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ITEM 1 | Cover

Part 2A of Form ADV Firm Brochure

This brochure provides information about the qualifications and business practices of Mesirow RE-IA, Inc (the "**Adviser**"). If you have any questions about the contents of this brochure, please contact Alasdair Cripps at 312.595.6938 or alasdair.cripps@mesirow.com. The information in this brochure has not been approved verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about the Adviser is also available on the SEC's website at www.adviserinfo.sec.gov. The site can be searched by a unique identifying number known as a "CRD number." The Adviser's CRD number is 328098.

Mesirow refers to Mesirow Financial Holdings, Inc. and its divisions, subsidiaries and affiliates. The Mesirow name and logo are registered service marks of Mesirow Financial Holdings, Inc. © 2024. All rights reserved.

ITEM 2 | Material Changes

Mesirow RE-IA, Inc.'s (the "**Adviser**") Form ADV Part 2A, dated March 8, 2024, has been prepared by the Adviser as an other-than-annual amendment to its initial application for registration as a registered investment adviser ("**RIA**") with the U.S. Securities and Exchange Commission (the "**SEC**"). In the future, this Item 2 will contain a summary of material updates made between annual updates of the Adviser's Form ADV Part 2A; however, as this Item 2 is required to be updated only in connection with annual updates of the Adviser's Form ADV Part 2A and this is not such an update, there is no information required to be reported herein.

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ITEM 4 | Advisory Business

Mesirow RE-IA, Inc, a Delaware corporation formed in 2023, is an investment adviser registered with the SEC with its principal place of business located in Illinois. The Adviser does not provide tax or legal advice. Clients should consult with an expert on matters pertaining to tax or legal issues.

The Adviser's sole shareholder is Mesirow Financial Services, Inc., a wholly-owned subsidiary of Mesirow Financial Holdings, Inc. ("**MFHI**").

The Adviser offers investment advisory services and portfolio management to private pooled investment vehicles (each a "**Fund**" or a "**Client**") that seek investment opportunities in the real estate market and which Funds rely on one or more exceptions or exclusions from registration with the SEC under the Investment Company Act of 1940, as amended ("**Investment Company Act**"). The Funds are and are expected to be offered exclusively to accredited investors under the criteria set forth in the SEC's Rules under Securities Act of 1933, as amended (the "**Securities Act**").

The Funds are institutional real estate value-added funds, which typically are structured as Delaware limited partnerships. The Funds are diverse real estate funds that target domestic U.S. investments, primarily in the multi-family sector.

The Adviser manages each of its Funds within the guidelines and restrictions set forth, as applicable, in each Fund's private placement memorandum, limited partnership agreements (or other applicable governing agreement), subscription agreements, advisory agreements, side letter agreements, and other governing documents of the relevant Fund (collectively, as amended, "**Governing Documents**"). Each of the Funds are controlled by a general partner, which is an affiliate of the Adviser ("**General Partner**"), or similar affiliate entity as provided in the Governing Documents, including but not limited to Mesirow Financial REVF V-GP, LLC, which will serve as the general partner of Mesirow Financial Real Estate Value Fund V, L.P., a Fund currently being organized that has not commenced operations. The applicable Fund's General Partner is responsible for sourcing, acquiring, managing, financing, developing, selling, repositioning, re-tenanting commercial real estate assets that meet the Fund's investment strategy and objectives.

The Funds may utilize one or more parallel funds or feeder funds to accommodate investors with special legal, regulatory, tax or other needs. The parallel funds, if any, will invest with the Funds on a side-by-side basis and will be treated as part of the Funds. The feeder funds, if any, will invest in the Funds, giving their investors an indirect interest in the Funds. At the general partner's discretion, the Funds can hold REIT qualifying assets through a real estate investment trust.

As of March 8, 2024, the Adviser manages \$0 in client assets on a discretionary basis and \$0 on a non-discretionary basis.

ITEM 5 | Fees and Compensation

The following is a general description of the fees, compensation, and other expenses of the Funds. Each Fund's Governing Documents generally will describe fees, compensation, and expenses in greater detail. Investors should refer to such Governing Documents of the applicable Fund for a complete understanding of how the Adviser is compensated for its advisory services.

MESIROW FINANCIAL REAL ESTATE VALUE FUND V, L.P. ^{*, +}

With respect to each Fund investor, annual asset management fees are paid quarterly in arrears, according to the basic fee structure as follows:

During the Investment Period:

- The greater of 150 basis points per year of invested capital or 110 basis points per year of committed capital on commitments less than \$25 million.
- The greater of 135 basis points per year of invested capital or 100 basis points per year of committed capital on commitments between \$25 million and \$50 million.
- The greater of 100 basis points per year of invested capital or 80 basis points per year of committed capital on commitments of \$50 million or more.

After the Investment Period:

- 150 basis points per year of invested capital on commitments less than \$25 million.
- 135 basis points per year of invested capital on commitments between \$25 million and \$50 million.
- 100 basis points per year of invested capital on commitments of \$50 million or more.

*Minimum Investment: \$5 million subject to the General Partner's discretion to accept investments from qualified investors below this amount.

+Mesirow Financial Real Estate Value Fund V, L.P. is currently being organized and has not commenced operations; therefore, its respective fees, compensation, and other expenses remain subject to change.

