

B R O C H U R E

Equus Capital Partners, Ltd.

Website: www.equuspartners.com

March 29, 2024

Principal Office

Ellis Preserve

3843 West Chester Pike

Newtown Square, PA 19073

(610) 355-3200

This brochure provides information about the qualifications and business practices of Equus Capital Partners, Ltd. If you have any questions about the contents of this brochure, please contact us at (610) 355-3200 and/or rtrifelitti@equuspartners.com. 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.

Additional information about Equus Capital Partners, Ltd. also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2. Material Changes

There were no material changes since the last annual update of the brochure which was done on March 31, 2023.

Item 3. Table of Contents

Item 2.	Material Changes	1
Item 3.	Table of Contents	2
Item 4.	General Information about Equus Capital Partners, Ltd....	3
Item 5.	Fees and Compensation	4
Item 6.	Performance-Based Fees and Side-By-Side Management	5
Item 7.	Types of Clients	6
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss	6
Item 9.	Disciplinary Information	9
Item 10.	Other Financial Industry Activities and Affiliations	10
Item 11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	12
Item 12.	Brokerage Practices	13
Item 13.	Review of Accounts	13
Item 14.	Client Referrals and Other Compensation	14
Item 15.	Custody	14
Item 16.	Investment Discretion	14
Item 17.	Voting Client Securities	15
Item 18.	Financial Information	15
Item 19.	Requirement for State Regulated Advisers.....	15

Item 4. General Information about Equus Capital Partners, Ltd.

A. Equus Capital Partners, Ltd. (“Equus” or the “Firm”) is a privately held real estate investment management firm with strong operational and development expertise. The Firm’s business commenced in 1980 (including predecessor entities). The current portfolio overseen by Equus is composed of commercial properties and apartment units throughout the U.S.

Equus is managed and directed by its President and CEO, Daniel M. DiLella, along with a senior management team of 15 real estate professionals. These 16 individuals have spent the majority of their careers in the real estate industry and collectively have spent over 350 years with Equus-affiliated entities in acquisition, development, dispositions, financing, leasing and management. The Firm totals approximately 100 employees that include a highly qualified, experienced team of approximately 95 professionals with real estate, capital markets, finance, asset management, legal and accounting backgrounds. Since 1993, Equus has formed and/or operated fourteen investment funds and four co-investment funds.

Equus is a limited partnership, the general partner of which is Equus GP, LLC, a limited liability company owned by eleven members of the senior management team of Equus (“Equus Management”). The sole limited partner of Equus is Management Equity Investors, L.P., a limited partnership owned by Equus Management.

B. Advisory services offered. Equus provides investment management services exclusively to clients that are privately offered pooled investment vehicles (each a “Fund” or “Client” and, collectively, the “Funds” or “Clients”). Each Fund is either: (i) a traditional large pooled investment fund with unspecified real estate investments to be selected by the Fund’s general partner with the assistance of Equus, or (ii) a pool of capital for specified real estate investments. Each Fund is available for investment only via a “private offering,” and is intended only for investment by “accredited investors,” as those terms are defined under the Securities Act of 1933, as amended. Each Fund’s investment objective includes providing a certain level of returns net of fees and expenses as described in detail in the Fund’s offering documents. In pursuit of each Fund’s investment objective, Equus utilizes a value-added, direct operating approach to real estate investment. Equus’ advice is generally limited to real estate investments.

C. Tailoring to individual needs. Though Equus utilizes a similar strategy for all of the Funds, it tailors advisory services to the specific needs of the Funds to the extent that certain securities cannot be held by certain Funds for legal or tax purposes.

D. Assets under management. Equus managed approximately \$1.784 billion of assets on a discretionary basis¹ as of December 31, 2023.

