of liens are each of great importance in determining the value of Client investments. No guarantee can be made regarding the adequacy of the protection of Clients' security in the Credit Investments in which they invest. Moreover, in the event of foreclosure or default, Clients may assume direct ownership of any assets collateralizing such defaulted Credit Investments where they are the lender of record. The liquidation proceeds upon the sale of such assets may not satisfy the entire outstanding balance of principal and interest on such Credit Investments, resulting in a loss. Any costs or delays involved in the effectuation of processing foreclosures or liquidation of the assets collateralizing such Credit Investments will further reduce proceeds associated therewith and, consequently, increase possible losses. In addition, no assurances can be made that borrowers or third parties will not assert claims in connection with foreclosure proceedings or otherwise, or that such claims will not interfere with the enforcement of Client rights.

Client claims against a borrower may be subject to equitable subordination to other claims against the borrower.

Under the laws of certain jurisdictions, a court may use its equitable powers to subordinate the claim of a lender to some or all of the other claims against the borrower under certain circumstances. The concept of equitable subordination is that a claim may normally be subordinated only if its holder is guilty of some misconduct. The remedy is intended to be remedial, and not penal. In determining whether equitable subordination of a claim is appropriate in any given circumstance, courts may look to whether the following conditions have been satisfied: (i) whether the claimant has engaged in some type of inequitable conduct; (ii) whether the misconduct has resulted in injury to the creditors of the bankrupt company or conferred an unfair advantage on the claimant; and (iii) whether equitable subordination would be inconsistent with other applicable provisions of the Bankruptcy Code. While the stated test could be interpreted broadly, equitable subordination is usually confined to three general paradigms: (x) when a fiduciary of the debtor (who is also a creditor) misuses its position to the detriment of other creditors; (y) when a third party (which can include a lender) controls the debtor to the disadvantage of other creditors; and (z) when a third party actually defrauds other creditors. Clients may be subject to claims from creditors of an obligor that debt assets of such obligor which are held by such Clients should be equitably subordinated. The concept of equitable subordination (or the equivalent thereof) may vary from jurisdiction to jurisdiction. To the extent the concept of equitable subordination were to apply to an originating lender of a loan in which a Client has acquired a participation interest, the Client could be adversely affected.

Recharacterization of a claim under the Bankruptcy Code could adversely affect Clients.

Under the Bankruptcy Code, a court may use its equitable powers to "recharacterize" the claim of a lender, i.e., notwithstanding the characterization by the lender and borrower of a loan advance as a "debt," to find that the advance was in fact a contribution in exchange for equity. Typically,

recharacterization occurs when an equity holder asserts a claim based on a loan made by the equity holder to the borrower at a time when the borrower was in such poor financial condition so that other lenders would not make such a loan. In effect, a court that recharacterizes a claim makes a determination that the original circumstance of the contribution warrants treating the holder's advance not as debt but rather as equity. In determining whether recharacterization is warranted in any given circumstance, courts may look at the following factors: (i) the names given to the instruments (if any) evidencing the indebtedness; (ii) the presence or absence of a fixed maturity or scheduled payment; (iii) the presence or absence of a fixed rate of interest and interest payments; (iv) the source of repayments; (v) the adequacy or inadequacy of capital; (vi) the identity of interest between the creditor and the equity holders; (vii) the security (if any) for the advances; (viii) the borrower's ability to obtain financing from outside lending institutions; (ix) the extent to which the advances were subordinated to the claims of outside creditors; (x) the extent to which the assets were used to acquire capital assets; and (xi) the presence or absence of a sinking fund to provide for repayment. These factors are reviewed under the circumstances of each case, and no one factor is controlling. A Client may be subject to claims from creditors of an obligor that debt obligations of such obligor held by the Client should be recharacterized. Clients could be adversely affected whether they were the lender of record or they acquired a participation interest in a loan that was subject to recharacterization.

If Clients own debt that is junior to other secured debt, they could lose the entire value of their investment in such debt.

