

# ACCORDANT INVESTMENTS LLC

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The logo for Accordant Investments LLC, featuring the word "accordant" in a lowercase, teal-colored, sans-serif font.

This Brochure provides information about the qualifications and business practices of Accordant Investments LLC (the “Adviser” or “Firm”).

If you have any questions about the contents of this Brochure, please contact us at [legal@accordantinvestments.com](mailto:legal@accordantinvestments.com) or (602) 609-2193. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Accordant Investments LLC is an investment adviser registered with the SEC. Registration of an investment adviser does not imply a certain level of skill or training. Additional information about the Firm is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – MATERIAL CHANGES

There are no material changes to report since the Adviser’s first Brochure was filed on January 25, 2024.

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## Item 4 – ADVISORY BUSINESS

### Firm Description

Accordant Investments LLC (the “Adviser” or the “Firm”) is a registered investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) and was established in 2023.

The Adviser believes that real estate investments can provide significant benefits to investor portfolios, despite the perceived complexity of the asset class, the typically onerous subscription processes, and a general lack of guidance available to investors as to how to use real estate in investor portfolios.

As of the date of this brochure, the Adviser serves as the investment manager of the following funds (collectively, the “Funds”):

- The Accordant Real Estate Growth Fund, a real estate-related investment fund exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act” or “Investment Company Act”) and offered pursuant to Regulation D of the Securities Act of 1933 (the “private fund”). The Adviser manages the private fund as described in its offering documents and related materials (collectively, the “Offering Documents”). As more fully described in the Offering Documents, there is no guarantee that the private fund will achieve its objective. Investors should understand and be capable of bearing the significant risks of investing in the private fund, have a limited need for liquidity, and have the ability to withstand losing their entire investment. In addition, an investment in the private fund is only suitable for institutions and individuals that satisfy the conditions set forth in its Offering Documents.
- A real estate related non-diversified, closed-end management investment company that operates as an “interval fund” and is registered under the Investment Company Act (the “interval fund”). The Adviser manages the interval fund pursuant to its prospectus and statement of additional information, which explain applicable investment strategies, risks, fees and other factors to consider before investing.

The Funds are collectively the “Clients” and each individually, a “Client”. Interests in Clients are offered to investors (the “Investors”). See Item 7 below for more information on the Firm’s Investors.

### Firm Ownership

The Adviser is a wholly owned subsidiary of Emphasis Capital LLC. More information about the Firm’s ownership structure is provided in Schedules A and B of Form ADV Part 1, which is available on the SEC’s website at <https://adviserinfo.sec.gov>.

### Assets Under Management

As of February 29, 2024, the Adviser had approximately \$35,630,406 in assets under management. All of the Clients are managed on a discretionary basis and the Adviser does not have any non-discretionary assets under management.

## Advisory Services

The Adviser directs and manages each Client's investments by providing the following types of services:

- Develop and aggregate due diligence data sets for potential strategies under consideration.
- Select and conduct thorough due diligence on each underlying strategy / investment.
- Model the historical and pro forma combination and interactive effect on the portfolio strategy.
- Engage and contract with underlying managers / investments.
- Regular monitoring, reviewing, performance monitoring.
- The Adviser will actively manage allocation (weighting) decisions as required given the changing market conditions, investment opportunities, liquidity, etc.

The Adviser is seeking to enable more investors to add real estate exposure to their investment portfolio by providing products optimized for a particular characteristic of real estate that utilize all of the portfolio management tools available to attempt to achieve the product's investment objective. Taken together, the Adviser believes these elements will allow more investors to capture the potential investment benefits of adding real estate to their portfolios. At this time, as all Clients are Funds, the services are not tailored to the needs of Investors and Investors cannot impose restrictions on investing in certain types of securities or individual securities.

## Sub-Adviser

IDR Investment Management, LLC (the "Sub-Adviser"), a registered investment adviser under the Advisers Act and an affiliate of the Adviser, serves as the sub-adviser to the Funds that the Adviser manages. The Sub-Adviser is an indirect majority-owned subsidiary of Emphasis Capital LLC and was established in 2016.

The Sub-Adviser will provide Adviser with information, including data aggregation, analysis, portfolio management tools and access to custom third-party multimanager strategies. The Adviser uses the information that it obtains from the Sub-Adviser and its own portfolio management system to actively monitor and manage each Fund's investment holdings.

## Item 5 – FEES AND COMPENSATION

The Adviser and Sub-Adviser receive fees and other compensation in exchange for the advisory services provided to Clients.

The Adviser charges management fees for providing advisory services to the Funds, which is paid indirectly by the Investors. Management fees are determined on a Client-by-Client basis. The management fee is typically calculated monthly based on a stated percentage of capital invested in a Client by an Investor, which is calculated with respect to net asset value, and paid in arrears by the end of the following month.

The Adviser is responsible for the compensation of the Sub-Adviser and the Sub-Adviser will not be directly compensated by the private fund.

The management fee of the private fund is further described in the Offering Documents. The Adviser is waiving the management fee for the investors in the private fund until certain events occur, as set forth in the Offering Documents. The Sub-Adviser will also not receive a fee with respect to the private fund for so long as the Adviser waives the management fee. This could lead to conflicts of interest between the interval fund and private fund. Due to the compensation from the interval fund, the Adviser and Sub-Adviser are incentivized to spend more time focusing on the interval fund.

The management fee of the interval fund, including its fee schedule, is further described in its prospectus and statement of additional information.

Management fees are prorated for any partial period. If a Client terminates its advisory agreement, any pre-paid management fees will be prorated for the period during which the Adviser has served as investment adviser to such Client, and a refund issued for any remaining days. The management fees could be negotiated.

### Expenses

The Clients, and therefore the Investors therein, are responsible for paying various expenses, costs and fees incurred in connection with the Client's investment programs. Certain of these operational services are provided by the Adviser or its related entities, subject to a Client's applicable Governing Documents (as defined below), and others are provided by third parties. On occasion, such expenses, costs and fees are incurred by the Adviser or an underlying investment and are then reimbursed by the Client.

Examples of costs and fees charged to Clients, and in certain cases the underlying investments held by a Client, include, without limitation, the following:

- the Client's organization;
- any offering of the Client's shares, including any underwriting discounts or commissions and any related legal or accounting fees and expenses;
- the establishment or operation of any credit facility or other leverage that the Client utilizes;
- interest payable on debt, if any, that the Client incurs;
- sales and purchases of the Client's shares and other securities, including in connection with any tender offers or repurchase offers relating thereto;
- any material acquisition, merger, consolidation, reorganization, asset sale, or other business combination involving the Firm;

- any annual or special meeting of the shareholders;
- the management fees and related expenses payable under the Investment Advisory Agreement;
- amounts payable under the Administration Agreement;
- federal and state registration fees;
- federal, state, local and foreign taxes;
- independent trustees' fees and expenses (including travel and other costs associated with the performance of independent trustees' responsibilities);
- the Client's allocable portion of any fidelity bond, trustees and officers/errors and omissions liability insurance and any other insurance premiums;
- the acquisition or disposition of investment interests, including any brokerage fees or commissions and any legal, accounting, or due diligence fees or expenses relating thereto;
- the investigation and monitoring of the Client's investments, including travel-related expenses;
- calculating net asset value;
- fees payable to third parties relating to, or associated with, making investments and valuing investments (including third-party valuation firms);
- fees payable to third parties such as fund accounting, administration, transfer agent, custodian and other support services;
- recordkeeping and other shareholder service-related fees paid to financial intermediaries or platforms; and
- transfer agent and custodial fees.

