

## Item 1. Cover Page



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This Investment Adviser Brochure (the “Brochure”) provides information about the qualifications and business practices of GID Multifamily Investment Management LLC (“GMIM”) and its relying adviser, GID Industrial Investment Management LLC (“GIIM” and collectively with GMIM, the “Company”). If you have any additional questions about the contents of this Brochure, please contact us at 833-259-7511. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

GID Multifamily Investment Management LLC and GID Industrial Investment Management LLC are investment advisers registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration as an investment advisor does not imply a certain level of skill or training.

Additional information about GID Multifamily Investment Management LLC and GID Industrial Investment Management LLC is available on the SEC’s website at <http://www.adviserinfo.sec.gov>.

## Item 2. Material Changes

The Company filed its initial Form ADV Part 2 on November 10, 2023. In this annual amendment, we have expanded on the risks and potential conflicts of interest identified in Item 8. In addition, while not material, the Company routinely makes changes throughout its Brochure to improve and clarify the descriptions of its business practices and compliance policies and procedures or in response to evolving industry best practices and Company practices.

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## **Item 4. Advisory Business**

### **A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).**

The Company is a newly formed advisory entity created in 2023. The Company, including its affiliates, (which are collectively referred to as “GID”) is a privately held, diversified real estate investment manager with corporate offices in Atlanta, GA; Boston, MA; Dallas, TX; New York, NY; San Francisco, CA. Since 1960, the Company’s affiliated entities have invested in real estate exclusively for its own account. Since 2003, the Company’s affiliated entities have provided investment and management services to pooled investment vehicles and other joint ventures. Today, GID is a vertically integrated real estate company that develops, owns, and operates various types of real estate, including multifamily, condominiums, retail, commercial, industrial and mixed-use. The Company is indirectly owned and ultimately controlled by voting trusts of the Wallace family. Relying adviser GIIM’s sole member, GID Industrial Advisers LLC, has accepted a minority interest from a third party as further described in Items 8 and 10 below.

### **B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.**

The Company provides investment management services consisting of portfolio management and investment management services to pooled investment vehicles, (each, a “Fund” and, together with any future private investment fund to which the Company and/or its affiliates provide investment advisory services, the “Funds”). Each Fund is managed by a general partner that is affiliated with the Company (each, a “General Partner” and collectively, together with any future affiliated general partner entities, the “General Partners”) with authority to make investment decisions on behalf of its respective Fund. The applicable General Partner retains investment discretion and investors in the Funds do not participate in the control or management of the Funds. While the General Partners maintain ultimate authority over the respective Funds, the Company has been designated the role of investment adviser. Each General Partner is subject to the Advisers Act pursuant to the Company’s registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with the Company.

GID currently owns, and is permitted to own in the future, investments through a proprietary account to which an affiliate of the Company provides services. Affiliates of the Company serve and intend in the future to serve as co-investors in joint ventures with unaffiliated investors where the latter maintain significant approval rights over the management of the joint ventures. Such proprietary accounts and joint ventures are not securities and thus are not categorized as a Fund, are not included in Regulatory Assets under Management (“RAUM”) or reported in dollars in custody and are not considered “clients” herein and in the ADV Part 1.

GID has in the past and intends in the future to raise, sponsor, manage, otherwise provide discretionary investment management and/or advisory services to, or source investments for other funds, investment vehicles, separately managed account arrangements, special purpose vehicles, co-investors and co-

investment vehicles. These, together with the above mentioned proprietary accounts and joint ventures, are each referred to throughout this ADV as an “Other GID Account”.

GID’s experience spans multiple real estate asset classes, including multifamily, condominiums, retail, commercial, industrial and mixed-use development. The Company’s investment management operations are supported by a vertically-integrated operating platform comprising disciplines including acquisitions, construction and development, research and data analytics, sustainability, property management, finance and corporate operations. The Company generally manages the day-to-day operations of these real estate projects through wholly owned affiliates which maintain an active oversight of each project, including retaining decision rights, subject to the limitations of each investment’s Governing Documents (as defined immediately below). The Company’s advisory services to a Fund are detailed in each Fund’s private placement memorandum or other offering documents (the “Memorandum”), limited partnership agreement of the Fund (the “Partnership Agreement” and, together with any relevant Memorandum, the “Governing Documents”) and are further described below in Item 8 under “Methods of Analysis, Investment Strategies and Risk of Loss.” These services generally include identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions of such investments.

**C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.**

The Company’s investment advice and authority for each Fund is tailored to the investment objectives of that Fund; the Company does not tailor its advisory services to the individual needs of investors in its Funds. Investors in the Funds participate in the overall investment program for the Fund and the Company is not required to, and does not, seek investor approval regarding each investment decision. Fund investors generally cannot impose restrictions on investing in certain securities or types of securities. However, in accordance with common industry practice, the Company and/or its affiliates have entered, and expect to enter, into separate agreements which alter or enhance an investor’s rights, privileges or obligations with respect to an investment (commonly referred to as “side letters”). Such different or preferential rights or terms include, but are not limited to, different fee structures (including discounted or rebated compensation terms), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, rights to serve on a Fund’s advisory committee, and liquidity or transfer rights. Some side letters relate to strategic relationships under which an investor agrees to make commitments to multiple Funds. These rights, benefits or privileges are not always made available to all investors, consistent with the Governing Documents and general market practice. Commencing in September 2024, the Company will make required disclosure of certain side letters to all investors (and in certain cases, to prospective investors) in accordance with the new Private Fund Rule. Side letters are negotiated at the time of the relevant investor’s capital commitment, and once invested in a Fund, investors generally cannot impose additional investment guidelines or restrictions on such Fund. There can be no assurance that the side letter rights granted to one or more investors will not in certain cases disadvantage other investors.

**D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.**

The Company does not participate in wrap fee programs.

**E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date “as of” which you calculated the amounts.**

As of December 31, 2023, the Company managed \$3,815,911,769 in regulatory assets under management on a discretionary basis. The Company does not manage any Fund assets on a non-discretionary basis.

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

**A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.**

In general, the Company and the General Partners receive a management fee and an incentive allocation in connection with the provision of advisory services to the Funds. Certain Company affiliates receive additional compensation in connection with management and other services performed for portfolio assets of the Funds to the extent provided by the Governing Documents. Investors in a Fund also bear certain expenses. The following is a general description of fees, compensation and expenses of the Funds. Differences in fees and expenses exist from Fund to Fund, and certain Funds do not charge certain fees, compensation or expenses that other Funds charge or charge them in different amounts. Investors should refer to the Governing Documents of the applicable Fund for a complete understanding of how the Company is compensated for its advisory services; the information contained herein is a summary only and is qualified in its entirety by such documents.

### **Management Fees**

The Funds will pay the Company, quarterly and either in arrears or in advance (depending on the Fund), a management fee (the “Management Fee”) calculated in accordance with the applicable Partnership Agreement, which allow for a range of Management Fees based on either (x) the aggregate investment contributions of an investor plus such investor’s share of investments for which the applicable Fund has made commitments or other reserves (including for development or development activities) to complete investments by such Fund, in each case for investments that have not been disposed of or completely written-off (as further described in the applicable Partnership Agreement) or (y) a percentage of the net asset value of such Fund (as determined in accordance with the Company’s valuation policy for such Fund), ranging from 0.50% per annum to 1.50% per annum, subject to modification by the applicable General Partner at its discretion. Management Fees generally will not be reduced, reimbursed or refunded under the Governing Documents in the event of realizations, dispositions, partial write-downs or changes to net asset value that occur partway through the relevant calculation period. Each General Partner is permitted to grant aggregation benefits for affiliated or commonly advised investors that have a minimum commitment threshold in the Funds, which such commitment threshold is permitted to be waived in such General Partner’s discretion. The investment of each General Partner, its affiliates, and any other designated partner, in each case, at such General Partner’s discretion, will not be subject to a Management Fee or will be subject to a reduced Management Fee. Generally, investors participating in a subsequent closing after the initial closing of a Fund are responsible for paying the Management Fee as of the date of the initial closing of such Fund,

plus interest, as applicable. In addition, Management Fees are payable during term extensions unless otherwise agreed to with investors.

To the extent specified in a Fund's Governing Documents, the General Partner or another Company entity will be permitted to receive certain supplemental fees and other amounts ("Supplemental Fees") consisting of: (i) property management fees where a Company affiliate renders property management services for Fund investments; (ii) development fees for development projects developed for the Funds by a Company affiliate; (iii) development supervision fees for development projects developed for the Funds by a third-party developer; (iv) construction supervision fees for capital expenditure projects; (v) leasing commissions where a Company affiliate provides leasing services; (vi) insurance premiums for insurance-related services provided; and (vii) support services (including accounting, financial, reporting, fund administration, tax, internal audit, legal, debt placement, property-level marketing services, property-level technology-related services, brokerage and any other services) to the Funds or a Fund portfolio investment. The Funds' Governing Documents generally will provide that Supplemental Fees received by the Company and attributable to a Fund's investment in a portfolio investment will not be credited against Management Fees otherwise owed to the Company and will be retained by the Company.

### **Incentive Allocation**

The General Partner or an affiliate is entitled to receive an incentive allocation (the "Incentive Allocation") if certain performance hurdles are met after Fund investors have received returns specified in the Governing Documents. The manner of calculation, payment method and the application of performance-based distributions or Incentive Allocations are disclosed in the Funds' Governing Documents.

### **Other Information**

The Company is permitted to exempt certain "affiliated partner" investors in the Funds from payment of all or a portion of Management Fees and/or Incentive Allocation, including the Company and any other persons designated by the Company, such as persons affiliated or associated with the General Partner or the Company, including their respective affiliates or any current or former officers, directors, employees, individual members, partners or consultants of the foregoing or any family members of the foregoing (or any investment vehicle through which any of the foregoing makes an investment in the Funds, a parallel fund or any Other GID Account). The General Partner reserves the right to make any such exemption from Management Fees and/or the Incentive Allocation by a direct exemption, a rebate by the Company and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where a Company professional (or an affiliate or affiliated entity thereof) invests in a Fund, such professional (or such affiliate or affiliated entity) generally will be exempt from payment of the Management Fee and/or Incentive Allocation with respect to their interest in the Fund. Additionally, to the extent permitted by the Governing Documents, the General Partner has the right to permit investors, affiliated with the General Partner or otherwise, to invest through the General Partner or other vehicles that do not bear Management Fees and/or Incentive Allocation.

Principals or other current or former employees (to the extent promotes were accrued upon date of termination) of the Company and its affiliates generally receive salaries and other compensation derived

from, and in certain cases including a portion of, the Management Fee, Incentive Allocation, Supplemental Fees or other compensation received by the Company or its affiliates.

**B. Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.**

The Management Fees are calculated quarterly and payable either quarterly in arrears or in advance, depending on the Fund and as specified in each Fund's Governing Documents. Installments of the Management Fee payable for any period other than a full quarterly period are adjusted on a *pro rata* basis according to the actual number of days in such period. The relevant General Partner is permitted to adjust distributions, other payments, calculations or redeem Fund units to capture the applicable Management Fee. Incentive-based compensation is paid as a capital call or deducted from distributions.

**C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.**

The Funds will pay directly or reimburse the General Partner or the Company for various expenses it reasonably determines are attributable to the Funds for its activities and actual or potential investments. Such expenses are in certain circumstances provided by third parties or by affiliates of the Company and shall include but are not limited to: all costs and expenses incurred with respect to sourcing, developing, financing, managing, and selling actual and potential investment opportunities, including all travel, lodging, meals or entertainment related to such consummated or unconsummated investment opportunities, including investment opportunities for which co-investment was contemplated; brokerage and any other applicable transaction cost and custodial fees, if any (please see Item 12 for a description of the Company's brokerage practices); legal, accounting, auditing, administration, tax consulting, and valuation services; allocated insurance incurred by a General Partner for general partners liability (directors and officers and errors and omissions insurance) (if any), Fund reporting and tax returns, investor web portal expenses and annual meetings, Fund advisory committee expenses; and organizational expenses in connection with a Fund's formation as detailed in the underlying Governing Documents. With respect to the short-term investment of the Funds' cash balances, the Company is permitted to invest portions of the cash balances in money market funds or other mutual funds. The Funds will bear the fees and expenses of such money market funds and mutual funds, as applicable. The Funds' Governing Documents contain a more detailed list of Fund expenses.

Additional services are provided for a fee to the Funds by entities affiliated with the Company, including property management, industrial leasing, insurance services, construction and development management, at rates provided in the Governing Documents. In addition, the property management agreement allows for the reimbursement for certain property management services, including but not limited to property manager compensation, procurement of certain hardware and software, administrative and maintenance costs, and support for project staff engaged in property operations. To the extent any employees or other costs are not fully dedicated to one property, these costs will generally be allocated using a pro-rata allocation method based upon usage, property count, ratio of relevant property units to the total portfolio units, or other reasonable allocation methods based on the nature of the role and/or services provided. In addition to these affiliated service fees and to the extent permitted under the applicable Governing Documents, other expenses incurred by affiliates for



providing support services in lieu of hiring third parties will be reimbursed on terms that are determined by the Company to be fair and reasonable to the Fund or such investment under the circumstances. Such support services include but are not limited to accounting, financial, reporting, fund administration, tax, internal audit, legal, debt placement, property-level marketing services, property-level technology-related services, brokerage and any other services. Expense reimbursement for such services generally includes overhead costs (rent, utilities, office maintenance, office supplies and hardware, storage, human resources and benefits administration, technology and software costs, and employee salary, bonus, benefits, salary overhead, payroll administration and other personnel costs). Any amounts received by the General Partner and/or its affiliates in respect of the provision of support services will not offset or otherwise reduce the Management Fee.

The Company occasionally invests in assets where the investment opportunity is shared with a joint venture partner (“JV Partner”) that provides equity and/or services to the project. JV Partners can receive compensation in the form of development fees, asset management fees, property management fees, construction fees and/or incentive fees. This compensation is typically paid to the JV Partner by the underlying asset, which is an indirect expense of the Fund. For more information, please see Item 6 (Performance-Based Fees and Side-By-Side Management).

**D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.**

Certain Funds pay Management Fees quarterly in advance and such amounts will be refunded to the applicable Fund upon termination of the applicable management agreement, in each case, to the extent unearned (as determined on a pro rata basis according to the actual number of days remaining in such period following such termination) with respect to such quarterly period. The Funds generally invest on a long-term basis. Accordingly, certain fees are expected to be paid, except as otherwise described in the Governing Documents, over the term of the relevant Fund, and investors generally are only able to withdraw or redeem interests in the Funds according to the withdrawal provisions in the Governing Documents. For the closed-end Funds, each investor makes an up-front commitment to contribute a stated amount of capital as called by the Company for investment or other fees and expenses, and generally cannot withdraw capital prior to the end of the stated multi-year term of the fund. For the open-end Funds, capital contributions and withdrawals are permitted at the discretion of the General Partner and generally occur on a quarterly basis stated intervals at then-current net asset values, subject to certain lock-up periods and gates.

**E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.**

The Company does not accept compensation for the sale of securities or other investment products.

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

**If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a client that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your supervised persons**

**manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.**

As described under “Fees and Compensation,” the Funds are subject to performance-based fees. The General Partners generally have the authority to waive Incentive Allocations with respect to certain affiliated partners as described above under “Fees and Compensation.”

Performance-based fees, including incentive fees or Incentive Allocations, are subject to regulation under Rule 205-3 under the Advisers Act. The Company seeks to ensure that any investor in a Fund that is directly or indirectly assessed performance-based fees or is subject to Incentive Allocations has been advised of such fees or allocations and their risks in compliance with the qualifications of Rule 205-3.