Each Fund is generally responsible for payment of its organizational expenses (as more fully described in each Fund's Governing Documents) and shall bear and be charged with all costs and expenses of the Fund's activities and operations, including, without limitation: (i) expenses of the Fund and/or the General Partner incurred in developing, negotiating, structuring, acquiring, holding, financing (including any portfolio debt and the repayment of such financings and the costs related to establishing and maintaining any credit facility), refinancing, monitoring, disposing of, a proposed disposition or valuation of any portfolio investments, whether or not the Fund actually invests therein, including, without limitation, "dead deal" costs, any travel, legal, due diligence, telecommunications, investment banking, reporting, projections, tax and accounting expenses and other fees and out-of-pocket costs related thereto; (ii) taxes of the Fund, fees of auditors, counsel and other advisors of the Fund, insurance costs and litigation costs; (iii) administrative expenses related to the operation of the Fund, (iv) interest expenses, brokerage commissions and other investment costs incurred by or on behalf of the Fund; (v) the expenses associated with the advisory committee and partner meetings; (vi) certain litigation-related expenses and indemnification expense; and (vii) all other customary expenses, including any taxes, fees or other governmental charges levied against the Fund.

FUND INVESTORS SHOULD REVIEW THE APPLICABLE FUND'S GOVERNING DOCUMENTS FOR A COMPLETE DESCRIPTION OF THE FEES AND EXPENSES.

Limited Negotiability of Advisory Fees

The Adviser retains the discretion to negotiate alternative fees on a Client-by-Client basis and on Fund investor-by-Fund investor basis. Facts, circumstances and needs will be considered in determining fees. These facts, circumstances and needs include, among other factors, the complexity of the Client or Fund investor; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; and reporting requirements. The specific fees will be identified in the contract between (i) the Adviser and each Client or (ii) between the Fund investor and the applicable Fund or its General Partner.

Discounts, not generally available to advisory clients, are offered to employees, family members and friends of associated persons of the Adviser.

Termination of the Advisory Relationship

Fund investors have limited liquidity and termination rights, which are based primarily on obtaining a significant majority of the other investors' consent. Essentially, a Fund investor cannot voluntarily withdraw any amount from a Fund or voluntarily withdraw from a Fund except in limited circumstances described on the Governing Documents.

Additional Fees and Expenses

In addition to our advisory fees, Clients are also responsible for the fees and expenses charged by custodians. Fund investors that invest in the Adviser's private investment vehicles structured as limited partnerships are typically responsible for certain expenses relating to the partnership including, but not limited to, the cost of audits, reporting and certain legal expenses.

ERISA Accounts

In certain circumstances, the Adviser may be deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts pursuant to the Employee Retirement Income and Securities Act of 1974 ("**ERISA**"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include, among other things, restrictions concerning certain forms of compensation.

Commissions or Markups

In the event that the Adviser receives commissions or markups, advisory fees will be reduced to offset the commissions or markups.

Advisory Fees in General

Fund investors should note that similar advisory services are available from other registered (or unregistered) investment advisers.

Limited Prepayment of Fees

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 six months or more in advance of services rendered.

Educational Events

The Adviser's employees participate in educational events sponsored by the Adviser's providers, such as law firms, audit firms and other professional service firms.

ITEM 6 | Performance-Based Fees and Side-By-Side Management

The Adviser accepts performance-based allocations from Clients. Such a performance-based allocation is calculated based on a share of capital gains on or capital appreciation of the invested assets of the Client. To qualify for a performance-based allocation arrangement, a Fund investor or the Fund, depending on the circumstances, must be “qualified client” as defined in Rule 205-3(d) under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). Specifically, each Fund investor or Client, as applicable, must either: (1) be a “qualified purchaser” as defined in Section 2(a)(51)(A) of the Investment Company Act and the rules thereunder; (2) demonstrate a net worth of more than \$2,200,000; or (3) must have at least \$1,100,000 in assets under management with the Adviser at the time of investing in a Fund or entering into a management agreement with the Adviser, as applicable. Fund investors should pay particular attention to the fee section a Fund’s Governing Documents.

Clients and Fund investors should be aware that a performance-based allocation arrangement creates an incentive for Adviser to recommend investments that are riskier and/or more speculative than those that may be recommended under a different fee arrangement. To combat such risks, the Adviser has policies and procedures in place to ensure all investments are suitable and fit the Client’s objectives and investment strategy.

ITEM 7 | Types of Clients

The Adviser provides investment advisory services to Funds, which are its only clients. Interests in the Funds are offered privately in accordance with Regulation D of the Securities Act and exemptions under the Investment Company Act. Interests in the Funds are only offered to a limited number of sophisticated investors who qualify to invest in the Funds because they have sufficient income and/or net worth, such investors typically include pension and profit-sharing plans, charitable organizations, corporations or other businesses, and state or municipal government entities.

The Adviser typically imposes a minimum investment requirement in connection with investing in a Fund. This minimum investment requirement varies and is dependent on certain factors such as the size of the Fund, among others. Investment minimums may be waived at the discretion of a Fund’s General Partner.

ITEM 8 | Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS

The Adviser uses fundamental analysis to select opportune investments. In order to take advantage of the current market environment, the Funds will emphasize opportunities in the multifamily sector. Investments will also be geographically diverse, using the National Council of Real Estate Investment Fiduciaries’ (NCREIF) geographic weightings (West-35%, Midwest-10%, East-34% and South-21%) as a guideline with a slight bias towards the West Region based upon projected population and job growth trends.

RISK OF LOSS

Investments in the Funds are highly speculative and involves a high degree of risk, including the risk of loss of an investor’s entire investment. Investments in the Funds are suitable only for sophisticated investors who fully understand and are capable of bearing the risks of an investment in the Funds as an investor. Prospective investors or their advisors should carefully read the Risk Factors in the confidential private placement memorandum of each Fund in which they may invest. As a result of these factors, as well as other risks inherent in any investment, there can be no assurance that the Funds will meet their investment objectives or otherwise be able to successfully carry out their investment program. The following does not purport to be a complete examination and analysis of all of the risks involved in an investment, and other risks and conflicts not discussed below may arise in connection with the management and operation of the Funds. Prospective investors should read this in its entirety and review the Funds’ offering documents before deciding whether to make investments in the Funds. Each investor is strongly urged to consult with such investor’s attorneys and/or other professional and financial advisors prior to drawing any conclusions about these risks and/or investing in the Funds.