Current and prospective investors should carefully review the more detailed descriptions of fees and expenses paid that are included in the Offering Documents (with respect to the private fund) and the prospectus and statement of additional information (with respect to the interval fund). The private fund's Offering Documents and the interval fund's prospectus and statement of additional information are collectively referred to herein as the "Governing Documents."

#### Allocation of Fees and Expenses

In accordance with the Firm's internal expense allocation policies and each Client's Governing Documents, the Adviser determines on a case-by-case basis, in its discretion, whether an expense should be borne by a Client or multiple Clients or by the Adviser, Sub-Adviser, or some combination of these entities. The Adviser allocates expenses to Clients in a manner it believes is fair and equitable over time considering all factors that the Adviser deems relevant in its sole discretion, subject to the Governing Documents of a Client. Shared expenses will typically be allocated among the Clients obligated to bear the expenses. The allocation of such expenses will typically be done pro-rata among Clients but at times will not be proportional and any such allocations involve discretion by the Adviser, as further described in the Governing Documents.

The allocation of expenses can create potential conflicts of interest. Some expenses are incurred on behalf of one Client which have the potential to benefit other Clients. For example, information the Adviser obtains in connection with a Client's research, due diligence and investment activities could be valuable to other Clients. Additionally, tools and resources developed at the Adviser's expense are the intellectual property of the Adviser and not the Clients.

## Item 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Adviser does not charge performance-based fees (fees based on a share of capital gains or capital appreciation of the assets), and accordingly, the Funds are not subject to performance-based fees by the Adviser or its affiliates including the Sub-Adviser. To the extent that the Clients have differing fee arrangements, there are conflicts of interest the Adviser (and its supervised persons) face by managing these accounts at the same time, including an incentive to favor accounts for where the Adviser receives a higher fee (or in the future, a performance-based fee). For example, at this time the private fund management fees are subject to a fee waiver while the interval fund is being charged management fees as discussed in more detail in Item 4. Generally, the Adviser addresses these conflicts through its policies and procedures and additional monitoring it deems necessary.

## Item 7 – TYPES OF CLIENTS

The Adviser provides investment advice to the private fund and the interval fund. In the future, the Adviser could offer services to additional clients, including, without limitation:

- Private investment funds;
- Retail investors;
- Banks and other financial institutions;
- Charitable organizations and foundations, including endowment funds;
- Investment companies;
- Trusts and estates;
- Corporations;
- Family offices;
- High net worth individuals;
- Related parties, related entities and employees; and
- Business entities other than those listed above.

The minimum initial investment amount for the private fund is \$50,000. There are additional qualifications to be a private fund investor as discussed in the Offering Documents. The minimum initial investment for the interval fund is set forth in its prospectus.



## Item 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISKS OF LOSS

The Adviser has developed fundamental investment beliefs that start with building investment strategies that include an Index Strategy, Growth Strategy and Income Strategy. The Adviser begins its investment process by reviewing each investment for an understanding of the investment context based on the desired outcome. As such, the Adviser offers investment strategies for investors looking for diversified sources of growth and or income to incorporate into a portfolio asset allocation. Private real estate assets are not homogenous and different underlying investments have different return and risk characteristics; the Adviser has developed a framework to establish return and risk targets for each desired investment outcome and how an investment fits into a portfolio asset allocation. The private fund will invest directly into private real estate assets or indirectly through private investment vehicles that make such investments and are sponsored by third parties. The interval fund employs an indexing investment approach that seeks to track the NCREIF Fund Index – Open End Diversified Core Equity on a net-of-fee basis while minimizing tracking error.

The Adviser has built a select number of strategic relationships to not only have access to investment opportunities that are typically only available to the largest institutional investors, but to also achieve a deeper understanding of the investable market. This allows the Adviser to develop detailed due diligence processes with the strategic relationships that might not otherwise be available. Based on the research, due diligence, and analytics, each investment is selected to optimize the broader portfolio strategy goals.

The Sub-Adviser will provide the Adviser with information, including data aggregation, analysis, portfolio management tools and access to custom third-party multimanager strategies. The Adviser uses the information that it obtains from the Sub-Adviser and its own portfolio management system to actively monitor and manage the Fund’s investment holdings.

The Adviser has also established a strategic relationship with an unaffiliated investment manager, Affinius Capital Management LLC (“Affinius”), a direct real estate equity and debt manager. Affinius (previously known as USAA Real Estate and Square Mile Capital Management), an integrated institutional real estate investment firm focused on value-creation and income generation, provides the private fund with an opportunity for direct real estate acquisition, scalability of capital deployment, debt origination and management capabilities through commingled equity and debt real estate vehicles, separate accounts, and direct joint ventures. The Adviser anticipates that up to 85% of the private fund’s net assets will be invested in underlying investments that are sponsored by Affinius during normal market conditions. The Adviser could establish additional strategic relationships with other investment managers in the future based on investment needs, which could include investment managers that manage strategies that indirectly focus on real estate or that do not focus on real estate.

### **Risk Factors**

The following risk factors apply to investments in the private fund, referred to as the “Fund” below, and, where applicable, to investments in the interval fund.

Investing involves a significant degree of risk, relating both to the types of investments contemplated by a Fund as well as its ability to achieve its investment objectives. There can be no assurance that a Fund’s objectives will be achieved, and investors must be prepared to bear losses that might result from such investment. Investors should carefully consider the following risk factors. The following discussion does not purport to be an exhaustive explanation of all of the risks, and prospective investors must rely on their own examination of, and their own ability to evaluate, the nature of an investment in the Fund, including all of the

risks involved in making such an investment. Investors should refer to the applicable Governing Documents of the private fund or the interval fund for additional risks and information regarding such fund.

### **Projections and Opinions**

No assurance can be given that the Fund will achieve the returns that it is targeting.

### **Risks Associated with the Fund's Management and Operations**

#### ***The success of the Fund will depend on the continuing services of the Adviser.***

Although the Fund's management has significant real estate investment and financial experience, the success of the Fund will depend in large part on the quality of the services to be provided by and the experience and abilities of the Adviser in connection with the services rendered to the Fund with respect to its investments. Any of these individuals could be difficult to replace, and the loss of any of them could have a material adverse effect on the Fund's investment results and prospects. The loss of the services of such personnel for any reason could adversely affect the Fund's business or operations.

#### ***The success of the Fund will depend on the continuing services of the Sub-Adviser.***

The Adviser will enter in a sub-advisory agreement with the Sub-Adviser, pursuant to which the Sub-Adviser will make investment decisions on behalf of the Fund. The Sub-Adviser will be compensated by the Adviser. Accordingly, the success of the Fund will depend in large part on the quality of the services to be provided by and the experience and abilities of the Sub-Adviser in connection with the services rendered to the Fund with respect to its investments. Any of the risk factors herein that describe market conditions and other factors that could affect the Adviser, including its ability to make investment decisions as well as source and manage investments, are also applicable to the Sub-Adviser.

