

FORM ADV PART 2A: Firm Brochure

Palatine Fund Advisors, LLC

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March 18th, 2024

This Brochure provides information about the qualifications and business practices of Palatine Fund Advisors, LLC ("**Palatine**"). If you have any questions about the contents of this Brochure, please contact the Chief Compliance Officer ("**CCO**") at (212) 850-2208 or eeichenholtz@pal-partners.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.

Palatine is a registered investment adviser. Registration as an investment adviser does not imply that Palatine or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Additional information about Palatine also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Palatine is 168077.

Item 2: Material Changes

This Brochure, dated March 18th, 2024, amends the Brochure dated March 16th, 2023. There are no material changes.

Additional information about Palatine, including a full copy of its current brochure, also is available online at <http://www.advisorinfo.sec.gov>.

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Item 4: Advisory Business

Palatine Fund Advisors, LLC (“**Palatine**”, the “**Firm**” or “**we**”, “**us**” or “**our**”), a Delaware limited liability company, is a New York, Los Angeles, and Miami Beach-based real estate investment advisory firm which commenced operations in January 2007. The Firm’s principal owner is Alexander Hurst.

Palatine provides discretionary investment advisory services to various private partnerships, proprietary entities and other private, pooled investment vehicles (each a “**Fund**” and collectively, the “**Funds**”) each of which focuses on real estate and real estate-related investments. Investments can take many different forms and structures, but Palatine generally targets investments in the consumer-oriented, needs-based asset classes (residential, self-storage, parking and senior living) primarily in the Southeast and Texas regions of the United States (“**U.S.**”). Interest in the Funds are generally offered through private offerings to qualified U.S. and non-U.S. investors.

The investment strategies of the Funds to which Palatine currently provides investment advice typically consists of markets with specific characteristics, such as one to five million residents, employment and population growth and strong densities. The Firm also typically looks to markets where a meaningful percentage of an investment’s return may be derived from free cash flow instead of market appreciation.

Palatine does tailor its advisory services to the individual needs of a particular Fund, as necessary. Each Fund has a set of specific guidelines that can limit the strategy, size, concentration, geography and/or terms of the Fund’s underlying investments as described in each Fund’s governing documents. Each Fund’s offering memoranda, governing documents, subscription agreements, side letters, and any investment management agreement between Palatine and each Fund collectively shall be referred to herein as “**Operative Documents**.”

In accordance with common industry practice, a Fund or its general partner generally 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.

Further, certain limited partners in the Funds (e.g., law firm partners) may be engaged to provide services to the Funds and/or properties.

The Firm does not participate in wrap fee programs.

As of December 31st, 2023, Palatine managed approximately \$868,911,228 of Fund assets on a discretionary basis.

Item 5: Fees and Compensation

Palatine’s fee and compensation arrangements vary depending on the particular Fund. The specific terms of such arrangements are set forth in each Fund’s governing documents.

Generally, the Funds pay Palatine an asset-based management fee (the “**Management Fee**”), calculated and charged, based on a percentage of the committed capital of the admitted investors (stepped down to invested capital after the expiration of the fund’s investment period). Typically, the Management Fee will be range from 1.5% to 2.0% per

annum of the aggregate capital commitments of the admitted investors. The Management Fee shall be payable in advance upon the consummation of each Fund closing and quarterly in arrears thereafter, paid by the fund. Investors who are admitted as of a date other than the initial closing date will pay a pro-rated management fee plus a return, for the time period between the date of the initial closing through the date that the management fee has been paid as if the new investor had been admitted to the Fund or the initial close date.

