



Form ADV Part 2A- Firm Brochure

CIM CAPITAL, LLC

March 2024

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This brochure provides information about the qualifications and business practices of CIM Capital, LLC. If you have any questions about the contents of this brochure, please contact us at DL_Compliance@cimgroup.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or any state securities authority. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about CIM Capital, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

Since the last update to this brochure, filed in July 2023, the following material updates have been made:

Item 4:

The terms “Heavy” and “Bridge” were added as sub-strategies to clarify the different types of Transitional Credit strategies.

Item 5:

The “Other Client Fees and Expenses” section was updated to note that certain accommodation and meal expenses, borne by the Clients, are provided by an affiliated entity of CIM, and that the expenses for certain Client regulatory filings (e.g., Form D, Annex IV) are borne by the Clients.

The “Allocation of Broken Deal Expenses” section was updated to clarify that the associated broken deal expenses are typically allocated pro-rata to the Clients with the corresponding investment strategy(ies), based on each Client’s total assets under management that are advised or sourced by CIM, at the end of the immediately preceding quarter.

Item 6:

The “Side by Side Investments” section was updated to clarify that Co-investments made more than one year after the Fund’s initial investment in the asset are generally priced based on the higher of (i) the preferred return described above or (ii) the net asset value (“NAV”) of the asset. The NAV of the asset is set once a quarter and determined at the earlier of the Valuation Committee’s (defined below) approval of the NAV or the end of the current calendar quarter.

Item 8:

The “Material Risks” section was updated to reflect additional risks associated with the timing of dissolving assets, management of portfolio companies, conduct at portfolio companies, current inflationary environment, U.S. debt ceiling and budget deficit, transition from LIBOR to SOFR, reliance on third-party service providers, cybersecurity and use of artificial intelligence, anti-corruption laws and regulations and new SEC private fund rule.

The “Possible Conflicts of Interest” section was updated to reflect additional conflicts associated with valuation and the calculation of fees and Client loans to CIM affiliates.

Item 10:

The “Other Investment Advisers” section was updated to include CIM’s non-registered Affiliated Advisers.

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Item 4: Advisory Business

CIM Capital, LLC (“*CIM*”) is a limited liability company organized under the laws of the state of Delaware and based in Los Angeles, California. CIM was formed in March 2015 and began its advisory business after becoming registered with the SEC on August 26, 2015. CIM acts as an investment adviser to certain CIM Clients (as defined herein).

CIM provides investment advisory services primarily to investment funds, including commingled funds, single investor funds and co-investment vehicles (collectively referred to herein as “*Funds*”), all of which are exempt from registration under the Investment Company Act of 1940, as amended (the “*Investment Company Act*”) pursuant to Sections 3(a)(1), 3(c)(5), 3(c)(6), 3(c)(7) or 3(c)(1) thereof. CIM refers to each of the Funds individually as a “*Client*” or collectively as “*Clients*.” CIM does not currently provide investment advisory services to non-accredited retail investors or to registered investment companies. Please note, not all of CIM’s Clients invest in securities; therefore, CIM’s definition of “*Client*” herein is different in some cases from the Form ADV Part 1 definition of *client*. Also, CIM offers integrated arrangements to certain investors (“*Multi-Fund Investors*”), pursuant to which Multi-Fund Investors invest in multiple Funds.

CIM is indirectly, wholly owned by CIM Group, LLC (together with its affiliates, “*CIM Group*”), which owns, operates, develops and lends to real estate and real estate-related assets and infrastructure assets. Mitsui & Co., Ltd. (“*Mitsui*”), a Japanese financial conglomerate, owns a ~20% interest in CIM Group. The founders (“*Founding Principals*”) of CIM Group are Richard Ressler, Avi Shemesh and Shaul Kuba.

CIM has 170 Supervised Persons, as well as access to CIM Group’s other ~930 employees for non-securities related matters. CIM Group’s investment committee (“*Investment Committee*”) consists of certain Principals of CIM Group and a Managing Director in the Japanese Partner Group. The Investment Committee is further divided into sub-investment committees according to investment type and/or geography (i.e., Europe or North America real asset-related equity, credit and publicly traded securities) and each is comprised of a smaller number of Investment Committee members. Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss” for more information regarding the Investment Committee and its sub-committees.

CIM is a process and research driven investment adviser that seeks to mitigate risk through the fundamental analysis of the long-term drivers of investment value and to deliver strong risk-adjusted returns by utilizing CIM Group’s vertically-integrated team, community qualification methodology and investment discipline.

CIM’s investment advisory business encompasses various investment strategies, including:

Opportunistic

- Development (i.e., ground up developments and land developments)
- Non-Development (i.e., assets requiring substantial redevelopment or assets with high vacancy but do not require ground up development)

Value-Add

- Non-Development (i.e., moderate to high-risk assets with little to no cash flow but potential to produce cash flow once value has been added, assets with low occupancy, below market rents and requiring significant amount of renovation/capital expenditure/repositioning)
- Build to Hold (Core) (i.e., ground up development held beyond stabilization, includes assets in Opportunity Zones)

Stabilized (Core) – Non-Development (i.e., assets with stabilized occupancy with credit quality tenants on long term leases)

Infrastructure

- Real Asset (i.e., build-to-core or operating, mature assets, typically majority control)
- Decarbonization/Early Stage (i.e., assets in infancy stage, minority or majority control)

Credit

- Core (i.e., stabilized assets)
- Transitional (e.g., operating or non-stabilized assets)
 - Heavy (i.e., limited or zero cashflow)
 - Bridge (i.e., light reposition, redevelopment or lease up)
- Construction (i.e., ground up development or heavy repositioning)
- Opportunistic (i.e., distressed assets or special situations)

Qualified Communities

When investing in real assets, CIM generally, but not exclusively, focuses on assets located in traditional downtowns of cities and main streets of densely populated communities that CIM has qualified for investment (“*Qualified Communities*”). Qualified Communities are either well-established, thriving urban areas; where CIM believes it has an opportunity to acquire assets for prices below long-term, normalized values, or transitional urban districts that have dedicated resources to becoming vibrant urban communities. In either case, CIM seeks to identify urban communities that merit the extensive efforts CIM will undertake in making investments.

For Qualified Communities that are in transitional metropolitan districts, the qualification criteria include the following: population growth; broad public support for CIM’s investment approach; private investment; underserved niches in the community’s real estate infrastructure; and the potential to invest a minimum of \$100 million of opportunistic equity within five years.