Clients may originate or invest in secured debt issued by companies that have or may incur additional debt that is senior to the secured debt owned by such Clients. In many instances, loans made by Clients may be part of a unitranche structure in which a single lien on behalf of all the lenders in the structure will be filed against the assets of the borrower(s) if the lenders holding the different tranches of debt (including Clients) will contractually agree to their respective priorities in those assets. In the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of any such company, the owners of senior secured debt (i.e., the owners of first priority liens), including in a unitranche structure through the contractual agreements between the lenders, generally will be entitled to receive proceeds from any realization of the secured collateral until they have been reimbursed. At such time, the owners of junior secured debt (including, in certain circumstances, Clients) will be entitled to receive proceeds from the realization of the collateral securing such debt. There can be no assurances that the proceeds, if any, from the sale of such collateral would be sufficient to satisfy the loan obligations secured by subordinate debt instruments. To the extent that Clients own secured debt that is junior to other secured debt, they may lose the value of their entire investment in such secured debt.

If additional capital is required for an investment, such capital may have a dilutive effect or be senior to a Client's current investment.

Underlying investments may require additional capital; therefore, investment entities in which a Client invests may have the ability to raise additional capital. To the extent that a Client does not participate in an additional capital raise, its interest in the underlying investment could be diluted, or should such additional capital be invested senior to a Client's investment, such additional investment will be repaid from distributions otherwise payable to such Client. Similarly, in the event that a Client seeks additional capital for an underlying investment, such additional capital may be *pari passu* with or senior to the existing investments in such Client, and to the extent that a Fund Investor does not participate in such additional capital raise, its interest in the Client may be diluted or lower in payment

priority reducing potential returns and increasing risk of loss.

Changing interest rates and prepayment features may decrease the value of Credit Investments.

Clients may invest in fixed interest rate Credit Investments. The value of fixed interest rate Credit Investments generally has an inverse relationship with future interest rates. Accordingly, if interest rates rise, the value of such instruments may decline. In addition, to the extent that the assets underlying specific financial instruments may be prepaid without penalty or premium, the value of such financial instruments may be negatively affected by increasing prepayments. Such prepayments tend to occur more frequently as interest rates decline.

Clients may invest in assets with no or limited performance or operating history.

Clients may invest in assets with no or limited investment history or performance record upon which the Adviser will be able to evaluate their likely performance. Client investments in entities with no or limited operating history are subject to all of the risks and uncertainties associated with a new business, including the risk that such entities will not achieve the returns which the Adviser is seeking to achieve given the term, risk and liquidity of such investment. Consequently, Client performance could be adversely affected.

Clients are exposed to fraud through the investments held in their portfolio.

Investing involves the possibility of a Client's investments being subject to potential losses arising from material misrepresentation or omission on the part of borrowers and obligors whose investments such Client holds, either directly or indirectly through Credit Investments, CLOs or other structured investment vehicles. Investments may also be subject to fraudulent behavior by an Originator, a joint venture partner, manager or other service provider. Such inaccuracy or incompleteness of representations or fraudulent behavior may adversely affect the valuation of Client investments and, in the case of Credit Investments, may adversely affect the ability of the relevant investment to perfect or effectuate a lien on the collateral securing the loan. The quality of Client investments is subject to the accuracy of representations made by the underlying issuers. The Adviser will rely upon the accuracy and completeness of representations made by borrowers, obligors, Originators, other counterparties, joint venture partners, managers and other service providers and cannot guarantee that we will detect occurrences of fraud. Under certain circumstances, payments by borrowers to Clients may be reclaimed if any such payment is later determined to have been a fraudulent conveyance or a preferential distribution.

The payment of underlying portfolio manager fees and other charges could adversely impact Client returns.

Clients will invest in investments where the underlying portfolios may be subject to management, administration and incentive or performance fees, in addition to the fees payable by such Clients. Payment of such additional fees could adversely impact the returns Clients achieve.

The Adviser may rely on data about certain investments provided by Originators or obtained from third party or publicly available sources, which it may be unable to separately verify, which could expose Clients to risks if such data is incorrect.

Originators and related borrowers supply a variety of information regarding asset, property and other collateral valuations, market data, their experience, personal identifying information, and other information. The Adviser will make an attempt to verify portions of this information, but as a practical matter, portions of the information may be incomplete, inaccurate or intentionally false.

