

Part 2A of Form ADV: Firm Brochure

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This brochure provides information about the qualifications and business practices of Long Wharf Capital LLC ("Long Wharf"). If you have any questions about the contents of this brochure, please contact us at compliance@longwharf.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Long Wharf is also available on the SEC's website at www.adviserinfo.sec.gov. Long Wharf is an SEC registered investment advisor. An investment advisor's registration with the SEC does not imply a certain level of expertise, skill or training. The registration does not imply a recommendation by the SEC or any state securities authority.

This Cover Page constitutes Item 1 to the Long Wharf Firm Brochure, Form ADV, Part 2A.

Item 2. Material Changes

This brochure is being revised to update the information presented in the previous brochure dated March 31, 2023.

Important Notice

This Brochure may be provided to prospective investors ("Investors") in a Fund, together with the Fund's private placement memorandum ("PPM"), Organizational Documents, and other related documents ("Governing Documents"), in connection with an Investor's consideration of an investment in the Fund. While this Brochure may include information about the Fund, it does not represent a complete discussion of the features, risks or conflicts associated with the Fund. More complete information about the Fund is included in its PPM and other Governing Documents.

In no event should this Brochure be considered an offer of interests in any Fund or relied upon in determining whether to invest in a Fund. It is also not an offer of, or agreement to provide, advisory services directly to any Investor. Rather, this Brochure is designed only to provide information about the Firm to comply with regulatory requirements under the Investment Advisers Act of 1940. Information in this Brochure may differ from the information provided in the PPM or Governing Documents. If there is any conflict between the information in this Brochure and similar information in a Fund's PPM or Governing Documents, Investors should rely on the information in the PPM or Governing Documents with respect to their investment in the Fund.

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Item 4. Advisory Business

- A. Established in 2011, Long Wharf Capital LLC ("Long Wharf" or the "Firm") is a Boston-based private equity real estate investment manager. The Firm is dedicated exclusively to real estate investment management, with no affiliates or ancillary services. Investing on behalf of institutional investors, including corporate and public pension funds, endowments and foundations, as well as high net worth individuals. Long Wharf utilized a broad-based value-added strategy targeting multiple property sectors and markets across the United States.

Long Wharf is owned by the two Managing Partners of the Firm, Michael L. Elizondo and Jeffrey S. Gandel, who have over 70 years of combined industry experience and who have worked together for over 25 years. Long Wharf's five senior principals, who comprise the Firm's Investment Committee, average over 30 years of industry experience and 23 years of experience working together. The Long Wharf Investment Committee members include the two Managing Partners as well Philip B. Murphy, John J. Owens, and Tammy L. Plotkin. The depth of experience of the senior principals has translated into a broad network of industry relationships including local operating partners, lenders, brokers and other owners who are integral to sourcing value-added investments in a highly competitive environment. Overall, Long Wharf's two Managing Partners and 22 employees are focused solely on value-added investing and fund management, including acquisitions, asset management, accounting, and investor relations personnel.

Long Wharf is the investment manager to each of Long Wharf Real Estate Partners IV, L.P. ("LREP IV"), a value-added real estate fund formed in 2012, Long Wharf Real Estate Partners V, L.P. ("LREP V"), a value-added real estate fund formed in 2015, Long Wharf Real Estate Partners VI, L.P. ("LREP VI"), a value-added real estate fund formed in 2018, and Long Wharf Real Estate Partners VII, L.P. ("LREP VII"), a value-added real estate fund formed in 2022. Long Wharf had over \$980 million of assets under management in these funds as of December 31, 2023.

- B. Long Wharf provides investment advisory services for direct and indirect investments in commercial real estate and debt directly or indirectly secured by real estate. These investments include, without limitation, the acquisition, management, financing and disposition of: (i) equity and preferred equity interests in real estate related entities, (ii) fee simple and leasehold interests in real estate; (iii) fixed rate, variable rate and participating loans secured by real estate; (iv) fixed rate, variable rate and participating mezzanine loans secured by direct or indirect interests in real estate; and (v) real estate related securities. Long Wharf will not cause clients to make private equity investments in operating entities or direct investments in publicly traded equity securities except in transactions effected under Rule 144A under the Securities Act of 1933, as amended.

As advisor to commingled private real estate funds, Long Wharf

- Identifies and executes on investment opportunities, and
- Participates in the monitoring and evaluation of investments, including the implementation of value enhancement strategies.

- C. Long Wharf provides investment management services to privately offered commingled vehicles (individually a “Fund” or, collectively, “Funds”), that invest in real estate or real estate related investments. The offering of interests in Funds are exempt from registration under the Securities Act of 1933, as amended, and the Funds are exempt under the Investment Company Act of 1940, as amended. As such, interests in Funds are only offered via “private offering,” and are intended only for investment by “accredited investors” under the Securities Act of 1933 and “qualified clients” under the Investment Advisers Act of 1940. The investment guidelines are defined in the PPM and Organizational Documents for each Fund.

