

**Part 2A of Form ADV: Firm Brochure**  
**Dated March 28, 2024**

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**This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Meadow Capital Management LLC. If you have any questions about the contents of this Brochure, please contact us at +1 (212) 317-1214. 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.**

Meadow Capital Management LLC is registered as an investment advisor with the SEC under the U.S. Investment Advisors Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information about Meadow Capital Management LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2: Material Changes**

Meadow Capital Management LLC (“Meadow Partners” or “we”) is amending its Brochure to reflect updates since the date of its last amendment on March 29, 2023. There are no material changes to report since the last amendment, however, this revised Part 2 contains routine annual updates and enhanced disclosures. Recipients of the Brochure are encouraged to read the Brochure carefully in its entirety.

Meadow Partners will send clients either an updated Brochure or a summary of any material changes to this and subsequent Brochures on at least an annual basis. Clients are encouraged to read the Brochure in detail and contact Meadow Partners with any questions. The latest version of the Brochure can be accessed via the SEC Website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or by requesting a copy by contacting Adam McMaster at (212) 317-1214.

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#### **Item 4: Advisory Business**

Meadow Capital Management LLC, a Delaware limited liability company (“Meadow Partners” or “we”), is an independent, privately held real estate investment and asset management firm with its principal place of business located in New York City. We primarily focus on opportunistic acquisitions of income-producing real estate investments in the New York City metropolitan area and the greater London area, although we may from time to time develop and focus on core-plus and value-add strategies with respect to certain private pooled investment vehicles or accounts that we advise. Meadow Partners was formed in February 2009.

Meadow Partners is owned (indirectly) and managed by Jeffrey M. Kaplan, its Managing Partner, James Andrew McDaniel, its Partner, and Timothy P. Yantz, its Partner.

Since its inception Meadow Partners has provided investment advisory services to pooled investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended, and whose securities are issued in transactions that are not registered under the Securities Act of 1933, as amended. We currently provide investment advice to Meadow Real Estate Fund II LP, Meadow Real Estate Fund III, LP, Meadow Real Estate Fund IV LP, Meadow Real Estate Fund V LP, Meadow Real Estate Fund VI LP, Meadow Fund III Co-Investment LP, Meadow Fund III Brooklyn Co-Investment LP, Meadow Recovery Fund, LP, Meadow Fund V Queens Co-Investment LP, Meadow Steinway Co-Investment LP, Meadow London Core-Plus Fund LP, Gotham Office Realty Partnership LLC, Meadow Evergreen LP, and Meadow Mezzanine Investors LLC (collectively, the “Funds”). We may in the future advise other private investment funds in addition to those identified herein.

As investment adviser for each Fund, Meadow Partners identifies investment opportunities and participates in the acquisition, management, monitoring and disposition of investments for each Fund. Meadow Partners provides these investment advisory services to each Fund pursuant to separate investment advisory agreements (each, an “Advisory Agreement”). The terms of the investment advisory services provided by Meadow Partners to a Fund, including any specific investment guidelines or restrictions, are set forth in such Fund's Advisory Agreement and/or in its limited partnership agreement. We tailor our advisory services to the individual needs, strategies and restrictions of each of the Funds. Individual needs are identified through a review of each Fund's overall investment guidelines and objectives, as well as specific investment goals. We do not tailor our advisory services to the individual needs of Fund investors, and the only restrictions on the investments that we may make on behalf of a Fund are set forth in the offering or organizational documents and/or Advisory Agreement with respect to a given Fund.

In addition to providing investment advisory services to the Funds, starting in June 2014 Meadow Partners began providing advisory services primarily for the benefit of a singular institutional client through a private investment vehicle (the “London Fund of One”), being the “Meadow London Core-Plus Fund LP”. Additionally, starting in January 2020 Meadow Partners began providing advisory services primarily for the benefit of another singular institutional client through a private investment vehicle (the “Gotham Fund of One”, and together with the London Fund of One, the “Funds of One”), being the “Gotham Office Realty Partnership LLC”. To date, each of the Funds of One is organized substantially similar to each Fund, however each has a

different investment strategy than the Funds. The investment strategy of the London Fund of One is tailored to the investment criteria agreed on between Meadow Partners and the client and focuses primarily on the acquisition of stable and cash-flowing real estate assets located in the greater London area but is subject to the restrictions and limitations set forth in the governing documents specific to the London Fund of One. The investment strategy of the Gotham Fund of One is tailored to the investment criteria agreed on between Meadow Partners and the client and focuses primarily on the acquisition of stable and cash-flowing real estate office assets located in Manhattan but is subject to the restrictions and limitations set forth in the governing documents specific to the Gotham Fund of One. We may in the future provide services similar to that of the Funds of One to additional clients.

Meadow Partners may receive additional fees in the normal course of business for additional services rendered for a Fund, such as development and construction management fees. Any such fees are at market rate and must be consistent with the Fund's organizational and governing documents.

We do not participate in any wrap fee programs.

As of December 31, 2023, we managed a total of approximately \$4,601,436,333 of assets on a discretionary basis. We do not manage any assets on a non-discretionary basis.