#### ***Management will not devote the entirety of their time to the Fund, which could adversely affect its performance of the Fund.***

There is nothing to restrict management of the Fund from conducting, for their own account or on behalf of others, business activities of the type conducted by the Fund. Management of the Fund will not be spending all of their time, or a major portion of their time, in connection with the Fund. At all relevant times, they will be actively engaged in other projects. All of these activities unrelated to the Fund could impact negatively the amount of time spent by these persons and entities on behalf of the Fund, which would adversely affect the performance of the Fund.

#### ***Many of the Fund's investments are unspecified.***

Many of the future investments of the Fund have not been identified. Consequently, investors will not be able to evaluate for themselves the merits of particular investments in properties, the tenants or the management of the properties prior to making a decision to invest in the Fund nor will the investors be entitled to participate in any manner in the decisions regarding refinancings or divestitures. Unspecified investments also create uncertainty and risk because there can be no assurance that the Fund will be able to locate and acquire investments meeting its objectives. Investors will therefore be relying on the ability of the Fund's management with respect to the investments to be made using the proceeds of this offering. Competition for unspecified assets might also result in the Fund acquiring assets on less favorable terms than

expected. Investments will be made over a substantial period of time, and accordingly, investors face the risks of changes in interest rates and adverse changes in the real estate market.

***Deterioration of credit markets could affect the Fund's ability to finance and consummate investments.***

Recent deterioration of the global credit markets has made it more difficult for investment funds such as the Fund to obtain favorable financing and/or leverage for investments made by the Fund. A widening of credit spreads, coupled with the deterioration of the sub-prime and global debt markets and a rise in interest rates, has increased the cost and availability of financing and leverage. The Fund's ability to generate attractive investment returns could be adversely affected to the extent the Fund is unable to obtain favorable financing terms for its investments. Moreover, to the extent that such credit market events continue to occur, they could have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such marketplace events also could restrict the ability of the Fund to realize its investments at favorable times or for favorable prices.

***Force majeure clauses could impact the operation of certain contracts.***

"Force majeure" refers to the legal concept, included in certain commercial and other contracts, whereby a party to a contract is excused from performing its obligations to a counterparty under such contract where performance is made impossible or highly impracticable as a result of an event that the contract parties could not have anticipated or controlled. The Fund could be party to contracts that include force majeure clauses and, as a result, these contracts would not be enforceable against certain of their counterparties (including suppliers of their raw materials and purchasers of their finished goods, products or services) if a force majeure event has been deemed to have occurred. The determination of whether a force majeure event has been triggered under a contract or has otherwise occurred is a mixed factual and legal one, and the Fund could incur legal costs (which could be significant) in disputes with counterparties regarding whether any such event has occurred, with the likely outcome of any such dispute hard to predict. If the Fund were unable to enforce a material contract as a result of a force majeure event, and/or if it incurred significant legal expenses in a dispute over a force majeure event, the results and prospects of the Fund would be adversely affected.

***Cybersecurity risks and cyber incidents could cause a disruption to the Fund's and/or its investment's operations.***

Fund investors will be provided statements, reports and other communications relating to the Fund and/or their investment in the Fund in electronic form, such as email or through the use of an electronic investor portal (the "Electronic Communications"). The use of an electronic investor portal (despite being password protected) involves the risk that statements, reports and other communications relating to the Fund or its investments could be stolen or otherwise obtained by unauthorized parties. Electronic Communications could be modified, corrupted, or contain viruses or malicious code, and might not be compatible with an investor's electronic system. Furthermore, Electronic Communications could be intercepted, deleted or interfered with without the knowledge of the sender or the intended recipient. In addition, reliance on Electronic Communications involves the risk of inaccessibility, power outages or slowdowns for a variety of reasons. These periods of inaccessibility would delay or prevent receipt of reports or other information by investors.

***The Fund's cash flow is not assured. The Fund might not be able to make redemptions or distributions in the future.***

The Fund's ability to make redemptions or distributions could be adversely affected by the risks described herein. There can be no assurance that the Fund will be able to make redemptions or distributions in the future. In addition, there can be no assurance that the level of distributions from the Fund will increase over time or the receipt of income from additional property acquisitions will necessarily increase the Fund's cash available for redemption or distribution to investors.

***The use of leverage could increase the Fund's risk of loss.***

The amount of borrowings that the Fund and/or its subsidiaries might have outstanding and/or to which its investments might be subject at any time could be large in relation to its capital, the then-current value of its investments and/or its available undrawn capital commitments. Although the use of leverage could enhance returns, it will also substantially increase the Fund's risk of loss. For example, under declining market conditions, a decline in the value of the collateral securing a mortgage loan could result in covenant breaches and defaults by the Fund or applicable subsidiary(ies). Because borrowings can be cross-collateralized, it is likely that the Fund would experience concurrent foreclosures of multiple financed assets, accompanied by attendant losses upon lender liquidations. "Cross-collateralization" refers to debt that is recourse to the Fund or that is secured by more than one asset.

***The Fund will make investments through other investment vehicles.***

The Fund will invest a portion of its assets in limited partnership or similar interests in real estate funds and other private funds sponsored or advised by third-party investment managers selected by the Adviser in its sole discretion (the "Underlying Managers" and such investments, the "Portfolio Investments"). The overall success of the Fund depends on, among other factors, (i) the ability of the Fund to develop a successful commitment allocation strategy among the Portfolio Investments and (ii) the Underlying Managers' ability to be successful in the respective strategies of the Portfolio Investments. Accordingly, the Fund will be highly dependent upon the expertise and abilities of the Underlying Managers and their personnel, who will have investment discretion over the Fund's assets that are invested in the Portfolio Investments. The potential success of the Fund will therefore depend upon a variety of factors that are beyond the Adviser's control.

The level of risk associated with the Fund's investments varies depending on the particular investment strategies utilized by the Underlying Managers with respect to the Portfolio Investments in which the Fund invests. Each of the risks and conflicts set forth herein might or might not relate to any particular Portfolio Investment and are qualified in their entirety by the constituent documents of the applicable Portfolio Investment. Potential investors in the Fund should consider the risks associated with the Fund's investment strategies prior to investing. Lastly, investors of the Fund will not be parties to the governing documents of the Portfolio Investments and are not intended to be third-party beneficiaries thereunder. There can be no assurance that Fund or the Portfolio Investments will be able to implement their investment strategies, achieve their investment objectives or avoid substantial losses. In addition, each Portfolio Investment will be subject to the same or similar risks as the Fund, as described in these risk factors.

***The Fund will have limited management of or control over the Portfolio Investments.***

The Fund is authorized to make investments in Portfolio Investments where the Fund is a passive investor with no management authority. In such instances, the Adviser will not have the opportunity to evaluate investments subsequently made by such Portfolio Investments. The Fund will often be relying on the management skill of the Underlying Managers of the Portfolio Investments in which the Fund invests. In addition, the management, financing, investing and disposition policies of Portfolio Investments generally will be determined by management of the Underlying Manager of the applicable Portfolio Investment and will not require the consent of the investors of such Portfolio Investment, including the Fund. Any changes in such policies could be detrimental to the value of the Fund's investment in such Portfolio Investment and could cause the interests of the Fund, on the one hand, and those of the Underlying Managers or the Portfolio Investments, on the other hand, to diverge.