Long Wharf conducts its investment advisory activities in compliance with the investment objectives, guidelines, and restrictions set forth in each Fund’s PPM and Organizational Documents. Long Wharf does not tailor its investment advisory activities to meet the needs of any individual investors in a Fund. However, in accordance with common industry practice, a Fund or its general partner may from time to time enter into a “side letter” or similar agreement with an investor pursuant to which the Fund or its general partner grants the investor specific rights, benefits, or privileges that are not generally made available to all investors. See “*Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss*” below for more details.

- D. Long Wharf does not participate in wrap fee programs.
- E. As of December 31, 2023, Long Wharf managed over \$980 million of Fund assets on a discretionary basis, including approximately \$266 million of undrawn commitments of LREP VII. Long Wharf does not manage any client assets on a non-discretionary basis.

Item 5. Fees and Compensation

- A. Compensation earned by Long Wharf for the provision of investment advisory services to Funds includes percentage fees (“Management Fees”) to the Firm and performance fees (“Performance Fees”) to the general partner of the applicable Fund. Management Fees are based on the following Fee Schedule:

	<u>LREP IV*</u>	<u>LREP V, LREP VI & LREP VII</u>
Commitment Period	1% of Unfunded Commitments + 1.5% of Capital Contributions	1.5% of Commitments
Post-Commitment Period	1.5% Net Invested Commitments	1.5% of Net Invested Commitments

*Effective October 1, 2022, the General Partner executed an Amendment to LREP IV’s limited partnership agreement to voluntarily reduce the management fee to be calculated at 1% on Net Invested Commitments. Effective October 1, 2023, the General Partner executed an additional Amendment to the LREP IV’s limited partnership agreement to voluntarily waive all future management fees charged to the fund.

Net Invested Commitments are drawn commitments invested in and with respect to Properties, less that portion of drawn commitments used to acquire Properties that have been disposed of or written off.

Management Fees and Performance Fees of Funds are set and determined at the Fund level. Thus, Management Fees and Performance Fees for Funds are generally non-negotiable. Long Wharf will not earn any other fees, such as acquisition, financing, or property management fees, and all other potential revenue, such as break-up fees, will accrue to the benefit of the applicable Fund and not Long Wharf.

Management Fees are generally accrued and billed quarterly in arrears and are paid from a Fund or a Fund's limited partner or investor assets and are reflected in such Fund's quarterly financial statements as well as the investor's account statement.

Performance Fees are generally equal to 20% of all distributions made by the Fund beyond the return of invested capital, subordinated to the Limited Partners achieving a threshold annual return on invested capital (10% per annum for LREP IV and 9% per annum for LREP V, LREP VI, and LREP VII) and a return of all invested capital. Performance Fees are comprised of a distribution of the investment proceeds of the Fund and are referred to in the Fund documents as the "Carried Interest." The general partner of each of LREP IV, LREP V, LREP VI and LREP VII, respectively, holds the Carried Interest and may pay certain principals and employees of Long Wharf Performance Fees from the Carried Interest. Compensation to Long Wharf for investment advisory services to be provided to a Fund sponsored by Long Wharf are outlined in the applicable Fund's PPM and Limited Partnership Agreement ("LPA") collectively referred hereto as "Organizational Documents".

- B. In addition to the Management Fees and Performance Fees outlined above, Long Wharf is generally reimbursed for Operating and Organizational Expenses associated with a commingled vehicle. Organizational Expenses include all out-of-pocket expenses incurred in connection with the organization and formation of the general partner, the Fund and any related investment vehicle and the offering of the interests therein, including, without limitation, legal and accounting fees and expenses; printing costs; filing fees; and the transportation, meal and lodging expenses of Long Wharf officers and employees relating to capital formation matters, but specifically excluding all Placement Fees. Organizational Expenses reimbursed by the Funds are typically capped and the amounts and eligible expenses are outlined in a Fund's Organizational Documents.

Each Fund is expected to pay, or reimburse Long Wharf, as applicable, its proportionate share of Operating Expenses. Operating Expenses include but are not limited to, all third-party costs and expenses of maintaining the operations of the Fund including, without limitation, sourcing, evaluating, maintaining, structuring, negotiating, acquiring, financing, hedging, holding, monitoring, managing and disposing of Fund investments (to the extent not paid for or reimbursed by such investment); costs incurred in connection with pursuing possible investments that are not subsequently acquired; taxes; fees and other governmental charges levied against the Fund; insurance; administrative and research fees; fees for outside services; expenses of custodians, outside advisors, counsel (including legal counsel for the Funds), accountants, auditors, administrators and other consultants and professionals; expenses associated with forming, raising capital for and operating

Real Estate Investment Trusts ("REITs"), alternative investment vehicles and other special purpose entities related to investments; software costs (including the cost of software used for investment-related research, organizing and storing portfolio data, financial modeling financial reporting and investor portals); costs and expenses arising out of all financings entered into by the Fund (including, without limitation, those of lenders, investment banks, and other financing sources); reasonable travel expenses for Fund related matters in accordance with the policy of Long Wharf; brokerage commissions; litigation expenses (including the amounts of any judgments or settlements paid in connection therewith); liquidation expenses; expenses incurred in connection with any tax audit, investigation, settlement or review; expenses of the Advisory Committee members; expenses associated with meetings of the Advisory Committee and Limited Partners; travel, meals and entertainment expenses incurred in connection with meeting any Limited Partner in connection with the Fund; expenses associated with the preparation and distribution of reports, financial statements, tax returns, U.S. Treasury forms and K-1s to Limited Partners; and indemnification and other unreimbursed expenses; but specifically excluding the Investment Management Fee and Organizational Expenses. Notwithstanding the foregoing, Long Wharf is not reimbursed for any costs and expenses relating to the general operation of the general partner or Long Wharf, such as insurance, rent, salaries, furniture and fixtures and other office equipment. All Fund Operating Expenses are described in a Fund's Organizational Documents.