For Qualified Communities that are in thriving metropolitan areas, the qualification criteria include the following: positive population trends; public support; opportunities below intrinsic value; and the potential to invest a minimum of \$100 million of opportunistic equity within five years.

Once a community is qualified, CIM proactively identifies and evaluates specific investment opportunities through its own market analysis and due diligence. In addition, CIM actively seeks opportunities from CIM Group’s relationships, including CIM Group’s broad network of real estate brokers, property owners, municipalities, redevelopment agencies, consultants, architects, national and regional retail tenants, builders, and prospective partners.

CIM Group expects to continue to own, operate, develop and lend to real estate, real estate-related and infrastructure assets for its own account.

CIM tailors its advisory services to the needs of each Client. Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss” for more information regarding CIM’s investment methodology.

With the exception of Multi-Fund Investors and certain single investor funds, CIM generally has discretionary authority to manage accounts on behalf of its Fund Clients in accordance with such Fund Client’s investment objectives, strategies and limitations and pursuant to the terms of the management agreement with each such Fund Client. Multi-Fund Investors are expected to exercise discretion over their accounts (but not the underlying Funds), and certain investors in single investor funds exercise discretion over their accounts. In the case of Fund Clients, the investment management agreement is generally entered into on behalf of the Fund by the Fund’s general partner or managing member, who is generally a member of CIM Group. Additional investment objectives, strategies and limitations for Fund Clients are also generally set forth in the Fund’s organizational and offering documents (such documents, together with investment management agreements, “*Governing Documents*”).

CIM Clients co-invests with clients of CIM Group’s other registered advisers (i.e., CIM Capital IC Management, LLC, CIM Capital SA Management, LLC) and CIM Group’s non-registered advisers, collectively referred to as the “*Affiliated Advisers*”). In such cases, the allocation of responsibilities among the advisers and/or general partners and managing members will be set forth in the Governing Documents. In the event a co-investment takes place with an Affiliated Advisers’ client, which is registered under the Investment Company Act, such co-investment will be completed in accordance with the conditions of applicable exemptive relief received from the SEC.

Management of Client Assets

As of December 31, 2023, CIM had \$2,508,099,966 of Regulatory Assets under Management, all of which are managed on a discretionary basis.

Item 5: Fees and Compensation

Management Fees

Management fees (“*Management Fees*”) are individually negotiated between investors in a particular Fund. For example, certain Fund investors pay a reduced Management Fee at CIM’s discretion based on, among other things: the amount of capital committed, the number of investments made by the investor, its affiliates and/or its related investors in that or other Funds, and the timing of the investor’s investment in the Fund. For example, first-close investors can pay a materially lower Management Fee than second- or subsequent-close investors. Generally, for affiliates who are Fund investors or for eligible CIM Group employees investing in a Fund, Management Fees are either not charged or rebated back to the investor.

Investors in both commingled Funds and co-investment vehicles pay Management Fees in both the Fund and co-investment vehicle, but investors who invest in both commingled Funds and co-investment vehicles typically pay lower Management Fees in the co-investment vehicles than investors who invest solely in co-investment vehicles. Such fees may be reduced to zero in certain instances.

Management Fees are paid on a periodic basis, generally, but not exclusively, quarterly, either in advance or in arrears. Management Fees are charged inside (i.e., charging the Management Fee inside of the commitment amount) or outside (i.e., investors are responsible for their entire commitment plus Management Fees) of an investor’s committed capital, as specified in the Clients’ Governing Documents. In instances where the Management Fees are not credited against or do not otherwise reduce investors’ capital commitments, the total expenses that the investors bear in connection with the Fund may be in excess of their capital commitments. Management Fees are typically not refundable. To the extent that a Management Fee is payable for less than a full payment period, the amount will be appropriately prorated. Management Fees are either billed to Clients (or, in the case of Funds, ultimately borne by the investors) or deducted from available funds, as negotiated with specific Clients and specified in the Governing Documents.

For a certain Client, the Management Fee is ultimately paid to the Client, not to CIM.

Multi-Fund Investors are expected to benefit from side letters or other similar agreements that have the effect of establishing rights under, or altering or supplementing the terms of, the Governing Documents of the Funds in which Multi-Fund Investors invest. Such rights or terms are expected to include economic rights, including, without limitation, waivers, amendments, modifications, or rebates with respect to the Management Fees and/or performance-based fees to which the Multi-Fund Investor is subject.

Management Fee Calculation

(1) Opportunistic and Infrastructure Strategies

Annual Management Fees for Clients in the Opportunistic and Infrastructure Strategies are generally based on a percentage of (a) the Client’s aggregate capital commitments during the commitment period and (ii) the Client’s unreturned capital actually invested or committed to investments following the commitment period.

(2) *Stabilized (Core) Strategy*

Annual Management Fees for Clients in the Stabilized Strategy are generally based on a percentage of the Client's asset value, measured on either a gross or net basis depending on the Client.

(3) *Valued-Add Strategies*

Annual Management Fees for Clients in the Value-Add Strategies are generally based on a combination of two components: (1) a percentage of the Client's net operating income and (2) a percentage of any one or more of the following: (i) the Client's aggregate capital commitments, (ii) the Client's unreturned capital actually invested or committed to investments or (iii) the Client's asset value, measured on either a gross or net basis depending on the Client.

(4) *Credit Strategies*

Annual Management Fees for Clients in the Credit Strategies are generally based on either (1) a percentage of the Client's net asset value or (2) a combination of two components: (i) a percentage of the Client's aggregate capital commitments and (ii) a percentage of the Client's capital actually invested or committed to investments.

Non-Investment Advisory Services (Other Services) Fees

CIM Group provides non-investment advisory services ("*Other Services*") to Clients that would otherwise be provided by third parties to Clients for additional compensation ("*Other Services Fees*"). The terms and conditions upon which Other Services are provided and the terms and conditions of Other Services Fees are individually negotiated with each Client and are set forth in the Governing Documents. For example, CIM Group provides property management, development, leasing, and multifamily residential sales services to real estate assets, loan servicing and work-out services to debt investments and operating and administration services to infrastructure portfolio companies. Other Services Fees do not reduce or offset Management Fees. Generally, for newer vintage Clients, Other Services Fees: (1) are at rates that do not exceed certain specified and agreed upon limits, usually a percentage of gross property revenues, gross contract price, base rent or gross sales, depending on the type of Other Services provided; (2) require the consent of the advisory board or all limited partners, as set forth in the Governing Documents; or (3) are otherwise no less favorable to the Client and/or its investment than the arm's-length rates on which the Client or such investment could obtain comparable services from an unaffiliated service provider, taking into account the nature of the relevant asset type and the special services required.