## **Item 5: Fees and Compensation**

We are compensated for our investment advisory services based on a percentage of committed capital, invested capital, or net asset value ("NAV"). Certain clients pay us a management fee based on committed capital during its investment period and thereafter pay us a management fee based on invested capital; other clients pay us a management fee based only on committed capital. One client (Gotham Office Realty Partnership LLC) pays the higher of a percentage of committed capital or NAV. We negotiate the rate with investors in each Fund, and with respect to the Funds of One at the time such fund or vehicle is established and therefore such compensation terms vary by client. Meadow Partners reserves the right to negotiate, waive, reduce, rebate, or calculate differently its Fees with respect to any Client and any Fund investor. We are entitled to collect management fees from clients on a quarterly basis.

Management fees are payable quarterly in advance of the services rendered. Fees related to Gotham Office Realty Partnership LLC are payable quarterly in arrears to the Manager during the Manager Term set forth in the Operating Agreement. As required by the Investment Advisers Act of 1940, as amended (the "Advisers Act"), if the Advisory Agreement of a Fund is terminated before the end of the applicable period, management fees will be charged on a pro rata basis through the date of termination, and any fees paid in advance but not earned will be refunded.

Each Fund and each Fund of One generally bears certain other fees, expenses and costs which are incidental or related to the maintenance of the applicable Fund or investment vehicle, or related to the acquisition, carrying and disposition of its investments and assets, including but not limited to private placement fees, sales commissions, appraisal fees, taxes, brokerage fees, accounting, legal, investment banking, consulting, information services, professional fees,

custodial, trustee, partnership reporting, filing and registration, taxes, insurance, telephone, travel and other such expenses.

With respect to the Funds, for a more complete discussion of the fees and compensation payable to Meadow Partners by any Fund the investors should refer to the offering and organizational and governing documents for that Fund. The fees and compensation payable to Meadows Partners related to the services provided to the Funds of One are set forth in the organizational and governing documents specific to those investment vehicles.

Neither we nor any of our 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.

#### **Item 6: Performance-Based Fees and Side-by-Side Management**

Some of our supervised persons receive carried interest distributions from the Funds, and/or from the Funds of One, in accordance with the governing documents of such entities and which are based on a share of gains in the assets of the applicable investment vehicle. Although we are not aware of any improper actions or motives of our personnel to date and we believe such an arrangement is common practice, the carried interest distribution structure could be deemed to create a conflict of interest for applicable Meadow Partners personnel. Performance fees can create an incentive for Meadow Partners to incur acquisition and strategy risks to earn higher fees or prefer one type of investment over another in an effort to achieve the performance fee. Higher risks mean a higher probability of loss, which may conflict with an investor's risk tolerance and investment objectives. Meadow Partners addresses these conflicts by exercising its duties to each Fund or client in accordance with the respective investment objectives set forth in the organizational and governing documents of the applicable Fund or Fund of One, and in a manner that is fair and equitable to its clients. The manner to determine the amounts of any distributions are set forth in the limited partnership agreements applicable to the Fund or investment vehicle.

#### **Item 7: Types of Clients**

As described in Item 4, our legacy business is the provision of investment advisory services to the Funds which are privately offered pooled investment vehicles. Investors in the Funds include public pension plans, funds-of-funds and other institutional investors. The Funds may have a specified minimum investment set forth in their offering documentation, organizational documents or other governing documents. Such minimums are typically subject to the discretion, on the part of Meadow Partners, to permit investment of a smaller amount generally or with respect to any investor in the relevant Fund.

To date, each of the Funds of One is offered to a public pension plan. In the future, products and services similar to the Funds of One may be offered to other clients, which clients would be expected to include the types of institutional investors that invest in the Funds.

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

With respect to most Funds we currently advise, our primary investment objective is to continue our strategy of acquiring opportunistic real estate investments (in the form of both equity and debt) located primarily in the New York City metropolitan area and the greater London area. For those Funds that employ an opportunistic strategy or value-add strategy our focus is on properties with distressed or dysfunctional capital structures and/or ownership situations where there is also an opportunity to add value through active asset management. We may utilize or pursue other investment strategies from time to time with respect to new pooled investment vehicles or accounts that may advise.

The governing documents for the London Fund of One provide that the investment strategy for the London Fund of One is focused on stable, cash-flowing real property assets located in the greater London area. Our strategy for the London Fund of One is to identify stable assets where there is an opportunity for appreciation and/or an opportunity to add value through our asset management.

The governing documents for the Gotham Fund of One provide that the investment strategy for the Gotham Fund of One is focused on stable, cash-flowing real property office assets located in Manhattan. Our strategy for the Gotham Fund of One is to identify stable office assets where there is an opportunity for appreciation and/or an opportunity to add value through our asset management.

With respect to all of our investment decisions, in identifying, approaching, evaluating and valuing potential investments, we conduct extensive due diligence to analyze, among other things, the property's market (including demographic characteristics) and competitive position within that market, cost and revenue structures, availability of debt financing, contingent liabilities (environmental, regulatory, accounting or otherwise), potential growth opportunities and potential exit strategies.