The applicable Governing Documents of each Fund have provisions that allow each such Fund to borrow money for investment and other purposes. Such borrowings may be made prior to capital being called from such Fund's investors. This mechanism may defer investor capital calls and provides a form of leverage that can have the effect of amplifying a Fund's reported net internal rate of return (IRR), particularly in the early years of a Fund's investment cycle. Such borrowings can also accelerate the date upon which a Fund's preferred return will be achieved for purposes of determining when the applicable general partner (or affiliates which earn carried interest) are entitled to begin receiving carried interest payments on distributions from a Fund. In accordance with the applicable Governing Documents of each Fund, interest payments and other fees and expenses incurred in respect of such borrowings are partnership expenses and such expenses will decrease a Fund's net returns over time. The terms of each Fund's borrowing arrangement and borrowings outstanding, if any, are disclosed in the annual financial statements of each Fund.

Expenses incurred in connection with unconsummated investments ("Broken Deal Expenses") will generally be borne solely by the Funds, in accordance with the Funds' applicable Governing Documents, even if co-investors or operating partners were being sought or in some cases have agreed to participate had the transaction been consummated. Such co-investors or operating partners may include those with whom Long Wharf has pre-existing relationships, as well as co-investors or operating partners that have participated in other completed transactions.

- C. Long Wharf's fees are payable in arrears. Long Wharf's clients do not pay fees for advisory services in advance.

- D. Neither Long Wharf nor any of its supervised persons accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees.

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

Certain of Long Wharf's principals and employees may receive incentive compensation from Carried Interest payments directed to the general partner of LREP IV, LREP V, LREP VI and LREP VII that is directly tied to the performance of the applicable Fund.

The existence of compensation based upon a Carried Interest may create an incentive for Long Wharf and the general partner of a Fund to make investments on the Fund's behalf that are riskier or more speculative than would be the case in the absence of such performance-based compensation arrangement. However, neither Long Wharf nor the general partner may receive performance-based payments if the partners in a particular Fund do not receive a return of their invested capital and a stated preferred return. The Firm believes that this subordination of performance-based fees aligns Long Wharf and the general partner of a Fund's interest with those of investors in such Fund and tempers this risk.

Conflicts of Interest: An investment in a Fund involves numerous inherent and potential conflicts of interest. For example, the principals and officers of Long Wharf provide services to four closed-end Funds. Therefore, conflicts are expected to arise in the allocation of Long Wharf personnel and their time. Additionally, a Fund managed by Long Wharf may own interests in properties that are in the same general location as the properties in which another Fund has an interest, and such properties may compete for buyers, tenants, or financing. Any decision by Long Wharf to cause a Fund to engage in a transaction with or in competition with another Fund managed by Long Wharf, will require the approval of the Firm's Investment Committee and may also require approval by one or more Fund Advisory Committees.

Item 7. Types of Clients

Long Wharf provides investment advice as investment manager to LREP IV, LREP V, LREP VI and LREP VII which are privately offered commingled investment vehicles. Investors in these Funds include public and private pension funds, endowments, foundations and high net worth individuals. The minimum account size for investors varies by Fund.

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

- A. Long Wharf employs a bottom-up approach to finding value-added real estate in multiple property types and markets across the U.S. The value-oriented strategy employed by the Firm seeks to acquire assets at a discount to replacement cost and comparable sales in primary and secondary markets with positive fundamental trends that offer the opportunity to increase returns through the execution of a property-specific value-enhancement strategy. In particular, Long Wharf targets opportunities that offer an attractive unlevered stabilized yield-on-cost, where the potential return is driven by growing net operating income at an appropriate cost basis rather than relying on the broader capital markets.

The value-added strategies employed by Long Wharf include:

- *Repositioning* – renovating functionally obsolete but well-located assets or physically reconfiguring an asset to unlock its economic potential;
- *Turning around under-managed or under-leased assets* – applying comprehensive capital, management and leasing programs to buildings that have been neglected or underserved by prior ownership;
- *Buying in-place income and rolling rents to market* – acquiring well occupied assets with below-market leases signed closer to the market trough; and
- *Development* – selectively capitalizing on compelling sites to create space that is justified economically by local supply and demand dynamics.

These strategies require a combination of capital and fundamental real estate expertise of which Long Wharf has extensive experience executing across each of the strategies.