The Company manages multiple Funds and the Company’s affiliates manage other investment vehicles, including joint ventures, with similar investment objectives to the Funds on a side-by-side basis. The existence of performance-based compensation has the potential to create an incentive for a General Partner to make riskier or more speculative investments on behalf of the Funds than it would otherwise make in the absence of such arrangements, including with regard to the Company’s allocation of investment opportunities, expenses, time and attention of advisory personnel and consideration for certain transactions. Management of side-by-side vehicles can create an incentive for the Company or its personnel to favor a Fund, joint venture, or other investment vehicle in which the Company or an affiliate has a greater financial interest and has the potential to influence the General Partner’s decision-making with respect to the operation of the investment, although the Company generally considers performance-based compensation to better align its interests with those of its investors. To the extent that the Company has investments with varying Incentive Allocations (including amount, timing waterfall conditions or other terms) and/or personnel are assigned varying percentages of Incentive Allocation from a Fund or other investment vehicle, the Company and such personnel are subject to potential conflicts of interest to the extent they are involved in identifying investment opportunities as appropriate for a Fund from which they are entitled to receive a higher Incentive Allocation percentage.

To help minimize such conflicts of interest, the Company allocates investment opportunities which satisfy the investment parameters of more than one investment vehicle in accordance with its policies and procedures (the “Investment Allocation Procedures”) and in accordance with the applicable provisions of the investment vehicle’s Governing Documents. The Company’s Investment Allocation Procedures are monitored by the Company’s Chief Compliance Officer and Head of Portfolio and Asset Management.

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

**Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.**

The Company provides investment advice solely to its Fund clients, and references throughout this Brochure to “clients” and to the Company’s related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. Fund interests are offered and sold solely to qualified purchasers or accredited investors that are also qualified clients (or qualified knowledgeable Company personnel). The investors participating in the Funds generally include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, principals or other employees of the Company and its affiliates and members of their families, or other service providers retained by the Company.

The General Partner is also generally permitted from time to time to establish alternative investment vehicles in order to permit certain investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the Governing Documents related to each Fund.

The Funds generally have a minimum investment amount of five million dollars for outside investors; however, the Company generally is permitted to waive such minimum investment amount at the General Partner’s discretion.

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

**A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.**

As more fully described in each Fund’s offering documents, the Company invests in real estate and in equity interests in entities holding interests in real estate for the benefit of its Funds. The Company’s investment strategy for its Funds consists of acquiring real estate, actively managing, repositioning, and otherwise adding value to such real estate, and selling such real estate. In some cases, the Company also adds value by developing land acquired by its Funds and by modifying and improving buildings owned by its Funds.

**B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.**

As described in each Fund’s offering documents, investments involve risk of loss that investors should be prepared to bear and there is no assurance that the Fund’s investment objectives will be achieved.

The following material risks are not a complete list or explanation of the risks involved in an investment in the Funds. Investors should reference the Fund’s Governing Documents for a more detailed

discussion of risks. Different or new risks not addressed below may arise in the future and, therefore, the following list is not intended to be exhaustive.

*General Investment and Real Estate Risks.* An investment in a Fund is suitable only for sophisticated investors and an investor must have the financial ability to understand and the willingness to accept the extent of its exposure to the risks and lack of liquidity inherent in an investment in a Fund. Investors should consult their professional advisors to assist them in making their own legal, tax, regulatory, accounting and financial evaluation of the merits and risks of investment in a Fund in light of their own circumstances and financial condition.

In some cases, the success of a Fund's investment strategy will depend, in part, on the ability of a Fund to restructure and effect improvements in the operations of a portfolio investment or its properties. The activity of identifying and implementing restructuring programs and operating improvements at portfolio investments entails a high degree of uncertainty. There can be no assurance that a Fund will be able to successfully identify and implement such restructuring programs and improvements.

Fund investments will be subject to the risks incidental to the ownership and operation of real estate and real estate-related businesses and assets. The yields available from equity investments in real estate depend in large part on the amount of income generated and expenses incurred. If the investments do not generate revenues sufficient to meet operating expenses, including debt service, tenant improvements, leasing commissions and other capital expenditures, a Fund could be required to borrow additional amounts to cover fixed costs, and the cash flow of the relevant Fund and its ability to make distributions to investors will be adversely affected. Although the Funds will be investing in a range of investments, all real estate investments are speculative in nature and the possibility of partial or total loss of capital exists. Investors should not subscribe to or invest in a Fund unless they can readily bear the consequences of such loss. Real estate values are affected by a number of factors, including: (i) changes in the general economic climate or in local, national or international economic conditions; (ii) local conditions (such as an oversupply of space or a reduction in demand for space); (iii) the quality and philosophy of management; (iv) competition based on rental rates; (v) attractiveness, type and location of the properties and changes in the relative popularity of commercial properties as an investment; (vi) financial condition of tenants, buyers and sellers of properties; (vii) quality of maintenance, insurance and management services; (viii) changes in real estate tax rates and other operating costs and expenses; (ix) energy and supply shortages; (x) changes in interest rates and the availability of mortgage funds and other financing which could render the sale or refinancing of properties difficult or impracticable; (xi) uninsured losses or delays from casualties or condemnation; (xii) government regulations (including those governing usage, improvements, zoning and taxes) and fiscal policies; (xiii) potential liability under changing environmental and other laws; (xiv) risks and operating problems arising out of the presence of certain construction materials; (xv) structural or property-level latent defects; acts of God, terrorist attacks, war (declared or undeclared), work stoppages, shortages of labor, strikes, union relations and contracts, fluctuating prices and supply of labor and/or other labor-related factors; increased mortgage defaults; (xviii) negative developments in the economy that depress travel activity; (xix) environmental liabilities and contingent liabilities on disposition of assets; (xx) changes in applicable laws; and (xxi) other factors beyond the control of the Company. Investments in existing entities (e.g., buying out a distressed partner or acquiring an interest in an entity that owns real property) could also create risks of successor liability.

Fund investments will be subject to various risks that could result in fluctuations in occupancy, rental rates, operating income and expenses or which could render the sale or financing of its properties difficult or unattractive. For example, following the termination or expiration of a tenant's lease there could be a period of time before a Fund begins receiving rental payments under a replacement lease. During that period, a Fund will continue to bear fixed expenses such as interest, real estate taxes, maintenance and other operating expenses. In addition, declining economic conditions would be expected to impair a Fund's ability to attract replacement tenants and achieve rental rates equal to or greater than the rents paid under previous leases. Increased competition for tenants has the potential to require a Fund to make capital improvements to properties which would not have otherwise been planned. Any unbudgeted capital improvements that a Fund undertakes would likely divert cash that would otherwise be available for distribution to the investors. Ultimately, to the extent that a Fund is unable to renew leases or re-let space as leases expire, decreased cash flow from tenants will result, which could adversely impact the Fund's operating results.

*Illiquid and Long-Term Investments.* Investment in the Funds requires a long-term commitment, during which there is no certainty of return, and should be viewed as an illiquid investment. Since there is no established market for the investor interests, and none is expected to develop, an investor in the Funds will be unable to realize its investment readily and is expected to encounter difficulty ascertaining the market value of its investor interests. The investor interests will not be registered under the securities laws of any jurisdiction and will be subject to restrictions on resales under applicable securities laws. It is uncertain as to when profits, if any, will be realized by an investor. Losses on unsuccessful investments will, from time to time, be realized before gains on successful investments are realized. Furthermore, the expenses of operating the Funds (including any fees payable to the General Partner (or an affiliate thereof)) will potentially exceed its income, thereby requiring that the difference be paid from the Funds' assets, including unfunded commitments.

The Funds intend to invest in debt and equity interests and other investments in real estate properties and real estate businesses for which the number of potential purchasers and sellers, if any, is often very limited. As a result of the illiquidity of real estate investments, the Funds could potentially not be able to sell a property or properties quickly, on favorable terms or at all in response to changing economic, financial and investment conditions or changes in the property's operating performance when it otherwise would seem be prudent to do so. Illiquidity will also result from legal or contractual restrictions on their resale. The realizable value of a highly illiquid investment at any given time will most likely be less than its intrinsic value. In addition, certain types of investments made by the Funds require a substantial length of time to liquidate. As a result, the Funds could potentially be unable to realize their investment objectives by sale or other disposition at attractive prices or otherwise be unable to complete any exit strategy.

The Funds also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. The Funds could be required to expend significant funds to correct defects or to make improvements before a property can be sold, and the Funds cannot provide any assurances that they will have funds available to correct such defects or to make such improvements. A Fund's inability to dispose of assets at opportune times or on favorable terms could materially and adversely affect the Fund's business, financial condition, operations and cash flows.

Certain investments by the Funds are permitted to be in securities that are or become publicly traded REITs and are therefore subject to the risks inherent in investing in public securities. Such investments will involve economic, political, interest rate and other risks, any of which could result in an adverse change in the market price. In addition, in some cases, the Funds will be prohibited by contract or other limitations from selling such securities for a period of time, such that a Fund could then be unable to take advantage of favorable market prices.

Additionally for certain Funds, it is also uncertain when liquid assets will be available to meet a Limited Partner's redemption request. Whether the Fund has sufficient liquidity to meet a Limited Partner's request for redemption will be determined by the General Partner. The Fund will not be obligated to liquidate any asset in order to meet redemption requests, and because of the illiquid nature of the investments, the Fund will, from time to time, not have sufficient cash flow to meet redemption requests at any given time. If the General Partner determines there is insufficient liquidity to meet redemption requests, such requests will be delayed until the General Partner determines there is sufficient liquidity; such delay could potentially be significant. The Fund intends to invest in debt and equity interests and other investments in real estate properties and real estate businesses for which often the number of potential purchasers and sellers, if any, is often very limited. This factor will have the effect of limiting the availability of these interests for purchase by the Fund and will also limit the ability of the Fund to sell such interests at their fair market value in response to changes in the economy or financial and real estate markets. Illiquidity will also result from legal or contractual restrictions on their resale. The realizable value of a highly illiquid investment at any given time will most likely be less than its intrinsic value. In addition, certain types of investments made by the Fund require a substantial length of time to liquidate. As a result, there is a potential for the Fund to be unable to realize its investment objectives by sale or other disposition at attractive prices or to otherwise be unable to complete any exit strategy.

*Possible Lack of Diversification; Investments.* The Funds are subject to certain restrictions on the size and location of their investments. As such, a Fund may participate in a limited number of investments, and, as a consequence, the aggregate return of the Fund may be substantially affected by the unfavorable performance of even a single investment. Other than such restrictions, investors have no assurance as to the degree of diversification that will actually be achieved in a Fund's investments, either by geographic region or asset size.

The Funds expect to participate in a limited number of investments primarily in the multifamily or industrial real estate sector, as applicable, and intend to make most of their investments in certain regions within a short period of time. As a result, a Fund's investment portfolio is expected to be highly concentrated and the performance of a few investments or a particular region could substantially affect a Fund's aggregate return. Also, if a Fund makes an investment in a single transaction with the intent of refinancing, there is a risk that the Fund will be unable to successfully complete such a financing. This could lead to increased risk as a result of the Fund having an unintended long-term investment and reduced diversification.

Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund could potentially invest in fewer assets and thus be less diversified. Additionally, since the demand for multifamily or industrial space in the United States is related to its economic output, a decline in such economic output would likely have an adverse effect on a Fund's investments, and a Fund's

concentration in a particular real estate sector exposes a Fund to greater risks if an economic downturn occurs.

*Ongoing Need for Capital Expenditures.* A Fund's properties will have an ongoing need for renovations and other capital improvements. In addition, certain of a Fund's properties are likely to be older properties that could require extensive renovations and other capital improvements. In the event that renovations and other capital expenditures are not made, a Fund's properties could become unattractive to tenants, resulting in lower revenues generated at those properties. The tenants of a Fund's properties will also require periodic capital improvements be made to such properties. In addition, a Fund's lenders could potentially require that the Fund set aside annual amounts for capital improvements to its properties. Furthermore, refinancings and acquisitions or redevelopment of additional properties will require significant capital expenditures. If a Fund is unable to obtain the capital necessary to make required periodic capital expenditures and renovate its properties on favorable terms, or at all, the Fund's business, financial condition, operations, cash flows and ability to make distributions to the investors could be materially and adversely affected.

*Difficulty of Locating Suitable Investments.* Although the Company's professionals have been successful in identifying suitable investments in the past, a Fund could potentially be unable to find a sufficient number of attractive opportunities to meet its investment objectives. The activity of identifying, completing and realizing attractive investments is highly competitive and involves a high degree of uncertainty. The Funds will be competing for investments with other real estate investment vehicles, as well as individuals, publicly traded REITs, financial institutions (such as mortgage banks, insurance companies and pension funds) and other institutional investors. Further, over the past several years many consolidations among real estate investment funds and publicly traded REITs have occurred (resulting in larger funds and REITs). Additional funds and REITs with similar investment objectives are likely to be formed in the future by unrelated parties and further consolidations could potentially occur. The success of a Fund will depend on the ability of the Company's professionals to identify, negotiate and arrange the closing of appropriate transactions as well as the timely disposition of a sufficient number of suitable investments. There can be no assurance that a Fund will be able to locate, complete and exit investments that satisfy the Fund's investment objectives or realize upon their values, or that a Fund will be able to fully invest all capital committed for investment by the investors.

*Competition and Lease Renewal.* The Funds will face significant competition from other developers, owners and operators of similar properties, and additional properties can be expected to be built in the markets in which the relevant Fund's investments are located. The number and quality of competitive properties in a particular market will have a material effect on the ability of the Funds to lease properties and on the rents charged. In addition, when leases expire, such leases could not be renewed, the related properties could not be re-let promptly or the terms of renewal or re-letting could be less favorable than the terms of the expiring leases. If leases are not promptly renewed or re-let or if the renewal rates are significantly lower than prior or expected rates, then a Fund's operations and financial condition would be adversely affected. Consequently, a Fund's cash flow and ability to make distributions to investors would be reduced.

*Renovation and Investments in Land, Development and Redevelopment.* The renovation of properties involves risks associated with the construction and renovation of real property, including the possibility of construction and renovation cost overruns and delays due to various factors (including inclement

weather, labor or material shortages and the unavailability of construction and permanent financing) and market or site deterioration after acquisition or renovation. Any unanticipated delays or expenses in connection with the renovation of properties could have an adverse effect on the operations and financial condition of a Fund.

The Funds, in addition to implementing a comprehensive renovation strategy, are permitted to make additional investments in certain opportunistic assets or developments when the Company believes that this strategy is prudent in light of relevant market conditions and capital requirements. Such additional investments include acquiring direct or indirect interests in undeveloped land or underdeveloped real property (which could be non-income producing), real estate developments or redevelopments and businesses that engage in real estate development or redevelopment. To the extent that a Fund invests in such assets or activities, it will be subject to the risks normally associated with such assets and activities, including 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 Fund, 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 a Fund. Properties under development or acquired for development are likely to receive little or no cash flow from the date of acquisition through the date of completion of development and would be likely to continue to experience operating deficits after the date of completion. In addition, market conditions could change during the course of development that make such development less attractive than at the time it was commenced.

Furthermore, recently developed properties could take longer than expected to achieve stabilized operating levels, if at all. To the extent such properties fail to reach stabilized operating levels or achieve stabilization later than expected, it could materially and adversely affect a Fund's tenants' abilities to make payments under their leases and thus adversely affect the Fund's financial performance and operations.

*Impact of Government Regulations.* Government authorities at all levels are actively involved in the regulation of land use and zoning, environmental protection and safety and other matters affecting the ownership, use and operation of real property. Regulations could be promulgated that restrict or curtail certain usages of existing structures or require that such structures be renovated or altered. The promulgation and enforcement of such regulations could increase expenses and lower the income or rate of return, as well as adversely affect the value of any of a Fund's investments. Operators are also subject to laws governing their relationship with employees, including minimum wage requirements, overtime, working conditions and work permit requirements. Compliance with, or changes in, these laws could reduce the revenue and profitability of a Fund.