Originators and related borrowers may also misrepresent their intentions for the use of loan proceeds. The Adviser does not verify any statements by applicants as to how loan proceeds are to be used. If a borrower supplies false, misleading or inaccurate information, Clients may lose all or a portion of their investment. With respect to certain investments, a Client may not have any contractual or other relationship with any borrower that would enable such Client to make any claim against such borrower for fraud or breach of any representation or warranty in relation to any false, incomplete or misleading information supplied by such borrower in relation to the relevant underlying investment.

Clients may experience fluctuations in the receipt of proceeds, which could cause the amount of distributions to a Client or Fund Investors to fluctuate.

The Adviser expects to experience fluctuations in the timing and amount of proceeds a Client may receive in the form of interest and fee income and in connection with the realization of investments in loans and other instruments in which such Client has invested. Such fluctuations are due to, among other things, changes in the interest rates payable on the debt instruments acquired by a Client, the default rate on such debt instruments, the level of a Client's expenses (including the interest rates payable on a Client's borrowings), variations in and the timing of the realization of investments, the degree to which a Client encounters competition in the markets and general economic conditions. As a result of these factors, the amounts of distributions to a Client or Fund Investors may fluctuate substantially.

Clients may experience difficulties in disposing investments due to their illiquid nature.

Each Client is expected to hold a significant portion of its investments or loans until maturity or earlier redemption and investments are expected to be illiquid. Should the Adviser determine it to be advisable to earlier dispose of any illiquid investments, a Client may have difficulty doing so. Alternatively, a Client may only be able to sell such investments or loans at substantial discounts to face value. In certain circumstances, a Client may be prohibited by contract from selling investments for defined periods of time. Depending on the type of investment or loan held by a Client, such investments and loans may require a substantial period of time to liquidate. There can be no assurances that there will be a liquid market for resale of such investments or loans, and illiquidity may result from the absence of an established market for certain investments and loans as well as from legal or contractual restrictions.

Clients face risks relating to the syndication and/or transfer of Credit Investments.

A Client may in certain circumstances, purchase debt assets (including, participation interests or other indirect economic interests) with the intent of syndicating and/or otherwise transferring a significant portion thereof. In such instances, such Client will bear the risk of any decline in value prior to such syndication and/or other transfer. In addition, such Client will also bear the risk of any inability to syndicate or otherwise transfer such assets or such amount thereof as originally intended, which could result in such Client owning a greater interest therein than anticipated.

Co-Lenders/Co-Investors.

Clients may participate with other private lenders as part of a syndicate group for some investments, including other Clients, and may also make other investments with affiliated or unaffiliated co-investors or joint venture partners. As such, a Client may enter into loan or investment arrangements with such other parties that allow for actions or decisions to be taken which would not occur if the loan or other investment were wholly owned or controlled by such Client. Conflicts of interest could arise between a Client and its co-lenders or co-investors for a number of reasons, including, without limitation, differing investment objectives or financial conditions.

ITEM 9. DISCIPLINARY INFORMATION

The Adviser has not been involved in any legal or disciplinary events that would be material to an investor's evaluation of the Adviser or the integrity of the Adviser's management.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. Broker-Dealer Registration Status

Neither the Adviser nor its management persons are registered as broker-dealers and do not have any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer.

B. Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Adviser Registration Status

The Adviser and its management persons are not registered as, and do not have any application to register as, a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of any of the foregoing entities.

C. Material Relationships or Arrangements with Industry Participants

The Adviser and certain of its management persons are affiliated with entities which sponsor, source or refer (or have sponsored, sourced or referred) investment opportunities and which may thereafter provide services to the Funds in connection with the Funds' investments.

In certain cases, an Originator will retain its origination fee and the spread between what is paid by the asset and the agreed upon rate of return to be paid to the Fund, which such Originator retains *pari passu* to its distributions to the Funds. The amount of this spread varies with each deal and is negotiated on a case-by-case basis and disclosed to investors in each Fund prior to their investment.

D. Material Conflicts of Interest Relating to Other Investment Advisers

The Adviser generally does not recommend or select other investment advisers for the Funds.