Item 5. Fees and Compensation

A. How Equus is compensated for advisory services. The specific terms for the compensation of Equus by each Fund are dictated by the Fund's charter documents, offering documents, management and advisory agreements, and any other applicable agreements. Each Fund generally pays a management fee (the "Management Fee"). A Fund's Management Fee generally will commence on the date that the first capital call for a Fund is made to fund a real estate investment and thereafter be paid on the first day of each calendar quarter. The Management Fee is based on a percentage of assets invested in or committed to a Fund by its investors, and may vary based on the stage of investment of the Fund and the amounts committed to the Fund by its various investors. The Management Fee generally ranges from ½% to 1-1/2%. Professionals of Equus and its affiliates may be retained by a Fund to provide other services to the real estate projects owned by the Fund. Services may include the following: (a) property management and construction management services; (b) development services; (c) real estate brokerage services; (d) legal services; (e) tax preparation services; and (f) title insurance services. All fees related to such services are limited by a pre-approved schedule but other types of fees may be charged if they are presented to an Advisory Committee composed of the investors in the Fund with the largest investments, and the Advisory Committee does not disapprove them.

An affiliate of Equus is also entitled to receive an incentive distribution of the investment proceeds from the Funds, generally subject to certain conditions such as the prior return of capital to Fund investors and/or prior payment to Fund investors of a certain rate of return on invested capital. Proceeds available for distribution will consist principally of cash generated from continuing operations of the assets owned by a Fund and the cash proceeds realized on the sale or refinancing of Fund assets. These incentive distributions are referred to as the "Carried Interest." A Carried Interest is charged in compliance with Rule 205-3 under the Investment Advisers Act of 1940, as amended.

B. Deduction of fees from invested assets. Equus' compensation is deducted from the assets of each Fund. Management Fees are paid quarterly in accordance with the provisions of the Fund's governing documents. Carried Interest is paid when earned upon the distribution of the applicable assets.

¹ Equus does not have final investment discretion over the assets of a Fund. The ultimate discretion is retained by the applicable general partner of each Fund, which general partner is always an Equus affiliate.

C. Other types of fees or expenses. Each Fund pays all offering and organizational expenses incurred in the formation of the Fund and the related entities up to a certain maximum limit set forth in the Fund's offering documents. Each Fund generally pays all expenses related to its activities, including all costs related to the purchase, financing, sale (whether or not consummated), construction, repair and maintenance of investments; legal (both third party and for legal services provided by Equus or its affiliates), auditing, tax, leasing fees, carrying, financing, development, construction, and accounting fees; insurance; litigation expenses; third-party consultants; and any other operating expenses of the Fund. In pursuit of its investment objective a Fund may incur and pay fees or expenses to independent third-parties, such as real estate brokers and agents, engineers, construction contractors, property managers, accountants, custodians, attorneys, and expenses of subpartnerships and other entities through which a Fund holds interests in real estate. Other expenses may be charged to a Fund if described in the Fund's confidential private offering documents. Funds will incur real estate brokerage and other transaction costs. Fund investors are not directly charged with fees or expenses, but in effect pay their pro rata share of any fees or expenses charged to the Fund. Equus provides the Funds with various accounting and tax services, but Equus is only separately compensated by a Fund if a.) on a basis preapproved in the Fund documents or b.) as approved by unaffiliated limited partners on the Advisory Committee. An affiliate of Equus owns an interest in a title insurance agency, but such agency may only receive title insurance commissions in states if title insurance rates are regulated in such states such that premiums are not increased by the commissions paid.

D. Payment of fees in advance. In the event that a Fund's investment advisory agreement with Equus terminates during a period covered by Management Fees paid in advance, Equus would pro rate such Management Fee and reimburse the portion of such Management Fee covering the remainder of the period.

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

As described in Item 5 above, certain of Equus' affiliates receive incentive compensation, which is tied explicitly to the performance of a Fund, and such compensation will continue to be earned based upon the performance of a Fund's portfolio as a whole, rather than that of individual transactions. The existence of the Carried Interest may create an incentive for Equus to cause a Fund to make riskier or more speculative investments than would be the case in the absence of the Carried Interest. The existence of the Carried Interest may also incentivize Equus to hold investments for longer periods of time than otherwise appropriate in order to increase amounts distributable to affiliates of Equus in respect of the Carried Interest. Equus' compliance policies and procedures and code of ethics prohibit supervised persons from favoring one account over another or considering the Firm's financial interest when providing investment advice to Clients.