For those Other Service Fees that are performance-based, CIM believes that such compensation incentivizes CIM Group to provide Other Services in a manner that increases the value of Client investments. CIM also believes that CIM Group has superior knowledge and expertise in urban real estate and real estate-related assets and infrastructure assets as compared to many competing third-party service providers. Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Material Risks—Other Services Fees” for more information regarding these services.

CIM’s Allocable Costs and Expenses

The terms and conditions of CIM’s allocable costs and expenses are individually negotiated with certain Clients and are set forth in the Governing Documents.

In addition, any of the foregoing services may be rendered by CIM or its affiliates and related entities: legal, finance and capital markets, tax, accounting, human resources, risk management, information technology, administrative, operations, engineering, architecture, property management, real estate services, development, construction, marketing and communications, and their Allocable Costs and Expenses with respect to such services, constitute Client expenses should the Fund Client’s Governing Documents permit. Typically, “Allocable Costs and Expenses” means an allocable share of all direct and indirect fees, costs and expenses of CIM and its affiliates and related entities (as applicable) related to services provided to the Client and/or Other Services, including, (a) out-of-pocket costs and expenses of the general partner and/or its respective affiliates and related entities, (b) direct and indirect employment and overhead costs of employees involved in, assisting with, or ancillary to the performance of such services (e.g., internal staff counsel and other legal professionals, finance and capital markets, tax, accounting, human resources, risk management, information technology, administrative, operations, engineering, architecture, property management, real estate services, development, construction, marketing and communication personnel), (c) expenses relating to any offices or office facilities (e.g., rent, telephone, printing, mailing, utilities, office furniture, equipment, machinery and any other office, internal, and overhead expenses), (d) information technology expenses associated with any computer software or hardware, including time spent by internal staff, (e) insurance costs and fees and (f) expenses of any third party retained by CIM, the general partner and/or their respective affiliates and related entities.

Other Client Fees and Expenses

A Client shall pay its costs and expenses and shall reimburse CIM and/or its affiliates for documented costs and expenses of CIM and/or its affiliates to the extent incurred on behalf of the Client. Clients are responsible for organizational and operating expenses in accordance with their Governing Documents. Such operating expenses generally include the following and other similar expenses:

- All reasonable out-of-pocket fees, costs and expenses incurred in identifying, sourcing, marketing, evaluating, originating, developing, negotiating, structuring, acquiring, monitoring, holding, protecting, strengthening, financing, refinancing, mortgaging, performing valuations, exchanging, realizing, heading and disposing of properties or other

investments owned by the Client, including any associated other service fees, financing, legal, auditing, accounting, advisory, consulting, other third party and/or any travel (which includes first class commercial air travel and may include non-commercial air travel charged at a first class equivalent in accordance with CIM's expense allocation policies), accommodation and meal expenses, deposits funded thereon (such accommodation and meals are occasionally provided by an affiliated entity of CIM), brokerage commissions, research and quotation service fees and expenses (including fees, costs and expenses incurred with membership and contributing data for incorporation into industry databases), custodial expenses, costs and expenses for organizing, maintaining and complying with requirements of any subsidiaries through which the Client may invest, any costs and expenses related to the negotiation of co-investments or similar arrangements and other costs incurred with respect to investments and any other out-of-pocket amounts incurred with respect to such properties or other investments;

- Out-of-pocket fees, costs and expenses associated with Fund formation, including Limited and General Partner entities, parallel and feeder fund entities, and legal structure advice.
- Out-of-pocket fees, costs and expenses of any administrators, custodians, consultants, counsel, auditors, accountants, appraisers, independent valuation advisors (including in connection with determining the market rates for other services), tax advisors and other professional advisers (including the audit and certification fees);
- Out-of-pocket costs and expenses incurred while identifying, sourcing, marketing, evaluating, originating, developing, negotiating and structuring proposed or potential investments that are not ultimately made, including, (A) any legal, accounting, tax, advisory, consulting or other third-party expenses, any research and quotation service fees and expenses and any travel and accommodation expenses, (B) all fees (including commitment fees), costs and expenses of lenders, investment banks, brokers and other financing sources in connection with arranging financing for such a proposed or potential investment, and (C) any termination, "reverse breakup," and other similar fees payable by the Client, or in connection with any co-investment pursuant to the Governing Document, or any acquisition vehicle thereof in connection with any such proposed or potential investment, (D) any fees, costs and expenses incurred in connection with documenting and effecting co-investment vehicles and the formation of a consortium and (E) any deposits or down payments of cash or other property that are forfeited in connection with any such proposed or potential investment ("*Broken Deal Expenses*").;
- Out-of-pocket costs and expenses of negotiating co-investment agreements and the Client's share of any fees, costs and expenses incurred in connection with establishing and maintaining any vehicles through which the Client makes any co-investments or owns together with co-investors;
- Out-of-pocket costs and expenses associated with marketing a Fund, parallel or feeder vehicles, co-investment vehicles, or securities as applicable.
- Insurance, indemnity or litigation fees, costs and expenses;

- Out-of-pocket fees, costs and expenses of any advisory board contemplated by the Fund governing documents, where applicable;
- Taxes, fees or other governmental charges levied against the Client;
- Interest on and fees and expenses related to or arising from any indebtedness, guarantees or hedging activities;
- Fees, costs and expenses of liquidating the Fund;
- Expenses and costs associated with reporting to and meetings of the advisory board and of the limited partners contemplated by the Fund governing documents, where applicable;
- Extraordinary expenses, such as expenses, settlement amounts and awards relating to litigation, arbitration or other forms of dispute resolution of the Client, the general partner, CIM or any affiliate, director, manager, officer, employee, member, partner, shareholder, delegate, agent or contractor of any of them entitled to indemnification in respect thereof;
- Real estate and other taxes, licensing fees, permit fees and other governmental charges, fees and expenses and all expenses in connection with any audit, investigation, settlement or review;
- Out-of-pocket fees, costs and expenses incurred in connection with the Client's legal and regulatory compliance with U.S. federal, state, local, non-U.S. or other law and regulation, including but not limited to the hiring of an alternative investment fund manager ("AIFM"), performing Anti-Money Laundering procedures, as necessary, and Client regulatory filings (e.g., Form D, Annex IV).
- Out-of-pocket costs and expenses incurred in connection with compliance with any side letters or other written agreements, where applicable; and
- Information technology expenses associated with any computer software or hardware procured by or on behalf of the Client.
- Costs or expenses arising as a result of an investor default.