Any fees (net of any related expenses) (other than Additional Fees defined below) received by the Fund, the Firm, the General Partner, or any of their respective Affiliates from the Fund's Permitted Investments or prospective Permitted Investments in consideration of Fund capital, Fund commitments, due diligence and other services relating to usage of the Fund's capital, or the Fund's exercise of its management rights, including, without limitation, commitment fees, stalking-horse fees, transaction fees, and net break-up fees, if any, from broken deals (collectively, "**Transaction Fees**"), shall be paid to or retained by the General Partner, the Management Company or any of their respective Affiliates and One Hundred Percent (100%) of the Fund's share of such Transaction Fees shall be applied to reduce the amount of future Management Fees. The Manager or its Affiliates may be entitled to receive various operational fees, including property management, construction oversight, development, leasing, or senior care management fees (the "**Additional Fees**") in connection with additional services performed for the Fund or with respect to Portfolio Investments that would otherwise be performed by third parties, which fees shall not, without the consent of the Fund's advisory committee, exceed market rates for such services. Each Limited Partner acknowledges that the Manager has formed Aventine Senior Living, which provides senior care management services to certain Portfolio Investments. Any Additional Fees (which, for the avoidance of doubt includes amounts paid to Aventine Senior Living) shall be solely for the benefit of the Manager or its Affiliates and will not be shared with the Fund.

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies alongside one or more Funds, subject to Palatine's related policies and practices and the relevant Governing Documents and/or Side Letter(s). Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the General Partner, ultimately is not consummated, all broken deal expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. For the avoidance of doubt, the General Partner shall structure any co-investment opportunity so that the proposed co-investors do not bear any broken deal expense. The Fund and any Parallel Funds shall then bear all such broken deal expenses.

The Management Fee is specifically set forth in the governing documents for each Fund and is generally not negotiable except as may be provided in the governing documents of the Funds and the operating agreements or other applicable documents. Palatine earns an asset management fee from a third-party for asset management services separate from the Funds' activities. Please refer to the Funds' Operative Documents for further information regarding the fees and expenses of Palatine and the Funds.

In addition to the Management Fee, performance-based compensation are collected as described in Item 6 of this brochure.

Palatine will typically pay all the normal operating and overhead expenses incidental to the day-to-day administrative services to the Funds. The Funds will pay all costs, expenses and liabilities in connection with the operations and activities, including but not limited

to fees, their own legal, administration, custody, compliance and audit expenses and, transaction fees and other related costs and expenses that we incur on their behalves in connection with managing their accounts. Any expenses common to one or more of the Funds or investments by the Funds are generally allocated among such entities or investments on a basis reasonably believed by Palatine to be fair and equitable based on the relevant facts. Expense allocations vary and specific details relating to Fund expenses are set forth in each Fund's governing documents.

The Funds will bear all legal and other expenses incurred in the formation of the Fund and the offering of the interests (other than placement fees which is described further in Item 14) up until the agreed amount which is outlined in each Funds' respective offering documents. Organizational expenses in excess of such amount will be paid by the Fund but borne by Palatine through a 100% offset against the Management Fee.

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

Palatine is entitled to receive a carried interest distribution, which is based on realized gains from investments above a performance benchmark specified in each Fund's Operative Documents. As interests in the Funds are privately offered to qualified investors, the carried interest distributions are structured in accordance with the available exemption under Rule 205-3 promulgated under the Investment Adviser Act of 1940, as amended.

The carried interest distribution can create an incentive for the Firm to recommend to the Fund investments that are riskier or more speculative than those which would be made under a different fee arrangement. However, Palatine is committed to acting at all times in the best interest of the Funds and has implemented internal controls to address potential conflicts.

Item 7: Types of Clients

As previously discussed in Item 4, Palatine provides discretionary investment advice to the Funds, which are private investment vehicles that are exempt from registration under the Investment Company Act. Investors in the Funds are limited to individuals and entities that meet certain suitability criteria designations including "accredited investors", "qualified clients" and "qualified purchasers". As such, the Funds are marketed exclusively to institutional investors and high net worth individuals that meet these criteria. From time to time, Palatine may have non-advisory clients, which include special purpose vehicles that can be clients of the Firm.

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

Investment Strategy

Our Funds seek to invest in real estate assets, as more particularly described in each Fund's Operative Documents.

Risk Factors

All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions) and the loss of future earnings. Although we strive to manage our Funds' assets in a manner consistent with risk tolerances, we can provide no guarantee that our efforts will be successful.