Item 7. Types of Clients.

Equus provides investment advice only to the Funds, which are privately offered pooled investment vehicles. Investors in the Funds include domestic and foreign pension plans, endowments, foundations, trusts, family offices, funds of funds, and private individuals.

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

A. Investment Strategies. As more fully described in each Fund's offering documents, Equus utilizes a value-added, direct operating approach to real estate investment to try to achieve above-market yields while minimizing risk.

Equus' value-added approach to real estate investment is based on the following basic strategies:

Repositioning. Equus seeks opportunities to create value through direct, intense management to reposition assets on a profitable basis. There are many opportunities to achieve operational efficiencies through changing management, upgrading the physical appearance/functionality, increasing occupancy, altering lease durations or minimizing operating expenses. The objective is to capitalize on the difference in pricing between well-leased institutional, quality assets and other assets.

Development/Redevelopment. While limited, Equus believes that real estate fundamentals in certain markets justify new construction. Moreover, current weak markets provide select opportunities to redevelop underperforming assets to achieve their best and highest use. Development in the future (excluding multifamily properties) generally will be undertaken with substantial preleasing, but our most recent Fund prohibits development (including multifamily development) without a specific minimum level of preleasing.

Recapitalization. Equus targets investments in which restrictive or insufficient capital structures create investment opportunities. Many financial institutions and borrowers have been extending loans even when there is no equity value remaining. As lenders become impatient with this "extend and pretend" approach, the opportunities for recapitalizations should increase. Each of these opportunities is unique and requires a customized approach. Some transactions involve preserving tax positions for owners who would otherwise face foreclosure, and others may involve assisting an owner to reposition its asset by providing funds for renovation, releasing and/or obtaining more favorable financing. In each case, however, the Fund's equity is in a priority position, being layered between the first mortgage lender and the current equity holder.

As part of its recapitalization strategy, Equus may target acquisitions of debt or equity of distressed entities. In these situations, the debt or equity of the distressed entity can be purchased at a significant discount due to its deteriorating financial position. These opportunities can arise either before or after a distressed entity files for bankruptcy. In pre-bankruptcy situations, Equus may have the Fund acquire equity securities from a major holder of a distressed entity or purchase the outstanding debt of the distressed entity at a discount to the principal amount due. If a distressed entity is in bankruptcy, Equus may have the Fund purchase certain claims of the entity's creditors in order to acquire control of its assets.

There can be no assurance, however, that the use of any strategy for any Fund will achieve any particular returns or avoid a loss. A Fund's ability to achieve returns will depend on a variety of factors, many of which are beyond its or Equus' control. Investing in securities includes risk of loss that Clients should be prepared to bear.

B. Investment Risks. Real estate investments involve risk of loss that investors must be prepared to bear. Each Fund's offering documents include more detailed disclosure of the risks of real estate investing. Among other risks described more fully in each Fund's private offering documents, each Fund's investments entail the following risks:

1. ***No Assurance of Investment Return.*** Each Fund's task of identifying and evaluating investment opportunities, managing such investments and realizing a positive return for investors is difficult. There is no assurance that a Fund will be able to invest its capital on attractive terms or continue to generate positive returns or avoid losses over the long term.
2. ***Real Estate Generally.*** Investments in real estate entail a variety of risks, any of which could cause a loss. Real estate values and the success of any real estate investment are affected by a number of factors, including: (i) changes in the general national or international economic climate, local conditions (such as oversupply of space or reduction in the demand for space), the quality and philosophy of management, competition based on rental rates, attractiveness and location of the properties, population trends, neighborhood values, community conditions, public perceptions, general economic conditions, local employment conditions, interest rates and real estate tax rates; (ii) changes in fiscal policies; (iii) changes in applicable laws and regulations (including tax laws); and (iv) uninsured losses and other risks that are beyond the control of Equus. If a Fund undertakes development or significant redevelopment of a

property or properties there are the additional risks which include (i) the inability to obtain, or delays in obtaining, all necessary required governmental permits, authorizations and approvals; (ii) construction costs exceeding original estimates, possibly making the property uneconomical; (iii) occupancy rates and rents at a newly completed property may not be sufficient to make the property profitable; (iv) financing may not be available on favorable terms for development of a property; and (v) construction and lease-up may not be completed on schedule, resulting in increased debt service expense and construction costs.