The Governing Documents of each Client provide greater detail regarding the fees and expenses to which each such Client is subject.

Allocation of Broken Deal Expenses

Broken deal expenses are allocated to the appropriate Client(s), generally based on 1) which Client(s) are in their investment period at the time the deal was created, 2) the investment strategy of the Client to which the broken deal aligns at the time the deal was created, 3) deal size, if applicable, and 4) whether the deal sits within an Opportunity Zone, as qualified under the Tax Cuts and Job Act. As such, investment strategy alignment by a broken deal alone, may not be determinative of proper allocation. In certain cases, a broken deal may align with the

investment strategy of a particular Client, but not with the size of the deals in which the Client invests, in which case, the associated broken deal expenses will not be allocated to the Client. When multiple Clients share a potentially overlapping investment strategy and invest in the same deal type and/or size, broken deal expenses determined to be appropriate for allocation to such Clients are typically allocated broken deal expenses pro-rata, based on each Client's total assets under management at the end of the immediately preceding quarter. If a broken deal aligns with multiple investment strategies and is of the type and size in which multiple Clients can invest, the associated broken deal expenses are typically allocated pro-rata to the Clients with the corresponding investment strategy(ies), based on each Client's total assets under management that are advised or sourced by CIM, at the end of the immediately preceding quarter.

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

Performance-Based Fees

CIM is generally entitled to performance-based fees from Clients. For Fund Clients, performance-based fees are generally earned by the Fund's general partner or managing member or an affiliate, who are members of CIM Group, rather than CIM itself, on terms specified in the Fund's Governing Documents. In one instance, the performance-based fees are ultimately paid to the Client, as specified in the Governing Documents. The manner in which performance-based fees are calculated differ, in at least one instance, between co-investment vehicles and comingled funds; however, the terms of any such fee arrangements are individually negotiated and are, in all cases, in compliance with the Investment Advisers Act of 1940 ("*Advisers Act*"). Multi-Fund Investors are expected to benefit from side letters or other similar agreements that have the effect of establishing rights under, or altering or supplementing the terms of the Governing Documents of the Funds in which Multi-Fund Investors invest, including, without limitation, rebates with respect to the Management Fees and/or performance-based fees to which the Multi-Fund Investor is subject. Generally, for affiliates who are Fund investors or for eligible CIM Group employees investing in a Fund, performance-based fees are either not charged or rebated back to the investor.

Performance-Based Fees and Allocation of Investment Opportunities

Performance-based fee arrangements create an incentive for CIM to recommend investments that may be riskier or more speculative than those that CIM would otherwise recommend under a different fee arrangement. In addition, the manner in which performance-based fees are determined may result in a conflict between CIM's interests and the interests of the Client with respect to the sequence and timing of disposals of investments. Performance-based fee arrangements also create an incentive for CIM to favor Clients with performance-based fee arrangements over Clients that are not charged a performance-based fee, and to favor one Client with performance-based fee arrangements over another Client with similar arrangements, depending on the relative likelihood that CIM Group will earn performance-based fees from such Clients, and the likely amounts thereof. CIM and the Affiliated Advisers have adopted an Investment Allocation Policy and constituted an Investment Allocation Committee as described below to mitigate allocation conflicts.

Performance-Based Fees and Leverage

Leverage typically increases the possibility of earning performance-based compensation, at the risk of greater loss. To the extent CIM, CIM Group or a Client is entitled to receive performance-based compensation, CIM has an incentive to use leverage on behalf of such Client. The amount of leverage that a Client can incur is specified in the Client's Governing Documents.

Side-by-Side Management

CIM advises multiple Clients that are actively investing in the same strategy at a given time. These Clients have differing fee arrangements, and some, but not others, pay performance-based fees. As discussed in "Performance-Based Fees" above, the existence of such differing fee arrangements creates conflicts of interest for CIM. CIM Group invests in some, but not all, Funds managed by CIM. CIM Group and Affiliated Advisers' clients also invest in real estate and real estate-related

assets as well as infrastructure assets for their own accounts. Side-by-side management and CIM Group's own active investment portfolio create conflicts of interests for CIM in allocating investment opportunities between its Clients, Affiliated Advisers' clients and CIM Group. The Investment Allocation Policy and Investment Allocation Committee (both described further below) are intended to mitigate such conflicts.

Side-by-Side Investments

CIM advises Clients that invest alongside other Clients and/or Affiliated Advisers' clients in particular investments, for example, by investing (including by assignment or participation) in pieces of the same debt facility, and by co-investing in a single real estate or infrastructure asset. CIM advises Clients to enter into such side-by-side investments when it is in the interest of each participating Client; for example, in order to diversify exposure to a single asset, asset class, or geographic region, or because a Client brings particular knowledge or expertise to bear that is expected to improve the performance of the investment. The terms and conditions under which side-by-side investments are made are set forth in the Clients' Governing Documents.

Among the side-by-side investments are co-investments in Fund investments by investors in that Fund, investors in other CIM Funds and/or Affiliated Advisers' clients, or other existing or prospective investors. The conditions under which such co-investments are offered are set forth in the Fund Client's Governing Documents. Such co-investment opportunities are generally offered first, on an expedited basis, to the investors in that Fund and second, if the co-investment opportunity is not fully subscribed, at CIM's discretion, broadly to investors in other Funds and other existing or prospective Clients. Co-investments that are oversubscribed by Fund investors in the expedited offering are generally allocated among such investors pro rata based on each investor's Fund capital commitment, subject to a minimum investment size. However, in allocating co-investment opportunities, CIM typically considers other factors, such as the prospective investors speed and certainty of execution and whether it brings particular knowledge or expertise to bear that is expected to improve the performance of the investment. Allocations to investors during the second offering are made at CIM's discretion.