Long Wharf generally acquires assets with local operating partners who not only represent an important source of investment opportunities but also provide expertise in specific markets and sectors, as well as executing value-added strategies. To ensure a proper alignment of interests, local operating partners, when used, typically co-invest in the property. The amount of such investment is intended to be material enough so that the partner is concerned principally with the economic success of the property rather than with the ability to earn fees regardless of a positive outcome for the investment. The local operating partners are generally responsible for day-to-day property oversight; however, each Fund retains control over major decisions.

Long Wharf brings substantial experience to the process of underwriting a potential investment with each investment opportunity undergoing a thorough physical and financial evaluation by a team of in-house and third-party professionals led or supervised by a Managing Director of the Firm.

In addition to underwriting the property, the market, and the operating partner, an important element of the Firm's due diligence process involves assessing the ultimate liquidity of a potential investment. Liquidity levels vary significantly across sectors and markets, and transaction volumes may decrease going forward. With this in mind, the Firm maintains a strong bias toward investments with multiple exit strategies that can be successful in different market conditions. The Firm attempts to formulate an exit strategy that can be accomplished in three to six years.

In selecting and structuring investments, Long Wharf attempts to compile a portfolio of assets that are each intended to provide the best opportunity to achieve each Fund's return objective, rather than seeking aggressively opportunistic types of returns. The Firm is more concerned with an investment's downside risk than whether it has the potential to earn a return far in excess of a Fund's target. This approach is intended to result in portfolios with less deviation from their investment objectives.

B. There can be no assurance that the use of any strategy for any Fund will achieve particular returns or avoid a loss. A Fund's ability to achieve targeted returns will depend on a variety of factors, many of which are beyond its or Long Wharf's control.

- *Investment Risk:* A Fund's investments will involve a high degree of risk, including risks associated with investing in real estate, exposure to unfavorable business cycles, resistance from creditors and other uncertainties. Because real estate historically has experienced significant fluctuations and cycles in value, specific market conditions may result in occasional or permanent reductions in the value of real property interests. There will be no assurances that a Fund will achieve its investment objectives.
- *Illiquidity and Pricing of Investments:* There can be no assurance that the Funds will be able to exit investments or realize its invested capital to satisfy the Funds' investment objectives. Additionally, a Fund may not be able to dispose of an investment at a price that is commensurate with the valuation assigned by a Fund to such investment. The value of Fund assets is generally determined by Long Wharf's Investment Committee rather than by independent valuation firms. The valuation of Fund assets does not factor into annual management fees payable to Long Wharf.
- *Availability of Suitable Investments:* There can be no assurance that investments meeting a Fund's investment criteria will be available or that any of a Fund's investments will meet such criteria. Additionally, competition for investment opportunities from other investment vehicles has increased on a global scale. Private equity and other funds are making competition increasingly intense. There can be no assurance that the addition of new U.S. and/or non-U.S. sponsors to the market will not occur and, if it does occur, the addition of such sponsors could intensify this effect. LREP IV, LREP V, and LREP VI are fully invested, subject to add-on investments; and no additional investments are being sought for these Funds. Until such time as capital commitments to LREP VII are fully committed, all suitable investments will be allocated solely to LREP VII.
- *Dependence on Key Personnel:* The success of a Fund will depend, in large part, upon the skill, expertise, and ability of the personnel and investment professionals of the Firm. In the event of the death, disability, or departure of key personnel of the Firm, or to the extent any such persons do not fulfill their time commitment to the Funds and Long Wharf's investment activities generally, the business and the performance of the Funds may be adversely affected. The past experience of these professionals in acquiring, managing and selling real estate investments cannot assure the prospect of the Funds and the successful implementation of investment objectives. There can be no assurance that the Funds will be able to achieve targeted rates of return.
- *Past Performance Not a Predictor of Future Results:* The Firm's current and future performance and the performance of a Fund is dependent on future events and is, therefore, inherently uncertain. Past performance cannot be relied upon to predict future events for a variety of reasons, including, without limitation, varying business strategies, different Investments, local and national

economic circumstances, supply and demand characteristics, degrees of competition and other circumstances pertaining to the capital markets.