3. ***Due Diligence Processes.*** The due diligence investigation that Equus performs with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such opportunity, including, among other things, the existence of fraud or other illegal or improper behavior. Moreover, such an investigation will not necessarily result in the investment being successful.
4. ***Concentration of Investments.*** A relatively high percentage of a Fund's total capital may be invested in a limited number of portfolio investments to which any single loss may have a significant adverse impact on such Fund's capital. In addition, no Fund is required to diversify its investments among industries or regions.
5. ***Interest-rate Risk.*** Fluctuations in interest rates may cause investment prices to fluctuate and a Fund may no longer be able to meet the debt service obligations from a property.
6. ***Liquidity Risk.*** The Funds invest in illiquid investments. Liquidity is the ability to readily convert an investment into cash at or close to its current market value. Generally, assets are more liquid if many traders are interested in a standardized product. Real estate is not liquid. If a Fund was required to divest itself of an illiquid investment, the Fund might not be able to do so quickly or at an advantageous price.
7. ***Financing Risk.*** The Funds borrow. Borrowing increases risk, as a Fund would be required to meet its periodic payments and would generally retain a principal repayment obligation even if the financed investment lost value. Consequently, financing may have leveraging effects that could exacerbate losses. A Fund may guarantee a loan on

one real estate investment that exposes all of the Fund's assets to loss.

8. **Hedging.** In connection with the financing of certain assets, a Fund may employ hedging techniques designed to protect against adverse movements in interest rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while a Fund may benefit from the use of hedging mechanisms, unanticipated changes in interest rates or securities prices may result in poorer overall performance for a Fund than if it had not entered into such hedging transactions.
9. **Conflicts of Interest.** Fund investments are subject to various conflicts of interest as more fully discussed in "10.A.1. Investment companies and other pooled investment vehicles" and in each Fund's offering documents.

Item 9. Disciplinary Information

In October 2019, Equus discovered inappropriate conduct at BPG Management Company-NC, LLC ("BPG-NC"), a subsidiary of Equus. Through an internal investigation commenced immediately after discovery of the conduct, Equus became aware of certain losses totaling approximately \$325,000, including interest. The employees of BPG-NC who were found to be responsible for the inappropriate conduct were dismissed immediately. Equus has received full restitution from the perpetrators, all of whom have admitted to their conduct.

BPG-NC provides property management services for approximately 4,000,000 square feet of assets, some of which are owned by Funds advised by Equus, located in North Carolina, Georgia, Tennessee and Virginia, and has provided services to certain Fund clients.

Specifically, the investigation revealed that certain BPG-NC employees were engaged in two different schemes described below.

First Scheme: The first scheme involved scrap metal that was recovered from obsolete equipment removed during tenant fit-out projects at industrial buildings, taken to scrap yards and exchanged for cash. The cash was shared by the three BPG-NC employees rather than being credited to the account of the entity that owned the building. This scheme resulted in losses totaling approximately \$95,000, as confirmed by the third-party forensic accountants' review of statements obtained from the scrap yards indicating payments made to the account of BPG-NC and to the individuals in question.

Second Scheme: The second scheme was perpetrated by two of the three employees who were involved in the scrap metal scheme described in the prior paragraph together with an individual who was the owner of a flooring contractor firm. In this scheme, the two employees would identify a tenant fit-out construction job that was anticipated to have budget savings. The two employees would instruct the contractor to submit an invoice for work in the work categories in which savings were being realized (but for work that the contractor did not perform). When each improper invoice was paid, the employees and the contractor would share the money. The losses from this scheme total approximately \$230,000. We confirmed this amount by having the forensic accountants review all paid invoices from the contractor and identify the improper invoices based on information received in our investigation.