Co-investments generally occur within one year of the Fund's initial investment in the asset. Co-investors who invest in an asset after the Fund's investment generally pay a preferred return to the Fund originally investing in the asset, the amount of which is determined by CIM in its discretion. The amount of preferred return so payable is generally not expected to vary between co-investors in a single co-investment. Co-investments made more than one year after the Fund's initial investment in the asset are generally priced based on the higher of (i) the preferred return described above or (ii) the net asset value ("NAV") of the asset. The NAV of the asset is set once a quarter and determined at the earlier of the Valuation Committee's (defined below) approval of the NAV or the end of the current calendar quarter.

Co-investments that take place between a Client and an Affiliated Advisers' client, which is registered under the Investment Company Act, are completed in accordance with the conditions of applicable exemptive relief received from the SEC.

Certain Fund investors and Clients, including Multi-Fund Investors, receive favorable terms with respect to side-by-side investment opportunities, including greater access to such opportunities and

reduced or waived Management Fees and/or performance-based fees. Investing in a Fund or becoming a Client does not entitle an investor to participate in side-by-side investment opportunities generated by other Clients, and such opportunities are typically offered selectively to other Fund investors and/or other existing or prospective Clients. The Investment Allocation Policy and Investment Allocation Committee are intended to mitigate allocation conflicts.

As part of its investment strategy, CIM keeps its Fund sizes relatively small in order to make co-investment opportunities available, generally first to Fund investors and second to investors in other Funds and/or other existing or prospective investors. CIM receives Management Fees and performance-based fees from all Clients participating in side-by-side investments, which allows CIM to receive fees from both the original Client and the co-investor Client(s) with respect to a particular asset. Such fee arrangements create an incentive for CIM to offer more side-by-side investment opportunities than it otherwise would in the absence of such fees. There are also conflicts of interest between Clients investing in side-by-side investments with regard to the allocation of expenses, the exercise of control rights, and the structuring and/or the timing of the acquisition and/or disposition of the particular investment. Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Material Risks—Side-by-Side Investments,” for more information on the risks and conflicts that arise from side-by-side investments.

Side-by-Side Management and Investment Allocation Policy

CIM and Affiliated Advisers have adopted a Side-by-Side Management and Investment Allocation Policy (the “*Investment Allocation Policy*”) designed to treat its Clients and Affiliated Advisers’ clients fairly and equitably and prevent conflicts from influencing the allocation of investment opportunities. CIM Group’s own accounts also participate in the allocation process similar to CIM’s Clients and Affiliated Adviser’s clients; however, priority is given to CIM’s Clients and Affiliated Advisers’ clients. For the purposes of the Investment Allocation Policy, “Clients and Affiliated Advisers’ clients” means any individual, group of individuals, partnership, trust, company or other investment entity for which CIM acts as adviser; which CIM has solicited to act as an adviser within the past six (6) months; or, in the case of investment vehicles formed by CIM Group, for which CIM is expected to act as adviser upon the commitment of sufficient capital by underlying investors. The Investment Allocation Committee (as defined below) is responsible for implementing the Investment Allocation Policy.

Pursuant to the Investment Allocation Policy, CIM and Affiliated Advisers determine the allocation of investment opportunities in good faith, taking into account relevant facts and circumstances. New investment opportunities are classified by the applicable investment team according to investment strategy/objective (for example, whether it is most appropriate for a Client or Affiliated Advisers’ client investing in stabilized (core), opportunistic, value-add, credit or infrastructure strategies, taking into account the risk/return profile for each of these types of investments). If an investment is suitable for two or more Clients or Affiliated Advisers’ clients with similar or overlapping investment strategies that have the capacity to make such investment, the Investment Allocation Committee determines the allocation by considering, among other things, the following factors with respect to each of the applicable Clients or Affiliated Advisers’ clients and the relative weight that should be given with respect thereto:

- the investment guidelines and/or restrictions, if any, set forth in the Client's or Affiliated Advisers' clients Governing Documents;
- the Client's or Affiliated Advisers' client's risk and return profile;
- the suitability/priority of a particular investment for the Client or Affiliated Advisers' clients;
- the Client's or Affiliated Advisers' client's available capital for investment;
- the aggregate capital committed to the Client or Affiliated Advisers' clients; and
- the age/vintage of the Client's account or Fund, and the remaining term of the Client's investment period, if any.

In considering the suitability/priority of a particular investment for a Client or Affiliated Advisers' client, the Investment Allocation Committee considers, among other factors, whether:

- the investment opportunity is contiguous or proximate to an existing investment;
- the investment opportunity is being made in conjunction with the strategic expansion plans of an existing investment;
- the investment opportunity is being pursued with a sponsor/partner that is also a sponsor/partner in an existing investment;
- there are economic ties/relationships between the investment opportunity and an existing investment; and
- the size and/or product type of the investment opportunity enhances existing diversification within the Client's or Affiliated Advisers' clients' portfolio.

Priority is generally given to Clients that are in their asset accumulation period (either pre-closing or investment period) or have undrawn commitments over Clients that are outside their asset accumulation period or have no undrawn commitments. However, application of one or more of the factors listed above, or other factors determined by the Investment Allocation Committee to be relevant/appropriate, may result in an allocation to a Client outside its asset accumulation period over a Client within its asset accumulation period.

If after considering the factors discussed immediately above, the Investment Allocation Committee remains unable to determine allocation of an investment opportunity to two or more Clients or Affiliated Advisers' clients, a strict rotation system is employed. Such Clients and/or Affiliated Advisers' clients are listed on a rotation schedule in the order of their inception dates (i.e., date of the investment management agreement), from the latest to the earliest inception dates. The Client and/or Affiliated Advisers' clients with the most recent inception date is, therefore, placed first on the rotation schedule and is the first to be offered the relevant investment opportunity.

Once an investment opportunity is offered to a Client or Affiliated Advisers' client in accordance with the foregoing rotation schedule, such Client or Affiliated Advisers' client is placed last on the rotation schedule, and all other Clients or Affiliated Advisers' clients are moved one space higher on the schedule. The Client or Affiliated Advisers' client assuming the newly vacated position at the top of the schedule is then offered the next available and relevant investment opportunity allocated through the rotation schedule.

If a Client or Affiliated Advisers' client forgoes an investment opportunity or subsequently relinquishes or abandons the opportunity after accepting, the opportunity is then offered in the order that the remaining Clients or Affiliated Advisers' clients are listed on the rotation schedule, beginning with the Client with the next most recent inception date, until the investment opportunity has been wholly allocated.