Potential Conflicts of Interest

Other Investment Activities: Neither the Adviser nor its respective principals will be devoting their time exclusively to the management and operations of the Funds. The Adviser or its respective principals may engage in activities, including, without limitation, financial advisory and real estate related activities that are independent from and may from time-to-time conflict with those of the Funds. Therefore, the Adviser and its respective principals will have conflicts of interest in allocating time, services and functions among the Funds and such other persons to which they provide services. In the future, there might arise instances where the interests of the Adviser conflict with the interests of the Funds. The Adviser or its respective affiliates may provide services to, advise, sponsor and/or act as an investment adviser to investment vehicles and other persons or entities (including prospective investors in the Funds) which may have similar structures and investment objectives and policies to those of the Funds and which may compete with the Funds for investment opportunities and which may co-invest with the Funds in certain transactions.

Other Accounts: Other investment funds and accounts may in the future be managed, from time to time, by the Adviser or its affiliates ("**Other Accounts**") and may hold or may acquire positions in which the Funds invest. Similarly, the Funds may in the future hold or acquire positions in which such Other Accounts hold investments. Such investments may be coincident or precede one another. The Funds may have divergent interests from such Other Accounts with respect to exit strategies. Further, The Adviser may affect client cross-transactions where the Adviser causes a transaction to be effected between Funds and Other Accounts. Investments by Other Accounts may cause the Adviser or the members of its management team to become subject to legal or contractual restrictions on its ability to effect transactions for the Funds, for example due to the receipt of material non-public information. The Adviser and its management team intend to manage any such situations, if any, in a manner consistent with their fiduciary responsibilities.

Allocation and Disposition of Investment Opportunities: In the event that the Funds allocate investment opportunities between the Funds and any Other Accounts, the Funds will generally consider such factors as strategic objectives (and suitability as to such objective), relative capital available for investment, leverage, positions in similar assets or securities, specific liquidity or other requirements of each entity or client and overall investment cost, with the objective of allocating such investments in a manner equitable to the Funds and any Other Account. If such allocation occurs, the Funds may not be entitled to investment priority as against certain Other Accounts and may not necessarily participate in every investment opportunity. In cases where a limited amount of an asset or security or other instrument is available for purchase, the allocation of such asset or security or other instrument, as between the Funds and any of the Other Accounts, may necessarily reduce the amount thereof available for purchase by the Funds.

Dissolution Risks: The Funds may be required to liquidate its investments pursuant to the dissolution rights of its investors. In the case of a dissolution of a Fund, dissolution may require the selling of the Fund's investments under circumstances which may negatively affect the Fund's returns. Where Other Accounts are liquidated pursuant to their dissolution provisions, this may also negatively affect the value of a Fund's investments and/or the circumstances of its disposition and accordingly the Fund's returns.

Material Non-Public Information: Although not anticipated, the Adviser may come into possession of material non-public information. Under applicable securities laws, this limits the Adviser's flexibility in certain instances. The Fund's investment flexibility may be constrained as a consequence of the Adviser's inability to use or receive such information for investment purposes.

Transactions between the Fund and the Adviser or its Other Accounts: The Adviser may, to the extent permitted under applicable law, effect client cross-transactions where the Adviser causes a transaction to be effected between (i) the Funds and/or (ii) Other Accounts. Other related-party transactions may include "principal trades" that are subject to Section 206(3) of the Advisers Act. If the Adviser wishes to engage in any such principal trades, it will provide the required disclosure to, and seek the consent of, either a majority in interest or the advisory board on behalf of the Funds.

Use of Affiliates of the Adviser: The Funds may retain or otherwise purchase services from affiliates of the Adviser or General Partner. Conflicts of interest may arise in connection with such transactions, and such conflicts of interest may have adverse consequences for the Funds. In addition, when the Funds engage such an affiliate, potential conflicts could arise (such as creating an incentive for a Fund's General Partner (not to enforce, or to enforce less vigorously, certain rights of the Fund under any applicable agreement in an effort to (i) maintain the Fund's relationship with such affiliate, and/or (ii) to avoid imposing adverse economic consequences upon such affiliate). The Funds may retain or otherwise purchase services, or purchase interests or assets, from affiliates of the Adviser or Fund General Partner or in without obtaining the approval of the Fund's advisory board.

Formation of New Affiliated Investment Funds: Affiliates of the Adviser or a Fund's General Partner may form additional affiliated investment funds or arrange other accounts that follow an investment program that is substantially the same as (or that incorporates substantial portions of the investment program) the Funds and/or may create additional conflicts of interest that may not be foreseeable. There will not be limitations on such affiliates' ability to form or sponsor such funds or accounts.

Diverse Limited Partners: The Members of the Funds may include persons or entities resident of or organized in various jurisdictions. As a result, conflicts of interest may arise in connection with decisions made by a Fund's General Partner or the Adviser that may be more beneficial for one type of Limited Partner than for another type of Limited Partner. In making such decisions, each of the General Partner or the Adviser intends to consider the investment objectives of the Funds as a whole, not the investment objectives of any Limited Partner individually.

Risks Related to the Funds' Investments

General Investment Risks: The transactions in which the Funds generally will engage involve risks. Growing competition may limit the Adviser's ability to take advantage of investment opportunities in rapidly changing markets. No assurance can be given that Members will realize a profit on their investment. Moreover, Fund investor may lose some, or all, of its investment. Because of the nature of the investment activities of the Funds, the results of the Funds' operations may fluctuate from month to month and from period to period. Accordingly, Fund investors should understand that the results of a particular period will not necessarily be indicative of results in future periods.

Recent Developments in Financial and Real Estate Markets: Recent developments in the global financial markets and in the real estate markets illustrate that the current environment is one of extraordinary and possibly unprecedented uncertainty. In light of such recent market turmoil, the Funds, the Adviser and other financial institutions' financial condition may be adversely affected and they may become subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the Funds' business and operations.