***Due diligence might not uncover all problems of an investment.***

The Adviser will conduct due diligence which the Adviser believes is adequate to select Portfolio Investments with which to invest the Fund's assets. However, due diligence is not foolproof and might not uncover problems associated with a particular Portfolio Investment. The Adviser expects to rely upon representations made by the Portfolio Investment, accountants, attorneys, prime brokers, and/or other investment professionals. If any such representations are misleading, incomplete or false, this can result in the selection of Portfolio Investments which might have otherwise been eliminated from consideration had fully accurate and complete information been made available to the Adviser. However, it is possible that even exhaustive due diligence would not protect against misleading information or fraud by an Underlying Manager or a Portfolio Investment.

***There could be limited access to, and limitations of the timeliness of and accuracy of, information from the Portfolio Investments.***

The Adviser will not necessarily receive periodic reports from the Portfolio Investments more frequently or in more detail than other investors in such Portfolio Investments. The Adviser expects to request detailed information on a continuing basis from the Underlying Managers regarding the performance of the Portfolio Investments in which the Fund invests and certain other information. However, the Adviser might not always be provided with detailed information regarding all the investments made by the Underlying Managers because, among other reasons, certain of this information could be considered proprietary information by the Underlying Managers. The Adviser might also receive detailed information from the Underlying Managers that is subject to a nondisclosure agreement or similar confidentiality arrangement, and the Adviser will not be required to provide such information to the investors. Additionally, information received from the Underlying Managers might not always be accurate or timely. This lack of access to, untimeliness of or inaccuracy of information provided by the Underlying Managers could make it more difficult for the Fund to select, allocate among, and evaluate the Portfolio Investments.

Lastly, while the Underlying Managers or the Portfolio Investments could be subject to certain investment restrictions, there can be no assurance that the Underlying Managers or the Portfolio Investments will comply with such restrictions, which can have a materially adverse impact on the Fund's investments.

***Acquiring secondaries could limit the Fund's ability to negotiate the terms of an investment.***

The Fund expects to acquire secondary interests in Portfolio Investments primarily from existing investors in such funds (and not from the issuers of such investments). Because the Fund will not be acquiring such interests directly from the issuers, it is generally not expected that the Fund will have the opportunity to negotiate the terms or structure of the interests being acquired or other special rights or privileges from the issuers of those interests. There can be no assurance as to the number of investment opportunities that will be presented to the Fund. In addition, valuation of such interests in Portfolio Investment (including valuations by the Underlying Managers, which the Fund expects to heavily rely on) could be difficult, as there generally will be no established market for such investments or for the privately-held portfolio companies in which such funds own securities. Moreover, the purchase price of interests in such funds will be subject to negotiation with the sellers of the interests and there is no assurance that the Fund will be able to purchase interests at attractive discounts to net asset value, or at all. The overall performance of the Fund with respect to secondaries will depend in large part on the acquisition price paid by the Fund for its secondaries, the structure of such acquisitions and the overall success of the issuers of those interests.

In the cases where the Fund acquires an interest through a secondary, the Fund is authorized to acquire contingent liabilities of the seller of the interest. More specifically, where the seller has received distributions from the relevant fund and, subsequently, that Underlying Manager fund recalls one or more of these distributions, the Fund (as the purchaser of the interest to which such distributions are attributable and not the seller) could be obligated to return the monies equivalent to such distribution to the Portfolio Investment. While the Fund can, in turn, make a claim against the seller for any such monies so paid to Portfolio Investment, there can be no assurances that the Fund would prevail on such claim or successfully recover the full amount.

***The investments in Portfolio Investments will be illiquid.***

The Fund's investments in the Portfolio Investments will be highly illiquid, and there can be no assurance that the Fund will be able to realize such investments in a timely manner. The Fund generally will be required to obtain Underlying Manager consent to sell or otherwise dispose of its interests in each Portfolio Investment and will be subject to restrictions and limits on such sales and dispositions. It is highly unlikely that there will be a public market for the interests of the Portfolio Investments. The Portfolio Investments generally have a term lasting a number of years from their respective final closing dates (with optional extensions).

***Investment in the Fund is subject to risks involving the financial services industry.***

Adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults, or non-performance by financial institutions or transactional counterparties, could adversely affect the Fund's investment strategy and the current and projected operations and financial condition of the Fund's investments. Actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and could in the future lead to market-wide liquidity problems. If any of the Fund's or the investment of the Fund's lenders or counterparties were to be placed into any form of insolvency, including receivership, then the Fund or its investments might be unable to readily access deposits or credit facilities. Deposits that are not insured or guaranteed might not be paid out, which would expose the Fund and its investments to loss. In addition, if any of the Fund's or its

investments' customers, investors, suppliers or other parties with whom they conduct business with are unable to access funds or credit facilities, such parties' ability to satisfy obligations to the Fund or its investments could be adversely affected.

In addition, investor concerns regarding the U.S. or international financial systems could result in less favorable financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for the Fund or its investments to acquire financing on acceptable terms or at all. Any decline in funding or access to cash and liquidity resources could, among other risks, adversely impact the ability of the Fund's investments to meet financial and other obligations.

### **Risks Related to the Real Estate Industry**

***Any mortgage debt obligations would expose the Fund to increased risk of property losses, which could harm the Fund's financial condition, cash flow and ability to satisfy its other debt obligations, make distributions and redeem investors.***

Incurring mortgage debt increases the Fund's risk of property losses because defaults on indebtedness secured by properties could result in the Fund's loss of the property securing any loan for which the Fund is in default. For tax purposes, a foreclosure is treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. The outstanding balance of the debt secured by the mortgage could exceed the Fund's tax basis in the property, which would cause the Fund to recognize taxable income on foreclosure, without receiving corresponding cash proceeds. In addition, a default under any one of the Fund's mortgage debt obligations could increase the risk of default on the Fund's other indebtedness. If this occurs, the Fund's financial condition, cash flow and ability to satisfy its other debt obligations or ability to make redemptions or distributions could be harmed.

***Illiquidity of real estate investments could significantly impede the Fund's ability to respond to adverse changes in the performance of its properties and harm its financial condition.***

Because real estate investments are relatively illiquid, the Fund's ability to promptly sell one or more properties in its portfolio in response to changing economic, financial and investment conditions is limited. The real estate market is affected by many factors that are beyond the Fund's control, including:

- adverse changes in national and local economic and market conditions;
- changes in interest rates and in the availability, cost and terms of debt financing;
- changes in governmental laws and regulations, fiscal policies and zoning ordinances and costs of compliance with laws and regulations, fiscal policies and ordinances;
- the ongoing need for capital improvements, particularly in older structures;
- changes in operating expenses; and
- civil unrest, acts of war and natural disasters, including earthquakes and floods, which could result in uninsured and underinsured losses.

The Fund cannot predict whether it will be able to sell any property for the price or on the terms set by it, or whether any price or other terms offered by a prospective purchaser would be acceptable to the Fund. The Fund also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. These factors and any others that would impede the Fund's ability to respond to adverse

changes in the performance of its properties and could harm its operating results and financial condition, as well as its ability to redeem or make distributions to the investors.