E. Other Business Activities

Affiliates of the Adviser, senior management and key personnel may engage in other business activities, including performing management activities for related entities. They have relationships with, and provide investment services to, real estate investment companies and funds and perform services for a significant number of entities (see the "REM Fund" disclosure below). These entities are actively involved in the real estate industry and may make real estate investments similar to, or in competition with, the Funds. Such other business activities, even though such activities may be in competition with the Funds and/or may involve substantial time and resources of these affiliates. Accordingly, the Website Operator, the Adviser and their respective key personnel who are involved with these other businesses may experience conflicts of interest with respect to the allocation of management time and services. In establishing and continuing an investment relationship with other entities, affiliates of the Adviser may face conflicts of interest with respect to investments in connection with such other entities, on the one hand, and the Adviser, on the other hand. In addition, in determining whether to take a particular action with respect to the investment, the Adviser may consider and may be influenced by its other investment relationships.

The Adviser has an arrangement with an investor in the Website Operator where the Adviser may

refer real estate brokerage business to such investor in exchange for a fee.

REM Fund: REM Fund I, L.P., a Delaware limited partnership (the “REM Fund”), was formed by affiliates of Reef Capital Partners, LLC, a Delaware limited liability company (“Reef Capital”), and the Website Operator, as co-sponsors, to invest primarily in private senior real-estate-backed loans. Preferred Units in this fund are listed on the platform of the Website Operator for investment. An affiliate of the Adviser serves as the administrative manager of the REM Fund. Principals of the Website Operator serve on the investment committee for the REM Fund, but an affiliate of Reef Capital serves as investment adviser. The REM Fund may (directly or indirectly) hold or acquire positions in investments in which the Funds may invest or have invested. Such investments may be coincident or precede one another. The Funds may have divergent interests from the REM Fund with respect to exit strategies from such investments or other matters affecting a Fund’s investment. In addition, conflicts may arise due to the fact that the REM Fund and the Funds may invest in different levels of the capital structure of an investment.

Direct Investments with Sponsors: The Website Operator maintains a technology platform through which sponsors or Originators provide investment opportunities to accredited investors. The Website Operator receives fees for the technology and administrative services it provides in connection with these projects. The Website Operator or its affiliates may also receive other fees for services they provide, including an onboarding fee, a due diligence fee, and a servicing fee in connection with these transactions.

Direct Investments in Real Estate: Affiliates of the Adviser make direct investments in real estate in which they serve as a controlling member or manager. Such investments are offered to accredited investors in a similar fashion to the SPVs.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics

The Adviser's Code of Ethics (the "Code") is designed to meet the requirements of Rule 204A-1 of the Advisers Act. The Code applies to the Adviser and certain of its affiliates' employees, including "Access Persons." Access Persons include, generally, any supervised person of the Adviser who (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public.

The Code sets forth a standard of business conduct that takes into account the Adviser's status as a fiduciary and requires employees to place the interests of our clients above their own interests and the interests of the Adviser. The Code also requires employees to comply with applicable federal securities laws. The Code further sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Moreover, the Code seeks to ensure the protection of nonpublic information about the activities of our clients. Employees are required to promptly bring violations of the Code to the attention of the Adviser's Chief Compliance Officer (the "CCO"). The Adviser's personnel are required to certify to their compliance with the Code on an annual basis.

The Adviser will provide a copy of the Code to any client upon request.

B. Securities in which the Adviser or a Related Person has a Material Financial Interest

The Funds' investments are generally sourced and funded through the Website and the Website Operator has a financial interest in growing the Website.

The Adviser and the Website Operator, along with members of the Website Operator Board of Directors, advisors, shareholders and employees of the Website Operator may also invest in the Funds alongside other investors. Further, the Website Operator or Note Issuers may from time to time make loans or capital contributions to a Fund so that a Fund may make an investment in advance of a sale of securities of the Funds to outside investors. Upon the sale of securities of such Funds to investors, such loans or capital contributions from the Website Operator or a Note Issuer may be repaid or redeemed, as applicable. The Website Operator or Note Issuer holding such interest may be considered a conflict of interest where proceeds of investments in a Fund are to be used to repay such interest. The Website Operator or ALPINE NOTE Issuer would receive interest or other investment income for the time period in which it holds such loan or interest in the same amount and manner as an investor in the Fund. In addition, the Adviser may obtain additional consideration in connection with these transactions as described in Items 5 and 6 of this Brochure.

i. Principal Transactions and Cross Trading

From time to time, and subject to the requirements of the applicable Offering Documents, the Adviser may direct one Fund to (i) sell securities to another Fund through a cross transaction or (ii) purchase securities for its own account from, or sell securities for its own account to, the Adviser and its related persons in a principal transaction.