Risk of Real Estate Investment. All real estate investments are subject to certain risks. Real estate investments are relatively illiquid and, therefore, will tend to limit the Firm's ability to vary the Funds' portfolio promptly in response to changes in economic or other conditions. No assurances can be given that the fair market value of any real estate

investments will not decrease in the future or that the Firm will recognize full value for any investment that the Funds are required to sell for liquidity reasons. In addition, the ability of the Funds to realize anticipated rental and interest income on equity and debt investments will depend, among other factors, on the financial reliability of its tenants and borrowers, the location and attractiveness of the properties, the supply of comparable space in the areas in which properties are located and general economic conditions. Other risks include changes in zoning, building, environmental and other governmental laws, changes in operating expenses, changes in real estate tax rates, changes in interest rates, changes in the availability of property relative to demand, changes in costs and terms of mortgage funds, energy prices, changes in the relative popularity of properties, changes in the number of buyers and sellers of properties, the ongoing need for capital improvements, cash-flow risks, construction risks, as well as natural catastrophes, acts of war, terrorism, civil unrest, uninsurable losses and other factors beyond the control of the Firm's management. Additionally, the Funds may, in certain instances, be responsible for structural repairs, improvements and general maintenance of real property. The expenditure of any sums in connection therewith beyond those budgeted for by the Funds will reduce the cash available for distribution and may require the Funds to provide additional cash, resulting from the operation of a property. No assurance can be given that the Funds will have funds available to make such repairs or improvements. These factors and any others that would impede the Funds' ability to respond to adverse changes in the performance of its assets could significantly affect the Funds' financial condition and operating results.

Force Majeure. Palatine's strategies and investments on behalf of its Funds may be affected by force majeure events (i.e., events beyond the Firm's control, including acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern such as COVID-19, war, terrorism and labor strikes). Some force majeure events could adversely affect the Palatine's ability to perform its obligations until it is able to remedy the force majeure event. In addition, the losses to Funds resulting from such force majeure event could be considerable. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the jurisdictions where Palatine may invest specifically on behalf of its Funds. Additionally, a major governmental intervention into industry, including the nationalization of an industry, could result in a loss to Funds. Any one or any combination of the foregoing may therefore adversely affect Fund performance.

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 does and 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 include, without limitation, waivers or discounts on management fees, 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 investor to transfer its interest in the Fund, additional representations and warranties from the Fund, its general partner and/or the Firm, 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 in the Fund.

Sanctioned Investors. If after subscribing to a Fund a limited partner is included on a list

of prohibited persons maintained by a relevant regulatory or governmental authority (including OFAC or equivalent non-U.S. authorities) (a “**Sanctions List**”), the relevant General Partner will have the discretion to determine the resolution, remedy and manner of compliance of the Fund with applicable laws. Adverse actions by any such authorities, including temporary or permanent stays or holds on the Fund’s activities, could materially and adversely affect the Funds.

Cybersecurity Risks. Palatine, the Funds and their respective service providers are susceptible to cybersecurity risks that include, among other things, theft, unauthorized monitoring, release, misuse, loss, destruction or corruption of confidential and highly restricted data; denial of service attacks; unauthorized access to relevant systems, compromises to networks or devices that Palatine, the Funds and their service providers use to service the Funds’ operations; or operational disruption or failures in the physical infrastructure or operating systems that support Palatine, the Funds and their service providers. Cyber-attacks against or security breakdowns of Palatine, the Funds or their service providers may adversely impact the Funds and their investors, potentially resulting in, among other things, financial losses; the inability of us or the investors to transact business and the Funds to process transactions; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs; and/or additional compliance costs. Palatine and the Funds may incur additional costs for cybersecurity risk management and remediation purposes. In addition, cybersecurity risks may also affect issuers of securities in which the Funds invest, which may cause a Fund’s investment in such issuers to lose value. There can be no assurance that Palatine, a Fund or its service providers will not suffer losses relating to cyber-attacks or other information security breaches in the future.