- *Potential Environmental Liabilities:* Real estate assets may be subject to numerous statutes, rules, and regulations relating to environmental protection, and national and local environmental laws and regulation affect the operations of real estate projects. A Fund may invest in Investments that are subject to changing and increasingly stringent environmental and health and safety laws, regulations, and permit requirements, and there can be no guarantee that all costs and risks regarding compliance with environmental laws and regulations can be identified. The Funds may be exposed to substantial risk of loss from environmental claims arising from undisclosed or unknown environmental, health, or other related matters without regard to culpability. The Funds may therefore be exposed to substantial risk of loss from environmental claims arising in respect of its investments which could adversely affect the value of such investments.
- *Joint Venture Investments:* Investments in joint ventures often involve delegating significant discretion to operational issues to operating partners. Operating partners may have financial difficulties, resulting in a negative impact on an investment, may have economic or business interests or goals that are inconsistent with those of a Fund, or may be in a position to take (or block) action in a manner contrary to a Fund's objectives or the increased possibility of default by, diminished liquidity or insolvency of, the operating partner, due to a sustained or general economic downturn. Joint venture partners may be highly dependent upon one or a limited number of individuals, the unavailability of whom may adversely affect the value of the joint venture investment.
- *Investments in Real Estate Debt Positions:* A Fund may invest in sub-performing or non-performing debt interests and may acquire performing interests that become sub-performing or non-performing in the future. Investment in real estate debt generally carries with it many if not most of the risks associated with direct real estate investment. Notwithstanding that the Firm and, ultimately, the general partner will be responsible for the oversight and management of a Fund's investments, the collateral for debt investments may be mismanaged or otherwise decline in value. There exists the risk that re-financing will not be available for assets serving as collateral for debt acquired by a Fund. Further, investments operating under the close supervision of a mortgage lender are, in certain circumstances, subject to certain additional potential liabilities that may exceed the value of a Fund's original investment therein. Additionally, as part of its investment program, a Fund may invest in fixed-and floating-rate loans. Floating-rate loan investments would expose a Fund to the risk of lower cash flow in the event that interest rates decrease from the date of investment. Fixed-rate debt investments would expose a Fund to the risk of value deterioration in the event of interest rate increases. A Fund's debt Investments may be subject to early redemption features, refinancing options, pre-payment options or similar provisions which, in each case, could result in the issuer repaying the principal on an obligation held by a Fund earlier than expected, resulting in a lower return to a Fund than projected.

- *Use of Leverage:* It is expected that a Fund will leverage its investments and that certain entities in which a Fund invests will themselves be borrowers, potentially resulting in substantial amounts of aggregate leverage relative to the underlying assets. While leverage may increase returns, it also will increase the risk of loss associated with adverse economic factors such as rising interest rates, severe economic downturns or deterioration in the condition of the real estate investment or its market. In connection with obtaining financing, a bank or other lender could impose restrictions on a Fund affecting its ability to incur additional debt and its distribution and operating policies. Loan documents entered into by a Fund may contain negative covenants limiting a Fund's ability to, among other things, further mortgage a Fund's properties, discontinue insurance coverage or replace the general partner as the manager.
- *Inflation Risk:* If an Investment is unable to increase its revenue in times of higher inflation, its profitability may be adversely affected. Many Investments may have revenues linked to some extent to inflation, including, without limitation, by contractual arrangement. As inflation rises, an Investment may earn more revenue but may incur higher expenses. As inflation declines, an Investment may not be able to reduce expenses commensurate with any resulting reduction in revenue. While the provisions may protect against certain risks, they do not protect against the rise of a rise in real interest rates, which is likely to create higher financing costs and may reduce the amount of levered, after-tax cash flow generated by an Investment.
- *Lack of Liquidity for Units:* Interests in a Fund will not be listed for trading on any exchange and will not be transferable without the consent of the general partner. Investors should not expect to be able to liquidate their investment in a Fund prior to the liquidation of such Fund.
- *Other Funds Managed by Long Wharf:* Long Wharf personnel responsible for making investments on behalf of a Fund are, and may in the future be, also responsible for making investments on behalf of other Funds. Because all of the Funds managed by Long Wharf follow the same investment strategy, no Fund can or will engage in a purchase and sale transaction with any other Fund.
- *Incentive Compensation Arrangement:* Due to the fact that the general partner of a Fund will be entitled to a Carried Interest in a Fund's profits, the general partner may have an incentive to take more risk than would be the case in the absence of such incentive compensation agreement. The existence of the Carried Interest could influence the timing of a sale or refinancing of real estate within a Fund's portfolio.
- *Economic Conditions and Valuation:* An investment's revenues and value may be adversely affected by a number of factors beyond the control of a Fund, including, but not limited to: (i) the national and local economic climate, (ii) changes in supply of and demand for competing properties in an area (as a result, for instance, of overbuilding); (iii) competition from other real estate investors with significant capital, including other real estate investment companies and institutional investment funds; (iv) the financial resources of tenants; (v) changes in building, environmental and other laws or changes in government regulations (such as rent control); and (vi) contingent liabilities on

disposition of assets. There can be no assurance that the valuation given to any property is indicative of the amount that an unaffiliated third party would be willing to pay for such property. Moreover, certain significant expenditures associated with each investment in real estate (such as mortgage payments, if any, real estate taxes, insurance and maintenance costs) are generally not reduced when circumstances cause a reduction in income from the investment. If the Investments do not generate revenues sufficient to meet operating expenses, including debt service and capital expenditures, a Fund's cash flow and ability to make distributions to its investors will be adversely affected.