***It could be difficult to realize, sell or dispose of an investment at an attractive price or complete a favorable exit strategy.***

Although the Fund's investments can generate some current income, investments will generally be illiquid due to any number of uncontrollable and unpredictable factors. It could be difficult from time to time for the Fund to realize, sell or dispose of an investment at an attractive price or at the appropriate time or in response to changing market conditions, and the Fund could otherwise be unable to complete a favorable exit strategy. Losses on unsuccessful investments could be realized before any gains on successful investments are realized. The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposal of an investment. It is generally expected that income from investments will not be realized until a number of years after they are made. Prospective investors should therefore be aware that they are required to bear the financial risk of their investment for an indefinite period of time.

***The Fund's investments might be adversely affected by the poor performance of a small number of investments.***

The Fund might invest in a limited number of investments, and as a consequence, the aggregate returns realized by investors could be adversely affected by the unfavorable performance of a small number of such investments. The investments could also involve geographic concentration, and hence an inability to diversify risk.

***Property income can be volatile.***

The volatility of net operating income for a property can be influenced by a number of factors, including, without limitation, the length of tenant leases; the creditworthiness of tenants; the level of tenant defaults; the ability to convert an unsuccessful property to an alternative use; new construction in the same market as the mortgaged property; rent control laws or other laws impacting operating costs; the number and diversity of tenants; the availability of trained labor necessary for tenant operations; the rate at which new rentals occur; the property's operating leverage (which is the percentage of total property expenses in relation to revenue); the ratio of fixed operating expenses to those that vary with revenues; and the level of capital expenditures required to maintain the property and to retain or replace tenants. A decline in the real estate market or in the financial condition of a large number of tenants will tend to have a more immediate effect on the net operating income of properties with short-term revenue sources (such as short-term or month-to-month leases) and could lead to higher rates of delinquency or defaults under mortgage loans secured by such properties.

***Compliance with environmental laws could materially increase the Fund's operating expenses.***

Under various U.S. federal, state and local environmental laws, ordinances and regulations, a current or previous owner or operator of real estate (which could include a lender in some instances) might be required to investigate and clean up any hazardous or toxic substances or petroleum product releases at such property and could be liable to a governmental entity or to third parties for property damage and for investigation and cleanup costs incurred by such parties in connection with contamination. In connection with its direct or indirect ownership and operation of real estate, the Fund could incur liability for environmental costs. Additionally, changes in environmental laws or in the environmental condition of an asset could create



liabilities that did not exist at the time of acquisition and that could not have been foreseen.

***The Fund could face contingent liabilities upon disposition of investments.***

In connection with the disposition of an investment, the Fund could be required to make certain representations and warranties and to indemnify the purchaser if any of such representations and warranties are inaccurate. These arrangements can create contingent liabilities of the Fund.

***The Fund is subject to the risks of development, including delays and lack of available financing, which could have a material adverse effect on the Fund.***

Investing in real estate under development or redevelopment involves a variety of risks, including those relating to the availability and timely receipt of regulatory approvals, the cost and timely completion of construction, which can be beyond the Fund's control as a result of weather, labor conditions or material shortages, lease-up velocity and rent levels, and the availability of both construction and permanent financing on favorable terms. These risks could result in substantial unanticipated delays and expenses and could prevent completion of development, any of which could have an adverse effect on the financial condition and results of operations of the Fund. Properties under development or properties acquired to be developed generally generate no revenue while under development and experience operating deficits for a period after completion of development. The Fund could commence development or redevelopment activities prior to obtaining financing for such activities and there is no guarantee that financing will be available on favorable terms. Moreover, certain investments will be development projects. It is possible that the Fund's equity commitments could be insufficient to cover the ongoing capital investment needs during the development of such projects, in which case the Fund would have to pursue alternate sources of capital (such as refinancing, recapitalizing or selling this or other investments in the Fund) in order to raise the capital necessary to complete such projects.

***An uninsured loss or a loss that exceeds the insurance policy limits on the Fund's properties could subject the Fund to lost capital or revenue on those properties.***

The Fund's comprehensive loss insurance policies could involve substantial deductibles and certain exclusions and might not be fully in place to cover all conditions when a property is acquired. In certain areas, it is possible for the Fund to obtain earthquake insurance on specific properties as required by the Fund's lenders or by law. However, certain losses of a catastrophic nature, such as wars, earthquakes, floods, terrorist attacks or other similar events, could be either uninsurable or insurable at such high rates that to maintain coverage would cause an adverse impact on the Fund's investments. In general, losses related to terrorism are becoming more difficult and expensive to insure against, as most insurers are excluding terrorism coverage from their all-risk policies. In some cases, the insurers are offering significantly limited coverage against terrorist acts for additional premiums, which can greatly increase the total costs of casualty insurance for a property. As a result, not all of the investments will be fully insured against terrorism.

***The Fund will be subject to risks associated with the ownership of multi-family residential real estate.***

The performance of investments in multi-family residential investments is subject to many of the risks associated with owning and operating other types of real estate. In addition, competition in the residential real estate marketplace is strong, and there are numerous housing alternatives that compete with multi-family properties in attracting residents. A large number of factors could adversely affect the value and successful operation of a multi-family property, including: physical attributes of the apartment building;

location of the property; the types of services or amenities that the property provides; the property's reputation; the level of mortgage interest rates, which could encourage tenants to purchase rather than lease housing; presence of competing properties; the tenant mix, such as the tenant population being predominantly students or being heavily dependent on workers from a particular business or personnel from a local military base; governmental programs that provide rent subsidies to tenants pursuant to tenant voucher programs, which vouchers could be used at other properties and influence tenant mobility; and adverse local or national economic conditions, which could limit the amount of rent that can be charged and could result in a reduction of timely rent payments or a reduction in occupancy levels. If the demand for multi-family properties is reduced, or if competitors develop and/or acquire competing properties on a more cost-effective basis, income generated from the Fund's investments and the underlying value of such investments could be adversely affected.

In addition, certain jurisdictions regulate the relationship of an owner and its tenants. Commonly, these laws require a written lease, good cause for eviction, disclosure of fees, and notification to residents of changed land use, while prohibiting unreasonable rules, retaliatory evictions, and restrictions on a resident's choice of unit vendors. For example, there could be provisions that limit the bases on which a landlord can terminate a tenancy or increase its rent or prohibit a landlord from terminating a tenancy solely by reason of the sale of the owner's building. In addition to state regulation of the landlord-tenant relationship, numerous towns and municipalities impose rent control on apartment buildings. These ordinances could limit rent increases to fixed percentages, to percentages of increases in the consumer price index, to increases set or approved by a governmental agency, or to increases determined through mediation or binding arbitration.

***The Fund will be subject to risks associated with ownership of retail properties.***

Investments in retail properties are subject to many of the risks associated with owning and operating other types of real estate. In addition, retail properties can be subject to special risks. For example, in many cases, the tenants of retail properties could negotiate leases containing certain exclusive rights to sell particular types of merchandise or services within a particular retail center. When leasing other space after vacancy by another tenant, these provisions could limit the number and types of prospective tenants for the vacant space.