Business Continuity and Disaster Recovery Risks. The Firm and its Clients’ business operations may be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster, terrorist attacks or other circumstances resulting in property damage, network interruption and/or prolong power outages. Although the Firm has implemented measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. These risks of loss can be substantial and could have a material adverse effect on the Firm and investments therein.

Real Estate Capital Markets. The real estate capital markets are dynamic, continually evolving and impacted by many variables. The Funds’ strategies, targeted investments, targeted portfolio compositions and targeted returns have been formulated based on the current environment at the launch of each Fund. The real estate capital markets, financing techniques and products are likely to materially change over the term of each Fund, and adapting to such changes and/or the inability to successfully adapt the relevant Fund to some or all of such changes may negatively impact the performance of the Funds.

Regulations. Governmental authorities at the U.S. federal, state and local levels are actively involved in the promulgation and enforcement of regulations relating to land use and zoning restrictions. Regulations may be promulgated which could have the effect of restricting or curtailing certain uses of existing structures or requiring that such structures be renovated or altered in some fashion. The establishment of such regulations could have the impact of increasing the expenses and lowering the profitability of any of the properties affected thereby. Increased costs resulting from increases in real estate, income or transfer taxes or other governmental requirements generally may not be passed through directly to residents, tenants or lessees, inhibiting the ability of our Funds to recover such costs.

Property Taxes and Risk of Property Reassessments. Real property owned by the Funds or real property that secures (directly or indirectly) an investment of the Funds will likely be subject to real property taxes and, in some instances, personal property taxes. Such real and personal property taxes may increase as property tax rates change and as the properties are assessed or reassessed by taxing authorities. An increase in property taxes on the Funds' real property could adversely affect the Funds' results from operations and could decrease the value of that real property. An increase in property taxes on real property that secures an investment of the Funds could adversely affect the ability of the borrower to make payments to the Funds, which in turn may also adversely affect the value of the relevant asset held by the Funds.

Litigation at the Property Level. The acquisition, ownership and disposition of real properties carry certain litigation risks, which could result in losses to the Funds. Litigation may be commenced with respect to a property acquired by the Funds that took place during or prior to the Funds' acquisition of such property. In addition, at the time of disposition of an individual property, a potential buyer may claim that it should have been afforded the opportunity to purchase the asset or alternatively that such buyer should be awarded due diligence expenses incurred or statutory damages for misrepresentation relating to disclosures made, if such buyer is passed over in favor of another as part of the Funds' efforts to maximize sale proceeds. Similarly, successful buyers may later sue the Funds under various damage theories, including those sounding in tort, for losses associated with latent defects or other problems not uncovered in due diligence. The Funds may also be exposed to litigation resulting from the activities of tenants, service providers, visitors, vendors or others who enter the property or engage in business with it.

Potential Lack of Diversification. To the extent the Funds concentrate their investments in one or more specific property types or in a limited number of properties or geographic areas; the Funds will be subject to certain risks relating to concentrated investments. If the Funds concentrates their investments in one or more geographic areas, adverse events or conditions that affect that area particularly could have a more negative effect on the financial condition and operations of the Funds than if its investments were more geographically diverse.

Social Media and Publicity Risk. The use of social networks, message boards, internet channels and other platforms has become widespread within the United States and globally. As a result, individuals now have the ability to rapidly and broadly disseminate information or misinformation, without independent or authoritative verification. Any such information or misinformation regarding the Firm, the Funds or one or more portfolio companies could have a material and adverse effect on the value of the Funds.

Item 9: Disciplinary Information

There have been no legal or disciplinary events involving the Firm or any of its management personnel what would be material to an investor's evaluation of Palatine's advisory business or integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

This Item is not applicable.

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

We have a Code of Ethics (our "**Code**"), adopted pursuant to rule 204A-1 under the Investment Advisers Act of 1940 (the "**Advisers Act**"), that establishes various procedures with respect to investment transactions by accounts in which our "access persons" (i.e., persons with knowledge of our investment management activities on behalf of our clients) have a beneficial interest or accounts over which an access person has investment discretion. We will provide our Code to clients upon request.