Our investment strategy is primarily long-term investment in real estate assets and interests, and real estate-related companies. It is possible that some investments may be held for less than a year, though this is not typical of our investment strategy. Meadow Partners' Investment Committee, comprised of senior members of Meadow Partners, is ultimately responsible for making final investment decisions for the Funds and for the Funds of One.

Investing in real estate assets involves a high degree of risk that can result in substantial losses. We may not be able to correctly evaluate the nature and magnitude of the various factors that could affect the value of such investments. Investors should be prepared to bear this risk of loss. Prospective and existing investors are advised to review the offering materials and other constituent documents for further details for the investment, operational and other actual and potential risks applicable to the Funds and the Funds of One.

In considering participation in a Fund, an investor should be aware of and should carefully consider certain risk factors, which include, but are not limited to, the risk factors discussed below. The following is not a complete list of all risks involved in connection with an investment in a Fund. There can be no assurance that a Fund will be able to achieve its investment objective, that

Investors will receive a return on their capital or that Investors will recover the capital contributed by them. Investment results may vary substantially on a quarterly or annual basis. Investment risks include, but are not limited to, the following:

*General Real Estate Risks:*

Real estate historically has experienced significant fluctuations and cycles in value, and specific market conditions may result in reductions in the value of real properties in which a Fund owns interests. The marketability and value of real property interests will depend on many factors beyond the control of the Funds, including: (i) changes in general or local economic conditions; (ii) changes in the supply of, or the demand for, competing properties in a geographic area; (iii) changes in interest rates; (iv) the promulgation and enforcement of governmental regulations relating to land-use and zoning restrictions, environmental protection and occupational safety; (v) unavailability of mortgage funds that may render the sale of a property difficult; (vi) the financial condition of tenants, buyers and sellers of properties; (vii) changes in real estate tax rates and other operating expenses; (viii) energy costs and energy supply shortages; (ix) various uninsured or uninsurable risks; and (x) acts of God and natural disasters. General economic conditions in the United States and the United Kingdom, as well as conditions of domestic and international financial markets, may adversely affect operations. In addition, investments in retail real estate are subject to the risks that affect the retail environment generally, including the levels of consumer spending, seasonality, the willingness of retailers to lease space in the properties in which the Fund holds interests, tenant bankruptcies, changes in economic conditions, consumer confidence, political developments and terrorist activities. Any one or more of these factors could adversely affect the results of operations or financial condition.

*Risks Associated with Property Acquisitions:*

The Funds may acquire properties through foreclosure or interests in properties that are subject to liabilities or that have problems relating to environmental condition, state of title, physical condition or compliance with zoning laws, building codes or other legal requirements. In each case, the acquisition of real estate may be without any recourse, or with only limited recourse, with respect to unknown liabilities or conditions. As a result, if any liability were asserted against the Fund relating to those properties, or if any adverse condition existed with respect to the properties, the Fund might have to pay substantial sums to settle or cure it, which could adversely affect the cash flow and operating results of the Fund.

*Regulatory and Other Consents:*

The real estate projects in which the Funds may invest may require the approval of governmental authorities and, in some cases, consent of third parties. There can be no assurance that any such approvals and consents will be obtained on a timely basis, if at all. The need to obtain such approvals and consents and otherwise to comply with regulatory requirements may cause significant delays in any development or renovation process, exacerbating the risk that changes in the local market will render a project economically unattractive.

*Changing Regulatory Environment:*



Government regulations governing usage, improvements, zoning and taxes relating to the direct and indirect real estate assets of the Funds are subject to change, including changes that may adversely affect the value of such assets. The adoption of new legislation or changes in existing laws or new interpretations of existing laws can have a significant effect on methods of doing business, costs of doing business and amounts of reimbursement from governmental and other agencies. The real estate industry is and will continue to be subject to varying degrees of regulation and licensing by U.S. federal and state and non-U.S. regulatory authorities in various localities.

#### *Possible Lack of Diversification*

While the Funds intend to develop balanced portfolios across a diverse range of real estate asset classes, there is no assurance as to the degree of diversification that will actually be achieved in the Funds' investments. The assets targeted by the Funds will be primarily located in New York City and London. As a consequence, the Funds will lack geographic diversification. Lack of diversification across the Fund portfolios also may increase the Funds' exposure to adverse real estate or capital market conditions in a property or product type.

#### *Risks of Engaging in Development, Renovation or Maintenance Activities*

The Funds may own interests in properties that require development, renovation or deferred maintenance. Although the Funds intend to contract with companies that are experienced in handling such development, renovation or deferred maintenance projects, as applicable, it will be subject to various risks, including those set forth above in "General Real Estate Risks" and the risk that there may be unanticipated delays in the completion of such projects due to factors beyond the control of the Funds. These factors may include: (i) strikes; (ii) adverse weather; (iii) changes in building plans and specifications; (iv) material shortages; and (v) increases in the costs of labor and materials. Delays in completing any project will cause corresponding delays in the receipt of operating income and, consequently, the distribution of any cash flow by the Funds with respect to such project. In addition, the estimated costs and schedules of developing and constructing buildings and related landscaping may be affected by changes in construction plans and specifications or by other unforeseen events, any of which may cause additional expenses to be incurred, which likely will be borne by the Funds. Any delay in completing a project may result in increased interest and construction costs, the potential loss of purchasers or tenants and the possibility of defaults under project financings. There is also the risk that inadequate oversight over local contractors, architects or engineers may result in poor quality construction or the diversion of funds intended for construction, and the quality of construction generally may not be commensurate with appropriate standards, resulting in potential difficulties in obtaining all authorizations necessary for operation. Because of the long lead time between the inception of a project and its completion, a well-conceived project may, as a result of changes in real estate market, economic and other conditions prior to its completion, become an economically unattractive investment.