- *Uncertainty of Estimates, Market Conditions and Financial Projections:* Estimates or projections of market conditions, supply and demand dynamics, and other metrics are key factors in evaluating potential investment opportunities and valuing investments and related assets. The process of making these estimates is complex, requiring significant decisions, collection of accurate factual information and assumptions in the evaluation of available data. These estimates are subject to wide variances based on changes in market conditions, underlying assumptions and certain technical or investment-related assumptions. Projections, forecasts, and estimates are forward-looking statements and are based upon certain assumptions. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. Accordingly, actual results may vary significantly from the projections and expected returns set forth by the general partner.
- *Possible Lack of Diversification:* Although diversification is an objective of a Fund, there is no assurance as to the degree of diversification that will be achieved in a Fund's portfolio of investments either by geographic region or asset type. A Fund may make only a limited number of investments and, therefore, the aggregate return of the Fund may be materially adversely affected by the unfavorable performance of even a single investment.
- *Counterparty Risk:* The Funds are subject to the risk of the inability of lenders to perform with respect to loan or derivative transactions, whether due to insolvency, bankruptcy or other causes, which could subject a Fund to substantial losses. In an effort to mitigate such risks, the Funds attempt to limit its transactions to counterparties, which are established, well-capitalized, and creditworthy.
- *Cyber Security Risk:* With the rise of cyber security incidents and cyber-attacks occurring on a global scale, the Firm, the Funds and other clients, as well as the investments and their service providers' information and technology systems may be vulnerable to damage or interruptions from computer viruses and other malicious code, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals or service providers, power, communications, or other service outages and catastrophic events such as fires, tornadoes, floods, hurricanes, and earthquakes. In general, cyber incidents can result from deliberate attacks or unintentional events and can lead to the misappropriation or corruption of sensitive information. Cyber security failures or breaches of the Firm or a third-party service provider can cause disruptions and impact business

operations, and violations of applicable privacy and other laws. Long Wharf has taken and continues to take steps that it deems commercially reasonable to mitigate the risk of a cyber security failure or breach.

- *Troubled Origination:* A Fund may make a meaningful investment in non-performing or other troubled assets that involve a degree of financial risk and are experiencing or are expected to experience severe financial difficulties, that may never be overcome. The assets in certain instances may have been originated by financial institutions that are insolvent, in serious financial difficulty or no longer in existence. As a result, the standards by which such investments were originated, the recourse to the selling institution or the standards by which such investments are being serviced or operated may be adversely affected. Further, investments in properties operating under the close supervision of a mortgage lender are, in certain circumstances, subject to certain additional potential liabilities that may exceed the value of a Fund's original investment therein.
- *Risks of Multi-Step Transactions:* In the event that a Fund chooses to effect a transaction by means of a multi-step acquisition, there can be no assurance that all of such required steps can be successfully consummated. This could possibly result in a Fund owning a significant real estate investment without having working control over the assets or access to its cash flow to service debt incurred in connection with the acquisition and without being able to dispose of such position at prices equal to or greater than its purchase price.
- *REITs:* Because a Fund may invest a portion of its assets in REITs, the Funds may also be subject to certain risks associated with direct investments in REITs. REITs are able to benefit from a deduction for dividends paid which reduces their corporate federal tax liability. In order to qualify for this benefit, a REIT must satisfy a variety of income, asset distribution and ownership tests. Investing in or through REITs may limit the way a Fund structures its investments in order to maintain REIT status. The performance of a REIT may be affected by changes in the tax laws or by its failure to qualify for the tax deduction described above.
- *Tax Reform:* U.S. federal income tax laws and regulations, as well as the administrative interpretations of those laws and regulations, are constantly under review and may be changed at any time, possibly with retroactive effect. No assurance can be given as to whether, when, or in what form, the U.S. federal income tax laws applicable to an investment in a Fund may be enacted. Changes to the U.S. federal tax laws and interpretations of such laws could adversely affect an investment in a Fund.
- *Portfolio Acquisition Risks:* A Fund may acquire multiple assets in a single transaction. Portfolio acquisitions are more complex and expensive than single property acquisitions, and the risk that a multiple property acquisition will not close may be greater than in a single property acquisition. Additionally, portfolio acquisitions may result in a Fund owning assets in geographically dispersed markets placing additional demands on the Fund's ability to manage such operations.

- *Third Party Claims:* A Fund may acquire properties subject to known or unknown liabilities and with limited or no recourse. As a result, if liability were asserted against a Fund based upon such properties, the Fund might have to pay substantial sums to dispute or remedy the matter, which could adversely affect the Fund's cash flow. Unknown liabilities with respect to properties acquired could include: liabilities for clean-up of undisclosed environmental contamination; claims by tenants, vendors or other persons relating to the former owners of the properties; liabilities incurred in the ordinary course of business; and claims for indemnification by the general partners, directors, officers, and others indemnified by the former owners of the properties.
- *Effect of Fund Expenses on Returns:* The Funds bear all expenses related to operations including the management fee to the Firm. The amount of these expenses can be substantial and will reduce the actual returns realized by Limited Partners on their investments in a Fund (and may reduce the amount of capital available to be deployed by the Fund to investments). The expenses will be paid regardless of whether a Fund produces positive returns. If a Fund does not produce significant positive investment returns, expense and fees will reduce the amount of the investment recovered by its Limited Partners.
- *Side Letters:* As noted in Item 4 above, in connection with or as a condition to an investor's agreement to invest in a Fund, the Fund or its general partner may from time to time enter into a "side letter" or similar agreement with an institutional or other investor pursuant to which the Fund or its general partner grants the investor specific rights, benefits, or privileges that are not generally made available to all investors. Such rights, benefits, or privileges may include waivers or discounts on management fees and / or carried interest, "most favored nation" clauses, preferential access to co-investment opportunities, the right to be excused from participating in certain investments made by a Fund, notice rights upon the occurrence of certain events, seats on a Fund's limited partner advisory committee, specialized or additional reporting rights, rights related to tax treatment, rights related to regulatory matters, rights related to immunities or indemnification, rights related to the ability of the investors to transfer its interest in a Fund, additional representations and warranties from a Fund, its general partner and / or Long Wharf, modifications to the subscription agreement and other benefits. While the ability of a Fund or its general partner to enter into a side letter or similar agreement affording preferential rights to certain investors is generally disclosed to other investors in the Fund, the terms of such side letters or similar agreements are generally not disclosed to other investors of the Fund, except to investors that have separately negotiated for the right to review such agreements.
- *Recycling of Capital:* Long Wharf has the right to recall (or "recycle") certain distributed amounts, including in respect of returned fees and expenses and returned capital, in accordance with a Funds' governing documents. Accordingly, during the term of a Fund, an investor may be required to make capital contributions in excess of its commitment. Any such reinvestment would limit early distributions to investors, and to the extent such recalled or retained amounts are reinvested, an investor will remain subject to the investment and other risks associated with such investments. As a result, reinvestment could increase the risk of investing in a Fund. Additional investments resulting from