Our Code requires our access persons, including members of their immediate households, to obtain written pre-approval from our CCO prior to executing a personal transaction in certain securities or other instrument in which we may trade on behalf of our clients. Our code prohibits our access persons from trading in any futures or commodities that we may trade for the Funds. Our Code also requires all of our access persons to report all securities holdings and personal transactions to our CCO (subject to exceptions permitted by rule 204A-1), who reviews and monitors the reported holdings and transactions to assure compliance with our Code's requirements. We require all of our access persons to provide duplicate copies of brokerage statements to our CCO.

In addition, our access persons cannot acquire securities for their own account in an initial public offering or other limited offering without the approval of our CCO. Our access persons must also obtain pre-approval from our CCO before engaging in any outside business activities. We do not, and we do not permit our access persons to, engage in principal transactions with our Funds.

From time to time, investment opportunities can arise that are appropriate for an investment by more than one Fund and are consistent with the investment objectives of more than one Fund. The offering documents for the Funds and Palatine's policies generally set forth the allocation guidelines to apply if and to the extent an opportunity is appropriate for more than one Fund. Please refer to Fund governing documents for specific detail as to how deal flow may be allocated.

Item 12: Brokerage Practices

Due to the nature of the Firm's strategy, Palatine does not utilize broker-dealers for transactions. As of the date of this filing, Palatine does not engage in soft dollar arrangements with broker-dealers, consider Fund referrals when selecting or recommending a broker-dealer; or engage in direct brokerage.

Palatine does not aggregate the purchase or sale of securities of its various Fund accounts.

Item 13: Review of Accounts

Investments made by Palatine are generally long-term in nature. Accordingly, any review process is not directed toward a short-term decision to purchase or sell securities. However, Palatine monitors and maintains ongoing evaluations of all Fund investments. Palatine's valuation committee conducts these reviews.

Annual audited and quarterly unaudited financial statements of the Funds and quarterly progress reports on each investment of the Funds will be provided to each Limited Partner. U.S. federal income tax information will be provided annually. The Funds will hold annual meetings to provide Limited Partners with the opportunity to review and discuss with the Manager and its employees the Funds' investment activities and portfolio.

Item 14: Client Referrals and Other Compensation

Palatine compensates, either directly or indirectly, persons for client referrals or referrals of investors in the Funds.

Typically, compensation for such third parties are outlined in each agreement's terms and conditions. Funds and investors are not responsible for any part of the compensation that solicitors or referral parties receive from us, and we generally do not charge investors introduced by such solicitors any higher fee or any additional amount as a result of obligations to pay such solicitors for their solicitation services.

Item 15: Custody

Palatine does not maintain physical custody of its Funds' assets; all cash for the Funds is held in custody by an independent qualified custodian. However, Palatine has access to Fund accounts and is thus deemed to have custody of such assets under Rule 206(4)-2 of the Advisers Act (the "**Custody Rule**"). Accordingly, we will adhere to the applicable requirements of the Custody Rule with respect to each Fund. The Firm will arrange for an independent accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board to independently audit the Funds on an annual basis. In accordance with Rule 206(4)-2 under the Advisers Act, each applicable Fund, among other steps, will distribute independently audited financial statements of the Fund to its respective investors no later than 120 days after the end of the Funds' fiscal year.

Item 16: Investment Discretion

We have full discretionary authority to manage the assets of the Funds, subject to limitations set forth in each Fund's Operative Documents. As described more fully in each Fund's Operative Documents, Palatine is granted power of authority of each Fund's assets, including the right to pursue an investment program in its discretion, subject to certain limitations set forth in each Fund's Operative Documents.

Item 17: Voting Client Securities

Palatine's investment strategy typically does not involve the acquisition of public securities with voting authority. In the unlikely event that any Funds do come into possession of securities with voting rights, we will maintain all records related to these votes in accordance with our fiduciary obligations.

Item 18: Financial Information

Palatine has no financial commitment that impairs the Firm's ability to meet contractual and fiduciary commitments to Funds.