***The Fund will be subject to risks associated with ownership of office properties.***

Investments in office properties are subject to the risk that tenants are unable to make their lease payments or decline to extend a lease upon its expiration. A termination of the lease of an anchor tenant could provide other tenants with the right to modify or terminate their lease. Any such modifications or conditions would be unfavorable to the Fund and would decrease rents or expense recoveries. In the event of default by any tenant, the Fund can experience delays and costs in enforcing its rights as landlord to recover amounts due to the Fund under the terms of the Adviser's agreements with those parties.

***Public health crises could adversely affect the Fund's and its investments' business, financial condition and results of operation.***

Public health crises such as epidemics, pandemics (including the COVID-19 pandemic) or outbreaks of new infectious diseases or viruses have in the past and can in the future materially adversely affect the U.S. economy and many other national economies. All such extreme events could negatively impact the Fund's performance and its investments' results of operations and, in such cases, the value of, or income generated by, the investments held by the Fund will be subject to rapid and unpredictable fluctuation and

loss. The Adviser cannot predict the duration of the effects related to these or similar events in the future on the United States and global economies and on national and global capital markets or on the Fund's investments. The Adviser monitors developments and seeks to manage the Fund's investments in a manner consistent with its investment objective, but there can be no assurance that it will be successful in doing so.

***Real estate capital markets are dynamic and subject to unanticipated changes.***

The real estate capital markets are dynamic, continually evolving and impacted by many variables, including those highlighted in these risk factors. The Fund's strategy, targeted investments, targeted portfolio composition and targeted returns were formulated based on the current environment at the launch of the Fund. The real estate capital markets, financing techniques and products are likely to materially change over the term of the Fund, and adapting to such changes and/or the Adviser's inability to successfully adapt the Fund to some or all of such changes could negatively impact the performance of the Fund.

***Inflation and deflation can adversely affect the business, results of operations and financial condition of the Fund and its investments.***

The monetary and fiscal stimuli that have been deployed to combat the economic slowdown caused by the COVID-19 crisis already has and could continue to create inflationary pressures that disrupt settled expectations around long-term interest rates. Governmental efforts to curb inflation, including, without limitation, actions by the U.S. Federal Reserve or other central banks that result in increases in interest rates, often have negative effects on the level of economic activity. Such risks are heightened during periods of sustained high inflation. There can be no assurance that inflation will not present, or in the future become, a serious problem and have an adverse impact on the Fund's returns. In addition, deflation could reduce the value of investments as economic growth is often negatively impacted by consumers and businesses delaying purchase decisions as prices reduce. Deflation can also make it more difficult for debt obligations to be met, due to reductions in revenues and increases in the size of the debt relative to the overall value of an investment. Periods of deflation are often characterized by a tightening of money supply and credit, which could limit the Fund's ability to leverage investments, and so limit the number and size of investments that the Fund makes and affect the rate of return to investors. Such economic constraints could also make the Fund's investments more illiquid, preventing the Fund from realizing such investments.

***Interest rate changes can adversely affect value of the Fund and its investments.***

The market value of the Fund's investments can indirectly (particularly in the case of loans that have a fixed rate of interest) and directly (particularly in the case of loans that have a rate of interest which is variable) be affected by changes in interest rates and the spreads over relevant interest rate benchmarks. Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the control of the Fund. Accordingly, interest rate changes can adversely affect the total return on the Fund's investments.

**Investment Risks**

***The private fund's shares are highly illiquid and will be subject to restrictions on transfer.***

The private fund's shares represent highly illiquid investments and should only be acquired by investors able to commit their funds for an indefinite period of time. Consequently, the purchase of the

private fund's shares should be considered only as a long- term and illiquid investment. The private fund Client's shares cannot be directly or indirectly assigned, pledged, hypothecated or otherwise transferred without the prior written consent of the Adviser and exemption from registration under the securities laws. There is no public market for the private fund's shares and none is expected to develop. For so long as the Fund is privately offered, the private fund's shares are not redeemable.

Investors in the Fund are encouraged to consult the Offering Documents for information regarding the tax risks of investing in the Fund.

### **Conflicts of Interest**

The Adviser and its affiliates will face conflicts of interest caused by compensation arrangements with the Funds and their affiliates, which could result in actions that are not in the best interests of the shareholders. The Adviser's professionals' time and resources could be diverted due to obligations they have to other clients. The Adviser's professionals serve or could serve as officers, trustees, or principals of entities that operate in the same or a related line of business as a Fund does, or of investment funds managed by the same personnel. In serving in these multiple capacities, they have obligations to other clients or investors in those entities, the fulfillment of which might not be in a Fund's best interests or in the best interest of its investors. The Funds' investment objectives could overlap with the investment objective of such investment funds, accounts or other investment vehicles, and therefore would be subject to the allocation policies described in Item 11. The Adviser and certain of its affiliates are currently, and plan in the future to continue to be, involved with activities which are unrelated to the Funds. As a result of these activities, the Adviser, its personnel and certain of their affiliates will have conflicts of interest in allocating their time and resources between the Funds' activities and other activities in which they are or could become involved. The Adviser and its personnel will devote only as much of its or their time and resources to the Funds' business as the Adviser and its personnel, in their judgment, determine is reasonably required, which could be substantially less than their full time and resources. See Item 10 and Item 11 below for descriptions of additional conflicts of interest of the Adviser.

#### Item 9 – DISCIPLINARY INFORMATION

The Firm does not have any legal or other disciplinary events to report that are material to a current or prospective Client or Investor's evaluation of the Adviser's advisory business or the integrity of its management.

## Item 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

### Affiliation

The Sub-Adviser is an affiliate of the Adviser and developed our first index vehicle for private real estate and holds patents to execute that strategy. Additionally, the Sub-Adviser utilizes its proprietary portfolio management system, RADAR, to manage investments. With respect to the private fund, the Sub-Adviser has developed a customized strategy for the Fund utilizing a third party manager and the Adviser anticipates allocating up to 25% of the private fund's capital to the Sub-Adviser customized strategy during normal operating periods.

### Broker-Dealer Affiliation

Certain employees of the Firm are currently registered representatives of an unaffiliated broker-dealer.

### Other Relationships

The Adviser has also established a strategic relationship with an unaffiliated investment manager, Affinius, a direct real estate equity and debt manager. See Item 8 above for a fuller description of Affinius.

As a result of the relationship with Affinius, conflicts of interest are expected to arise by virtue of the Funds' investments in Affinius-sourced investments. However, Affinius and such pooled investment vehicles will not be considered "affiliates" of the Adviser or the Funds.

While the Adviser has established a strategic relationship with Affinius, an unaffiliated investment manager, Affinius personnel do not provide investment advisory services to the Fund. Affinius provides investment advisory services to investment funds in addition to those in which the Fund may invest, and its investment professionals may also provide investment and financial services for their proprietary accounts as well. Accordingly, Affinius may have financial interests that diverge from those of the Fund and the Underlying Investments and conflicts of interest may arise in terms of their allocation of investment opportunities as well as their professional time between such Underlying Investments and other clients and personal accounts.