*Failure to Timely Collect Rents.* A substantial portion of the Funds' income is expected to be derived from rental revenues. As a result, each Fund's performance depends on the collection of rent from tenants at the Fund's properties. A Fund's income will be adversely affected if a significant number of tenants at the Fund's properties or any major tenants, among other things: (i) fail to make rental payments when due; (ii) renew leases at lower rates; (iii) decline to extend or renew leases upon expiration; (iv) become bankrupt or insolvent; or (v) experience a downturn in their business. Any of these actions could result in the termination of such tenant's lease and a loss of rental revenue to a



Fund. The loss of rental revenue from a number of tenants and difficulty replacing such tenants, particularly in the case of a substantial tenant with leases in multiple locations, could materially and adversely affect a Fund's profitability and its ability to meet its debt and other financial obligations.

In the event of a tenant's bankruptcy or insolvency, a Fund would likely be restricted from evicting such tenant solely because of its bankruptcy. However, a bankruptcy court might authorize the tenant to terminate its leases with a Fund. In such instances, the Fund's claim against the bankrupt tenant for unpaid future rent would be an unsecured prepetition claim subject to statutory limitations, and therefore such amounts received in bankruptcy are likely to be substantially less than the remaining rent the Fund otherwise would be owed under the lease. Further, any claim a Fund has for unpaid past rent could be substantially less than the amount owed.

Additionally for certain Funds, leases in the Fund's portfolio could be with tenants that have non-investment grade credit ratings. The ability of a non-investment grade tenant to meet its obligations to the Fund pursuant to the lease cannot be considered as well assured as that of an investment grade tenant. Although the Fund is expected to perform credit review and analysis of tenants before properties are acquired and also on prospective and existing tenants before significant new and renewed leases are executed, events and circumstances that could affect a tenant's creditworthiness are difficult to detect, foresee or evaluate, and the Fund could potentially not become aware of a tenant's financial distress until the tenant defaults on its lease obligations. Further, any of the Fund's tenants likely face exposure to adverse business or economic conditions, which could lead to an inability to meet their obligations. In particular, non-investment grade tenants could potentially not have the financial capacity or liquidity to adapt to these conditions or could have less diversified businesses, which would likely exacerbate the effects of adverse conditions on their businesses. Moreover, the fact that certain of the Fund's tenants could be non-investment grade could cause investors or lenders to view the Fund's cash flows as less stable, which could increase the Fund's cost of capital and/or limit financing options.

*Construction Loans.* The Funds are permitted to obtain construction loans to finance the construction of their portfolio investments. A lender will typically require a portfolio investment to provide a full recourse payment guarantee or a guarantee that the development will be completed. If a portfolio investment fails to complete a development, the development is delayed or the completed development fails to generate the expected cash flow, a portfolio investment would likely be liable under the applicable loan guarantee. In addition, if a portfolio investment abandons a development, the development could potentially be liquidated at its "as-is" value rather than on a valuation based on the ability to complete the development. If a portfolio investment lacks the resources to provide any required guarantee, then it would likely not be able to obtain financing on favorable terms, if at all, which could result in the development being abandoned. The occurrence of any of the foregoing events would likely have an adverse impact on a portfolio investment's operations and, in turn, a Fund's ability to make distributions to its investors.

*Investments in Real Estate Debt.* The Funds are permitted to hold direct or indirect investments in certain real estate-related debt instruments. In addition to the risks of borrower default (including loss of principal and nonpayment of interest) and the risks associated with real estate investments generally, real estate-related debt investments are subject to a variety of risks, including the risks of illiquidity, lack of control, mismanagement or decline in value of collateral, contested foreclosures, bankruptcy of the

debtor, claims for lender liability, violations of usury laws and the imposition of common law or statutory restrictions on the exercise of contractual remedies for defaults of such investments. Debt investments have special inherent risks relative to collateral value. In the event of default, the source of repayment is limited to the value of the collateral and could be subordinate to other lien holders (and the collateral value of the property could be less than the outstanding amount of the investment). Real estate loans acquired by a Fund could be at the time of their acquisition, or could become after origination, participation or acquisition, non-performing for a wide variety of reasons. Non-performing real estate loans are likely to require a substantial amount of workout negotiations and/or restructuring, which could entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. To the extent that a Fund purchases partial interests in non-performing loans, the Fund could potentially not have control over the workout process and the management of the real estate assets. In some cases, it could be necessary or desirable to foreclose on collateral securing one or more real estate loans purchased by a Fund, and the foreclosure process can be lengthy and expensive.

*Dynamic Investment Strategy.* While each Fund's General Partner generally intends to seek attractive returns for the Fund primarily through making investments in U.S.-focused real estate and real estate-related assets as described herein, the General Partners reserve the right to pursue additional investment strategies and modify or depart from their initial investment strategy, investment process and investment techniques as they determine appropriate. Each General Partner reserves the right to adjust the investment strategy and guidelines at any time in light of changing market conditions or other considerations. Each General Partner reserves the right to pursue investments outside of the sectors or regions in which the principals have previously made investments. The Funds are permitted to invest in short-term investments, and the investment returns from these investments are likely to be lower than the investment returns from real estate investments. Any projections/estimates regarding the number, size or type of investments that a Fund expects to make (or similar estimates) are estimates based only on the General Partner's intent as of the date of such statements and are subject to change due to market conditions and/or other factors (e.g., the General Partner is permitted to pursue on behalf of a Fund one or more investment opportunities that are larger or smaller than any target range described in the Memorandum or in different geographies or sectors than described in the Memorandum).

*Leveraged Investments.* The Funds intend to employ leverage in the acquisition, operation and ownership of their investments and are permitted to refinance their investments, if desirable. Debt could take the form of mortgages or other financing at the property-level or ownership-level. Such use of leverage generally magnifies a Fund's opportunities for gain and its risk of loss on a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets could be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it could potentially be difficult to obtain or maintain the desired degree of leverage. The use of leverage by a Fund will also result in interest expense and other costs to the Fund that will potentially not be covered by distributions made to the Fund or appreciation of its investments. Leveraged investments generally are subject to restrictive financial and operating covenants, and the Funds are permitted to provide guarantees in order to secure such leverage. In the event an investment cannot generate adequate cash flow to meet its debt service, a Fund could suffer a partial or total loss of capital invested in the investment, which could adversely affect the returns of the Fund. Furthermore, should the credit markets be limited or costly at the time a

Fund determines that it is desirable to sell all or a part of an investment, the Fund could potentially not achieve an exit capitalization rate consistent with its forecasts. The Funds are also permitted to borrow money or guarantee indebtedness (such as a guarantee of an investment's debt) or otherwise be liable therefor, and in such situations, it is not expected that the relevant Fund would be compensated for providing such guarantee or exposure to such liability. The Funds are permitted to incur leverage on a joint and several basis with one or more Other GID Accounts and could have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guarantees), such amounts are expected to be secured by commitments made by the Fund's investors and such investors' contributions could be required to be made directly to one or more lenders instead of the Fund.

*Bridge Financings.* Certain Funds are permitted to lend or make other contributions to one or more of its properties or investments on a short-term, unsecured basis in anticipation of a future issuance of more permanent, long-term equity or debt securities. However, for reasons not always in the Fund's control, such long-term securities could potentially not be issued, and such bridge loans could remain outstanding. In such event, the interest rate, coupon or other return on such loans or other contributions generally would not adequately reflect the risk associated with the unsecured position taken by the Fund.

*Use of Credit Facilities and Subscription Lines; Interest Rates.* The Funds are permitted to borrow funds pursuant to a revolving credit facility or other debt facility, including a facility based on the aggregate commitments available to be called. A Fund's use of such facilities will be determined by the relevant General Partner, and the performance of a Fund will likely be impacted by how the relevant General Partner causes the Fund to utilize such facilities. Potential conflicts of interest are expected to arise in that the use of such facilities likely would delay the need for investors to make certain contributions to a Fund, which would likely enhance the Fund's performance figures and thereby benefit the marketing efforts of the Company and its affiliates.

The Funds are permitted to enter into a subscription line with one or more lenders in order to finance their operations (including the acquisition of a Fund's investments). Fund-level borrowing subjects investors to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the General Partner's right to call capital from the investor, investors could be obligated to contribute capital on an accelerated basis if a Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any investor claim against a Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors. Fund assets could be cross-collateralized under a credit facility and the Fund could incur leverage on a joint and several basis with one or more Funds or entities managed by the Company or any of its affiliates.

In addition, Fund-level borrowing will result in additional fund expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription line's interest rate is based in part on the creditworthiness of the investors and the terms of a Fund's Governing Documents, it could potentially be higher than the interest rate an investor could obtain

individually. To the extent a particular investor's cost of capital is lower than a Fund's cost of borrowing, Fund-level borrowing can adversely impact an investor's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors. To the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the Funds nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement or borrowing facility often contains other terms that restrict the activities of the Funds and the investors or imposes additional obligations on them. For example, certain lenders or facilities are expected to impose restrictions on a General Partner's ability to consent to the transfer of investor interests, and/or financial or other covenants, that could affect the implementation of a Fund's investment strategy. In addition, in order to secure a subscription line, the relevant General Partner could request certain financial information and other documentation from investors to share with lenders. The relevant General Partner will have significant discretion in negotiating the terms of any subscription line and could agree to terms that are not the most favorable to one or more investors. In certain circumstances, due to separate evaluations of creditworthiness by lenders or facility providers, a portfolio investment or other Fund subsidiary is expected to bear higher rates under a borrowing facility than are borne by a Fund, resulting in a potential net benefit to the Fund, or additional potential liquidity constraints or other burdens on the relevant portfolio investment or Fund subsidiary.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay fund expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for investors that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by the relevant Fund. This risk would be heightened for an investor with commitments to other investment vehicles that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the investor to meet the accumulated, larger capital calls at the same time. The Funds are also permitted to utilize Fund-level borrowing when the relevant General Partner expects to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses.

If interest rates increase, so could a Fund's interest costs for new debt, including variable rate debt obligations under any credit facility or other financing. This increased cost could make the financing of any development or acquisition more costly. Rising interest rates could limit a Fund's ability to refinance existing debt when it matures or cause it to pay higher interest rates upon refinancing, which would adversely impact liquidity and profitability. In addition, an increase in interest rates could decrease the access third parties have to credit or the amount they are willing to pay for a Fund's assets.

*Potential Restrictive Covenants.* The Funds are permitted to enter into a credit facility with one or more lenders in order to finance their operations (including the acquisition of the Funds' investments). It is anticipated that any such credit facility will contain a number of common covenants that, among other things, might restrict the ability of a Fund to: (i) acquire or dispose of assets or businesses; (ii) incur additional entity level indebtedness; (iii) make capital expenditures; (iv) make cash distributions; (v) create liens on assets; (vi) enter into leases, investments or acquisitions; (vii) engage in mergers or consolidations; (viii) make capital calls; (ix) consent to transfers of the investor interests; (x) make amendments to the Governing Documents of the Fund; or (xi) engage in certain transactions with affiliates, and otherwise restrict corporate activities of the Fund (including its ability to acquire additional investments, businesses or assets, certain changes of control and asset sale transactions) without the consent of the lenders. In addition, such a credit facility would likely require a Fund to maintain specified financial ratios and comply with tests, including minimum interest coverage ratios, maximum leverage ratios, minimum net worth and minimum equity capitalization requirements. The Funds are permitted to incur indebtedness under such credit facility that bears interest at a variable rate. Economic conditions could result in higher interest rates, which could increase debt service requirements on variable rate debt and could reduce the amount of cash available for various Fund purposes.

*Significant Adverse Consequences for Default.* The Partnership Agreements provide for significant adverse consequences in the event an investor defaults on its commitment or any other payment obligation. In addition to losing its right to potential distributions from the relevant Fund, a defaulting investor will be subject to a number of default remedies pursuant to the relevant Partnership Agreement and its subscription agreement, including being forced to transfer its interest in the Fund for an amount that is less than the fair market value of such interest and that is permitted to be paid over a period of up to ten (10) years, without interest.

Additionally for certain Funds, failure of any investor to satisfy capital calls on a timely basis could adversely affect the Fund's access to capital, the ability of a Fund to consummate investments on a timely basis and/or meet its other obligations when due. Investors could be required to make additional contributions to replace any shortfall caused by any defaulting investor, thereby reducing the diversification of their investments. Any default by, or excuse of, one or more investor could have an adverse effect on the Fund, its assets and the interests of the other investors.

*General Partner's Incentive Allocation; Management Fee.* The fact that the relevant General Partner's Incentive Allocation is based on a percentage of net profits creates an incentive for the Company to cause a Fund to make riskier or more speculative investments or to hold an investment longer than otherwise would be the case.

Additionally for certain Funds, the Management Fee paid to the General Partner (or an affiliate thereof) is based on the Fund's net asset value or gross asset value, as described in the Memorandum. As described above in "Uncertainty of Net Asset Values and Gross Asset Values; Valuation", the Fund's net asset value and gross asset value are established by the General Partner's valuation of the Fund's properties in accordance with the Fund's Valuation Policy. The General Partner potentially has an incentive to assign a higher valuation to the Fund's properties, accelerate acquisitions and/or capital calls in order to increase the Fund's net asset value or, similarly, delay or curtail dispositions and/or redemptions to maintain a higher net asset value or gross asset value, which would, in each case,

increase the Management Fee payable to the General Partner (or an affiliate thereof). The General Partner will potentially receive an Incentive Allocation in respect of unrealized appreciation of the Fund's assets, and the Management Fee will take into account the unrealized value of the Fund's assets and any cash and cash equivalents. Accordingly, the General Partner or its affiliates potentially will receive an Incentive Allocation or Management Fee on assets where the relevant gains have not been realized.

Additionally, the 2017 Tax Legislation treats certain partnership allocations of capital gains to service providers such as the General Partner as short-term capital gain (taxed at the higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three (3) years. This could increase the tax liability of investment professionals, employees or other individuals associated with the Fund or the General Partner with respect to some or all of the income attributable to their interests. As a result, the after-tax returns from the Fund and the General Partner could be reduced, which could make it more difficult for the General Partner and its affiliates to incentivize, attract and retain individuals to perform services for the Fund. It could also create an incentive for the General Partner to cause the Fund to hold assets for longer periods of time than might otherwise be the case.

*Transfer by General Partner.* To the extent the relevant General Partner, its partners, the principals and/or their respective affiliates have made or commit to make a direct or indirect investment in or alongside a Fund, a participation in or a portion of such investment is permitted thereafter to be transferred to others, subject to any express limitations thereon in the relevant Partnership Agreement.

*Distressed Investments.* The Funds are permitted to purchase, directly or indirectly, investments that are experiencing significant financial or business distress, including securities, companies or real estate assets involved in bankruptcy or other reorganization and liquidation proceedings. Many of these investments ordinarily remain unpaid unless and until the investment is reorganized and/or emerges from bankruptcy proceedings, and as a result could be held for an extended period of time. A wide variety of considerations, including, for example, the possibility of litigation between the participants in a reorganization or liquidation proceeding or a requirement to obtain mandatory or discretionary consents from various governmental authorities or others would likely affect the value of these investments. The uncertainties inherent in evaluating such investments are increased by legal and practical considerations which limit the Company's access to reliable and timely information concerning material developments affecting an investment, or which cause lengthy delays in the completion of the liquidation or reorganization proceedings. There can be no assurance that the Company will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action.

*Reliance on the General Partner.* Control over the operation of the Funds will be vested with the relevant General Partner, and a Fund's future profitability and success will depend largely upon the business, management and investment acumen of the General Partner's professionals and the services provided thereby to the relevant Fund. The interests of these professionals in a Fund and the General Partner, as applicable, should tend to discourage them from withdrawing from participation in the Fund's investment activities. However, there is no assurance that any of such professionals will continue to be associated with a General Partner or its affiliates throughout the life of a Fund, and the loss or reduction of service of one or more of such professionals could have an adverse effect on the Fund's

ability to realize its investment objectives. The Company and its affiliates devote such time as such person deems appropriate to conduct the business affairs of the Funds in an appropriate manner. However, the Company's and its affiliates' personnel work on other projects, including the Other GID Accounts, and therefore, conflicts are likely to arise in the allocation of management resources. Investors generally have no right or power to take part in the management of a Fund, and as a result, the investment performance of a Fund will depend on the actions of the relevant General Partner. In addition, certain changes in a General Partner or its affiliates or circumstances relating to a General Partner or its affiliates could have an adverse effect on a Fund or one or more of its investments, including potential acceleration of debt facilities.