In addition, cross transactions may be viewed as principal transactions due to the level of ownership

interest in the Fund by the Adviser, its affiliates, and its related persons. Cross transactions and principal transactions give rise to conflicts of interest between Funds and between Adviser and the Funds. For example, one Fund could be advantaged to the detriment of another Fund in the event that the securities being exchanged are not priced in a manner that reflects their fair value. In addition, the Adviser could use its investment authority to transfer unappealing securities from one Fund to another Fund or between the Adviser and a Fund. To the extent that any such cross transaction is or has the potential to be viewed as a principal transaction due to the ownership interest in a Fund by the Adviser and its related persons, the Adviser will comply with the requirements of Section 206(3) of the Advisers Act and its internal policies and procedures.

C. Investing in Securities that the Adviser or a Related Person Recommends to a Client

The Code places restrictions on personal trades by employees, including that they disclose their personal securities holdings and transactions to the Adviser on a periodic basis, and requires that employees pre-clear certain types of personal securities transactions. The Adviser and its employees may invest on behalf of themselves in securities and other instruments that may cause a conflict with a Fund or a Fund Investor; although the Code requires pre-clearance before employees of the Adviser and its affiliates can enter into personal securities transactions that involve certain restricted securities, IPOs, or a limited private offering.

The Adviser and its employees may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for Clients. These activities may adversely affect the prices or availability of other securities or instruments held by or potentially considered for one or more Clients. Potential conflicts also may arise due to the fact that the Adviser and its personnel may have investments in some Funds but not in others or may have different levels of investments in the various Funds.

The Adviser has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code, as described above, and regular monitoring of employee transactions and trading patterns for actual or perceived conflicts of interest, including those conflicts that may arise as a result of personal trades in the same or similar securities made at or about the same time as client trades.

D. Conflicts of Interest Created by Contemporaneous Trading

It has generally been the Adviser's practice that all of the SPVs on the Website only transact in one or more investments, and such SPVs do not typically own economic interests in the same investment or investments as are held by other vehicles on the Website. However, the Alpine Note Fund invests in other Funds and, under certain circumstances, certain other Funds will have similar investment objectives or engage in activities similar to those of other Funds, and in some cases will own an economic interest in the same investments as may be held by such other Funds either directly or indirectly. Sometimes, a Fund may hold an interest in a different level of the capital structure as another Fund. The Adviser and its affiliates may give advice and take action in the performance of their duties to certain Funds that could differ from the timing and nature of action taken with respect to other Funds. To the extent that the Adviser or its affiliates fund, acquire or originate or recommend investments for their own accounts or for any of the Funds, the Adviser and its affiliates are under no obligation to transact in such investments for other Funds or Fund Investors. Neither Funds nor Fund Investors will have any rights of first refusal, co-investment or other rights in respect of the

investments and other acquisitions or dispositions made by the Adviser or its affiliates for any other client, or in any fees, profits or other income earned or otherwise derived from them. If a determination is made that one or more Clients should fund, acquire, or originate or sell the same investments at the same time, the Adviser will allocate these transactions in a fair and equitable manner, as determined by the Adviser in its sole discretion. In exercising such discretion, the Adviser may consider, among other considerations: (a) whether the risk-return profile of the proposed investments is consistent with the relevant Clients' objectives, which objectives may be considered (i) solely in light of the specific investment under consideration, or (ii) in the context of the available capital; (b) potential tax consequences; (c) legal or regulatory restrictions; (d) the need to re-size risk; and (e) whether the relevant client has a substantial amount of investable cash (e.g., during a "ramp-up" period).