CIM Group's Investment Allocation Committee

CIM Group's investment allocation committee ("*Investment Allocation Committee*") sits above CIM and the Affiliated Advisers and is primarily responsible for implementing the Investment Allocation Policy, including resolving allocation conflicts associated with illiquid and/or limited investments. The Investment Allocation Committee does not typically engage when Clients are investing in highly liquid, publicly traded securities. The Investment Allocation Committee is comprised of four members, including: CIM Group's three Founding Principals and its Chief Compliance Officer. The size, composition, and policies of the Investment Allocation Committee, at CIM Group's discretion, change from time to time.

Item 7: Types of Clients

As previously mentioned, CIM provides investment advisory services to Funds that are exempt from registration under the Investment Company Act pursuant to Sections 3(a)(1), 3(c)(5), 3(c)(6), 3(c)(7) or 3(c)(1) thereof. CIM does not currently provide investment advisory services directly to nonaccredited retail investors or to registered investment companies. CIM Group invests in some, but not all, Fund Clients.

The minimum capital commitment to invest in a Fund generally ranges between \$150,000 and \$25 million, depending on the Fund; however, the Fund's general partner or managing member generally has the discretion to reduce the minimum capital commitment. For eligible CIM Group employees investing in a Fund through the CIM EIP (defined below), the minimum capital commitment requirement is \$25,000. All Fund investors are subject to applicable financial sophistication requirements, and CIM requires Fund investors to be "qualified purchasers" ("*Qualified Purchasers*"), as defined in Section 2(a)(51) of the Investment Company Act, or "accredited investors" ("*Accredited Investor*") as defined in Regulation D under the Securities Act of 1933.

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

Generally

CIM is a process and research driven investment adviser that seeks to mitigate risk through the fundamental analysis of the long-term drivers of investment value. CIM also seeks relative value opportunities by targeting investments that are priced below their long-term intrinsic value. Finally, CIM seeks to deliver strong risk-adjusted returns by utilizing CIM Group's vertically-integrated team, community qualification methodology and investment discipline.

CIM's underwriting approach for both debt and equity is based on adherence to stringent investment guidelines regardless of market conditions. CIM employs multiple underwriting scenarios for all investments, including a "long-term average" underwriting scenario and a "current market case" underwriting scenario, and underwrites all of its equity investments on both a leveraged and unleveraged basis. CIM's long-term average underwriting is based on CIM's belief that, over the life of any given investment, a Client should be able to exit its investment at long-term historical averages.

CIM seeks to provide capital preservation and downside protection through extensive diligence into asset collateral value. In addition, CIM attempts to invest equity in assets where it can invest at a meaningful discount to: (i) historic trading and transaction multiples and/or (ii) replacement cost.

CIM draws upon the resources of CIM Group to execute its investment strategy. Since 1994, CIM Group has managed various investment vehicles investing in urban real estate and real estate-related assets and infrastructure assets on behalf of itself and institutional investors. Beginning with its three Founding Principals, CIM Group has grown into a cohesive international organization with ~1100 employees, located throughout North America, South America, Europe, Middle East, and Asia. CIM Group's primary corporate offices are located in Los Angeles, CA (headquarters), Dallas, TX, Chicago, IL, Phoenix, AZ, New York, NY, Orlando, FL, Atlanta, GA, London, United Kingdom and Tokyo, Japan.

CIM Group's Investment Committee

CIM Group's Investment Committee ("*Investment Committee*"), including its sub-committees noted below, sit above CIM and Affiliated Advisers and is responsible for making the investment decisions for CIM's Clients and Affiliated Advisers' clients pursuant to the terms of the Governing Documents. The Investment Committee is comprised of certain CIM Group Principals a Managing Director in the Japanese Partner Group (collectively, "*Committee Members*"). At any meeting of the Investment Committee, a majority of Committee Members, which must include all three Founding Principals, constitutes a quorum. Unanimous approval of CIM Group's three Founding Principals and the majority vote of all Committee members present at an Investment Committee meeting at which a quorum is present is required for the acquisition or disposition of an investment. The size, composition, and policies of the Investment Committee change from time to time.

The Real Estate Equity Sub-Committee is a subset of Committee Members responsible for reviewing proposed due diligence spending in connection with potential real estate equity investments in North America.

The Credit Sub-Committee is a subset of Committee Members responsible for reviewing and approving all credit investments and exits by CIM Clients.

The Publicly Traded Securities Sub-Committee is a subset of Committee Members responsible for reviewing and approving publicly traded securities transactions by CIM Clients.

The European Investment Sub-Committee is a subset of Committee Members responsible for reviewing proposed due diligence spending in connection with potential real asset equity investments in Europe. The Sub-Committee is also responsible for reviewing and approving, as appropriate, the final offer price, acquisition and disposition of all real asset equity investments located, or to be transacted, in Europe.

CIM Group's Real Assets Management Committee

CIM Group's real assets management committee ("*Real Assets Management Committee*") sits above CIM and Affiliated Advisers and is responsible for overseeing the management of CIM's Clients' and Affiliated Advisers' clients' investments, pursuant to the terms of the Clients' or Affiliated Advisers' clients' Governing Documents. Among other things, the Real Assets Management Committee reviews and approves each investment's strategic plan and annual business plan. The Real Assets Management Committee is comprised of CIM Group's three Founding Principals, the Head of Portfolio Oversight and CIM's Chief Compliance Officer. The size, composition, and policies of the Real Assets Management Committee change from time to time.

CIM Group's Investment Allocation Committee

Please see "Item 6: Performance-Based Fees and Side-by-Side Management—Side-by-Side Management—Investment Allocation Committee" for a description of the Investment Allocation Committee.

Discipline

Opportunistic, Value-Add and Stabilized Strategies

CIM's investment discipline for its real estate and real estate-related asset investment strategies places a top priority on addressing the short-and long-term needs of a community. It relies upon rigorous quantitative investment analysis as well as a qualitative understanding of the inherent risks and opportunities within communities.

CIM's urban investing discipline is based on the premise that the best way to create or enhance value is to focus on a community as a whole, by investing in varied assets or asset classes within that community. This philosophy is intended to enable CIM to more efficiently realize the benefits

of a community's development across each of CIM's investment strategies through their distinct risk/reward profiles. CIM's investment philosophy is non-product specific and driven by the principle that every investment should correlate with the opportunities in the community in both the near- and long-term.