Equus' investigation, conducted by outside counsel, forensic accountants and Equus' General Counsel, consisted of extensive examination of invoices for fit out work performed by various contractors, extensive interviews with the perpetrators as well as with other BPG-NC personnel, extensive interviews with contractors and examination of scrap yard records.

The Funds affected by the schemes described above have been reimbursed by Equus for all losses identified to date. Equus has entered into settlement agreements with each of the perpetrators pursuant to which they have made full restitution in exchange for a limited release of liability for the schemes described above.

Equus has also engaged in an examination of leadership and operations at BPG-NC and has revamped accounting controls and vendor contracting procedures.

Item 10. Other Financial Industry Activities and Affiliations

A. Material Relationships. Equus has relationships and arrangements that are material to Equus' advisory business with the following types of related persons:

1. Investment companies or other pooled investment vehicles. Equus manages several Funds.

- a. The management team will continue to devote time to the management of other existing Funds. This may create conflicts in the allocation of management resources. Equus maintains a sufficient staff to ensure that its Clients are not disadvantaged.

- b. Some Funds may also own real estate in the same markets as other Funds. Care is taken to avoid the acquisition of the same type of properties in different Funds if such properties compete directly. If there is indirect competition of properties in different Funds, separate teams of real estate brokers and Equus personnel will be established so no Fund is disadvantaged.
- c. Equus has no conflict in allocating investment opportunities between Funds because only one pooled investment Fund dedicated to a specific list of investment criteria invests at any one time, and Equus forms a new Fund for the same investment criteria only when the preceding pooled investment Fund for that investment criteria is fully committed for investment. There are two exceptions. First, if the general partner of a Fund determines that an investment is too large for a Fund but determines the investment to be otherwise attractive to the Fund, certain limited partners and Equus affiliates are granted the right to co-invest with the Fund in accordance with the governing documents of the Fund. The governing documents of the Fund specify the procedure by which certain limited partners are entitled to participate in the co-investment. The terms of the co-investment are on substantially the same terms as the Fund's investment with such deviations as permitted in the Fund governing documents. The most recently formed pooled investment Fund provides that if a co-investment opportunity is offered to any limited partner it will be offered to all limited partners satisfying the following requirements (a "Qualifying Limited Partner") (i) who has notified the general partner that such limited partner is interested in co-investment opportunities in its subscription materials and who have represented that (i) such limited partner is authorized as of the date of their investment in the Fund, to participate in co-investment, (ii) such limited partner acknowledges that each co-investment opportunity will require a minimum commitment to each co-investment for such limited partner of \$10,000,000 and (iii) who has represented to the general partner in its subscription materials that such limited partner is authorized to participate in such co-investment without additional procedural requirements or internal approvals or other standard due diligence

requirements. Further the general partner or its affiliates will not participate in a co-investment opportunity unless (i) the general partner has made a good faith determination based on the current investment guidelines, available capital and other relevant considerations that a co-investment opportunity is appropriate, (ii) such co-investment opportunity is first offered to the Qualifying Limited Partners on a pro rata basis, and (iii) the other co-investors require the general partner to participate as a co-investor. Second, if Equus and its affiliates identify a real estate or other investment opportunity that by its nature is not eligible to be acquired by the existing pooled investment Fund, Equus and its affiliates may directly acquire or consider the establishment of a Fund to acquire only that specific investment, and investments of that nature are specifically permitted under the terms of the existing pooled investment Fund's governing documents.

- 2. Real estate brokers or dealers.** Equus has no formal or informal arrangements with real estate brokers to obtain research or other benefits in exchange for referring business to such real estate brokers. Equus may request information and research from real estate brokers to whom Equus refers business, and such real estate brokers may be more amenable to provide such information and/or research because of past business or the anticipation of future business. An affiliate of Equus also owns BBT Realty, Inc., a licensed real estate broker, but BBT does not provide brokerage services to the Funds.