recycling have the potential to increase investment returns to investors (and reduce the effective burden of management fees assessed on the basis of commitments during a Fund's commitment period) to the extent such investments are profitable. However, there can be no assurance that any such investment will have a positive return. Further, any such additional investments will have the effect of increasing the management fee borne by investors following the investment period, and as a result Long Wharf may face a conflict of interest with respect to such additional investments insofar as it is incented to deploy recycled capital in additional investments when it might not otherwise have done so.

- C. Long Wharf does not primarily recommend a particular type of security for investment by clients.

Item 9. Disciplinary Information

Neither Long Wharf nor any management person has been involved in the past ten years in a legal or disciplinary event that would be material to a prospective investor or client in an evaluation of Long Wharf's advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

- A. Neither Long Wharf nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or registered representative of a broker-dealer.
- B. Neither Long Wharf nor any of its 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.
- C. Neither Long Wharf nor any of its management persons recommend or select other investment advisers for the Firm's clients.

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

- A. Long Wharf has adopted and requires its supervised persons to follow a Code of Ethics ("Code") that is designed to comply in all material respects with Rule 204A-1 under the Investment Advisers Act of 1940 ("Advisers Act"). A copy of the Firm's Code of Ethics is available to current and prospective investors upon request. This Code establishes rules of conduct for all employees of Long Wharf and is designed, among other things, to govern personal securities trading activities in the accounts of supervised persons. In addition, the Code of Ethics includes safeguards designed to avoid conflicts of interests that could adversely affect the Firm's clients and their investors. In addition to requiring compliance with the applicable securities laws, Long Wharf's Code of Ethics establishes policies and procedures designed to prevent the misuse of material, non-public information (including information regarding the Funds and investors in Funds) and identifies activities that are either expressly prohibited or that require Chief Compliance Officer approval. Other

matters that could give rise to an appearance of impropriety, such as gift giving and solicitation, outside business activities, and political contribution payments and solicitation also require prior approval by the Firm's Chief Compliance Officer.

The Code is based upon the principle that Long Wharf and its employees owe a fiduciary duty to the Firm's clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid; (i) serving their own personal interests ahead of those of clients and their investors, (ii) taking inappropriate advantage of their position with Long Wharf, and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

The purpose of the Code is to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct.

The Firm and employees are subject to the following specific fiduciary obligations when dealing with a Fund and its investors:

- The duty to have a reasonable, independent basis for the investment advice provided;
- The duty to seek best execution for a client's transactions where the Firm is in a position to direct brokerage transactions for the client;
- The duty to ensure that investment advice is suitable to meeting the client's objectives, needs and circumstances; and
- A duty of loyalty.

Interested Transactions

No Long Wharf "access person" (a Managing Director, officer or other supervised person who has access to non-public information about client securities trading activities or portfolio holdings or who is involved in securities recommendations to clients or has access to securities recommendations) shall recommend any investment to a Fund without having disclosed to the general partner of such Fund and the Chief Compliance Officer of the Firm his or her interest, if any, in such investment, including without limitation:

- Any direct or indirect beneficial ownership of any securities of a transaction party;
- Any contemplated transaction by such person in such investment; and
- Any position with a transaction party or its affiliates and any present or proposed business relationship or transaction between such transaction party or its affiliates and such person or any party in which such person has a significant interest, including, without limitation, Long Wharf or other funds sponsored by Long Wharf.

Long Wharf has adopted the following principles governing personal investment activities by employees:

- The interests of client accounts will at all times be placed first;
- All personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility;
- Supervised persons must not take inappropriate advantage of their positions;
- All Long Wharf employees must provide initial and annual holdings reports (or certifications that are the equivalent thereof) and quarterly transaction reports which detail the brokerage accounts and holdings held by the employee and their Associated Persons. The Chief Compliance Officer or her designee will monitor and review these reports to ensure compliance with Long Wharf's policies regarding personal security transactions; and
- Long Wharf maintains a Restricted Securities List that is updated at any time the Firm becomes aware of its possession of material non-public information regarding a publicly traded security. All Long Wharf employees must, on a quarterly basis, confirm in writing that they (and their Associated Persons) have not traded in a security while it was on the Firm's Restricted Security List.