CIM is process oriented in its origination and diligence capabilities. CIM draws upon CIM Group's more than 25-year history of investing in communities across North America, which has enabled CIM Group to develop an understanding of the complex nature of urban investing as well as how best to leverage its extensive real estate development and operation expertise. All of CIM's investment strategies invest based on the belief that the appropriate consideration of the needs and opportunities within a community will lead to the most successful investments.

Before making an investment in a particular asset or community, CIM undertakes a rigorous quantitative and qualitative diligence process. The combination of quantitative expertise, underwriting, capital markets, and historical analysis, with a qualitative understanding of the needs and potential of a given community, are expected to enable each of CIM's investment strategies to deliver strong results when compared to peer and asset-class benchmarks through all phases of the market cycle.

CIM seeks to be a hands-on, catalytic, and transformational investor. CIM believes this approach allows it to leverage its perspective, expertise, relationships, and operational experience to increase investment value.

CIM draws upon CIM Group's in-house teams, which have experience in all areas of real estate operations, including investment management, development, capital markets, property management, leasing, multifamily residential sales, hotel management and financial controls and reporting.

Infrastructure Strategies

CIM's infrastructure strategies are a natural extension of CIM's real estate and real estate-related asset investment strategies, with all strategies sharing similar underlying investment fundamentals and targeted assets (generally, tangible assets serving community residents, businesses, and stakeholders). Through public and private transactions, the Infrastructure Strategies seek to provide infrastructure solutions to urban communities. CIM capitalizes on CIM Group's expertise across operational functions, industries, and geographies, including in development, permitting and construction, "local" market knowledge and experience, relationships with public and private agencies and consistent underwriting discipline, in its infrastructure investments.

Through interactions with various public and private agencies and industry groups, CIM has identified certain infrastructure sectors in North America where it intends to focus, most notably: (i) energy and utilities, including renewable energy generation; (ii) water management, including water storage and treatment facilities; (iii) transportation, including parking and urban transportation facilities; (iv) waste management, including recycling and waste-to-energy facilities; and (v) communications and social infrastructure, including healthcare facilities and wireless communications sites that support urban communities.

By leveraging CIM Group's community-focused real estate and real estate-related assets investment strategies, CIM aims to source and secure proprietary investment opportunities that provide infrastructure essential to the everyday lives of urban residents. CIM believes that its community-focused approach will enable CIM to create superior infrastructure solutions for public and private stakeholders, establish a strong alignment of interest among project counterparties and identify investment opportunities in attractive urban markets across North America.

Credit Strategies

CIM believes its experience as a real asset manager is one of the main drivers of new and diverse debt deal flow opportunities. Transactions have been and are expected to be sourced directly from borrowers, referrals from other industry professionals with whom CIM has historically done business as well as mortgage brokers. CIM has the ability to understand a transaction from different positions in the capital stack and quickly make well-informed decisions.

The process for evaluating a potential project's viability and assessing value of collateral is substantially similar to the process CIM uses for its other real asset acquisitions. In addition to supplementing analysis with third party expertise, CIM relies on assessment from its in-house investment and development professionals who have experience executing similar business plans. CIM draws on its experience owning and operating throughout the capital stack to identify key risks in a borrower's business plan and structure relevant development and performance hurdles into loan documents.

After closing a transaction, CIM's Investments team, along with support from CIM's vertically-integrated platform, continue to monitor the asset's performance. In the event a loan becomes non-performing and CIM believes foreclosure is required, CIM has the in-house staff to manage the asset and execute a business plan.

Material Risks

Risk of Loss

An investment in the Funds or as a Client involves a high degree of risk, including the risk of a partial or total loss of capital, and investors must be prepared to bear capital losses which might result from investments. In addition, an investment in a Fund is illiquid, long-term, can be speculative in nature, and is suitable only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment. For a more complete list of the specific risk factors relevant to a decision to invest in a Fund, investors should refer to the Governing Documents for the specific Fund.

No Assurance of Investment Return

No assurance can be given as to CIM's ability to choose, make and realize any debt or equity investments in any particular industry sector, company, or portfolio of companies or other distressed investments, or that the Client will achieve its investment objective.

Past Performance

No guarantee or representation is made that the Clients' investments will be successful, and investment results may vary substantially over time. A Clients' past results are not necessarily indicative of their future performance.

Illiquidity of Investors' Interests

CIM focuses its investment advisory business primarily on Funds. Limited partnership and membership interests in Funds are not registered for public sale under the Securities Act or any other securities law and cannot be publicly resold unless they are subsequently registered or an exemption from such registration is available. There is generally no liquid market for interests in non-public Funds, and it is highly unlikely that one will develop. Investors' interests in Funds are thus highly illiquid and should be acquired only by investors able to commit their funds for an indefinite period of time.

Fund investors are generally not permitted to sell, assign, transfer, pledge, hypothecate or participate out any Fund interest except as required by law or with the prior written consent of the relevant general partner or managing member, which consent may be withheld in a general partner or managing member's sole discretion, and the satisfaction of certain other conditions.

Investments Longer Than Term

A Fund may make investments that may not be advantageously disposed of prior to the date the Fund will be dissolved, either by expiration of the Fund's term or otherwise. There is limited ability to extend the term of a Fund, and a Fund may be required to sell, distribute or otherwise dispose of investments at a disadvantageous time or make an in-kind distribution (resulting in investors not having their capital invested and/or deployed in the manner originally contemplated) as a result of dissolution. In addition, there can be no assurance with respect to the time frame in which the winding up and the final distribution of proceeds to investors will occur.

Tax Considerations

Fund investors will incur different tax consequences, depending on the type of Fund in which they invest. Some Funds are treated as partnerships for federal income tax purposes. These Funds are not subject to federal income tax, and each investor in the Fund is required to include its allocable share of all items of income, gain, loss, and deduction of the Fund in calculating such investor's federal income tax liability, regardless of whether any distributions have been made by the Fund to that investor. An investor's taxable income or tax liability in a particular year could substantially exceed amounts distributed by a Fund to such investor, and a significant portion (or all) of that income may be taxed at ordinary rates. In addition to U.S. federal income tax filing obligations, certain Funds and the investors therein may be subject to taxation (including withholding taxes), and the Funds may be subject to tax filing obligations, in the U.S. state, local and non-U.S. jurisdictions in which the Fund makes investments.