*Possibility of Fraud or Other Misconduct of Employees and Service Providers.* Misconduct by employees, portfolio investment officers or employees, service providers to the Funds, and/or their respective affiliates could cause significant losses to a Fund. Such misconduct could include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, the improper use or disclosure of confidential or material non-public information, which could result in litigation or serious financial harm, including limiting a Fund's business prospects or future marketing activities, and non-compliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities could result in reputational damage, litigation, business disruption, and/or financial losses to a Fund. The Funds and the Company have controls and procedures through which each seeks to minimize the risk of such misconduct occurring. However, no assurances can be given that the Funds and/or the Company will be able to identify or prevent such misconduct.

*Projections.* Projected performance for the Funds' investments normally will be based primarily on financial projections. In all cases, projections are only estimates of future results that are based upon information relating to investments and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results could potentially be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

*Third Party Involvement.* The Funds are permitted to co-invest through partnerships, joint ventures or other entities with one or more third parties as a co-venturer or partner, including with the seller (or an affiliate thereof) of the property, a person involved in the selling or acquisition of the property, an investor in a Fund (or other vehicle controlled by the Company or its affiliates), a developer or property manager, or other third parties. Such investments will likely involve risks not present in investments where a third party is not involved, including the possibility that: (i) a Fund and such co-venturer could reach an impasse on a major decision that requires the approval of both parties; (ii) a co-venturer or partner of a Fund could at any time have economic or business interests or goals that are inconsistent with those of a Fund; (iii) the co-venturer or partner could encounter liquidity or insolvency issues or could become bankrupt; (iv) the co-venturer or partner could be in a position to take action contrary to a Fund's investment objective; (v) the co-venturer or partner could take actions that subject the property to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances a Fund could be liable for actions of its co-venturers or partners. A co-venturer or partner is expected, from time to time, to be a joint venture partner or interest holder in another joint venture or other vehicle in which the Company or its affiliates has an interest or otherwise controls. The co-venturer or partner could also be entitled to receive payments from, or allocations or performance-based

compensation in respect of, a Fund as well as such investments, and in such circumstances, any such amounts could be treated as a Fund expense and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by the relevant General Partner, be deemed paid to or received by the relevant General Partner or reduce the Management Fee. Moreover, the Company could receive fees associated with capital invested by a co-venturer or partner relating to investments in which a Fund participates. This could be in connection with a joint venture in which a Fund participates or other similar arrangements with respect to assets or other interests retained by a seller or other commercial counterparty with respect to which the Company performs services. In addition, the Funds are permitted to co-invest with non-affiliated co-investors or partners whose ability to influence the affairs of the companies in which a Fund invests could potentially be significant, and even greater than that of the Fund and as such, that Fund would be expected to be required to rely upon the abilities and management expertise of such co-venturer or partner. The Funds are also permitted to co-invest in joint ventures, including development joint ventures, where a Fund holds a minority equity interest in such joint ventures. In all of the foregoing cases, it could be more difficult for a Fund to sell its interest in any joint venture, partnership or entity with other owners than to sell its interest in other types of investments (and any such investment could be subject to a buy-sell right). The Funds are permitted to grant co-venturers or partners approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks or unanticipated exits from an investment. A deadlock could delay the execution of the business plan for the investment or require a Fund to engage in a buy-sell of the venture with the co-venturer or partner or conduct the forced sale of such investment or require alternative dispute resolution in order to resolve such deadlock. Such joint venture partners could also be entitled to compensation from a Fund for their involvement in the investment. As a result of these risks, a Fund could be unable to fully realize its expected return on any such investment. Further, to the extent that a Fund offers any co-investment opportunity to any investor or third parties, some or all of the risks described above could also apply to such co-investments.

Further, the Funds expect to rely on third parties (some of which could also become co-investment partners with the Funds or with GID) to act as developers or joint venture partners in connection with the acquisition, development, construction, renovation or operation of its properties. This reliance on third-party developers or joint venture partners would likely increase the costs to a Fund through the payment of development fees, incentive fees, management fees and other amounts and would likely increase the risks to a Fund if, and to the extent, such a developer or operator fails or is unable to comply with agreed-upon plans, budgets or timetables.

*Need for Follow-On Investments.* Following its initial investment in any investment, the Funds are permitted to invest additional funds in such investment or could have the opportunity to increase their investment in such investment by investing in additional real estate assets related thereto (whether for opportunistic reasons, to fund the needs of the investment, as an equity cure under applicable debt documents or for other reasons). There can be no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such follow-on investments (including an event of default under applicable debt documents in the event an equity cure cannot be made). Any decision by a Fund not to make follow-on investments, or its inability to make such investments, could have a material and adverse effect on a particular investment in need of such follow-on investment.



*Non-Controlling Investments.* The Funds are permitted to hold meaningful minority stakes in privately held securities and in some cases will have limited minority protection rights. As is the case with minority holdings in general, such minority stakes will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where a Fund holds a minority stake, it could be more difficult for the Fund to liquidate its interests than it would be had the Fund owned a controlling interest in such investment. Even if a Fund has contractual rights to seek liquidity of the Fund's minority interests in such investments, it could be very difficult to sell such interests or seek a sale of such investment upon terms acceptable to the Fund, especially in cases where the interests of the other investors in such investment have different business and investment objectives and goals.

*Cyber Security.* The information technology systems of the Company, the Funds and/or each Fund's investments could be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events (including fires, tornadoes, floods, hurricanes and earthquakes). Although the Company has implemented various measures to manage risks relating to these types of events, if such a system is compromised, becomes inoperable for an extended period of time or ceases to function properly, the Company, the Funds and/or an investment would likely be required to spend time and/or incur expenses seeking to fix or replace such system or otherwise remedy the effects of such issues. The failure of such a system and/or disaster recovery plan could cause significant interruptions in the Company's, a Fund's and/or an investment's operations and could result in a failure to maintain the security, confidentiality or privacy of sensitive data (including information relating to investors and/or the beneficial owners of investor). Such a failure could harm the Company's, a Fund's, an investment's, an investor's or a beneficial owner of an investor's reputation, subject such persons to legal claims or otherwise affect the business and financial performance of such persons.

*Tax Liability Considerations.* The Funds are expected to take positions with respect to certain tax issues that depend on legal and other interpretive conclusions. Should any such positions be successfully challenged by the Internal Revenue Service (the "IRS"), an investor might be found to have a different tax liability for that year than that reported on its U.S. federal income tax return. In addition, an audit of a Fund could result in an audit of the returns of some or all of the investors, which examination could result in adjustments to the tax consequences initially reported by a Fund and affect items not related to an investor's investment in a Fund. If such adjustments result in an increase in investor's U.S. federal income tax liability for any year, such investor would likely also be liable for interest and penalties with respect to the amount of underpayment. The legal and accounting costs incurred in connection with any audit of a Fund's tax return will be borne by the Fund. The cost of any audit of an investor's tax return will be borne solely by the investor. The taxation of partnerships and partners is complex.

*Failure to Maintain REIT Qualification.* The Company reserves the right to organize one or more REIT Subsidiaries through which the Funds are permitted to make investments. Qualification as a REIT involves the application of highly technical and complex provisions of the Code, for which there are only limited judicial or administrative interpretations, and the determination of various factual matters and circumstances is not entirely within the REIT's control. If any REIT fails to maintain its qualification as a REIT in any taxable year, and certain relief provisions do not apply, the REIT would be subject to tax on its taxable income at regular corporate rates. In such an event, distributions by the REIT to a Fund or the

investors would, to the extent of the REIT earnings and profits, be taxable to the investors as ordinary dividends.

*Conflicting Investor Interests.* Investors are expected to have conflicting investment, tax and other interests with respect to their investment in a Fund, including conflicts relating to the structuring of investment acquisitions and dispositions. Potential conflicts are expected to arise in connection with decisions made by the Company regarding an investment that could be more beneficial to one investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the Company generally will consider the investment and tax objectives of the Fund and its investors as a whole, not the investment, tax, or other objectives of any investor individually.

Additionally for certain Funds, potential conflicts are also expected to arise between investors in connection with redemption requests and the General Partner's determination regarding the availability of liquid assets to satisfy all outstanding redemption requests.

*Side Letter Agreements.* The General Partner expects to enter into side letters or other agreements (including the governing documents of any parallel investment entities) with particular investors in connection with such investor's investment in the Fund without the approval of any other investor, which have the effect of establishing rights under or altering or supplementing the terms of the Partnership Agreement with respect to such investor in a manner more favorable to such investor than those applicable to other investor. Such rights or terms in any such side letter or other similar agreement are permitted to include (i) economic arrangements, including different Incentive Allocation calculations and reduced Management Fees and including participation in the General Partner's rights to Management Fees and Incentive Allocation, (ii) altered redemption rights, (iii) excuse rights applicable to particular investments (which would increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, such investments), (iv) the General Partner's agreement to extend certain information rights or additional reporting to such investor, including to accommodate special regulatory or other circumstances of such investor, (v) waiver or modification of certain confidentiality obligations and/or documentation that might be requested by the General Partner for the benefit of lenders or other persons extending credit to or arranging financing for the Fund, (vi) consent of the General Partner to certain transfers by such investor or other exercises by the General Partner of its discretionary authority under the Partnership Agreement for the benefit of such investor, (vii) restrictions on, or special rights of such investor with respect to the activities of, the General Partner and its affiliates, including restrictions on the General Partner's ability to exercise rights under the Partnership Agreement with respect to such investor and the Fund, (viii) withdrawal rights (subject to consent of the General Partner) due to legal, regulatory or policy matters, including matters related to political contributions, gifts and other such policies, (ix) other rights or terms necessary in light of particular legal, regulatory or public policy characteristics of an investor, (x) limitations or conditions on the Investor's obligations to fund capital contributions and/or rights to cancel all or a portion of an unfunded Commitment, (xi) matters regarding such investor's right to participate in co-investment opportunities, (xii) alterations to the standard of care applicable to the General Partner, (xiii) consent rights with respect to certain actions of the General Partner in relation to the Fund, or (xiv) additional obligations, and restrictions of the Fund with respect to the structuring of any investment (including with respect to alternative investment vehicles). Any rights or terms so established in such agreement with an investor will govern solely with respect to such investor (but not any of such investor's assignees or transferees unless so specified in such side letter or otherwise agreed to by the

General Partner) and will not require the approval of any other investor notwithstanding any other provision of the Partnership Agreement. In addition, the General Partner is permitted to enter into agreements and other arrangements with investors that, pursuant to the terms of the Partnership Agreement, will not constitute side letters or similar agreements and, thus, will not be subject to any “most favored nations” provision.

*Limited Access to Information.* Investors’ rights to information regarding a Fund, the relevant General Partner or the Company generally will be specified, and in many cases strictly limited, by the relevant Partnership Agreement. In particular, it is anticipated that the Company and its affiliates will obtain certain types of material information from or relating to a Fund’s investments that will not be disclosed to investors because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of the Company’s control. Decisions by the Company or its affiliates to withhold information could have adverse consequences for investors in a variety of circumstances. For example, an investor that seeks to transfer its units/interest could have difficulty in determining an appropriate price for such interest. Decisions to withhold information could also make it difficult for an investor to monitor the Company and a Fund’s performance. Additionally, it is anticipated that investors that designate representatives to participate on an advisory committee generally will likely, by virtue of such participation, have more or earlier information about the relevant Fund and its investments in certain circumstances than other investors. Investors generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and the Company reserves the right to withhold certain information from investors subject to such laws for reasons relating to the Company’s public reputation, business strategy or other reasons.

*Hedging Arrangements; Related Regulations.* The Company reserves the right (but is not obligated) to endeavor to manage the Funds’ or any investment’s currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. The Funds are permitted to incur costs related to such hedging arrangements, which are permitted to be undertaken in exchange-traded or over-the-counter (“OTC”) contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements could result in losses greater than if hedging had not been used. In some cases, particularly in OTC contexts, hedging arrangements will subject the Funds to the risk of a counterparty’s inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts could expose the Funds to additional liquidity risks if such contracts cannot be adequately settled.

Certain hedging arrangements could potentially create for the Company and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission (“CFTC”) or other regulator or comply with an applicable exemption. Losses could result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of the Funds or an investment to hedge its exposures becomes limited by such requirements.

*Controlling Person Liability.* The exercise of control over an entity can impose additional risks of liability for environmental damage, failure to supervise management, violation of government regulations (including securities laws) or other types of liability in which the limited liability characteristic of business ownership could potentially be ignored. If these liabilities were to arise, a Fund could suffer a significant loss.

*Limitation of Recourse and Indemnification.* The Partnership Agreements will limit the circumstances under which the relevant General Partner and its affiliates will be held liable to a Fund. As a result, investors likely will have a more limited right of action in certain cases than they would have in the absence of such provision. In addition, each Partnership Agreement will provide that the relevant Fund will indemnify the Company and its affiliates for certain claims, losses, damages and expenses arising out of their activities on behalf of the applicable Fund. Such indemnification obligations could materially impact the returns to investors. The obligations of an investor to fund any indemnification will generally survive the dissolution of the applicable Fund.

*Advisory Committee.* The relevant General Partner will appoint one or more investor representatives to an advisory committee for the relevant Fund. The Partnership Agreements will provide, that to the fullest extent not prohibited by applicable law, none of the advisory committee members shall owe any fiduciary duties to the relevant Fund or any other investor. In addition, representatives of the advisory committees are expected to have various business and other relationships with the Company and its respective partners, members, principals, employees and affiliates. These relationships have the potential to influence their decisions as members of the advisory committee.

In addition, it is possible that members of one Fund's advisory committee will also be a member of another Fund's advisory committee. In such instances, a conflict of interest could be deemed to exist if an advisory committee is requested to provide consent with respect to transactions which involve a conflict of interest between two or more Funds on which such advisory committee members serve, and such members would be unlikely to recuse themselves from any such vote. To the extent members of an advisory committee vote regarding conflicts or otherwise participate in matters involving a vote or action, such members may not vote solely in accordance with their interests related to one Fund vis a vis another Fund, including for example, if such a member is required to vote on issues regarding conflicts between the Funds. Such members are unrestricted from voting and have the potential to affirmatively vote in a manner that is in their own interest and adverse to the interest of other investors. Finally, advisory committee members may choose to abstain from voting on certain issues, which means that certain votes and issues could be decided only by non-abstaining members and less than a complete group of advisory committee members.

*Uncertain Economic, Social and Political Environment.* Consumer, corporate and financial confidence could be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, disease outbreaks, epidemics, pandemics or other sources of political, social or economic disturbance or unrest. Leading up to the 2020 U.S. federal elections, increased political polarization became a defining feature of U.S. politics. The hyper-partisan political environment in the United States has further intensified as a result of the COVID-19 related economic shutdowns and civil unrest following protests against police brutality. An erosion of confidence could lead to or extend a localized or global economic downturn. Furthermore, such confidence could be adversely affected by local, regional or global health crises, including the rapid and

pandemic spread of novel viruses commonly known as SARS, MERS and COVID-19. Such health crises could exacerbate political, social and economic risks previously mentioned and result in significant breakdowns, delays and other disruptions on a local, regional and global scale, which would likely have adverse effects on the operating performance of affected portfolio investments. A climate of uncertainty, including with respect to the spread of infectious viruses or diseases, could reduce the availability of potential investment opportunities and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire investments, in an uncertain environment or economic downturn would likely have an adverse effect on the economy generally, on the ability of a Fund and its investments to execute their respective operations and to receive an attractive multiple of earnings upon disposition. This could slow the rate of future investments by a Fund and result in longer holding periods for investments. Furthermore, such uncertainty, including the uncertainty stemming from the spread of infectious viruses or diseases, or general economic downturn could have an adverse effect upon a Fund's investments.