Specific detailed procedures have been put into place by Long Wharf to avoid any potential conflicts of interest. More information is available to clients in Long Wharf's Code of Ethics and is available upon request.

- B. Long Wharf requires each of its supervised persons on at least an annual basis to certify in writing to Long Wharf that such person has not breached the Code, engaged in any interested transaction, or breached any other policy or guidelines issued by Long Wharf.
- C. Long Wharf and / or its related persons have direct or indirect ownership interests in the assets owned by the Funds and share in the profits and losses generated by each Fund's investments through the holding of Carried Interests (or share in a Carried Interest) in Funds that are advisory clients of the Firm.
- D. Long Wharf and / or its related persons recommend investments to the Funds in which Long Wharf, or its related persons, will have a direct or indirect ownership through the holding of Carried Interest (or share in a Carried Interest) in Funds that are advisory clients of the Firm, at such time as the investment is made. To the extent a conflict of interest arises as a result of these or other interests, Long Wharf relies on the procedures described above in other portions of this Form ADV Part 2A, and in its Code and its Compliance Policies and Procedures Manual, to address them. Decisions that may result in such conflicts are likely to require the pre-approval of Long Wharf's Investment Committee and may also require approval by a Fund's Advisory Committee.

Item 12. Brokerage Practices

Except occasionally in connection with temporary short-term investments of cash received from commitment fundings pending investment, and cash flow from operations or the sale or refinancing of assets pending further investment or distribution, Long Wharf neither employs nor engages a securities broker-dealer for any transaction related to any investments. The Firm does not have any soft dollar arrangements and does not expect to have this type of arrangement in the foreseeable future.

Item 13. Review of Accounts

- A. Long Wharf's Managing Directors and investment and asset management teams monitor Fund performance and investments on a regular and current basis.
- B. Long Wharf monitors each Fund's performance and investments on a regular and current basis.
- C. Limited Partners or their designated representatives in Funds generally receive the following reports; (i) monthly reports containing information on Fund performance; (ii) quarterly reports containing operational summaries and estimates of valuations of the Fund's portfolio properties, (iii) annual audited financial statements for the Fund; (iv) information required for the preparation of investor tax returns; and (v) ad hoc reports as requested by a Limited Partner or its representative. Each Fund's Advisory Committee, comprised of certain Fund Limited Partners or their representatives, typically receives semi-annual reports including, but not limited to: (i) Fund performance; (ii) operational summaries and estimates of valuations of the Fund's portfolio properties, and; (iii) updates on operations at Long Wharf.

Item 14. Client Referrals and Other Compensation

- A. No person who is not a client of Long Wharf provides an economic benefit to the Firm for providing investment advice or other advisory services to Long Wharf's clients.
- B. Long Wharf may, from time to time, determine to engage a third-party placement agent to introduce potential investors to the Funds. Depending on the specific arrangement, Long Wharf may pay a placement fee, which may be calculated as a percentage of the commitment amount of certain investors. Under Rule 206(4)-1 of the Advisers Act, such placement agents are considered to be providing a "compensated endorsements" of the Funds. Prospective investors should be aware that a placement agent is subject to certain conflicts of interest, including an incentive to recommend a Fund over other investment opportunities due to the fact that the placement agent is being compensated in connection with any investors that it successfully refers to the Fund.

Item 15. Custody

Long Wharf is generally deemed to have "custody" over the Funds' asset within the meaning of Rule 206(4)-2 under the Advisers Act. Accordingly, the general partner of each Fund will provide each investor in its Fund with quarterly reports which will include capital balance and Fund performance statistics. Investors also will receive audited

financial statements for the Fund that comply with U.S. generally accepted accounting principles within 120 days following the Fund's fiscal year end. Investors should carefully review the quarterly reports and annual audited financial statements for the Fund.

Item 16. Investment Discretion

With respect to any Fund managed by Long Wharf, the Organizational Documents may limit the amount and types of investments made by the Fund. These documents are provided to investors prior to making an investment commitment and are evidenced by a subscription agreement or other written document.

Item 17. Voting Client Securities

To the extent that a Fund or other client holds voting securities, Long Wharf's authority to vote proxies is set forth in the limited partnership agreements or its investment management agreements. Generally, Long Wharf will vote proxies based on what it considers to be in the best financial interest of the applicable client, notwithstanding any contrary interest that will benefit Long Wharf and not its clients.

Long Wharf clients and investors may receive a copy of the Firm's proxy voting policies and procedures as well as information about Long Wharf's voting on a particular matter by submitting a request to the Firm's Chief Compliance Officer.

Item 18. Financial Information

- A. Long Wharf does not require or solicit prepayment of fees six months or more in advance.
- B. Long Wharf has no financial commitment that is reasonably likely to impair its ability meet contractual and fiduciary commitments to clients.
- C. Long Wharf has not been the subject of a bankruptcy petition at any time during the past ten years.