One individual associated with Affinius serves on the Board of Directors of Emphasis Capital LLC ("Emphasis"), the ultimate parent company of the Advisers. This individual has an economic interest in Emphasis but does not own a controlling stake in Emphasis. In addition, certain parent companies of Affinius own a minority stake in Emphasis. These economic interests in Emphasis could create an incentive for the Advisers to favor the interests of Emphasis and its parent companies over the interests of the Fund in the assessment and selection of Underlying Investments, the negotiation of terms, and the exercise of the Fund's rights in Underlying Investments associated with Affinius. Affinius and/or its affiliates may advise and/or administer other funds that may allocate to funds advised by Affinius or have other relationships with Affinius, which may also give rise to a conflict of interest. The Adviser's investment controls and policies and procedures may help mitigate these potential conflicts of interests.

## Item 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

### Code of Ethics and Employee Personal Trading

The Adviser has adopted a Code of Conduct and Ethics (the “Code”) that is designed to reinforce its institutional integrity; to summarize its values, ethical standard and commitment to address conflicts of interest that arise from its activities and personal trading; and to maintain compliance with the federal securities laws.

The Code includes, among other items, the following:

- Reporting of employee personal securities transactions;
- Pre-clearance of outside business activities;
- Preclearance and restrictions on employee political contributions;
- Requirements related to confidentiality; and
- Limitations on, pre-clearance and reporting of, gifts and entertainment.

Covered Persons, as that term is defined in the Code, are subject to guidelines governing the ability to trade in personal accounts. The Firm requires all Covered Persons to provide information on trade activity in reportable personal accounts, and to also provide quarterly transaction reports and annual securities holdings reports to the Chief Compliance Officer (the “CCO”). All Covered Persons must acknowledge the Code’s terms and certify their compliance with the Code upon hire and at least annually and, as a condition of employment, all employees certify to their obligations to understand and adhere to the Code.

Employees are prohibited from trading, either personally or on behalf of others, in securities while in possession of material nonpublic information regarding securities or communicating material nonpublic information about such securities to others. The Firm maintains a restricted list of issuers about which it has or might have material nonpublic information and employees are not permitted to invest in those names.

The Code is available to any existing or prospective Investor upon request by contacting the Firm’s CCO at [legal@accordantinvestments.com](mailto:legal@accordantinvestments.com)

### Managing Conflicts of Interest

The Firm seeks to continuously monitor resulting conflicts of interest that arise from these services and roles. Not all conflicts of interest, however, are described in this section, and additional conflicts could arise as a result of new activities, transactions or relationships. In particular, additional conflicts of interest that currently are not apparent to the Firm or to the broader alternative investments industry can be identified, as well as conflicts of interest that arise or increase in materiality as the Firm develops new investment platforms or business lines, enters into new business relationships with related entities and third parties, and otherwise adapts to dynamic markets, and an evolving regulatory environment and new legal and tax-related developments. A more complete and detailed description of applicable conflicts of interest specific to a Client is included in that Client’s applicable Governing Documents, which Investors are encouraged to consult.

A conflict of interest arises when the Firm, its related parties and/or related entities have an incentive to advance one interest at the expense of another, which might mean an incentive to serve the interest of the Firm, related party or related entity over that of the Clients and/or Investors, serve the interest of one Client

or Investor over that of another, or an incentive on the part of an employee or group of employees to serve their own interests over those of the Firm or its Clients or Investors. The Firm has discussed various conflicts of interest and how the Adviser manages them in other sections of this Brochure. The following describes other conflicts and how they are managed.

#### Allocation of Personnel

The Firm and its employees devote such time to a Client as the Adviser determines to be necessary. The Firm's personnel, including members of the Investment Committees, can work on other projects and initiatives, serve on other committees, source potential investments for, and otherwise assist in the investment programs for future funds and clients. Time spent on these other initiatives diverts attention from the activities of Clients, which could negatively impact Clients and their Investors. These and other factors create conflicts of interest in the allocation of time by the Firm's employees.

#### Allocation of Investment Opportunities

The Firm invests capital on behalf of Clients in a wide variety of investment opportunities. The Firm has conflicting loyalties in determining whether an investment opportunity should be allocated to one or more Clients. As a result, the Adviser has adopted policies and procedures designed to ensure that investment opportunities are allocated among various Clients in accordance with their applicable Governing Documents and on a basis that the Firm believes in good faith to be fair and reasonable over time. There can be no assurance that an investment which is consistent with a Client's investment objectives will be presented to that Client, and certain investment opportunities could be allocated among multiple Clients.

The Adviser's and the Sub-Adviser's respective allocation policies are designed to fairly and equitably distribute investment opportunities over time among the Funds or pools of capital managed by the Adviser and its affiliates. The Adviser's allocation policy provides that once an investment has been approved, it will be allocated to the funds or other pools of capital that have investment strategies suitable for such investment opportunity. If an investment opportunity is suitable for more than one fund or pool of capital that have investment strategies suitable for such investment opportunity.

#### Employee Investors

Certain of the employees, related entities, or related parties have invested in certain Clients or their investments, including as part of the Firm and its affiliate's commitment to such Client. Subject to applicable law, the terms of an investment by an employee differ from, and are more favorable than, those of an investment by an external Investor. For example, employee Investors generally will not be subject to a management fee with respect to their investment, can receive information regarding investments at different times than other Investors and can benefit from different credit facility arrangements than a Client.

These investments also pose a risk that employees with influence over investment decisions will favor the Clients in which they, other employees or related parties have an interest. The Adviser believes that the Code and other policies and procedures help manage these risks. The Adviser also believes that employee investments in Clients align the interests of the Firm and its employees with those of Clients and Investors.



## Conflicting Fiduciary Duties to Other Clients

Clients have the ability to invest in an investment for which another Client already has or is acquiring an interest and such Clients could acquire such interests at different points in time. Additionally, the Firm or a related party will occasionally structure an investment as a result of which one or more vehicles primarily investing in debt instruments are offered the opportunity to participate in the debt tranche of an investment allocated to Clients. As an investment adviser, the Firm owes a fiduciary duty to all its Clients. The Firm will face a conflict of interest in the event that (i) a Client acquires an equity interest in a portfolio investment in which another Client holds or is acquiring an interest in (ii) or a Client purchases debt instruments of a portfolio investment that another Client holds or is acquiring equity in, or vice versa. In such instances, the Firm will face a conflict of interest in respect of decisions made on all such Clients holding potentially competing interests (e.g., with respect to the terms of such debt instruments, the enforcement of covenants or the terms of recapitalizations).

## Principal and Cross Transactions

The Adviser does not execute any principal transactions and typically does not engage in cross transactions.

## Valuation Matters

As further described in the applicable Governing Documents, investments are generally valued using data received from third parties. There is no guarantee that the carrying value of an investment will reflect the price at which the investment is ultimately sold in the market, and the difference between carrying value and the ultimate sales price could be material. The valuation methodologies used to value any investment involves subjective judgments and projections and might not be accurate. Valuation methodologies will also involve assumptions and opinions about future events, which may or may not turn out to be correct. Ultimate realization of the value of an investment depends to a great extent on economic, market and other conditions beyond the Firm's control. Generally, there will be no retroactive adjustment in the valuation of any investment, the offering price at which interests in a Client were purchased by Investors or repurchased by a Client, as applicable, or the fees and/or performance-based compensation paid to the Firm to the extent any valuation proves to not accurately reflect the realizable value of an investment.