Potential Loss of Investment: There is a risk that an investment in the Funds will be lost entirely or in part. The Funds are not a complete investment program and should represent only a portion of an investor's portfolio management strategy.

Devotion of Time: The Adviser and its affiliates may manage accounts other than the Funds and may devote substantial time and resources to doing so.

Competition: While the Funds will attempt to distinguish themselves from other opportunistic investors in the real estate market, the Funds will encounter competition from numerous other real estate investment partnerships and trusts, as well as from individuals, corporations, bank and insurance company investment accounts, foreign investors and other entities engaged in real estate investment activities. Competition for investments may have the effect of increasing costs of investments, thereby reducing returns to the Funds. Certain of the Funds' competitors may have greater financial and other resources and better access to suitable investment opportunities. There is currently, and will likely be, competition for investment opportunities by investment vehicles and others with investment objectives and strategies identical or similar to the Funds' investment objectives and strategies. The amount of capital committed to "alternative investment strategies"

has increased dramatically during recent years. At the same time, market conditions have become significantly more adverse to many of such strategies than they were in previous years. The profit potential of the Funds may be materially reduced as a result of the increased competition within the alternative investment field.

Low or High Interest-Rate Environment: If the interest-rate environment changes substantially during the life of the Funds, the profitability of the Funds' strategies may be materially diminished.

Projections: The Funds may rely upon projections, forecasts or estimates developed by the Adviser and/or a property concerning the property's future performance and cash flow. Projections, forecasts and estimates are forward-looking statements and are based upon certain assumptions. Actual events are difficult to predict and beyond the Funds' control. Actual events may differ from those assumed. Some important factors which could cause actual results to differ materially from those in any forward-looking statements include changes in interest rates; domestic and foreign business, market, financial or legal conditions; differences in the actual allocation of the Funds' investments among different asset categories from those assumed herein; changes in the degree of leverage actually used by the Funds from time to time; the degree to which the Funds' investments are hedged and the effectiveness of such hedges; and the terms of any borrowing agreements, among others. In addition, the degree of risk will be increased as a result of leveraging of the investments. Accordingly, there can be no assurance that estimated returns or projections can be realized or that actual returns or results will not be materially lower than those estimated therein.

Projections are inherently subject to uncertainty and factors beyond the control of the Adviser and the Funds. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of the Funds to realize projected values and cash flow.

Lack of Regulation: The Funds are not and will not be registered as an investment company under the Investment Company Act or any comparable regulatory requirements. Accordingly, the provisions of the Investment Company Act (which, among other things, require registered investment companies to have boards of directors that are comprised of at least 75% of disinterested directors, require securities to be held in custody by a bank or broker in accordance with rules requiring the segregation of securities and regulate the relationship between the adviser and the investment company) are not applicable to the Funds. Because securities of the Funds held by certain brokers may not be held in segregated accounts, a failure of any such broker is likely to have a greater adverse impact on the Funds than if such securities were registered in the Funds' name, as applicable. Investors in the Funds do not have the benefit of the protections afforded by, nor are the Funds subject to the restrictions contained in, such registration and regulation.

Political, Economic, and Catastrophic Events: The Funds' investments may be adversely affected by changes in economic conditions or political events that are beyond their control. Various social and political tensions in the United States and around the world may contribute to increased market volatility, may have long-term effects on the U.S. and worldwide financial markets and may cause further economic uncertainties in the United States and worldwide. The Adviser does not know when or for how long the financial markets will be affected by such events and cannot predict the effects of any such events in the future on the U.S. economy and securities markets. Additionally, a serious pandemic, such as avian influenza, or a natural disaster, such as a hurricane, earthquake, or other catastrophic event could severely disrupt the global, national and/or regional economies and/or markets. Other factors, such as changes in federal or state tax laws, federal or state securities laws, bank regulatory policies or accounting standards, may make corporate acquisitions less desirable. Similarly, legislative acts, rulemaking, adjudicatory or other activities of the U.S. Congress, State governments, the Securities and Exchange Commission, the Federal Reserve Board, the New York Stock Exchange, the Financial Industry Regulatory Authority ("**FINRA**") or other governmental or quasi-governmental bodies, agencies and regulatory organizations may make the business of the Funds less attractive. A negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility and cause credit spreads to widen or tighten unexpectedly, each of which could have an adverse effect on the investment performance of the Funds.

Illiquidity of Fund Investments: It is expected that a substantial portion of the Funds' investments will consist of assets which are illiquid or for which there currently is no well-developed secondary market. While substantial portions of any investment may be sold from time to time, in order to dispose of certain investments prior to the expiration of the term of the Funds, certain portions of an investment may be sold prior to the time which would optimize the returns to investors. In addition, less marketable or illiquid assets may be more difficult to value due to the unavailability of reliable market quotations. The sale of less marketable assets may require more time and result in lower prices, due to higher brokerage charges or dealer discounts and other selling expenses, than the sale of more marketable assets. There can be no assurances that the Funds will be able to sell any investment (or any portion thereof) at the time that it may be in the best interests of the Funds to sell. The lack of liquidity in some of the Funds' investments may adversely affect the Funds' business. The Funds may have exposure to real estate or other assets for which no (or only a limited) liquid market exists or that are subject to legal or other restrictions on the transfer of such assets and will generally be less liquid than publicly traded securities.