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

A. Code of Ethics. Equus' code of ethics is based upon the premise that all Equus personnel have a fiduciary responsibility to render professional, continuous and unbiased investment advisory service. The code of ethics requires all personnel to (1) comply with the spirit and letter of applicable laws and regulations; (2) maintain the highest ethical and professional standards; (3) observe all fiduciary duties and put Client interests ahead of those of Equus; (4) observe Equus' personal trading policies so as to avoid misuse of insider information and other conflicts of interests between Equus and its Clients; (5) ensure that all personnel have read the code of ethics, agreed to adhere to the code of ethics, and are aware that a record of all violations of the code of ethics will be maintained by Equus and that personnel who violate the code of ethics are

subject to sanctions by Equus, including termination. A copy of the code of ethics is available upon request to Clients or prospective Clients.

B. In furtherance of the Code of Ethics, Equus personnel are prohibited from all of the following:

- (i) use of material non-public information about securities;
- (ii) engaging in any personal securities transactions in an initial public offering except with the prior written approval of the Chief Compliance Officer;
- (iii) participating in a limited offering without the prior written approval of the Chief Compliance Officer;
- (iv) trading in any securities on a list for which trading is prohibited, if any;
- (v) communicating material non-public information concerning a security; or
- (vi) recommending the purchase of a security while in the possession of material non-public information.

C. No communications are permitted concerning the securities transactions for Clients except to necessary third parties without the prior written consent of the Chief Compliance Officer.

D. All information concerning Clients, their accounts and their activities are to be maintained as strictly confidential.

E. All access personnel are required to submit to the Chief Compliance Officer an annual report of their securities holdings as well as quarterly reports of securities trades.

F. The Chief Compliance Officer is required to report all violations to the senior management of Equus.

Item 12. Brokerage Practices

Not applicable

Item 13. Review of Accounts

A. Monitoring of accounts. Equus' investment staff, which is made up of approximately 43 individuals, is responsible for reviewing and monitoring each Fund's investments on a continuous basis. The investment staff includes Equus' executive officers, managing principals, and specialists in investment analysis, research, asset management, capital markets and disposition. Such staff is responsible for identifying, evaluating, structuring and negotiating investments,

overseeing the ongoing management of the investments by property managers and for management or oversight of financings, recapitalizations and dispositions. The staff continually monitors the investments of each Fund.

B. Review triggers. Equus continually monitors each Fund's performance and investments.

C. Reports to Clients. Each Fund's Advisory Committee receives reports on certain issues, such as conflicts of interest and valuations, as such issues arise. Each Fund holds an annual meeting of investors to review the status of the Fund. A Fund also receives the following reports: (i) annual audited financial statements of the Fund, (ii) annual or semi-annual estimates of the valuations of the assets in the Fund, and (iii) quarterly statements containing information concerning the fees, expenses, compensation and performance of the Fund and an operation summary of the Fund's portfolio properties. Many of these reports are also provided to Fund investors.

Item 14. Client Referrals and Other Compensation

A. Third party compensation. No person who is not a Client of Equus provides an economic benefit to Equus for providing investment advice or other advisory services to Clients.

B. Equus does not provide compensation with respect to referrals of Clients. Third parties may hope to obtain business or other benefits by referring investors to Equus, but there is no formal or informal arrangement therefor. From time to time, Equus receives literature and is invited to and may attend seminars, in each case without charge, from its service vendors. Equus, however, does not solicit from any vendor such literature or seminar invitations.

Item 15. Custody

Each Fund's financial statements are subject to audit by an independent accountant registered with the Public Company Accounting Oversight Board at least annually and each Fund distributes its audited financial statements prepared in accordance with generally accepted accounting principles to all investors within 90 days of the end of its fiscal year, and upon liquidation distributes its audited financial statements prepared in accordance with generally accepted accounting principles to all investors promptly after the completion of such audit. Custody of client securities and funds are held with qualified custodians.

Item 16. Investment Discretion

Under each Fund's investment advisory agreements and charter documents, Equus provides investment advisory services to each Fund in

accordance with the disclosure in the related private offering documents and subject to the direction and control of the affiliated general partner of each Fund.

Item 17. Voting Client Securities

Not applicable

Item 18. Financial Information

Not applicable

Item 19. Requirement for State-Registered Advisers

Not applicable