*Market Conditions.* The capital markets have experienced great volatility and financial turmoil. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) could have an adverse effect on market conditions. General fluctuations in the market prices of investments and economic conditions generally could potentially reduce the availability of attractive investment opportunities for a Fund and affect a Fund's ability to make investments. Instability in the markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) could also increase the risks inherent in a Fund's investments and have an adverse impact on the performance and/or valuation of a Fund's investments. Each Fund's performance can be affected by deterioration in the capital markets and by market events, such as the onset of The Great Recession or the downgrading of the credit rating of the United States in 2011. Volatility and illiquidity in the financial sector would likely have an adverse effect on the ability of a Fund to sell and/or partially dispose of its investments. Such adverse effects could include the requirement of a Fund to pay break-up, termination or other fees and expenses in the event a Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of a Fund to dispose of investments at prices that the Company believes reflect the fair value of such investments. The impact of market and other economic events could also affect a Fund's ability to raise funding to support its investment objective.

A Fund's strategy in some investments is expected to be based, in part, upon the premise that real estate businesses and assets will be available for purchase by a Fund at prices that the Company considers favorable. Further, a Fund's strategy relies, in part, upon local market recoveries continuing during the life of the Fund. No assurance can be given that real estate businesses and assets can be acquired at favorable prices or that the market for such assets will recover or continue to improve, as the case may be since this will depend, in part, upon events and factors outside the control of the Company. In addition, there can be no assurance that market conditions will not deteriorate during the life of a Fund, which could have a materially adverse effect on the assets of a Fund. Actual or perceived trends in real estate markets do not guarantee, predict or forecast future events, which could differ significantly from those implied by such trends.

*Inflation.* Inflation could affect a Fund's performance in a number of ways. During periods of rising inflation, interest rates of any floating-rate instruments held by a Fund or issued by its subsidiaries could

increase, which would tend to reduce returns for the investors. Inflationary expectations or periods of rising inflation could also be accompanied by rising prices of commodities that are critical to the construction and/or operation of logistics facilities. The market value of a Fund's properties could decline in value in times of higher inflation. Some of a Fund's investments could have income linked to inflation, whether by regulation or contractual arrangement or other means. However, as inflation could affect both income and expenses, any increase in income could potentially not be sufficient to cover increases in expenses.

Moreover, as inflation increases, the real value of the units/interest and distributions therefrom can decline. If a Fund is unable to increase the revenue and profits of its investments at times of higher inflation, it could be unable to pay out higher distributions to the investors to compensate for the decrease in value of the money, thereby affecting the expected return of investors. A Fund could also be adversely affected if the market value of its investments decline during times of higher inflation.

*Limited or No Warranties for Property Purchases.* The Funds are permitted to acquire properties that are sold in "as is," "where is" and "with all faults," without any warranties of merchantability or fitness for a particular use or purpose. In certain other acquisitions, the purchase agreements could contain only limited warranties, representations and indemnifications that will only survive for a limited period after the closing. Also, many sellers of real estate are single-purpose entities without any other significant assets. The purchase of properties with limited warranties or from undercapitalized sellers increases the risk that a Fund could potentially lose some or all of its invested capital in the property (and in some cases, have liabilities greater than its investment) as well as the loss of rental revenue from such property.

*Deterioration of Credit Markets Could Affect Ability to Finance and Consummate Investments.* A widening of credit spreads, coupled with the deterioration of the sub-prime and global debt markets and a rise in interest rates, has dramatically reduced investor demand for high yield debt and senior bank debt, which in turn has led some investment banks and other lenders to be unwilling to finance new private equity real estate investments or to only offer committed financing for these investments on unattractive terms. A Fund's ability to generate attractive investment returns would likely be adversely affected to the extent a Fund is unable to obtain favorable financing terms for its investments. Moreover, to the extent that such marketplace events are not temporary, they could have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the United States and global economies. Such marketplace events also could restrict the ability of a Fund to realize its investments at favorable times or for favorable prices.

*Reassessment and Transfer Tax.* To the extent that an interest in real property is transferred in connection with the offering of the investor interests or a secondary offering, or the ownership is assigned, transferred, financed or restructured in the ordinary course of business of a Fund and its subsidiaries, certain state and local jurisdictions (or the relevant subdivisions thereof) could (i) seek to reassess the underlying real property, which could result in higher ad valorem property taxes and/or (ii) impose a stamp, recording, deed, or other transaction-based tax on such transaction.

*Potential Environmental Liabilities.* Under various federal, state and local laws, ordinances and regulations, an owner of real property is potentially liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such laws often impose such liability without regard to whether the owner knew of, or was responsible for, the presence of such hazardous

or toxic substances. The cost of any required remediation and the owner's liability therefore as to any property are generally not limited under such laws and could exceed the value of the property and/or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate contamination from such substances, would likely adversely affect the owner's ability to operate such property, sell the real property or to borrow funds using such property as collateral, which could have an adverse effect on a Fund's return from such investment.

*Harmful Mold and Other Air Quality Issues.* When excessive moisture accumulates in buildings or on building materials, mold could potentially grow, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds can produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources and other biological contaminants such as pollen, viruses and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of a Fund's properties could require a Fund to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the presence of significant mold or other airborne contaminants could expose a Fund to liability from its tenants, employees of its tenants and others if property damage or health concerns arise.

*Americans with Disabilities Act and Similar Laws.* Under the Americans with Disabilities Act of 1990, as amended (the "ADA"), commercial facilities and public accommodations must meet federal requirements related to access and use by disabled persons. If one or more of a Fund's properties does not comply with the ADA, then that Fund would likely be required to incur costs to bring the property into compliance, which were potentially not foreseen at the time of acquisition. Future changes to federal, state and local laws also could require modifications to a Fund's properties, or restrict a Fund's ability to renovate its properties. The Company cannot predict the ultimate cost of compliance with the ADA or other legislation. If a Fund incurs substantial costs to comply with the ADA and any other similar legislation, a Fund's financial condition, operations, cash flow, cash available for distribution and ability to satisfy its debt service obligations could be materially adversely affected.

*Casualty and Condemnation.* Investments in real property are subject to the risks of partial or total condemnation in accordance with applicable law or regulation and casualty, whether arising from destruction by fire, earthquake, flood, hurricane or otherwise. In either case, a Fund's investments (depending on such investments' status as lender, borrower or equity owner) could be subject to one or more of the following liabilities: (i) lenders could require prepayments of outstanding loans with any proceeds arising from a casualty or condemnation recovery event (i.e., insurance coverage), (ii) insurance coverage could potentially not be sufficient to cover renewal of an investment, (iii) renovations or developments with respect to an investment could be delayed and (iv) a seller could bear the risk of loss for such casualty or condemnation in connection with the disposition of an investment through the date of disposition.

*Litigation.* In the ordinary course of its business, the Funds could be subject to litigation from time to time. The outcome of such proceedings could materially adversely affect the value of a Fund and could continue without resolution for long periods of time. Any litigation would likely consume substantial

amounts of the Company's time and attention, and that time and the devotion of these resources to litigation could, at times, be disproportionate to the amounts at stake in the litigation.

*Climate Change-Related Risks.* The Funds are expected to be exposed to potential physical risks from possible changes in climate. A Fund's properties could be exposed to catastrophic weather events, such as severe storms or floods. If the frequency of extreme weather events increases due to climate change, a Fund's exposure to these events could increase. In addition, the Funds could be adversely impacted by regulatory changes related to climate change as a result of potential impacts of such changes on the supply chain or stricter energy efficiency standards for a Fund's properties. There can be no assurance that any existing or future regulatory changes will not materially and adversely impact a Fund's business in the future.

*Insurance Could Potentially Not Cover All Losses.* Uninsured and underinsured losses at a Fund-level or investment-level could harm a Fund's overall financial condition, operations and ability to make distributions to its investors. Certain types of losses generally are either uninsurable (or not economically insurable) or subject to insurance coverage limitations. Should an uninsured loss or a loss in excess of insured limits occur, a Fund could lose all or a portion of the capital it has invested in an investment, as well as the anticipated future revenue from the investment. These same risks apply to any capital deployed by an investment of the Funds. In that event, the relevant Fund and/or its investment might nevertheless remain obligated for any notes payable or other financial obligations related to the investment, in addition to obligations to the Fund's and/or its investment's ground lessors, franchisors and managers. Inflation, changes in building codes and ordinances, environmental considerations, provisions in loan documents encumbering the investments pledged as collateral for loans and other factors might also keep a Fund and/or its investment from using insurance proceeds to replace or renovate an investment after it has been damaged or destroyed. Under those circumstances, the insurance proceeds a Fund and/or its investment receives might be inadequate to restore a Fund's and/or its investment's economic position on the damaged or destroyed investment.

*Contingent Liabilities on Disposition of Investments.* In connection with the disposition of any investment, the Funds are expected to be required to make representations about such investment. The Funds also could be required to indemnify the purchaser of such investment to the extent that any such representations are inaccurate or as a result of any statutorily imposed liability for construction defects. These circumstances would likely result in the incurrence of contingent liabilities for which the Company is permitted to establish reserves. However, these reserves could potentially be insufficient to cover such liabilities and/or such liabilities could be uninsurable (or not economically insurable) or subject to insurance coverage limitations. Under the Delaware Revised Uniform Limited Partnership Act, each limited partner that receives a distribution in violation of such act will, under certain circumstances, be obligated to recontribute such distribution to the relevant Fund.

*Financial Statements.* The values of the Fund's properties established in accordance with its valuation policy statement (which is used for purposes of calculating, among other things, the Fund's net asset value and gross asset value, the Management Fee, the Incentive Allocation and the value of the units/interest) (and/or other components of the calculation of the Fund's net asset value) are likely to differ from any fair values (and/or such other components) presented in the Fund's financial statements prepared in accordance with generally accepted accounting principles.



*Increase in Market Interest Rates.* If interest rates increase, so could a Fund's interest costs for new debt, including variable rate debt obligations under any credit facility or other financing. This increased cost could make the financing of any development or acquisition more costly. Rising interest rates could limit a Fund's ability to refinance existing debt when it matures or cause it to pay higher interest rates upon refinancing, which would adversely impact liquidity and profitability. In addition, an increase in interest rates could decrease the access third parties have to credit or the amount they are willing to pay for a Fund's assets.

*Data Protection Compliance.* Applicable laws and regulations related to privacy, data protection and information security could increase costs for a Fund, and a failure to comply with such laws and regulations could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations of a Fund.

Companies are generally subject to laws and regulations related to privacy, data protection and information security in the jurisdictions in which they do business. As privacy, data protection and information security laws and regulations are implemented, interpreted and applied, compliance costs could increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

EU data protection law previously in effect was derived from the Data Protection Directive (Directive 95/46/EC) and had been implemented by national legislation across all 28 EU member states. On May 25, 2018, the General Data Protection Regulation (EU 2016/679) (the "GDPR") replaced the pre-existing legislation. The GDPR seeks to harmonize national data protection laws across the EU, while at the same time modernizing the law to address new technological developments. As a regulation, the GDPR applies to data controllers and data processors in all EU member states, immediately upon coming into effect, without the need for implementation in each member state. The GDPR notably has a greater extra-territorial reach than the pre-existing legislation and will have a significant impact on data controllers and data processors (A) with an establishment in the EU, (B) that offer goods or services to EU data subjects or (C) that monitor EU data subjects' behavior within the EU. The new regime imposes more stringent operational requirements on both data controllers and data processors and introduces significant penalties for non-compliance, with fines of up to 4% of total annual worldwide revenue or €20 million (whichever is higher), depending on the type and severity of the breach.

Compliance with current and future privacy, data protection and information security laws and regulations could significantly impact current and planned privacy and information security-related practices, the collection, use, sharing, retention and safeguarding of personal data and some of a Fund's current or planned business activities. A failure to comply with such laws and regulations could result in fines, sanctions or other penalties, which could materially and adversely affect results of operations and the overall business of a Fund, as well as have an impact on reputation.

*Financial Institution Risk; Distress Events.* An investment in a Fund is subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders or other custodians (each, a "Financial Institution") of some or all of the Fund's (or any portfolio investment's) assets fails to timely perform or otherwise defaults on its obligations or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty (each, a "Distress Event"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a

Distress Event, the Company, the General Partner, the Funds and/or any of the portfolio investments may be unable to access deposits, borrowing facilities or other services, either permanently or for an indeterminate period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose potentially increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that any intervention will occur, be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of the Company to manage the Funds and its investments, and on the ability of the Company, the Funds or any portfolio investment to maintain operations, which in each case could result in operational burdens, significant losses and unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event the Fund is unable to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of the Funds to access capital contributions or otherwise); the inability of the Funds to acquire or dispose of investments, including at prices that the Company believes reflect the fair value of such investments; and/or the inability of the Company or portfolio investments to make payroll, fulfill obligations and/or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that the Company will experience operational burdens and expenses, and the Funds or a portfolio investment will incur additional expenses and/or delays in putting in place alternative arrangements and/or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). There can be no assurance that the Company will be able to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, or that such remedies will be successful or avoid losses, delays or other negative impacts. The Funds and their portfolio investments are subject to additional risks in the event a Financial Institution utilized by investors of the Funds or suppliers, vendors, service providers or other counterparties of a portfolio investment become subject to Distress Events, which could have a material adverse effect on the Funds, its investors or such portfolio investments, including the risk of investor defaults.

Many Financial Institutions require, as a condition to using their services (including lending services), that the Company and/or the Funds maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although the Company seeks to do business with Financial Institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Funds, the Company is under no obligation to use a minimum number of Financial Institutions with respect to the Funds, or to maintain account balances at or below the relevant insured amounts.

*Co-Investments.* The Company reserves the right, in its sole discretion, to provide or commit to provide co-investment opportunities to its affiliates, certain investors and certain third-parties the right to co-invest alongside a Fund in accordance with the allocation policy of the Company, in each case on terms

to be determined by the Company in its sole discretion. Potential conflicts of interest are expected to arise in the allocation of such co-investment opportunities. The allocation of co-investment opportunities, which are permitted to be made to one or more persons for any number of reasons as determined by the Company in its sole discretion, potentially will not be in the best interests of a Fund or any individual investor. In exercising its sole discretion in connection with such co-investment opportunities, the Company expects to consider some or all of a wide range of factors, which are expected to include factors that benefit the Company such as the likelihood that a co-investor will invest in a future fund sponsored by the Company. Furthermore, the Company and its affiliates reserve the right to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities are permitted to, and typically will, be offered to some persons and not to others, and certain persons could receive multiple opportunities to co-invest while others expressing interest in co-investments could receive none. The Funds are permitted to co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments are expected to involve risks not present in investments where a third party is not involved, including the possibility that a third-party co-venturer or partner could at any time have economic or business interests or goals that are inconsistent with those of a Fund, or could be in a position to take action contrary to the investment objectives of a Fund. In addition, a Fund could potentially, in certain circumstances, be liable for actions of its third-party co-venturer or partner. There can be no assurance that a Fund's return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction.

*Potential Conflicts of Interest.* Prospective investors should be aware that there are, and will continue to be, occasions when the Company and its affiliates encounter potential conflicts of interest in connection with a Fund's activities. There can be no assurance that the Company will be able to resolve all conflicts of interest in a manner that is favorable to the Funds. The following discussion describes certain actual and potential conflicts of interest and other considerations that should be evaluated carefully before making an investment in the Funds. By subscribing for the investor interests, each investor will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and to have waived any such conflict of interest.