Increasing Interest Rates Could Negatively Impact the Results and Operations of the Fund's Investment: Interest rates are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political considerations and other factors beyond the Funds' control. Increasing interest rates would negatively impact the net income of the Funds' investments because increases in the general level of interest rates will result in higher borrowing costs for certain of the Funds' investments. To the extent Fund investment enters into variable rate loan agreements, when interest rates increase, so will its interest costs, which could adversely affect its cash flow, ability to pay principal and interest on its debt, the cost of refinancing its debt when it becomes due and its ability to make or sustain distributions to its owners, including the Funds. An increase in interest rates could decrease the amount buyers may be willing to pay for a property, thereby reducing the market value of the Funds' investments and limiting the Funds' ability to sell investments or to obtain financing secured by its investments. Further, increased interest rates may effectively increase the cost of investments the Funds acquire to the extent the Funds utilize leverage for those acquisitions and may result in a reduction in the Funds' acquisitions to the extent the Funds reduce the amount it offers to pay for investments, due to the effect of increased interest rates, to a price that sellers may not accept.

Possible Changes to Applicable Laws: No assurance can be given that U.S. or non-U.S. federal or state legislative, administrative or judicial changes will not occur which will alter, either prospectively or retroactively, the tax considerations, or risk factors. In particular, the regulatory environment for alternative investment funds is evolving, and changes in the regulation of such vehicles may adversely affect the value of investments held by the Funds and the ability of the Funds to obtain the leverage they might otherwise obtain or to pursue their investment strategy. Each prospective investor should seek, and must rely on, the advice of its own accounting, investment, legal, tax and other advisers with respect to the possible impact on its investment of any future proposed legislation or administrative or judicial action.

Market Risks Related to the Funds

General Real Estate Market Risks: There is no assurance that the operations of the Funds will be profitable or that cash from operations will be available for distribution to Fund investors. Because real estate, like many other types of long-term investments, historically has experienced significant fluctuation and cycles in value, specific market conditions may result in occasional or permanent reductions in the value of the real estate investments. Investments in real estate and real estate-related assets (whether in the form of debt or equity) are subject to various risks, including changes in regional, national and international economic conditions, adverse local market conditions, the financial condition of tenants, buyers and sellers of properties, declines in rental or occupancy rates, competition from other developments, changes in supply of or demand for competing properties in an area (as a result, for instance, of over-building), geographic or market concentration, the ability of the Funds or property managers to manage the real properties, the promulgation and enforcement of governmental regulations relating to land use and zoning restrictions, occupational safety, unavailability of mortgage funds which may render the sale or refinancing of a property difficult, location of the properties; the potential for uninsured or under-insured

property losses, the imposition of rent controls; energy and supply shortages, changes in the availability of debt financing, changes in interest rates, real estate tax rates and other operating expenses, environmental laws and regulations, zoning laws and other governmental rules and fiscal policies, environmental claims arising in respect of real estate acquired with undisclosed or unknown environmental problems or as to which inadequate reserves had been established, energy prices, changes in the relative popularity of property types and locations, risks due to dependence on cash flow and risks and operating problems arising out of the presence of certain construction materials, as well as acts of God, natural disasters and uninsurable losses, acts of war (declared and undeclared), natural disasters terrorist acts, strikes and other factors that are beyond the control of the Adviser or the members of the Adviser's management team.

Developments in U.S. Real Estate Regulatory Environment: The businesses of the Funds are affected by conditions in the residential real estate market as well as by the financial condition and resources of other participants in this market. The real estate market and a number of participants in such market are subject to, or regulated under, various federal and state laws and regulations. In some cases, the government or government-sponsored entities directly participate in the real estate market. In particular, because issues relating to residential real estate and housing finance can be areas of political focus, federal and state governments may be more likely to take actions that affect residential real estate, the markets for financing residential real estate and the participants in residential real estate-related industries than they would with respect to other industries. As a result of the government's statutory and regulatory oversight of the markets the Funds participate in and the government's direct and indirect participation in these markets, federal and state governmental actions, policies and directives can have an adverse effect on these markets and on the Funds' business and the value of, and the returns on, investments the Funds may acquire in the future, which effects may be material.

The Funds will be Subject to the Risks Normally Associated with the Acquisition of Equity and/or Debt Interests in Real Estate Developments and/or in Businesses that Engage in Real Estate Development: The Funds will acquire equity and/or debt interests in real estate developments and/or in businesses that engage in real estate development. As a result, the Funds will be subject to the risks normally associated with development activities. Such risks include, without limitation, risks relating to the availability and timely receipt of zoning and other regulatory approvals, the cost and timely completion of construction (including risks beyond the control of the Funds, such as adverse weather or labor conditions or material shortages) and the availability of both construction and permanent financing on favorable terms. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have an adverse effect on the financial condition and results of operations of the Funds and on the amount of funds available for distribution to the Limited Partners.

Concentration on the Real Estate Sector: The Funds' focus on the real estate sector may increase the volatility of the Funds' returns and expose the Funds to the risk of downturns in the real estate sector to a greater extent than if its portfolio also covered other sectors of the economy.

Highly Competitive Markets for Real Estate Investment Opportunities: The market for identifying, structuring and investing in real estate, real estate investment funds, real estate operating companies and other real estate -related investments is highly competitive and involves a high degree of uncertainty. The Funds may incur significant expenses in connection with the identification of investment opportunities and investigating other potential investments that are ultimately not consummated, including expenses relating to due diligence, travel and legal, accounting and other professional services as well as the fees of third-party advisers. The Funds will be competing for investment opportunities with a broad spectrum of other real estate investment vehicles, as well as individuals, publicly traded REITs, financial institutions (such as pension funds), hedge funds and other institutional investors, many of which have substantially greater financial resources and are more well-known than the Funds. As a result, there is no assurance that the Funds will be able to invest fully its commitments or that suitable investment opportunities will be identified, and the performance of the Funds may be adversely affected if the Funds are unable to identify an appropriate volume of investment opportunities. Even if these investment opportunities are identified, there is no assurance that the Funds' attempts to acquire interests in such investments will be

successful; and, upon a successful bid, legal or contractual transfer restrictions, including rights-of-first-refusal, rights-of-first-offer, change-of-control and other similar provisions applicable to such investment, may prevent the Funds from acquiring all or a portion of such investment. In addition, the Adviser may not be able to obtain as favorable terms as it would otherwise in a less competitive investment environment.