#### *Risks Associated with Construction Loans*

The Funds may acquire loans for the construction of commercial and residential use properties. Construction lending generally involves a higher degree of risk than other types of lending due to a variety of factors, including generally larger loan balances, the dependency on

successful completion of a project, the dependency upon the successful operation of the project (such as achieving satisfactory occupancy and rental for repayment, the difficulties in estimating construction costs and loan terms which often do not require full amortization of the loan over its term and, instead, provide for a balloon payment at stated maturity.

### *Risks of Acquiring Real Estate Loans and Participations*

Real estate loans acquired by the Funds may be at the time of their acquisition, or may become after acquisition, nonperforming for a wide variety of reasons. Such nonperforming real estate loans may require a substantial amount of workout negotiations or restructuring, which may entail, among other things, a substantial reduction in the interest rate or a substantial write-down of the principal of such loan. However, even if a restructuring were successfully accomplished, a risk exists that, upon maturity of such real estate loan, replacement “takeout” financing will not be available. Purchases of participations in real estate loans raise many of the same risks as investments in real estate loans and also carry risks of illiquidity and lack of control. It is possible that Meadow Partners may find it necessary or desirable to foreclose on collateral securing one or more real estate loans purchased. The foreclosure process can be lengthy and expensive. Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims, and defenses against the holder of a real estate loan.

### *Availability of Insurance Against Certain Catastrophic Losses*

With respect to properties acquired by the Funds, liability, fire, flood, extended coverage and rental loss insurance with insured limits and policy specifications that Meadow Partners believes are adequate, appropriate under the circumstances and customary for similar properties will generally be maintained. However, certain losses of a catastrophic nature, such as wars, natural disasters, terrorist attacks or other similar events may be either uninsurable or not insurable at commercially reasonable rates. In general, losses related to terrorism are becoming harder and more expensive to insure against. Most insurers are excluding terrorism coverage from their all-risk policies. In some cases, insurers are offering significantly limited coverage against terrorist acts for additional premiums, which can greatly increase the total costs of casualty insurance for a property. As a result, not all investments may be insured against terrorism. Additionally, inflation, changes in building or zoning codes and ordinances, environmental considerations, and other factors may make it unfeasible to use insurance proceeds to replace an asset if it is damaged or destroyed.

### *Highly Competitive Market for Investment Opportunities*

The activity of identifying, completing and realizing attractive real estate 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 and pension funds), hedge funds and other institutional investors. Further, over the past several years, many real estate funds and publicly traded REITs have been formed (and many such existing funds have grown in size) for the purpose of investing in real estate assets. Additional real estate funds and REITs with similar investment objectives may be formed in the future by other unrelated parties and further consolidations may occur (resulting in larger funds and vehicles). The Funds may be competing for investment

opportunities with entities that have substantially greater financial and other resources than the Funds. Those entities may be able to accept more risk than the Funds can prudently manage. There can be no assurance that the Funds will be able to locate, complete and exit investments which satisfy the Funds rate of return objectives, or realize upon their values, or that the Funds will be able to invest fully its committed capital.

### *Environmental Liabilities*

The Funds may be exposed to substantial risk of loss arising from investments involving undisclosed or unknown environmental, health or occupational safety matters, or inadequate reserves, insurance or insurance proceeds for such matters that have been previously identified. Under various laws, ordinances and regulations, an owner of real property may be liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such laws may impose joint and several liabilities, which can result in a party being obligated to pay for greater than its share, or even all, of the liability involved. Such liability may also be imposed 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 or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate contamination from such substances, may adversely affect the owner's ability to sell the real estate or to borrow funds using such property as collateral, which could have an adverse effect on the Fund's return from such investment. Environmental claims with respect to a specific investment may exceed the value of such investment, and under certain circumstances, subject the other assets of the Funds to such liabilities. There can be no assurances that the costs of complying with environmental laws and regulations and defending personal injury and property damage claims based on the presence of hazardous or toxic substances will not have a material adverse effect on the Funds' investments. In addition, changes in environmental laws or in the environmental condition of an asset may create liabilities that did not exist at the time of acquisition of an investment and that could not have been foreseen.

In addition, many insurance carriers are excluding asbestos-related claims and most mold-related claims from standard policies. The Funds will evaluate the availability and cost of additional insurance coverage for such claims. If the Funds decide to purchase insurance for these occurrences, the cost could have an adverse effect on the Funds' results of operations. If a major uninsured loss or loss in excess of insured limits occurs, the Funds could lose both invested capital in and anticipated future revenues from an affected investment and, in the case of debt that is recourse to the Funds, the Funds would remain obligated for such debt. Any loss of this nature would adversely affect the Funds.