In certain cases, opportunities are likely to arise for a Fund and Other GID Accounts to co-invest in investments or other assets, as permitted by the relevant Partnership Agreement. Potential conflicts are expected to arise with respect to the allocation, price, investment terms, and management of such co-investments, each of which will be determined in the sole discretion of the Company and its affiliates. However, the Company intends to allocate co-investment opportunities in a manner it deems to be fair and equitable.

The Funds are permitted to engage in certain transactions with the Company and its affiliates by investing in real estate assets in which the Company or its affiliates hold an interest and acquiring real estate assets from or through, selling or transferring investments to, entering into joint ventures or other partnerships or engaging in other transactions with the Company or its affiliates. Further, a Fund can purchase securities from Other GID Accounts if permitted by its Partnership Agreement. Conflicts will arise with respect to the valuation and terms of each such transaction; however, the Company intends to resolve such conflicts in a manner it deems to be fair and equitable, as further described in

each Partnership Agreement, and such conflicts should be mitigated by substantial investment by the Company's investors.

GID and the principals sometimes make equity or other investments in companies that provide services to or otherwise contract with the Funds and Other GID Accounts and/or the real estate assets owned by GID's proprietary accounts. Such investments may give GID access to market research and/or favorable pricing for services when such company is engaged by a Fund, a Fund's real estate assets and/or Other GID Accounts. In particular, GID and the principals have in the past entered into, and expect to continue to enter into, relationships with a company in the real estate technology services industry ("Tech Company"), whereby the GID and certain of its principals have acquired a minority equity interest in a Tech Company that, in turn, transacts with a Fund, a Fund's real estate investments and Other GID Accounts. An employee of GID is currently and is expected to continue to serve on an advisory board of a Tech Company. Further, a GID affiliate markets Tech Company's product to tenants in its properties. A Tech Company pays GID's underlying investment (*i.e.*, the property) a referral fee (also referred to as a marketing fee) for any tenants subscribing for Tech Company's product. Finally, on occasion, certain executives of the Company appear in marketing promotions for a Tech Company.

The Company, as the investment adviser and asset manager, has in the past and may continue to refer, introduce or otherwise facilitate transactions between such companies and a Fund, a Fund's real estate investments and/or Other GID Accounts. While such transactions or arrangements will be consistent with the requirements of the applicable governing agreements of such vehicles (including the relevant Partnership Agreement), they may also result in benefits to the GID or the principals, including financial incentives. Such financial incentives that inure to or benefit the GID or the principals create an incentive for the Company to cause a Fund, a Fund's real estate investments and/or Other GID Account to enter into such transactions that may or may not have otherwise been entered into. While such transactions have the potential for inherent conflicts of interest, the Company has adopted conflict mitigation strategies and procedures, including the requirement to document and discuss the potential conflict and mitigating factors with the Company's Chief Compliance Officer and Head of Portfolio and Asset Management and in some instances obtain approval of a Fund's or Other GID Account's advisory committee or provide other investor disclosures. Mitigating factors for such conflict could include the size and type of GID or the principals' investment in the applicable company providing services or otherwise contracting with a Fund or Other GID Account, level of the Company's approval rights or control of such company or terms of the contractual agreement with the Fund, real estate assets owned by a Fund or Other GID Accounts.

The Company will be faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses to the Funds, between the parallel investment entities comprising a Fund, Other GID Accounts co-investing with a Fund and among investors in the Funds. The Company, in its sole discretion, intends to allocate fees and expenses in accordance with the relevant Partnership Agreement and in a manner that it believes in good faith is fair and equitable to the Funds under the circumstances and considering such factors as it deems relevant. The allocations of such expenses could potentially not be proportional, and any such determinations involve inherent matters of discretion, including determining whether to allocate pro rata based on number of funds or co-investors receiving related benefits or proportionately in accordance with asset size. The Company will also face conflicts in allocating fees, expenses and liabilities that could potentially be considered specific to one or more, but not all, participating Other GID Accounts, including the Funds and its investors. Given the nature of

these conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to the Funds or an investor in the Funds.

The Company expects to raise Other GID Accounts that compete with the Funds. The closing of another fund or account could result in the reallocation of personnel of the Company and its affiliates, including reallocation of existing real estate professionals, to such fund or account. The Company and its affiliates will devote such time, personnel and internal resources to the business of the Funds and such other investment funds or accounts as they determine, in their sole discretion, is necessary to conduct the business affairs of each in an appropriate manner, although the Funds and such other investment funds or accounts will place varying levels of demand on these over time. Since the officers of the Company and certain officers and employees of the Company are also officers and employees of certain affiliated entities, including an affiliated family office, they have a conflict of interest in allocating management time, services and functions among the Funds, the Other GID Accounts (particularly such Other GID Accounts in which such affiliates have substantial investments), such affiliated entities and any future companies, partnerships or other ventures which are organized by the Company or its affiliates. The Company believes that it and its affiliates have sufficient staff and other resources to perform its responsibilities on behalf of the Funds. The Company and its affiliates allocate, and expect to continue to allocate, their time and services among the Funds and Other GID Accounts based upon their determination of the relative needs of the various entities for management services. In addition, the Company is expected to devote significant time in the future to the management of such other investment funds and accounts. The Company's investment staff is expected to spend a portion of their business time and attention pursuing investment opportunities that do not fall within the investment objectives of the Funds for such other investment funds and accounts, and other than on behalf of the Funds. The Company's investment staff will continue to manage and monitor such other investment funds and accounts. The Company believes that the significant investment of the Company in the Funds, as well as the interest of the Company's investment staff in the Incentive Allocation, operate to align, to some extent, the interests of the Company and the Company's investment staff with the interests of the Funds, although the Company and the Company's investment staff have and expect in the future to have economic interests in such other investment funds and accounts as well and receive management fees and Incentive Allocation relating to such interests. Such other investment funds and accounts are expected to compete with the Funds or investments acquired by the Funds. The Company expects to recommend to the Funds or the portfolio investments thereof, as applicable, that they contract for property management services and/or development and construction services with GID, the General Partners or their respective affiliates at pre-disclosed, set rates, as set forth in the Partnership Agreements, and such persons will be entitled to be paid a fee with respect to the performance of such services. GID, the General Partners and their respective affiliates do not provide such services on a fee basis to third parties, but rather only to entities where GID and the Company have an equity interest. Any fees paid in respect of such services will not be shared with the Funds or credited against the Management Fee. This subjects the Company to potential conflicts of interest. There can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

In certain circumstances, the Company and/or its affiliates are authorized to provide any or all of the support services that the Company determines would otherwise be performed for the applicable Fund or its portfolio investments by third parties on terms that are determined by the Company to be fair and

reasonable to the Fund, but in no case without a profit mark-up. In such events, the General Partner and/or its affiliates will not receive fees, but will be reimbursed by the Fund for performing such services. Any amounts received by the General Partner and/or its affiliates in respect of the provision of the support services will not offset or otherwise reduce the Management Fee, the property management fee, the development fee, or any other fees the General Partner is entitled to receive. The Company will have a conflict of interest in determining the costs of such services that will be charged to a Fund or the applicable portfolio investment. In addition, such use or retention creates an incentive for the Company to favor its affiliates over more qualified service providers. In any event, the Company will pay all ordinary overhead and administrative expenses of the Funds incurred by the Company in connection with maintaining and operating its offices (including salaries, rent and equipment expenses), but not including any Fund expenses. Nevertheless, the Company expects to have a conflict of interest in determining the costs of such services that will be charged to the Funds.

The Company and its affiliates have previously made and will continue to make investments in core and core plus multifamily and industrial real estate assets through Other GID Accounts. The Company and its respective affiliates, from time to time, expect to be presented with investment opportunities that fall within the investment objectives of the Funds and certain Other GID Accounts. The Company and its affiliates expect to raise, sponsor, manage and otherwise provide discretionary investment management and/or advisory services to or source investments for Other GID Accounts, some of which are expected to have investment objectives similar to or that overlap with those of the Funds and/or engage in transactions in the same type of investments as the Funds or in different investments of the same issuers in which the Funds invest. In such circumstances, the Company expects to allocate such opportunities among the Funds and Other GID Accounts in accordance with its written Investment Allocation Procedures. The allocation of investment opportunities in the manner set forth in the Investment Allocation Procedures often will not result in proportional allocations among the Funds and Other GID Accounts, and such allocations are likely to be more or less advantageous to some such persons relative to others. In addition, the allocation of investment opportunities in the manner set forth in the Investment Allocation Procedures are, at times, likely to result in the allocation of potential investments suitable for the Funds to Other GID Accounts. While the Company will allocate investment opportunities in a manner that it believes in good faith is fair, impartial and equitable to the Funds and Other GID Accounts under the circumstances over time and in consideration of the allocation factors set forth in the Investment Allocation Procedures, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which such allocation is made, will be as favorable as it would be if the potential conflicts of interest to which the Company is subject to did not exist. Further, allocations are made based on circumstances at a point in time. Such circumstances could change over the period of ownership such that the investment could be viewed as suitable for the Funds or one or more Other GID Accounts.

In addition, the Company is not restricted by the Partnership Agreements from acquiring any investments of a kind suitable for investment by a Fund for its own account. As above, in such circumstances, the Company expects to allocate such opportunities among the Funds and the Company's own account in accordance with its written Investment Allocation Procedures.

The General Partners and their affiliates reserve the right make loans to and/or equity investments in (and are permitted to be issued warrants or other interests from) third-party operators and joint venture partners with which the General Partners are permitted to elect, through partnerships, joint

ventures or other entities or arrangements, to co-invest a Fund's capital. Such joint venture partners are likely to be entitled to compensation under the terms of the joint venture documents (including acquisition fees, property management fees, consulting fees, leasing fees, incentive fees and promote fees after completion) with respect to the services provided by such joint venture partners and their affiliates. In addition, some of the third-party operators and joint venture partners with which the General Partners are permitted to elect to co- invest the Fund's capital could have preexisting investments with the Company and its affiliates. The terms of these preexisting investments could differ from the terms upon which the Funds invest with such operators and partners. To the extent a dispute arises between the Company and its affiliates and such operators and partners, a Fund's investments relating thereto would likely be affected. To the extent that certain decisions or transactions involve tax considerations, the interests of the General Partners could potentially be inconsistent with those of the investors (e.g., the timing of transactions). In addition, situations could arise in which the Company would be required to act on behalf of the Funds in administrative and judicial proceedings involving the IRS or other enforcement authorities. Such proceedings could involve or affect other entities for which the Company or an affiliate acts as a manager. In such situations, the positions taken by the Company could have differing effects on the Funds and other such companies.

*Company Investments in Multiple Levels of Capital Structure.* The Company and its affiliates also will be subject to certain potential conflicts of interest when the Fund and Other GID Accounts are invested in different levels of the capital structure of a portfolio investment. In addition to the Funds and the Company's equity- focused Other GID Accounts, the Company expects to manage various Other GID Accounts that (i) seek to provide mezzanine debt financing and make other subordinated debt investments (the "Subordinated Credit Funds") and/or (ii) make investments primarily in bank loans and participations, other debt instruments, obligations and/or other securities senior to common equity and subordinated debt (the "Senior Credit Funds"). The Subordinated Credit Funds and Senior Credit Funds (together, the "GID Credit Funds") will be authorized under their respective governing documents and the Governing Documents of the Funds to make investments in one or more portfolio investments in which a Fund or Other GID Accounts have invested. The Funds generally are expected to hold interests in portfolio investments that are of a different class or type than the class or type of interests held by the Subordinated Credit Funds and/or the Senior Credit Funds. For example, a Fund typically will hold equity interests in a portfolio investment while one or more GID Credit Fund(s) would be permitted to hold debt instruments of the same portfolio investment. In some scenarios, it is contemplated that a Fund (or an Other GID Account), a Senior Credit Fund and a Subordinated Credit Fund will all be invested in different levels of the capital structure of a single portfolio investment. In circumstances where a Fund and one or more GID Credit Funds are invested in different levels of the capital structure of the same portfolio investment, conflicts such as those discussed below can arise among the interests of one Fund and such other GID Credit Fund.

For example, in situations where one or more GID Credit Funds invests in a debt instrument of a portfolio investment in which a Fund holds equity securities, the Company expects to be subject to conflicts of interest in determining the terms of such debt instrument(s) and in managing the Fund's and such other GID Credit Fund's investments in such portfolio investment on a going-forward basis. Conflicts can arise among the Fund and such other GID Credit Funds in negotiating the price of the debt securities or other instruments, the characterization of such debt securities or other instruments, the terms of inter-creditor agreements, the interest rate or stated dividend yield of such debt securities or

other instruments, the nature of the covenants running in favor of lenders (including the applicable GID Credit Funds) and the other terms and conditions of investment or in addressing subsequent amendments or waivers. There can also be conflicts where a Fund desires optimal flexibility with respect to a portfolio investment, while a GID Credit Fund invested in the debt of the same portfolio investment is expected to want to place tighter restrictions on the type and amounts of permitted investments and acquisitions. In addition, a General Partner's ability to implement the Fund's strategies effectively may be limited to the extent that contractual obligations entered into in respect of the activities of a GID Credit Fund impose restrictions on the Fund engaging in transactions that the General Partner otherwise would consider pursuing. For example, if a Fund controls a portfolio investment that could have an interest in pursuing a follow-on investment that would increase indebtedness or other similar transactions that may enhance the value of the equity investment with respect to the Fund, it would potentially also increase the risk of a GID Credit Fund's debt investment in such a portfolio company. Further, because of the different legal rights associated with debt and equity investments, the Company expects to face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, a Fund versus a Senior Credit Fund or a Subordinated Credit Fund. For example, questions may arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured.

In addition, the interests of a Fund and the applicable GID Credit Fund can diverge significantly in the event a portfolio investment experiences financial distress. For example, if additional financing is necessary as a result of financial or other difficulties, it may not be in the best interests of a GID Credit Fund to provide such additional financing. If a GID Credit Fund had the potential to incur a loss on its investment as a result of such difficulties, a General Partner's ability to recommend actions in the best interests of the Fund might be impaired. Accordingly, in troubled or distressed situations, certain decisions, including whether to enforce claims, whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy and the terms of any workout or restructuring, are expected to raise conflicts of interest with respect to the Fund and any GID Credit Fund invested in different levels of the capital structure of the same portfolio investment, whose interests are likely to diverge in such situations. For instance, the Fund's interest typically will be more junior to any investing Senior Credit Fund in the capital structure of the applicable portfolio investment. In a financial workout or other distressed scenario, a Fund's equity interest could be adverse to such GID Credit Fund(s) and the Fund might recover none of its investment, while a GID Credit Fund would recover more. Furthermore, if additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, a Fund or a GID Credit Fund may or may not provide such additional capital, and if provided, the Fund and such GID Credit Fund generally will supply such additional capital in such amounts, if any, as determined by the General Partner and/or its affiliates in their sole discretion. For each of the conflicts discussed herein, the complexity of the issues and resolution thereof can become more complicated to the extent that a Fund, a Senior Credit Fund and a Subordinated Credit Fund are all invested in different or overlapping levels of a portfolio investment's capital structure.

While the Company and its affiliates will seek to resolve any such identified conflicts of interest among the Funds and any GID Credit Fund(s) in a manner that is intended to be fair and equitable to the applicable Funds under the circumstances, there can be no assurance that the Company will identify or resolve all such conflicts of interest, and, if resolved, that such conflicts will be resolved in a manner that is favorable to each Fund in any case. In determining any course of action relating to the resolution of



such conflicts, the Company is authorized to (i) consult with the advisory committee of the Fund and the advisory committees of any relevant GID Credit Fund(s), (ii) consult with or appoint an independent client representative (e.g., an independent fiduciary) to provide such advice, counsel and/or consents as are requested by Company in connection with the conflicts discussed herein or any other conflicts that may arise and/or (iii) expects to adopt specific policies for the GID Credit Funds commonly used for similar investment products managed by other sponsors (e.g., voting with unaffiliated lead lenders, never taking more than 49% of a debt tranche, etc.).

*Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes.* There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private funds industry. In particular, the SEC has increased emphasis on investment adviser and private fund regulation and has both adopted and proposed a number of new rules that impose significant changes on private fund advisers and their management of private funds. Such changes are expected to materially impact the Company, the Funds and/or the investments, as well as increase their expenses. Significant time and resources are expected to be required to comply with new regulations. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Funds' activities, including the ability of the Funds to effectively and timely address such regulations, implement operating improvements or otherwise execute their investment strategy or achieve their investment objectives.

In perhaps the most sweeping of rulemaking changes, on August 23, 2023, the SEC adopted new rules and amendments (collectively, the "Private Fund Rule") to existing rules under the Advisers Act specifically related to advisers to private funds. In particular, the Private Fund Rule (i) requires quarterly reporting by registered private fund advisers to investors concerning performance, fees and expenses; (ii) requires registered investment advisers to obtain an annual audit for private funds; (iii) requires registered investment advisers to obtain a fairness opinion or a valuation opinion and make certain disclosures in connection with adviser-led secondary transactions; (iv) imposes limitations and new disclosure requirements regarding preferential treatment of investors in private funds in side letters or other arrangements with the adviser; and (v) prohibits advisers to private funds from taking certain actions without providing disclosures to investors and, in some cases, without obtaining investor consent. The Private Fund Rule is expected to have a significant effect on the Company, the Funds and their operations, including increased compliance burdens and associated regulatory costs, increased investor reporting and disclosures to investors, enhanced risk of regulatory action and additional regulatory uncertainty. Significant time and resources are expected to be required to comply with the Private Fund Rule, which potentially will detract from the time and resources dedicated to the Funds.

#### Risks Factors Specific to Closed-End Industrial Fund

*Focus on Logistics Facilities.* The Fund's revenues and the value of its properties are vulnerable to risks associated with the Fund's focus on logistics facilities. For instance, infrastructure changes, changes in consumer and corporate spending and production, technological innovations and/or regulations could potentially alter the roles and relative importance of logistics facilities. Additionally, real estate surrounding the Fund's properties has the potential to be developed for uses which could impede the operations of the applicable tenants, potentially causing them to seek other logistics facilities. Unanticipated results or changes in particular logistics facilities, general or local economic conditions or other relevant factors, including government regulations or demand, could affect the values of the

Fund's investments, which could have an adverse effect on the Fund's investments, financial condition, operations and prospects.

*Limited Transferability of Fund Interests.* There will be no public market for Fund interests, and none is expected to develop. There are substantial restrictions upon the transferability of Fund interests under the Partnership Agreement and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable.

*Minority Investors; Conflicts Arising in Respect of Alignment of Interest.* A third party holds a minority interest in the relying adviser's sole member (the "Minority Investor"), GID Industrial Advisers LLC, and the General Partner of the GID Industrial Value Fund LP and in such capacity, is entitled to receive a portion of the incentive allocation and other economics of the relying adviser and the General Partner. The Minority Investor holds a seat on the GID Industrial Value Fund LP advisory committee and has made a limited partner commitment to the GID Industrial Value Fund LP on a fee-advantaged basis. The Minority Investor will also be offered co-investment opportunities as a strategic relationship of the relying adviser and has relationships in the ordinary course with current or prospective portfolio investments, including providing services and/or financing to current or prospective portfolio investments. The Minority Investor does not have any right to participate in the day-to-day operations or investment decisions of the Adviser as it relates to the Funds but does have major decision rights intended to protect its participation interest. Finally, the Minority Investor has entered into joint venture partnerships and other advisory relationships with GID.

The Minority Investor has relationships with other advisers and investment vehicles that give rise to potential conflicts, including sponsoring or investing in firms or vehicles that pursue investment strategies similar to those of the Funds and that ultimately compete with a Fund for investment opportunities. The existence of this minority economic interest has the potential to diminish the alignment of the Minority Investor's interests as an investor in a Fund with the interests of others in a Fund.

#### Risks Factors Specific to Open-End Multifamily Fund

*Uncertainty of Net Asset Values and Gross Asset Values; Valuation.* Among the Fund's important features are the provisions relating to the funding of commitments and the redemptions of the units. The valuation of the units upon the funding of commitments (including any reinvestment of cash distributions in additional units), the amount payable upon redemption to redeeming investors and certain other valuations are generally based upon the Fund's net asset value applicable to such funding, redemption or other event (subject to any applicable adjustment with respect to distributions, contributions or other material events occurring thereafter).

The Fund will rely on the Company and its affiliates for valuation of the Fund's assets and liabilities. The values of the Fund's investments are established in accordance with the Fund's valuation policy established by the Company, a copy of which is available upon request (the "Valuation Policy"). The Valuation Policy can be modified by the Company. The Fund's debt is generally "marked-to-market" in accordance with the Valuation Policy. The Fund will primarily hold securities and other assets that will not have readily assessable market values. In such instances, the Company will determine the fair value of such securities and assets in its reasonable judgment based on various factors and expects to rely on internal pricing models, all in accordance with the Valuation Policy. Such valuations will, from time to

time, vary from similar valuations performed by independent third parties for similar types of securities or assets. To the extent the Company is required to determine valuations within a quarter, the Company will generally reference the valuations as of the beginning and end of such quarter and make adjustments based on such assumptions that the Company believes are reasonable (and shall be permitted to assume that any appreciation or depreciation occurs on a straight-line basis during such quarter).

The valuation of illiquid securities and other assets is inherently subjective and subject to increased risk that the information utilized to value such assets or to create the price models is potentially inaccurate or subject to other error. In addition, valuations rely on a variety of assumptions, including assumptions about projected cash flows for the remaining holding periods for the properties, market conditions at the time of such valuation and/or any anticipated disposition of the properties, legal and contractual restrictions on transfers that limit liquidity and any transaction costs related to, and the timing and manner of, any anticipated disposition of the properties, all of which could potentially materially differ from the assumptions and circumstances on which the valuations are based. Furthermore, valuations are based in large part on information as of the applicable period, and market, property and other conditions have the potential to change materially after that date. The value of the Fund's portfolio is also expected to be affected by any changes in accounting standards, policies or practices, as well as general economic, political, regulatory and market conditions and the actual operations of portfolio investments, which are not predictable and can have a material impact on the reliability and accuracy of such valuations.

Accurate valuations are more difficult to obtain in times of low transaction volume because there are fewer market transactions that can be considered in the context of the appraisal. As such, the carrying value of an investment will from time to time not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. Accordingly, such values have the potential to not accurately reflect the actual market values of the investments, and thus, investors will likely make decisions as to whether to invest in or redeem the units without complete and accurate valuation information.

In addition, investors would be adversely affected by higher Management Fees and Incentive Allocations if the Fund's net asset value or gross asset value is overstated. Due to a wide variety of market factors and the nature of certain securities and assets to be held by the Fund, there is no guarantee that the value determined by the Company will represent the value that will be realized by the Fund on the eventual realization of the investment or that would, in fact, be realized upon an immediate disposition of the investments. An objective of the Company's Valuation Policy is to eliminate any incentive the Company has to arrive at higher valuations. For example, in limited circumstances under the Partnership Agreement, the amount and timing of Incentive Allocation received by the General Partner or its affiliates with respect to the Fund will depend on the value of the Fund's assets and liabilities. In such circumstances, if the valuations made by the Company are incorrect, the amount of Incentive Allocation received by the General Partner or its affiliates, or the timing of receipt of Incentive Allocation, could also be incorrect (see also "Potential Conflicts of Interest" above).

Further, the values of the Fund's properties established in accordance with its Valuation Policy (which is used for purposes of calculating, among other things, the Fund's net asset value, the Management Fee, the Incentive Allocation and the value of the units) (and/or other components of the calculation of the

Fund's net asset value) are permitted to differ from any fair values (and/or such other components) presented in the Fund's financial statements prepared in accordance with generally accepted accounting principles.

In addition, the Company regularly reports to investors and prospective investors certain metrics of the Funds' performance, such as rates of return and multiples-of-money, whose calculation depends on the value of such Funds' investments, including unrealized investments, and involves uncertainties and judgmental determinations.

*Pricing and Priority in Redemption Transactions.* After the expiration of the lock-up period (which is permitted to be reduced or waived in limited circumstances), investors are entitled to elect to redeem their units upon at least ninety (90) days' prior written notice to the General Partner. Except in limited circumstances, the redemption payment is paid only as liquid assets are available as determined by the General Partner in its sole discretion. The General Partner has the right to determine the extent to which liquid assets are available for redemption or instead are necessary for ongoing expenses (including debt payments), investments, capital expenditures or reserves. Furthermore, units are permitted to be redeemed by means of two or more partial payments made over a period of time and an investor who gives a redemption notice will not know the redemption price until its units are actually redeemed. It is possible that the redemption price ultimately paid will not accurately reflect the fair value of the units being redeemed. The General Partner is authorized to restrict an investor's ability to redeem its units and hold back amounts from redemption proceeds to account for audit adjustments and/or to satisfy or create reserves for expenses, liabilities or contingencies of the Fund. The General Partner is authorized to, in cooperation with the Company, enter into agreements with one or more investors that limit or modify the applicability of the redemption restrictions with respect to such investors' units, including granting such investors the right to redeem their units upon the occurrence of certain future events. Such redemptions will potentially affect the Fund's ability to consummate, hold, improve, restructure, and/or exit investments.

*Unpredictability of Distributions and Use of Capital.* Distributions to investors will be made only if, as and when declared by the General Partner. Investors in the Fund should not expect to receive distributions of net capital event proceeds. If the General Partner determines that all or any portion of net capital event proceeds are not necessary for current and anticipated obligations, liabilities, expenses, debt payments, investments, follow-on investments, capital expenditures, distributions or reserves, such amounts are permitted to be used to satisfy redemption requests. The Fund cannot make assurances as to when or whether cash distributions will be made to investors, the amount of any such distribution or the availability of cash for any such distribution since the ability to make distributions will be dependent upon the cash flow, financial condition and other factors relating to the Fund's portfolio investments. Such factors include the ability to generate sufficient cash from operations to pay expenses, service debt and to satisfy other liabilities as they come due. Furthermore, the General Partner, in its sole discretion, has the authority to use or set aside distributable cash for working capital purposes or for the funding of present or future reserves or contingent liabilities, taxes, investment activities, actual or anticipated Incentive Allocations and other purposes. If the General Partner determines that all or any portion of net capital event proceeds are not necessary for ongoing expenses (including debt payments and fees), anticipated investments, capital expenditures and reserves, such amounts are permitted to be used to satisfy redemption requests at the General Partner's discretion. Accordingly, the payment of cash distributions is subject to the discretion of the

General Partner. Neither the General Partner nor any of its respective affiliates is obligated to support or guarantee any level of distributions.

*Redemption Requests Prohibiting the Acquisition of Investments.* If the redemption queue reaches the requisite threshold for a certain period of time, the Fund is not permitted to acquire any new investments (excluding pre-existing commitments to make investments, follow-on investments or restructurings of investments) until such redemption requests fall below such threshold. These limitations could have a negative impact on the Fund's dividend yield and returns.

*Parallel Investment Entities.* The Company is permitted to form additional parallel investment entities to invest alongside the Fund. Because of the open-end nature of the Fund, the Company anticipates frequent rebalancings between parallel investment entities in connection with capital contributions and redemptions with respect to each such parallel investment entity which could, from time to time, result in taxable events for the investors. The Company currently intends to manage such rebalancings by utilizing one or more holding partnerships or other entities below the parallel investment entities. The Company is permitted to effectuate such rebalancings as issuances and/or redemptions of interests in such holding partnerships or other entities. The gross asset value and net asset value of the Fund are expected to be calculated at such holding partnerships or other entities and allocated to each parallel investment entity. While the Company does not anticipate any material difference in the pro rata allocation to each parallel investment entity, the gross asset value and net asset value allocated to each parallel investment entity will, from time to time, differ for various reasons, including due to different expenses and/or fees borne by such entities and their respective investors. The Company could from time to time determine that any portion of any Fund expense is attributable to a specific parallel investment entity and expects to allocate such Fund expense among the parallel investment entities on a fair and equitable basis, in each case as determined by the Company in its sole discretion.

*Dilution from Additional Closings.* Newly admitted investors or existing investors that increase their respective Commitments will participate in existing investments of the Fund, thereby diluting the interest of existing investors in such investments. Although any such new investor will be required to make contributions to the Fund in the manner described in the Memorandum, there can be no assurance that this contribution will reflect the fair value of the Fund's existing investments at the time of such contributions.

*Seller Financing Upon Disposition of Investments.* The Fund is permitted to provide seller financing in connection with the disposition of a portfolio investment, which would result in the Fund holding a continuing interest in such portfolio investment as a creditor following such disposition and thereby delay distributions to the investors arising therefrom until the time such financing is repaid, if at all. Such financing will be subject to the risks typically associated with real estate-related debt instruments, which, in addition to the risks of borrower default (including loss of principal and nonpayment of interest) and the risks associated with real estate investments generally, includes the risks of illiquidity, lack of control, mismanagement or decline in value of collateral, contested foreclosures, bankruptcy of the borrower, claims for lender liability, violations of usury laws and the imposition of common law or statutory restrictions on the exercise of contractual remedies for defaults. Such loans also have special inherent risks relative to collateral value. In the event of default, the source of repayment is limited to the value of the collateral and could be subordinate to other lien holders (and the collateral value could be less than the outstanding amount of the loan). Non-performing real estate loans are likely to require

a substantial amount of workout negotiations and/or restructuring, which could entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. It could be necessary or desirable to foreclose on the collateral, and the foreclosure process can be lengthy and expensive.

*Insurance; Captives.* The Fund, Other GID Accounts and their respective direct or indirect assets are permitted to utilize the Company and its affiliates for placement, administration and provision of insurance coverage in connection with all or part of their respective insurance coverage and participate together in shared, or umbrella, insurance policies as part of a broader group of entities affiliated with the Company (including the Company, the Fund and Other GID Accounts). Any insurance policy purchased by or on behalf of the Fund and/or Other GID Accounts (including policies covering the Fund, the General Partner and the Company and the respective analogues of such Other GID Accounts) could provide coverage for situations where the Fund and/or such Other GID Accounts would not be permitted to provide indemnification under their respective governing agreements, including situations involving culpable conduct by the General Partner or the Company and the respective analogues of such Other GID Accounts. Nonetheless, the Fund's share of the premiums, costs, fees and expenses in respect of insurance coverage will not be reduced to account for these types of situations.

Insurance companies wholly owned and operated by the Company and its affiliates (each, a "Captive") would be permitted to provide insurance coverage for the Fund, Other GID Accounts and/or their respective direct and indirect assets (e.g., primary layer of insurance for certain assets, reinsurance or supplemental coverage to third-party coverage, etc.). The Company believes that, in some cases, Captives could provide benefits to the Fund and Other GID Accounts that are not available from a third-party insurance provider, including greater control over the applicable insurance program and potentially more affordable and comprehensive insurance coverages, reduction or elimination of insurance brokerage costs and lower premiums and deductibles. In determining whether to utilize a Captive as an insurance provider for the Fund and Other GID Accounts, the Company will consider such factors as it determines appropriate in its discretion under then-existing facts and circumstances. It is expected that each Captive will charge premiums at an amount not to exceed the amount that would be payable by the Fund, Other GID Accounts and/or their respective direct or indirect assets, as applicable, in each case, if such insurance were provided by unaffiliated third parties in the business of providing comparable insurance services (as determined by the Company). Each Captive is expected to meet the capitalization requirements applicable to such Captive under applicable law, although the Company reserves the right to impose greater capitalization requirements in its discretion based on then-existing facts and circumstances, industry standards and other considerations that the Company deems applicable to such Captive, and the premium charged by each Captive is expected to take such capitalization requirements into account.