Investments in New Development: The Funds may acquire direct or indirect interests in real estate that are intended for development or in the process of being developed at the time the investment is made. Such investments may often be non-income producing. To the extent that the Funds invest in such assets, it will be subject to the risks normally associated with such assets and development activities. Such risks include, without limitation, risks relating to the availability and timely receipt of zoning and other regulatory or environmental approvals, the cost and timely completion of construction (including risks beyond the control of the Funds, such as weather or labor conditions or material shortages) and the availability of both construction and permanent financing on favorable terms. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have an adverse effect on the Funds. Properties under development or properties acquired for development may receive little or no cash flow from the date of acquisition through the date of completion of development and may experience operating deficits after the date of completion. In addition, market conditions may change during development that make such development less attractive than at the time it was commenced.

Risks of Renovating Property: The renovation, refurbishment or expansion of a property involves risks of cost overruns and non-completion. Estimates of the costs of improvements to bring an acquired property up to standards established for the market position intended for that property may prove inaccurate. Other risks may include, without limitation, renovation costs exceeding original estimates, possibly making a project uneconomical and disrupting subsequent leasing of the property. If such renovation is not completed in a timely manner, or if it costs more than expected, the Funds may experience a prolonged impairment of net operating income.

Commercial Mortgage Loans: Commercial real estate loans held by the Funds' underlying real estate investments may be secured by multifamily or commercial property and are subject to risks of delinquency and foreclosure, and risks of loss that are greater than similar risks associated with loans made on the security of single-family residential property. The ability of a borrower to repay a loan secured by an income-producing property typically is dependent primarily upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. Commercial mortgage loans may become non-performing for a wide variety of reasons, including, without limitation, because the mortgaged property is too highly leveraged (and, therefore, the property is unable to generate sufficient income to meet its debt service payments), the property is poorly managed or because the mortgaged property has a high vacancy rate, has not been fully completed or is in need of rehabilitation. If the net operating income of the property is reduced, the borrower's ability to repay the loan may be impaired. The ability of borrowers to repay these loans or other financial assets is dependent upon the income or assets of these borrowers.

Risk of Eminent Domain: Municipalities and other government subdivisions may, in certain circumstances, seek to acquire certain assets of the Funds through eminent domain proceedings. While the Funds may seek to contest these proceedings, which may be costly and may divert the attention of management from the operation of the Funds, there can be no assurance that a municipality or other government subdivision will not succeed in acquiring assets of the Funds. In such event, there is a risk that the Funds will not receive adequate compensation for the assets acquired, or that the Funds will not be able to recover all charges associated with divesting such assets.

Management of the Fund's Properties: Property managers and tenants may be responsible for the maintenance and other day-to-day management of the properties. If a property is not adequately maintained in accordance with the terms of the applicable lease or agreement, the Funds may incur expenses for deferred maintenance expenditures or other liabilities once the relationship is terminated. Although the Funds will endeavor to monitor, on an ongoing basis, compliance by

tenants and managers with their obligations and other factors that could affect the financial performance of the Funds' properties, such monitoring may not in all circumstances ascertain or forestall deterioration either in the condition of a property.

Risks Related to Investment Techniques

Leverage: The Funds may leverage its capital when the General Partners believe that the use of leverage is necessary to pay expenses of the Funds or to fund Limited Partners' capital contributions on an expedited basis. While such borrowing may increase the investment opportunities available to the Funds, it will also increase the risk of loss.

Subscription Facility Debt: The Funds may also utilize indebtedness that is secured by Commitments. Investors whose Capital Commitments have been pledged may be called upon to fund their entire capital commitment to repay indebtedness, and the failure of other Fund investors to honor their capital commitments may result in a Fund investor's payments exceeding its pro rata share of the indebtedness.

Risks Related to the Funds' Structure

Dependence on Certain Key Personnel: The Funds' performance is largely dependent on the talents and efforts of highly skilled individuals employed by the Adviser. The future performance of the Funds depend on the continued service of such persons. The departure or incapacitation of any of the investment professionals of the Adviser may have an adverse effect on the profits of the Funds. Competition in the real estate and the financial services industry for qualified employees is intense, and if the services of certain key personnel were to become unavailable, the General Partners might deem it in the Funds' best interest to terminate the Funds. Neither the Funds nor the Adviser currently intends to maintain key man life insurance with respect to any of such persons.

Charges to the Funds: The Funds are obligated to pay certain fees and expenses, as described as described in each Fund's Governing Documents, such as management fee, administration fees, organizational expenses and operating expenses. There can be no assurance that the Funds will be able to earn sufficient income to offset these charges.

Fund Investors Will Not Participate in Management: Investors have no right to participate in the management of the Funds or in the conduct of their business. The General Partners and/or the Adviser makes all decisions with respect to management, financing, leasing and disposition of the Funds' investments and general policies with respect to certain other activities, including operating policies. These policies may be changed from time to time at the sole discretion of the General Partners without a vote of investors. Investors will have no opportunity to control the day-to-day operations of the Funds, including investment and disposition decisions. There exists broad discretion to expand, revise, or contract the Funds' business without the consent of the investors. Any decision to engage in a new activity could result in the exposure of the Funds' capital to additional risks which may be substantial.

No Guarantee: The limited partnership interests of the Funds will not be insured or guaranteed by any person or entity. The Funds will have no substantial assets other than the Funds' investments. In the event of the dissolution of the Funds or otherwise, if the proceeds of the Funds' assets are insufficient to repay capital contributions made to the Funds by the holders of the Interests, no other assets will be available for the payment of any deficiency. Fund investors could experience a total loss of their investment in the Funds.