### *Use of Valuations*

Meadow Partners will estimate the value of the Funds' assets quarterly. Unlike exchange-listed and other readily tradable securities, real estate assets generally cannot be marketed to an established market. Instead, an appraisal or a valuation is only an estimate of value and is not a precise measure of realizable value. Real estate valuations are subject to

numerous assumptions and limitations. Ultimate realization of the market value of a real estate asset depends to a great extent on economic and other conditions beyond the control of the Funds, and Meadow Partners. Further, appraised or otherwise determined values do not necessarily represent the price at which a real estate investment would sell since market prices of real estate investments can only be determined by negotiation between a willing buyer and seller. Generally, appraisals will consider the financial aspects of a property, market transactions and the relative yield for an asset measured against alternative investments. Valuations will generally be based on the discounted cash flows of the Funds' assets. Valuations of real properties should be considered only estimates of value and not measures of realizable value with respect to such properties. As a result, if the Fund were to liquidate a particular real estate investment, the realized value may be more or less than the appraised value or valuation of such asset.

### *Impact of Pending and Future Litigation*

From time to time, the Funds may be directly involved in a number of legal proceedings, lawsuits and other claims. The Funds may also be named as defendants in lawsuits allegedly arising out of its actions or the actions of its tenants or managers in which such tenants or managers have agreed to indemnify, defend and hold the Funds harmless from and against various claims, litigation and liabilities arising in connection with their respective businesses. An unfavorable resolution of pending or future litigation may have a material adverse effect on the Funds' business, results of operations and financial condition. Regardless of its outcome, litigation may result in substantial costs and expenses and significantly divert the attention of management. There can be no assurance that the Funds will be able to prevail in, or achieve a favorable settlement of, pending or future litigation.

## **Risks Related to Investments Generally**

### *General Economic Conditions*

General economic conditions may affect the Funds' activities. A variety of factors, including, without limitation, interest rates, general levels of economic activity, availability of credit, credit defaults, inflation rates, political and economic uncertainty, trade barriers, currency exchange controls, the price of securities and participation by other investors in the financial markets may affect the value and number of investments made by the Funds, as well as the Funds' prospects for exiting such investments on attractive terms. Economic slowdowns or downturns could adversely affect the performance of properties and lead to decreases in the value of investments held by the Funds. Potential investors should realize that Meadow Partners may determine to delay realization events to the investors as a result of general economic conditions, illiquidity of portfolio investments, contractual prohibitions or other reasons. While, under normal circumstances, distributions will be made in cash, it is possible that certain distributions to the Funds may be made in kind and could constitute securities for which there is no readily available public market or with respect to which there are substantial transfer restrictions.

In response to the global financial crisis in 2008, the Board of Governors of the U.S. Federal Reserve System (the "Federal Reserve") and certain non-U.S. central banks, including

the European Central Bank, took actions to hold interest rates to historic lows. Recently, the Federal Reserve and other central banks have begun efforts to normalize interest rates. These and other actions by the Federal Reserve and other central banks, including changes in policies, have had a significant and ongoing effect on interest rates and on the U.S. and world economies generally, which in turn may affect the valuations at which the Funds are able to acquire investments and performance of the Funds' investments on an absolute or relative basis. In addition, the consequences of the extensive changes to the regulation of various markets and market participants contemplated by the legislation and increased regulation arising out of the global financial crisis have not been fully implemented in all cases, and therefore the ultimate effects thereof are difficult to predict or measure with certainty. Any future disruptions in debt or equity markets may impair the Funds' abilities to consummate transactions and cause the Funds to enter into transactions on less favorable terms, including both acquisitions and exits.

### *Investments in Undervalued Assets*

One of the primary objectives of the Funds are to invest in undervalued assets. The identification of investment opportunities in undervalued assets is a difficult task, and there is no assurance that such opportunities will be successfully recognized or acquired. While investments in undervalued assets offer the opportunity for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from the Funds' investments may not adequately compensate investors for the business and financial risks assumed. An investor should be aware that it may lose all or part of its investment in the Funds. The Funds may be forced to sell, at a substantial loss, assets which it believes are undervalued, if they are not in fact undervalued. In addition, the Funds may be required to hold such assets for a substantial period of time before realizing their anticipated value.

### *Risks of Leverage*

The Funds are expected to employ leverage in connection with their investments. Leverage generally magnifies both the Funds' opportunities for gain and its risk of loss from its investment activities. Leveraged investments will be subject to increased exposure to adverse economic factors such as a significant rise in interest rates or a severe downturn in the economy. The leverage provided will result in interest expense and other costs incurred in connection with such borrowings, which may not be covered by available cash flow. While leverage may enhance the total return to the Funds, if investment results fail to cover borrowing costs, returns to the Funds will be lower than if there had been no borrowings. Further, if the Funds default on secured indebtedness, the lender may foreclose on the property that serves as collateral in respect of such indebtedness and the Funds could lose their entire interest in the property.