ITEM 12. BROKERAGE PRACTICES

A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions

As an investment adviser, the Adviser has a general fiduciary obligation to obtain best execution for clients. While the Adviser's advisory activities generally involve private investment transactions rather than transactions in securities traded on the public market, the Adviser has a fiduciary duty to ensure that transactions effected on behalf of Funds are fair under the circumstances.

If the Adviser executes a transaction in securities on behalf of one of more Clients through a broker, the Adviser will seek "best execution" in light of the circumstances involved in transactions. When seeking to achieve best execution and when selecting a broker for any transaction, the Adviser may consider a number of factors, including, for example, a broker's reputation, net price or spread, financial strength and stability, volume/capacity, market access, efficiency of execution and error resolution, and the size of the transaction. The Adviser will not obligate itself to obtain the lowest commission or best net price for a Client on any particular transaction.

i. Research and Other Soft Dollar Benefits

As discussed above, the Adviser's advisory activities generally involve private investment transactions rather than securities traded on the public market. The Adviser currently does not have any soft dollar arrangements. Any soft dollar arrangements contemplated will be made in a manner that satisfies the requirements of the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended. That is, the Adviser will generally determine, considering all appropriate factors, that commissions and fees paid are reasonable in relation to the value of all the brokerage and research products and services provided by the broker-dealer.

ii. Brokerage for Client Referrals

Neither the Adviser nor any related person receives client referrals from any broker-dealer or third-party.

iii. Directed Brokerage

The Adviser does not recommend, request or require that a Client direct the Adviser to execute transactions through a specified broker-dealer.

B. Order Aggregation

As discussed above, the Adviser's advisory activities generally involve private investment transactions for a single Fund client rather than transactions in securities traded on the public market. Therefore, the Adviser does not have a practice of aggregating orders for multiple Funds. If the Adviser determines that the purchase or sale of a security is appropriate with regard to multiple Funds, the Adviser may, but is not obligated to, purchase or sell such a security on behalf of such Clients with an aggregated order, for the purpose of reducing transaction costs, to the extent permitted by applicable law.

ITEM 13. REVIEW OF ACCOUNTS

The Adviser, through a team of investment professionals, performs periodic reviews of each Fund's investments, generally on a monthly or quarterly basis. Where monthly payments of principal or interest are due, such review generally consists of confirming receipt of such payment on a timely basis. Where a payment in respect of a Fund's investment is not expected, the Adviser generally seeks a status update from the borrower or Originator (or a related service provider such as an attorney) on a monthly or quarterly basis.

Other than the periodic review of a Fund as described above, a review of a Fund's accounts and investments may be triggered by any suspicious or unusual activity or special circumstances.

At any point in time, Fund Investors can review the performance status of their investments and distributions thereon, if any via an investor portal that is available on the Website. From time to time, Fund Investors may receive updates, typically on the investor portal, concerning the status of their investments and other developments that may be of interest. Unless otherwise required by applicable law, the Adviser generally provides to Fund Investors, typically in an electronic format, a performance update of each Fund Investor's interest in each applicable Fund on at least a quarterly basis and tax information necessary for the completion of such Fund Investor's return on an annual basis. The Adviser may provide certain or all Fund Investors with information on a more frequent and detailed basis within the Adviser's discretion.

The Adviser welcomes inquiries from Fund Investors in the event any Fund Investor desires information not contained in the Adviser's Form ADV Part 1, Form ADV Part 2 or other relevant materials or reports. The Adviser and the Website Operator generally seek to make their representatives available to answer questions from investors concerning them and any Fund, including with respect to the investments of a Fund. During those conversations and pursuant to any other agreements certain investors may receive information and reporting that other investors do not receive, and such information may affect an investor's decisions regarding the Fund. However, sometimes the Adviser may be limited in what it may discuss or disclose due to obligations it is bound by including for example, confidentiality and privacy obligations, or what it deems may be in the best interest of the applicable Fund or its other investors.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

Other than as described herein, the Adviser does not receive economic benefits from non-clients for providing investment advice and other advisory services.

The Adviser does not have any arrangements with third party placement agents or distributors to solicit investors for one or more current or future Funds.