Restrictions on Transfer and Withdrawal: Fund investors are required to represent that they have acquired Fund interests for investment purposes only and not with a view to or for resale, distribution or fractionalization of such interests. Such interests will not be registered under the securities laws of any jurisdiction and therefore will be subject to restrictions on transfer under the Securities Act and any similar U.S. state laws, as applicable. The Funds have no plans, and is under no obligation, to register such interests under the Securities Act. Such interests may not be transferred, assigned, pledged or otherwise disposed of without the prior written consent of the Funds.

Side Letters: The Funds and the General Partners (for themselves and/or on behalf of the Fund) may enter into side letters or other agreements with certain prospective or existing investors that waive or modify the application of the terms and conditions described in the Governing Documents (including, without limitation, those relating to investment capacity, compensation), without obtaining the consent of any other investor and without entitling any other investor to such waiver or modification. Waivers or modifications of terms and conditions are made solely in the discretion of the General Partners or their agents, as applicable, and may, among other things, be based on the size of the investor's investment in the Funds or any affiliated investment entity, an agreement by an investor to maintain such investment for a significant period of time, or other similar commitment by an investor.

System Risks: The Funds depend on the Adviser to develop and implement appropriate systems for its activities. The Funds may rely on computer programs to evaluate certain investments, to monitor its portfolios, and to generate asset, risk management and other reports that are utilized in the oversight of the Funds' activities. In addition, certain of the Funds' and the Adviser's operations interface with or depend on systems operated by third parties, including custodians, and the Adviser may not always be in a position to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by computer "worms," viruses and power failures. Such failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades and cause inaccurate reports, which may affect the Funds' ability to monitor its investment portfolios and their risks. Any such defect or failure could cause the Funds to suffer financial loss, the disruption of its business, liability to clients or third-parties, regulatory intervention or reputational damage.

ITEM 9 | Disciplinary Information

The Adviser and its management personnel have no reportable disciplinary events to disclose.

ITEM 10 | Other Financial Industry Activities and Affiliations

Certain employees of the Adviser are separately licensed as registered representatives of Mesirow Financial, Inc. ("**MFI**"). These individuals, in their separate capacity, can and do at certain times, effect securities transactions for which they will receive separate, yet customary compensation.

While the Adviser and these individuals endeavor at all times to fulfill their fiduciary responsibilities to Clients. Clients and Fund investors should be aware that the receipt of additional compensation itself creates a conflict of interest and can affect the judgment of these individuals when making recommendations.

The principals of the Adviser are principals of the General Partners of Funds. Each Fund's General Partner has designated the Adviser as having primary responsibility for investment management and administrative matters, such as accounting tax and periodic reporting, pertaining to the Fund. The Adviser and its members, officers and employees will devote to the funds as much time as it deems necessary and appropriate to manage the business. The Adviser and its affiliates are not restricted from forming additional investment funds, entering into other investment advisory relationships or engaging in other business activities, even though such activities can be in competition with the funds. Potentially, such activities could be viewed as creating a conflict of interest in that the time and effort of the Adviser's management personnel and employees will not be devoted exclusively to the business of the funds but could be allocated between the business of the funds and other business activities.

The Adviser or its affiliates act as a General Partner or sponsor of various private investment vehicles that the Adviser's affiliates may recommend or sell to their respective clients. Such affiliates have their own fiduciary duties to such persons, and it is the Adviser's understanding that prior to the sale of any such investments, the Adviser's affiliates will disclose any material potential conflicts of interest and will recommend the investment only if it appears suitable for such persons. Such duties are those of the Adviser's affiliates alone, and such affiliates are solely responsible for their own duties; the Adviser disclaims any responsibility therefor.

Clients and Fund investors should be aware that the receipt of additional compensation by the Adviser and its management persons or employees creates a conflict of interest that potentially impairs the objectivity of the Adviser and these individuals when making advisory recommendations. The Adviser endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment advisor. The Adviser typically takes the following steps to address and to mitigate any potential conflict:

- The Adviser discloses to Clients and Fund investors the existence of all material conflicts of interest;
- The Adviser's management conducts reviews of each Client's investments to verify that all recommendations made to a Client are suitable for the Client's stated objectives as outlined in the Client's Governing Documents;
- The Adviser requires that our employees seek prior approval of any outside employment activity to ensure that any conflicts of interests in such activities are properly addressed;
- The Adviser periodically monitors outside employment activities of its employees to verify that any conflicts of interest continue to be properly addressed; and
- The Adviser educates its employees regarding the responsibilities of a fiduciary, including the need to have a reasonable and independent basis for the investment advice provided to Clients.

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

The Adviser has adopted a Code of Ethics that sets forth the ethical standards of business conduct that the Adviser requires of its employees, including compliance with applicable federal securities laws.

The Adviser and its personnel owe a duty of loyalty, fairness and good faith towards clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code of Ethics.

The Adviser's Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the Adviser's access persons. The Adviser also has additional policies and procedures relating to the preclearance of all employee trades (other than securities deemed exempt from this obligation). The Adviser's Code of Ethics also provides for oversight, enforcement and recordkeeping provisions.

The Adviser's Code of Ethics further includes policies and procedures governing gifts and entertainment, outside business activities, confidentiality of information and information barriers, and charitable and political contributions. The Code of Ethics also prohibits the misuse of material non-public information and emphasizes the avoidance of conflicts of interest with Clients. Each employee must acknowledge the terms of the Code of Ethics on an annual basis. Any employee who violates the Code of Ethics may be subject to possible actions, which may include enhanced supervision, censure, suspension or termination.

A copy of the Code of Ethics is available to advisory clients and prospective clients. To request a copy, e-mail maryjo.hayes@mesirov.com, or call 312.595.6512.