### *Capital Calls and Use of Subscription Lines*

Meadow Partners will generally call capital from investors on an as needed basis. For administrative convenience, Meadow Partners may, from time to time, make larger, less frequent capital calls, with the Funds' interim capital needs being satisfied by the Funds borrowing money under one or more credit facilities. In particular, it is expected that capital needs of the Funds during the fundraising period may be met through drawdowns from such credit facilities rather than capital calls. The interest expense and other costs of any such borrowings will be an expense and accordingly, decrease net returns of the Funds, while the use of any such borrowings may also have the effect of materially enhancing the net internal rate of return for the Funds. In addition, the making of larger, less frequent capital calls may amplify the magnitude of potential defaults by investors as a result of there being fewer but larger capital calls, with borrowings under such credit facilities being secured against the Unfunded Commitments of Partners and potentially other assets of the Funds in the event of a default by the Funds under such credit facilities. To the extent amounts outstanding under any such credit facility are due upon demand by a lender, such a demand may be issued at an inopportune time at which liquidity is generally constrained, potentially resulting in greater defaults as a result of liquidity constraints on investors and investors facing similar capital calls in multiple funds and being unable to satisfy all such demands simultaneously. In the event of a default under such a facility, the lender could foreclose on such Unfunded Commitments. The existence of a credit facility may impair an investor's ability to transfer its Interest in the Fund as a result of restrictions imposed on such transfers by the lender.

#### *Broken Deal Expenses*

The Funds' investments may require extensive activities prior to acquisition, and the related expenses may be quite substantial. Such expenses may include, without limitation, travel, meal, accommodation and entertainment expenses, due diligence expenses (such as expenses related to feasibility, technical and marketing studies), legal expenses and bid preparation and submission expenses. One hundred percent (100%) of such broken deal expenses will be borne by the Funds, even if the applicable prospective investment is not consummated, including amounts that would otherwise have been borne directly or indirectly by potential co-investors were such investment consummated.

#### *Conditions in Debt Financing Markets*

Conditions in the debt financing markets may negatively affect the Funds' abilities to obtain attractive financing for its investments and may increase the cost of such financing if it is obtained, leading to lower-yielding investments and potentially decreasing investment returns.

#### *Need for Significant Capital*

The assets in which the Funds will invest may require significant amounts of capital. There can be no assurance that such capital will be available to the Funds. Failure of the Funds to raise the necessary capital to fund its operations, capital expenditures or other activities may

require, among other things, the sale or liquidation of some or all of the assets of the Funds at a loss or reduced valuation from the price paid by the Funds.

#### *Lack of Liquidity of Investments and Long-Term Investments*

Although investments by the Funds will likely generate some current income, the return of capital and the realization of gains, if any, from any portfolio investment of the Funds generally will occur only upon the partial or complete disposition of such investment. While Meadow Partners will seek to make investments for which there is a clear exit strategy, it is not generally expected that the Funds will be able to dispose of any investment for a number of years after the investment is made, during which time the Funds may be exposed to unfavorable developments affecting its investments. If the Funds are unable to realize on its investments in a timely fashion, the returns to investors could be materially adversely affected.

Many of the investments to be made by the Funds are likely to be illiquid and are subject to industry cycles, downturns in demand, market disruptions and a lack of available capital for potential purchasers. Illiquidity may result from the absence of an established market for the investments, as well as legal, contractual or other restrictions on their resale by the Funds. Dispositions of investments may be subject to contractual, governmental and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon any disposition thereof. The restrictions on the Funds' ability to sell properties could have an adverse effect on their financial positions, results from operations, cash flows, ability to satisfy their debt service obligations and repay indebtedness and ability to pay distributions.

#### *Increased Regulatory Oversight*

The financial services industry generally, and the activities of private investment funds and their managers, in particular, have been subject to intense and increasing regulatory oversight. Such scrutiny may increase the exposure of the Funds, Meadow Partners and its affiliates to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight may impose administrative burdens on Meadow Partners, including, without limitation, responding to investigations and implementing new policies and procedures. Such burdens may divert Meadow Partners time, attention and resources from portfolio management activities. The passage of the Dodd-Frank Act has resulted in extensive rulemaking and regulatory changes that affect private fund managers, the funds that they manage and the financial industry as a whole. Pursuant to the Dodd-Frank Act, the SEC has adopted rules that require additional reporting by registered investment advisers to private funds, which has added costs to the legal, operations and compliance obligations of Meadow Partners and increased the amount of time that Meadow Partners spends on noninvestment-related activities.

#### *Change in Legal Requirements*

The Funds must comply with various legal requirements, including those imposed by securities laws, tax laws and pension laws. Should any of such laws change over the scheduled

term of the Funds, the legal requirements to which the Funds and the Investors may be subject could differ materially from the current requirements and adversely affect the Funds.

### *Currency Risks*

Investors should be aware that all amounts drawn down and any allocations and distributions to them will be distributed in the Funds reference currency and that if their reference currency is another currency, their investment in the Funds may be adversely affected by any reduction in the value of the Funds reference currency relative to their reference currency. They may also incur the further transaction costs of converting the Funds reference currency into their reference currency or another currency. Investors are strongly encouraged to consult their financial advisers with a view to determining whether they should enter into hedging transactions to offset such risks.