The Company reserves the right to cause Captives to seek reinsurance or stop loss insurance for all or a portion of the applicable coverage, which could result in the Company and its affiliates earning and retaining fees and/or a portion of the premiums associated with such insurance while not retaining all or a commensurate portion of the risk insured. Alternatively, the Company also reserves the right to cause a Captive to enter into arrangements with one or more third parties that will act as the primary insurer for all or a portion of the applicable coverage. In such circumstances, to the extent claims arise under such arrangements, the applicable third party would be expected to pay and be ultimately responsible for the applicable claim, and such Captive would then be required to indemnify such third party for such

Captive's applicable share of such claim in accordance with the applicable arrangements. To compensate such third parties for the risk associated with primary responsibility for the claims, a Captive will likely be required to provide such third parties with cash, letters of credit and/or other collateral.

The engagement of a Captive will give rise to certain potential conflicts of interest, including with respect to the evaluation and payment of claims. In order to mitigate potential conflicts of interest related thereto, claims and loss payments will be managed by third-party administrators. Additionally, to the extent a Captive insurance policy provides coverage with respect to the Fund, Other GID Accounts and/or their respective direct or indirect assets, all or a portion of the fees and expenses (including premiums) of such insurance policy and its placement will be allocated to the applicable vehicle or its direct or indirect assets as determined by the Company in its discretion taking into consideration facts and circumstances deemed relevant, such as, with respect to umbrella policies, the value of each covered account's investments and capital commitments (if applicable), the risk that such account poses to the applicable Captive and estimates of insurance premiums that would have been payable for each account's respective properties. While the Company expects to consider objective criteria when determining such allocations, the Company will also be required to take into consideration other facts and circumstances that are more subjective in nature, in part due to the uncertainty of whether claims will arise in the future and the timing of and the amount that may be involved in any such claim. In addition, because the Company will bear a portion of such fees and expenses and has differing interests with respect to the Fund and Other GID Accounts, conflicts are likely to arise in determining the proper allocation. In any event, it is unlikely that the Company will be able to accurately determine the proper allocation of fees and expenses based on actual claims in all cases. The Company reserves the right to consult with one or more third parties in its discretion to seek to ensure that the allocation of such fees and expenses is done in a manner that the Company determines to be fair and reasonable.

While shared insurance policies (including those issued by Captives) have the potential to be cost effective in some cases, claims made under such policies could result in increased costs to the Fund and the applicable Other GID Accounts, and such policies could include an overall cap on coverage. To the extent one or more insurable events result in claims in excess of such cap, the Company could face a conflict of interest in properly allocating insurance proceeds across all claimants, and the Fund and/or the applicable Other GID Accounts may not receive as much in insurance proceeds as they would have received if separate insurance policies had been purchased for each account individually. In these cases, the Company will seek to allocate insurance proceeds and resolve any conflicts of interest in a manner that it determines to be fair and reasonable, and the Company reserves the right to consult with one or more third parties in its discretion in making such determination. Similarly, insurable events may occur sequentially in time while subject to a single or aggregate policy limit or cap. The Company expects to process resulting claims on a first-come first-serve basis. To the extent insurance proceeds for one insurable event are applied towards a cap and the Fund and/or the applicable Other GID Accounts subsequently experience an insurable loss, receipts under such insurance policy could be diminished and/or extinguished entirely.

A shared insurance policy also could make it less likely that the Company will make a claim against such policy on behalf of the Fund and/or the applicable Other GID Accounts. In addition, the General Partner on behalf of the Fund or similar governing entity on behalf of an Other GID Account will need to determine whether or not to initiate litigation (including potentially litigation adverse to the Company

where a Captive is the broker or provider of such insurance) in order to collect from the applicable Captive, which may be lengthy and expensive and which ultimately may not result in a financial award. The potential for the Company to be a counterparty in any litigation or other proceedings regarding insurance claims creates a further potential conflict of interest.

**C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.**

Please see Item 8.B above.

## **Item 9. Disciplinary Information**

**If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.**

The Company and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

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

**A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.**

Neither the Company nor any Company employee is registered or has an application pending to register as a broker-dealer or registered representative of a broker-dealer.

**B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.**

Neither the Company nor any Company employee is registered or has an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

**C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.**

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. insurance company or agency



- 9. pension consultant**
- 10. real estate broker or dealer**
- 11. sponsor or syndicator of limited partnerships.**

As described above in Item 4, the Company is affiliated with its relying advisers, the Funds' General Partners and equivalent entities formed from time to time and subject to the Advisers Act pursuant to the Company's registration in accordance with SEC guidance. These entities operate as a single advisory business together with the Company and serve as managers or general partners of Funds and other pooled vehicles and generally share common owners, officers, partners, employees, joint venture partners, consultants, service providers or persons occupying similar positions.

As described above in Item 8.B, A Captive, Linden Insurance Company, provides insurance coverage for Funds, Other GID Accounts and/or their respective direct and indirect assets (e.g., primary layer of insurance for certain assets, reinsurance or supplemental coverage to third-party coverage, etc.). All

As noted in Item 8 above, Relying Adviser's sole member, GID Industrial Advisers LLC has accepted a minority investment from a third party (the "Minority Investor"). The Minority Investor also holds an interest in the General Partner of the GID Industrial Value Fund LP and in such capacity, is entitled to receive a portion of the incentive allocation and other economics of the relying adviser and the General Partner. The Minority Investor holds a seat on the GID Industrial Value Fund LP advisory committee and has made a limited partner commitment to the GID Industrial Value Fund LP on a fee-advantaged basis. The Minority Investor will also be offered co-investment opportunities as a strategic relationship of the relying adviser and has relationships in the ordinary course with current or prospective portfolio investments, including providing services and/or financing to current or prospective portfolio investments. The Minority Investor does not have any right to participate in the day-to-day operations or investment decisions of the Adviser as it relates to the Funds but does have major decision rights intended to protect its participation interest. Finally, the Minority Investor has entered into joint venture partnerships and other advisory relationships with GID.

The Minority Investor has relationships with other advisers and investment vehicles that give rise to potential conflicts, including sponsoring or investing in firms or vehicles that pursue investment strategies similar to those of the Funds and that ultimately compete with a Fund for investment opportunities. The existence of this minority economic interest has the potential to diminish the alignment of the Minority Investor's interests as an investor in a Fund with the interests of others in a Fund.

The officers of the General Partners and certain officers and employees of the Company are also officers and employees of an affiliated family office, and they have a conflict of interest in allocating management time, services, and functions among the Funds and such affiliated family office. See Section 8 for a discussion of conflicts of interest.

**D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.**

The Company does not recommend or select other investment advisers for the Funds nor does the Company receive compensation from any third-party advisers.

As discussed in Item 11, there are occasions when the Company and its affiliates encounter potential conflicts of interest. Some of these conflicts of interest are described in Item 11, as are the Company's policies and procedures to address such conflicts of interest.

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

**A. If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.**

The Company has adopted a Code of Business Conduct and Ethics (the "Code") to comply with Rule 204A-1 under the Advisers Act. The Code includes policies and procedures governing the Company's obligation to act in the best interest of its investors, to avoid conflicts of interest that could impact the impartiality of the Company's advice, and to provide full and fair disclosure of material facts to its investors.

The Code requires covered persons to place Fund interests ahead of the Company's interests and to maintain full compliance with the federal securities laws. Among other things, the Code requires covered persons to comply with the Company's personal securities trading procedures including pre-clearance of certain securities transactions, compliance with federal securities laws and reporting of personal securities transactions. Each covered person is required to certify annually that he or she has read and understands the Code. Any violations of the Code are required to be reported promptly to the Company's Chief Compliance Officer.

The Company will provide a copy of its Code to any investor or prospective investor upon request. Please contact Jana Nawrocki at [jnawrocki@gid.com](mailto:jnawrocki@gid.com) for a copy.

**B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.**

Principals and employees of the Company and its affiliates generally are expected to raise, sponsor, manage and otherwise provide discretionary investment management and/or advisory services to or source investments for Other GID Accounts, some of which are expected to have investment objectives similar to or that overlap with those of the Funds and/or engage in transactions in the same type of investments as the Funds or in different investments of the same issuers in which a Fund invests. To the extent any Other GID Account has investment objectives or guidelines that overlap with those of the Funds, in whole or in part, investment opportunities that fall within such common objectives or guidelines will be allocated among the Funds and such Other GID Accounts on a basis that the Company determines to be fair and reasonable in good faith and in accordance with the Company's Investment Allocation Procedures in effect at such time. The allocation of investment opportunities in the manner set forth in the Investment Allocation Procedures may not, and often will not, result in proportional allocations among the Funds and Other GID Accounts, and such allocations may be more or less

advantageous to some such persons, Funds and Other GID Accounts relative to others. In addition, the allocation of investment opportunities in the manner set forth in the Investment Allocation Procedures may result in the allocation of potential investments otherwise suitable for the Funds to an Other GID Account. While the Company will allocate investment opportunities in a manner that it believes in good faith is fair, impartial and equitable to the Funds under the circumstances over time and in consideration of the factors set forth in the Investment Allocation Procedures, there can be no assurance that an actual allocation of an investment opportunity, or the terms on which such allocation is made, will be as favorable to the Funds as it would be if the potential conflicts of interest to which the Company may be subject did not exist. Further, allocations are made based on circumstances at a point in time. Such circumstances could change over the period of ownership such that an investment could be viewed as suitable for one or more Funds or Other GID Accounts.

The Company will only enter into a principal, cross or agency cross transaction with the appropriate disclosure and/or consent (including, but not limited to, any authorizing provisions in the relevant Governing Documents). In the context of the Company's business, a principal transaction would most likely refer to the practice of warehousing an investment for the formation of a future fund or the Company (or GID) or a General Partner purchasing the interest of an existing investor; a cross transaction would occur when selling a portfolio investment from one Fund to another.

In the event the Company were to recommend a principal transaction or cross transaction, it would generally be after: (i) the Company has determined the transaction to be in the best interest of participating clients and consistent with the Company's goal to obtain best execution for its clients; (ii) the transaction is permitted by the relevant Governing Documents; (iii) proper disclosure is given to the relevant General Partner, advisory committee or investors, as appropriate; and (iv) consent is obtained from the appropriate parties (including, but not limited to, any authorizing provisions in the relevant Governing Documents).

**C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.**

The Company and its affiliates, principals and employees expect from time to time to carry on investment activities for their own account, for personal, family or employee investment vehicles and, potentially, for family members, friends or others who do not invest in a Fund, as well as give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, a Fund, even though their investment objectives are the same or similar. The Governing Documents and investment programs of the Funds generally restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of principals and employees in assets held by the Funds or give priority with respect to such investments to the Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds or be subject to limitations (e.g., by time or percentage of capital deployed). All principal and employee investments in the same investment as a Fund require pre-approval from the Chief Compliance Officer.

**D. If you or a related person recommends securities to clients, or buys or sells securities for client**

**accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.**

Because of the private nature of the Funds' investments, the Company does not typically face a situation where a covered person buys or sells a security for his or her own account at or about the same time that the Company is also buying or selling the same securities for the Funds. A covered person wishing to purchase or sell an interest in a Fund portfolio investment is required to seek pre-approval from the Chief Compliance Officer for such transaction.

## **Item 12. Brokerage Practices**

**A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions). B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.**

The Company does not use securities brokers for client transactions; however, the Company uses real estate brokers within the terms of the Fund's Governing Documents. The Company reserves the right to distribute securities to investors in a Fund or sell securities, including through using a broker-dealer, such as where a public trading market exists. Although the Company does not intend to regularly engage in public securities transactions, to the extent it does so, it intends to follow the brokerage practices described below.

If the Company sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by the Company. In such event, the Company will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, the Company reserves the right to consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

The Company has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or "posted" commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although the Company generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with the Company seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them, although the Company generally does not make use of such services at the current time and has not made use of such services since its inception.

The Company does not receive research or other soft dollar benefits in connection with securities transactions for the Funds, does not receive investor referrals in connection with selecting or recommending broker-dealers for the Funds and does not engage in directed brokerage. In the event the Company were to aggregate the purchase or sale of securities for client accounts, it would do so on a pro rata basis.

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

**A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.**

The Company reviews the Funds' assets on an ongoing basis, both informally and formally through regularly scheduled meetings of the Investment Committee to confirm that the Funds are maintained in accordance with stated objectives. The Investment Committees for the Funds comprises eight to ten individuals including the Chief Executive Officer, Chief Investment Officer, Chief Financial Officer, Portfolio Manager and other senior level executives.

The investment models and capital markets are monitored on a continuous basis.

**B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.**

The Investment Committee would perform additional reviews in the event that of a potential acquisition or liquidity event, a financing issue or if there were a serious performance issue.

**C. Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.**

The Company generally provides to investors in the Funds (i) annual GAAP audited and quarterly unaudited financial statements, (ii) annual tax information necessary for each investor's tax return and (iii) written quarterly reports which contain a detailed list of holdings, performance review, capital account statements and general market information. The Company also has contact with investors (e.g., personal visits, video conference, telephone and email) throughout the year as requested and/or as conditions warrant.

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

**A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.**

Except as noted herein, the Company does not receive any economic benefit from any third party for advice the Company renders to the Funds.

**B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.**

When raising capital for a new Fund, the Company on occasion compensates third parties for referral to the Funds. Any fees payable to any such placement agents generally will be borne by the Company

indirectly through an offset against the Management Fee under the Governing Documents, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including, but not limited to, placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s) as part of its organizational expenses.

## **Item 15. Custody**

**If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.**

With respect to the funds and securities held in the name of one or more Funds, the Company will rely on an exception available to “pooled investment vehicles” from the reporting and other obligations imposed by Advisers Act Rule 206(4)-2 (the “Custody Rule”). As such, in connection with such exemption, the Company requires the Funds to undergo an annual GAAP financial statement audit by an independent public accountant registered with and subject to examination by the Public Company Accounting Oversight Board for each of the Funds over which it is deemed to have custody and to distribute the annual audited financial statements to investors in each Funds within 120 days following the end of the Fund’s fiscal year, in accordance with the requirements of the Custody Rule. Investors are encouraged to carefully review such financial statements.

In addition, in connection with the final liquidation of the Funds, the Company will obtain a final audit and distribute audited financial statements to the Investors in the liquidated Fund promptly after completion of the audit.

## **Item 16. Investment Discretion**

**If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).**

The Company has discretionary authority to manage the assets of the Funds pursuant to each Fund’s Governing Documents. To become an investor in a Fund, an investor must execute, among other documents, a subscription agreement and a limited partnership agreement (or similar agreement) with a Fund. Such documents generally contain a power of attorney that grants the Company or the applicable Fund’s General Partner certain powers related to the orderly administration of the affairs of the Fund.

As a general policy, the Company does not allow clients to place limitations on this authority. Pursuant to the terms of the Governing Documents, however, the Company and/or its affiliates have entered, and expect to enter, into side letters with certain investors whereby the terms applicable to such investor’s investment in the Funds are altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. The Company assumes this authority pursuant to the terms of the Governing Documents and powers of attorney executed by the investors of the Funds.

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

**A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request. B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.**

Rule 206(4)-6 of 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 each adviser disclose to clients how they can obtain information on how the adviser voted their proxies.

The Funds invest in equity and debt instruments in real estate related assets which do not issue proxies. Accordingly, the Company does not have an opportunity to vote proxies on behalf of its Funds and does not currently exercise voting authority on behalf of its Funds. In the event this were to change, the Company will implement policies and procedures to vote such proxies in accordance with its fiduciary duty and in the best interests of the Funds.

## **Item 18. Financial Information**

**A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.**

The Company does not require or solicit prepayment of more than \$1,200 of fees six months or more in advance.

**B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.**

The Company has no financial hardships or other conditions that might impair its ability to meet its contractual obligations to Funds.

**C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.**

The Company has not been the subject of a bankruptcy proceeding.

## **Item 19. Requirements for State-Registered Advisers**

This Item is not applicable to the Company.