The Adviser is part of a group of affiliated financial services companies that perform a number of different services for Clients and Fund investors. The Adviser is mindful of the conflicts or potential conflicts that such relationships create.

Consequently, the Adviser has adopted a Code of Conduct, which prescribes standards of conduct required of all employees, regardless of their position or affiliation in the group. The Code prohibits self-dealing and other improper activities, the misuse of material non-public information, and it emphasizes the avoidance of conflicts of interest with clients. Some specific areas of potential conflict are discussed below.

The Adviser and/or its associated persons can buy or sell for their personal accounts securities identical to, or different from, those recommended to Clients. In addition, any related person(s) can have an interest or position in a certain security that may also be recommended to a Client. However, it is the expressed policy no personal securities transactions will be cleared if the corresponding entity (1) has a conflicting order pending or (2) is actively considering a purchase or sale of the same security. A conflicting order is any order for the same security, or an option on that order, which has not been fully executed by the particular division.

The Adviser does not aggregate employee trades with client transactions.

The Adviser may direct the purchase or sale in securities on a principal basis in accordance with Section 206(3) under the Advisers Act.

As these situations represent actual or potential conflicts of interest to Clients, the Adviser has established the following policies and procedures for implementing its Code of Ethics, to ensure our firm complies with its regulatory obligations and provides clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of the Adviser can put his or her own interest above the interest of an advisory client.
2. No principal or employee of the Adviser can buy or sell securities for their personal portfolio(s) where their decision is due to information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account by the particular division for which they are employed.
4. The Adviser requires prior approval for any IPO or private placement investments.
5. The Adviser maintains a list of all reportable securities holdings for the firm and anyone associated with this advisory practice that has access to advisory recommendations ("**access person**"). These holdings are reviewed on a regular basis by the appropriate designated supervisor.
6. The Adviser has established procedures for the maintenance of all required books and records.
7. As discussed in each Client's Governing Documents, a Client's advisory committee is empowered to review and waive certain conflicts of interest.
8. All of the Adviser's principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
9. The Adviser requires delivery and acknowledgement of the Code of Ethics by each access person.
10. The Adviser has established policies requiring the reporting of Code of Ethics violations to senior management.

Any individual who violates any of the above restrictions may be subject to possible actions, which may include enhanced supervision, censure, suspension or termination.

Other Participation or Interest in Client Transactions

Due to the fact that the Adviser is compensated based on committed or invested capital, the Adviser's employees are incentivized to cause Clients to invest and/or to have Fund investors commit more capital.

ITEM 12 | Brokerage Trading Practices

Given the nature of the investment program of the Funds, the Adviser typically does not execute trades through broker-dealers or make investments in listed securities traded through broker-dealers. As such, the Adviser does not select or recommend broker-dealers for Fund transactions and does not enter into soft dollar arrangements. However, in the event the Adviser does execute trades through broker-dealers or make investments in listed securities traded through broker-dealers, the Adviser is mindful of its duty to seek best execution and will update this response.

ITEM 13 | Review of Accounts

The investments made by the Funds will generally be private, illiquid and long-term in nature. Accordingly, the review process will not be directed toward a short-term decision to dispose of securities. However, the Adviser's investment professionals will closely monitor Fund investments and periodically check to confirm that each Fund is maintained in accordance with its stated objectives.

A review of a Fund's investments, other than described above, may also be triggered by material changes in key variables, such as changes in market conditions, changes in investment objectives or policies or changes in capital inflows/outflows, among other things.

The Adviser or an affiliate will provide Fund investors with annual audited financial statements of the applicable Fund(s) within one-hundred twenty (120) days after the end of the fiscal year of the Fund. Financial statements will be prepared in accordance with accounting principles generally accepted in the U.S.

Fund investors are urged to carefully review the information provided on these statements.

ITEM 14 | Client Referrals and Other Compensation

The Adviser does not receive economic benefits from non-Clients for providing advisory services, and does not compensate any non-supervised persons for Client referrals.

ITEM 15 | Custody

Generally, related persons of the Adviser's act as general partner of the Adviser's Clients. As a result, the Adviser will be deemed to have "custody" of the assets of such Funds under Rule 206(4)-2 of the Advisers Act ("**Custody Rule**").

In accordance with the Custody Rule, the Adviser meets the conditions of the pooled investment vehicle annual audit provision of the Custody Rule by obtaining an annual audit of such Funds' financial statements by an independent auditor who is a member of and subject to inspection by the Public Company Accounting Oversight Board, with such audited financial statements made available to investors in compliance with the Custody Rule. The audited financial statements will be prepared in accordance with U.S. generally accepted accounting principles distributed within 120 days of each Fund's fiscal year end, or otherwise as required by law.

ITEM 16 | Investment Discretion

Clients can engage the Adviser to provide discretionary and non-discretionary asset management services. Generally, the Adviser maintains the authority to manage the Funds on a discretionary basis, subject to the overall supervision of the applicable General Partner, in accordance with the investment guidelines, objectives, limitations and other provisions and terms set forth in each Funds' Governing Documents.

Each Fund's investment strategy and restrictions are set forth in such Fund's Governing Documents. Investment advice is provided directly to the Funds, subject to the discretion and control of the relevant General Partner, and not to the individual investors in such Funds.

ITEM 17 | Voting Client Securities

Due to the nature of its investment program, the Adviser does not generally trade in individual publicly-traded securities that would require the Adviser to vote traditional proxies. Moreover, Adviser's general policy is not to accept the authority to vote proxies on behalf of Clients.

If the Adviser is asked to vote on a proxy or corporate action, it will make a determination, in its opinion, as to what vote is in the best interest of the Funds and Fund investors (as applicable). The Adviser will maintain a written record of any proxy/corporate action on which it votes.

ITEM 18 | Financial Information

The Adviser does not require prepayment of management fees six months or more in advance and is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its Clients. The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.