Investors should also be aware that the Funds may be investing directly or indirectly in investments that are denominated in currencies other than the Funds reference currency and may borrow in currencies other than their reference currency. Consequently, a change in the value of such other currency against the Funds reference currency, would result in a corresponding change in the value of the investment and the principal amount of the borrowing. Changes in the exchange rate between such currencies and the reference currency could have an adverse effect on the Funds.

### *Bridge Financing*

From time to time, the Funds may lend to investments on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in Meadow Partners control, such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Funds. This could also cause the Funds to be less diversified than Meadow Partners intended.

### *Risks Relating to Due Diligence of Investments*

Before making investments, Meadow Partners will typically conduct such due diligence as they deem reasonable and appropriate based on the facts and circumstances applicable to each investment. Due diligence may entail evaluation of important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties will be involved in the due diligence process to varying degrees depending on the facts and circumstances of the particular investment. Such involvement of third-party advisors or consultants may present a number of risks primarily relating to Meadow Partners reduced control of the functions that are outsourced. In addition, the due diligence investigation that Meadow Partners carries out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity.

### *Follow-on Investments*



Following its initial investment in a given property, the Funds may decide to provide additional funds to such investment or may have the opportunity to increase its investment in such property. There is no assurance that the Funds will make follow-on investments or that the Funds will have sufficient funds to make (or will be permitted to make under the Funds' investment restrictions) all or any of such investments. Any decision not to make follow-on investments or its inability to make such investments may have a substantial negative effect on an investment in need of such additional capital, may result in a lost opportunity for the Funds to increase their participation in a successful investment, may diminish the Funds' abilities to influence the entities' future developments, may result in the Funds' investments in the relevant property becoming diluted and, particularly in circumstances where the follow-on investment is offered at a discount to market value, may result in a loss of value for the Funds.

#### *Contingent Liabilities on Dispositions*

In connection with the disposition of an investment, the Funds may be required to make representations typical of those made in connection with the sale of any such asset, which may include representations in relation to the business and financial affairs of the investment. The Funds may also be required to indemnify the purchasers of such an investment to the extent that any such representation turns out to be inaccurate or with respect to other matters. These arrangements may result in contingent liabilities, which, if not satisfied out of the Funds' assets, may ultimately be required to be funded by the investors making contributions to the Funds or returning previous distributions received from the Funds.

#### *Inflationary Market Conditions*

A Fund's performance may be adversely affected by inflationary conditions in any market in which the Fund operates or in which its investments are located. Deterioration in economic conditions, or a significant rise in inflation, could cause a decrease in the relative value of any fixed income investments or similar investments with fixed rate of return), bankruptcy and insolvency filings to increase, and the ability of borrowers to pay their debts or counterparties to satisfy their obligations could be adversely affected. This may in turn adversely impact a Fund's business and financial results. If global credit market conditions and the stability of global banks deteriorate, the amount of lending and financing could be reduced, thus reducing the volume of investments available for purchase, which could adversely affect a Fund's business, financial results and ability to succeed in various markets. Other factors associated with the economy that could influence a Fund's performance include the financial stability of the lenders on any bank loans and credit facilities and a Client's access to capital and credit. Furthermore, inflationary pressures may result in the reduction of the value and relative performance of a Fund's portfolio.

#### **Item 9: Disciplinary Information**

There are no legal or disciplinary events relating to our advisory business or the integrity of our management.

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

Neither we nor any of our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither we nor any of our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of the foregoing entities.

Other than as described below, neither we nor any of our management persons have any relationship or arrangement that is material to our advisory business or to the Funds with any related person who is a broker-dealer, municipal securities dealer or government securities dealer or broker; investment company or other pooled investment vehicle; other investment adviser or financial planner; futures commission merchant, commodity pool operator or commodity trading advisor; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of limited partnerships.

Meadow Partners acts as investment adviser to the Funds and institutional clients, and certain related persons act as general partners of the Funds and for the limited partnerships organized for the Funds of One. The Investment Committee of Meadow Partners is currently comprised of the Managing Partner and three other senior members of Meadow Partners.

We do not recommend or select other investment advisers for the Funds or for the Funds of One, nor do we have other business relationships with other investment advisers that create a material conflict of interest.

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

The Firm's Code of Ethics (the "Code") is designed to meet the requirements of Rule 204A-1 under the Investment Advisers Act of 1940 (the "Advisers Act"). The Code requires our employees to serve the best interests of our clients in compliance with our status as a fiduciary, to comply with applicable federal securities laws and to report any violations of our Code of Ethics promptly to our Chief Compliance Officer. The Code includes insider trading policies and procedures. Among other things, each of our employees must pre-clear certain personal securities transactions and must also provide annual securities holdings reports and quarterly securities transactions reports. The Code also addresses outside activities of employees, policies and procedures concerning the prevention of insider trading, includes restrictions on the acceptance of costly or lavish gifts and entertainment, electronic communications, and the pre-clearance of political contributions. The Code is circulated at least annually to all employees, and each employee at least annually must certify that he or she has received and read the Code and any amendments there. We will make our Code of Ethics available to any investor or prospective investor who requests a copy. Contact information is provided on the cover of this Brochure.