## Conflicts Related to the Interpretation of Governing Documents and Other Legal Requirements

The applicable Governing Documents of each Client are detailed documents that establish complex arrangements among the Firm, its affiliates, Investors, Clients, and related entities and individuals. Questions arise under these agreements regarding the parties' rights and obligations in certain situations, some of which will not have been contemplated or could have been articulated more precisely at the time of the agreements' drafting and execution. In these instances, the operative provisions of the agreements, if any, can be broad, general, ambiguous or conflicting, and permit more than one reasonable interpretation. At times there will not be a provision directly applicable to the situation. While the Firm will construe the relevant agreements in good faith and in a manner consistent with its legal obligations (and, when appropriate, in consultation with external legal counsel), the interpretations the Firm adopts will not necessarily be, and need not be, the interpretations that are the most favorable to the Clients or their Investors.

## Relationships with Other Advisers

Conflicts of interest are expected to arise by virtue of the Funds' investments in Affinius-sourced investments and in connection with Affinius' investment activities, including their management of pooled investment vehicles. Please see Item 10 above for a further description of how the Adviser manages conflicts of interest associated with Affinius.

## Tangible and Intangible Benefits

The Adviser and its affiliates, including the Sub-Adviser, expect to receive certain tangible and intangible benefits in connection with services to Clients and their investments. For example, in the course of the Firm's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, the Firm and its employees expect to receive and benefit from information, "know-how," experience, analysis and data relating to Clients or investment operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "Adviser Information"). In many cases, Adviser Information will include tools, procedures and resources developed by the Adviser to organize or systematize Adviser Information for ongoing or future use. Although the Adviser expects its Clients and their investments generally to benefit from the Firm's possession of Adviser Information, it is possible that any benefits will be experienced solely by other or future Clients or investments (or by the Firm and its employees) and not by a Client or investment from which Adviser Information was originally received. Adviser Information will be the sole intellectual property of the Firm and solely for the use of the Firm. The Firm reserves the right to use, share, license, sell or monetize Adviser Information, without offset to management fees, and the relevant Client or investment will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization.

## Item 12 – BROKERAGE PRACTICES

As the Funds invest primarily in privately-placed securities purchased from issuers, neither they nor Adviser will generally engage broker-dealers or other intermediaries to execute such securities transactions. However, as permitted by the Governing Documents, the Funds generally will sell in the public markets equity securities of portfolio companies that have gone public and listed their stock. In these circumstances, Adviser will generally have discretionary authority to select the broker or dealer used to execute transactions on behalf of each Fund and to negotiate the commission cost to be paid by the Fund. Brokers and dealers generally are selected in a manner consistent with Adviser's duty to seek to obtain best execution (i.e., the most favorable results reasonably attainable under the circumstances, taking into account a variety of factors, including price and costs as well as qualitative factors), including based on their ability to handle transactions involving restricted securities, commission rates or spreads, and breadth of market in particular securities. The applicability of specific criteria will vary depending upon the nature of the transaction, the market in which it is executed, and the extent to which it is possible or practical to select from among multiple brokers or dealers. While Adviser considers fees and would assess the reasonableness of the compensation, Adviser would not necessarily select the broker that offers the lowest commission, consistent with its duty to seek best execution. No soft dollar arrangements are entered into.

To the extent that Adviser is purchasing or selling the same security for more than one client, Adviser can aggregate orders in an effort to reduce transaction costs and will seek to allocate such transactions fairly and equitably among the clients over time.

### Item 13 – REVIEW OF ACCOUNTS

Each Client has specific investment criteria and limitations set forth in the applicable Governing Documents. As discussed above in Item 8, before the Firm makes an investment on behalf of a Client, members of the applicable Investment Committee evaluate whether the investment will satisfy the particular investment criteria and limitations applicable to that Client.

After an investment is made, the Adviser's asset management, finance and compliance personnel, together with the senior officers who are responsible for that investment, monitor the investment. See Item 8 above for a fuller description of the review process. The Adviser monitors the Clients' portfolios quarterly as part of an ongoing process. The Firm performs periodic reviews quarterly and continuously monitors day-to-day operations. The reviews are typically performed by the CIO and are triggered by various factors such as contributions to or distributions from accounts and changing market conditions. Compliance reports are reviewed by the CCO.

#### Investor Reports

Each Client and its Investors receive quarterly and annual written reports summarizing the investments, each as agreed to with such Client, and which generally include a capital balance, performance statistics, audited and unaudited financial statements, among other reports. The Firm also offers its Investors regular contact opportunities (e.g., personal visits, telephone, video conferences and email) throughout the year.

#### Item 14 – CLIENT REFERRALS AND OTHER COMPENSATION

We do not receive any economic benefit from anyone other than the Clients for providing investment advice or advisory services to the Clients, except as otherwise disclosed in this brochure.

## Item 15 – CUSTODY

The Firm could be deemed to have custody if it has discretion and control over or access to Client investments and cash. For purposes of Advisers Act Rule 206(4)-2, the Firm is deemed to have custody of the private fund's assets. Investors in the private fund will receive annually, within 120 days of the private fund's fiscal year end, audited financial statements that are prepared in accordance with U.S. Generally Accepted Accounting Principles and are audited by an auditing firm registered with, and subject to inspection by, the Public Company Accounting Oversight Board. Investors in the private fund should contact the Adviser if they have questions about their financial statements or fail to receive them in a timely manner.

The Adviser does not have custody over the assets of the interval fund.

#### Item 16 – INVESTMENT DISCRETION

The Firm receives and exercises complete discretionary authority to manage the investments of the private fund and the interval fund, and any restrictions or limitations on such authority are discussed in the Governing Documents, however, Investors are not able to limit such authority unless otherwise [stated in the Governing Documents and agreed to in writing]. The Firm manages assets on behalf of Clients after executing an investment management agreement and certain other documentation, and Investors sign subscription documents or [purchase of interests in the interval fund].

## Item 17 – VOTING CLIENT SECURITIES

Rule 206(4)-6 under the Advisers Act requires an investment adviser who exercises voting authority with respect to client securities to adopt and implement written policies and procedures reasonably designed to ensure that the adviser votes proxies in the best interest of its clients. Rule 206(4)-6 further requires an adviser to provide a concise summary of its proxy voting process and offer to provide copies of the complete proxy voting policy and procedures to clients upon request. Lastly, Rule 206(4)-6 requires that an adviser disclose to clients how they can obtain information on how the adviser voted their proxies.

The Firm invests in real estate and real estate related assets primarily through private investment vehicles, which generally do not issue proxies. Accordingly, as the Funds do not hold publicly traded equity securities with voting rights, the Adviser does not have an opportunity to vote proxies on behalf of its Clients. In the event this were to change, the Adviser will implement policies and procedures to vote such proxies in accordance with the Firm's fiduciary duty and in the best interests of Clients.



#### Item 18 – FINANCIAL INFORMATION

The Firm has no financial condition reasonably likely to impair its ability to meet contractual commitments to Clients or Investors; and has not been the subject of a bankruptcy proceeding. The Firm does not require or solicit payment of fees in advance of services rendered.