The Adviser expects from time to time to run promotional campaigns to attract investors to open an account with the Website Operator. These promotions may include additional services or products offered on a limited basis to select investors, more favorable fee arrangements, cash rewards and/or reduced or waived advisory fees for investors, including the Equity Multiple Invitation Program pursuant to which investors may invite friends, family and others to open an account with the Website Operator. Neither the referree nor the referrer investor is under any obligation to invest in any Fund as part of the Equity Multiple Invitation Program, and may take such action at their sole discretion. The Equity Multiple Invitation Program is subject to the terms and conditions set forth on the Website.

These arrangements may create an incentive for existing investors to refer prospective investors, even if the existing investors would otherwise not make the referral. Prospective investors are not charged a fee nor do they incur any additional costs for being referred to the Website Operator by a current Fund Investor.

In addition, the Adviser has certain advertising arrangements in which it pays bloggers and other Internet participants a flat fee per individual registration on the Website, regardless of whether such individual funds an account on the Website. Neither the Adviser nor the Website Operator is otherwise affiliated with such bloggers or Internet participants, and neither the Adviser nor the Website Operator exercise any editorial control over the content produced by such Internet participants. For the avoidance of doubt, such bloggers or Internet participants are not compensated based on an individual investing in any Fund or otherwise receiving advisory services.

From time to time the Adviser will offer a range of incentives and promotions to Fund Investors based on a number of factors including but not limited to: (i) whether an offering has not been fully allocated and remains open after a certain amount of time, (ii) an investor's investment exceeding a certain amount and (iii) an investor making an investment for the first time. Fund Investors who have received or will receive these incentives or promotions may invest in an offering regardless of whether such promotions or incentives were available to all investors at the time of their investment in such offering.

ITEM 15. CUSTODY

The Adviser does not maintain physical possession of the funds or securities of the Funds. Custody of Fund assets is maintained with a qualified custodian selected by the Adviser in its sole discretion. Although Adviser does not have physical possession or custody of any Fund assets, pursuant to Rule 206(4)-2 under the Advisers Act (the “Custody Rule”), the Adviser is deemed to have “constructive” custody of Fund assets by virtue of the Adviser’s relationship with the Funds. Subject to the terms of the Offering Documents of a Fund, the Adviser may cause management fees and, if applicable, performance-based compensation, to be paid out of the Fund by the qualified custodian. To comply with the Custody Rule, the Funds undergo an annual audit performed by an independent accounting firm registered with, and subject to inspection by, the Public Company Accounting Oversight Board. The audited financial statements are distributed to all investors in each Fund within 120 days of the end of the fiscal year.

ITEM 16. INVESTMENT DISCRETION

The Adviser has been appointed as the investment manager of each of the SPVs with limited-discretionary investment authority as set forth in the Operating Agreement for each SPV. The Adviser has discretionary authority with respect to decisions regarding the monitoring, management and disposition of the existing investment held by each SPV in accordance with such SPV's investment guidelines. The Adviser does not generally have the authority to execute or enter into any new or substitute investments on behalf of the SPV, except in cases of merger or consolidation, bankruptcy or insolvency or exchange or conversion of existing investments.

The Adviser, however, has been appointed as investment manager of other Funds with discretionary investment authority. The Adviser's investment decisions with respect to such Funds are subject to each Fund's investment objectives and guidelines, as set forth in such Fund's Offering Documents, and may be subject to the oversight of a board of directors. The Adviser or an affiliate of the Adviser entered into an investment management agreement, operating agreement, or similar agreement, with each such Fund, pursuant to which the Adviser or an affiliate of the Adviser was granted discretionary investment authority.

ITEM 17. VOTING CLIENT SECURITIES

The Adviser shall vote proxies on behalf of the Funds when authorized to do so. In the event that the Adviser is required to vote proxies on behalf of the Funds, except to the extent that a Fund otherwise instructs the Adviser in writing, the Adviser will vote (by proxy or otherwise) in all matters for which a shareholder vote is solicited by, or with respect to, issues of securities beneficially held by a Fund.

A copy of the Proxy Policy and the proxy voting record relating to a Fund may be obtained by contacting the Adviser.

ITEM 18. FINANCIAL INFORMATION

The Adviser is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to the Funds or clients. The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.