From time to time our officers, partners, employees or Affiliates (as defined in the limited partnership agreement applicable to each Fund) may wish to co-invest in a transaction in which

one of the Funds is making an investment. This may create a conflict of interest between a particular Fund or client and the relevant officer, partner, employee or Affiliate. Pursuant to the limited partnership agreement of each Fund, such transactions must be approved by the applicable Fund's limited partner(s) during the applicable Investment Period; *provided*, that approval is not required for such officer, partner, or employee's personal, non-business investment activities.

From time to time one of our Funds may co-invest with another of our Funds. In the event such a co-investment is made, both Funds must invest in and dispose of such investment at the same time and on the same terms and conditions, however, co-investments may create a conflict of interest. For example, a co-investment could be deemed motivated because one Fund does not have sufficient capital to acquire an asset and another Fund's co-investment could enable Meadow Partners (or an affiliate thereof) to earn compensation through the investment. In addition, a given Fund's investment horizon may be different than the co-investing Fund's time horizon, and thus Meadow Partners may have a conflict arising depending on when the best time is to dispose of such asset and which investment vehicle is benefitted the most by the disposition. The resolution of such conflicts may not always be done in a manner which fully benefits a given Fund.

#### **Item 12: Brokerage Practices**

As a real estate investment fund advisor, from time to time we may engage real estate brokers to assist us in selling one of our properties or our real estate-related investments.

In selecting real estate brokers and negotiating rates, we take into account several factors, including but not limited to the broker's relevant experience in properties of the relevant size, type and geography, the reputation of the broker, and the broker's responsiveness. Generally, we get competing bids.

As an advisor to the Funds and Funds of One, we do not utilize broker-dealers to effect transactions that may involve the purchase and sale of securities.

#### **Item 13: Review of Accounts**

We manage the Funds and the Funds of One on a day-to-day basis. An Investment Committee makes all investment decisions for each Fund and the Funds of One. The Funds' and the Funds of One's portfolio investments are closely reviewed by our partners and other investment professionals.

Audited financial statements are prepared for each of the Funds and the Funds of One following the end of each fiscal year, and unaudited financial statements are prepared for each of the Funds and the Funds of One following the end of the first three fiscal quarters, in each case in accordance with the terms of the applicable limited partnership agreement. Investors in the Funds and in the Funds of One are provided copies of all such financial statements.

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

Neither Meadow Partners, nor any of its affiliates, directly or indirectly compensates any person other than our officers, partners, directors or employees for investor referrals.

## **Item 15: Custody**

To the extent Meadow Partners is deemed to have custody of a Fund's securities or funds, it will utilize "qualified custodians" for those funds and securities that can be held by a qualified custodian in the normal course of business, and it ensures that the Fund is audited annually and the Fund investors receive a copy of the audited financials.

## **Item 16: Investment Discretion**

Meadow Partners through its affiliates generally has the authority to make all investment determinations on behalf of the Funds and for the Funds of One. In accordance with the governing documents of the applicable investment vehicles, individual investors in the Funds and the Funds of One have the ability to impose limitations on Meadow Partners' discretionary authority. The limited partnership agreements of the Funds and for the Funds of One generally impose some limitations on our investment discretion, which limitations can only be waived by the limited partner(s) of a Fund or the Funds of One in accordance with their respective governing documents.

## **Item 17: Voting Client Securities**

Although the issuers of the securities in which our clients invest typically do not solicit proxies, we have adopted a Proxy Voting Policy to comply with Rule 206(4)-6 promulgated under the Advisers Act. The Proxy Voting Policy, which has been designed to ensure that we vote client securities in the best interest of our clients and provide clients with information about how such client securities are voted, contains procedures that have been reasonably designed to prevent and detect fraudulent, deceptive or manipulative acts by us.

It is our policy to vote client securities in the interest of maximizing equity holder value. To that end, we will vote in a way that we believe, consistent with our fiduciary duty, will cause the value of the securities to increase the most or decline the least. Consideration will be given to both the short- and long-term implications of the proposal to be voted on when considering the optimal vote. We will vote client securities in the best interest of the client and not our own. In voting client securities, we will avoid material conflicts of interest between our interests on the one hand and the interests of our clients on the other.

Neither the Funds, nor the Funds of One, are able to direct our vote in a particular solicitation.

We will maintain records of all client security statements received and votes cast in an easily accessible place for five years. Investors and prospective investors in the Funds and the Funds of One may request information from us about how we voted the securities held by the applicable pooled investment. If you would like a copy of Meadow Partner's complete Proxy Policy or information regarding how Meadow Partners voted proxies, please contact the CCO, at (212) 317-1214, and it will be provided to you at no charge.

**Item 18: Financial Information**

We do not require or solicit prepayment of more than six months of fees per client in advance, and as such we are not required to file a balance sheet.

Meadow Partners has not been the subject of a bankruptcy petition at any time.

**Item 19: Requirements for State-Registered Advisers**

Not applicable.