Some Funds elect to be taxed as a real estate investment trust ("REIT"), which is a tax efficient pass-through entity that distributes all earnings. However, if a REIT is not properly managed, it

may incur entity level tax, which would be punitive. REITs are subject to complex qualification requirements based on their assets, income, and investors. The undertaking required to meet these qualifications could adversely affect an entity's ability to maximize pre-tax profits, and ultimate qualification cannot be guaranteed.

CIM expects that a substantial portion of the income and gain earned by some Funds will constitute unrelated business taxable income, which may present special risks to certain investors exempt from U.S. federal income tax. Fund offering documents contain descriptions of tax matters relevant to investors in the Fund.

Real Estate Investments

Investments in real estate and real estate-related assets are subject to the risks inherent in owning real assets. These risks include, but are not limited to: the burdens of ownership of real property, lease expirations and terminations, general and local economic conditions, adverse local market conditions, the financial conditions of tenants, buyers and sellers of properties, changes in building, environmental, zoning and other laws, changes in real property tax rates, changes in interest rates and the availability of debt financing, changes in operating costs, negative developments in the local, national or global economy, risks due to dependence on cash flow, environmental liabilities, uninsured casualties, unavailability of or increased cost of certain types of insurance coverage (such as terrorism insurance), acts of God, acts of war (declared or undeclared), hostilities, terrorist acts, strikes, and other factors which are beyond the control of CIM.

Infrastructure Investments

Investments in infrastructure assets are subject to unique and acute risks. Project revenues can be affected by a number of factors, including but not limited to, economic and market conditions, political events, competition, regulation, and the financial position and business strategy of customers. Unanticipated changes in the availability or price of inputs necessary for the operation of infrastructure assets may adversely affect the overall profitability of the investment or related project. Events outside the control of CIM and/or any project owner/operator, could significantly reduce the revenues generated, significantly increase the expense of constructing, operating, maintaining, and/or restoring infrastructure facilities, or result in termination of an applicable concession or other agreement, any of which could significantly impair the value of the infrastructure investment. These events include, but are not limited to, political action, governmental regulation, demographic changes, economic growth, increasing fuel prices, government macroeconomic policies, toll rates, social stability, competition from non-tolled or other forms of transportation, natural disasters, changes in weather, changes in demand for products or services, bankruptcy or financial difficulty of a major customer, and/or acts of war or terrorism.

As a general matter, the operation and maintenance of infrastructure assets or businesses involve various risks and are subject to substantial regulation, many of which would not be under the control of CIM or any project owner/operator, including labor issues, failure of technology to perform as anticipated, structural failures and accidents, and the need to comply with the directives of government authorities. Although CIM, on behalf of the Client and/or any project

owner/operator, maintains insurance to protect against certain risks, where available on reasonable commercial terms (such as business interruption insurance that is intended to offset loss of revenues during an operational interruption), such insurance is subject to customary deductibles and coverage limits and may not be sufficient to recoup all such losses.

Management of Portfolio Companies

Each Fund expects that it (or another CIM affiliate) will obtain rights to influence the conduct of the management of certain companies in which it invests. In such cases, a Fund can generally designate directors to serve on the boards of directors (or equivalent body) of portfolio companies. The designation of representatives and other measures contemplated could expose the assets of the relevant Fund to claims by a portfolio company, its security holders, and its creditors, including claims that such Fund is a controlling person and thus is liable for securities laws violations of a portfolio company. These measures also could result in certain liabilities in the event of the bankruptcy or reorganization of a portfolio company, could result in claims against a Fund if the designated directors violate their fiduciary or other duties to a portfolio company or fail to exercise appropriate levels of care under applicable corporate or securities laws or other legal principles and could expose such Fund to claims that it has interfered in management to the detriment of a portfolio company. While CIM intends to operate the Funds in a way that will minimize the exposure to these risks, the possibility of successful claims cannot be precluded.

Conduct at Portfolio Companies

There can be no assurance that CIM will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase or during its efforts to monitor any investment on an ongoing basis. In the event of fraud by the principals, managers or affiliates of a portfolio company, the related investment can suffer a partial or total loss of capital invested in it. An additional concern is the possibility of material misrepresentation or omission on the part of the principals, managers, or affiliates of a portfolio company. Such inaccuracy or incompleteness can adversely affect the value of such investment. CIM will rely upon the accuracy and completeness of representations made by the Funds' portfolio companies in the due diligence process to the extent reasonable, but cannot guarantee such accuracy or completeness. Under certain circumstances, payments to a Fund by a portfolio company can be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Real Estate Loans and Participations

Real Estate loans may become non-performing for a wide variety of reasons. Such non-performing real estate loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and/or a substantial write-down of the principal of such loan. Moreover, it may be necessary or desirable to foreclose on collateral securing one or more real estate loans. The foreclosure process varies jurisdiction by jurisdiction and can be lengthy and expensive.

Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the holder of a loan, including, without limitation, lender liability claims and defenses, even when such assertions may have no basis in fact, in an effort to prolong the foreclosure action. In some jurisdictions, foreclosure actions can take up to several years or more to conclude. Foreclosure litigation tends to create a negative public image of the collateral property and may result in disrupting ongoing management of the property. During the foreclosure proceedings, a borrower may have the ability to file for bankruptcy, potentially staying the foreclosure action and further delaying the foreclosure process. Bankruptcy laws may delay the lender's ability to realize on collateral for loan positions held by it or may adversely affect the priority of such loans through doctrines such as equitable subordination. Bankruptcy laws may also result in a restructure of the debt without a lender's consent under the "cramdown" provisions of the bankruptcy laws and may also result in a discharge of all or part of the debt without payment to the lender.

Real estate mezzanine financings are generally made to a direct or indirect parent of the property owner in exchange for a direct or indirect pledge of the equity interest in the property owner, rather than to a property owner in exchange for a security interest in the underlying real property. The parent of the property owner is commonly set up as a single purpose entity intended to be "bankruptcy remote" that owns only the equity interest in the property owner. In such a circumstance, remedies in the event of non-performance would include foreclosure on the equity interests pledged by the parent of such property. While the foreclosure process on such equity interests is generally less cumbersome and quicker than foreclosure on real property, such foreclosure process may nevertheless involve the risks discussed herein. Furthermore, such mezzanine financing can involve multiple levels of mezzanine loans to multiple levels of mezzanine borrowers (each pledging its equity interest in the borrower under the more senior financing as collateral) and therefore the value of the mezzanine loans may be negatively affected by separate levels of mezzanine financing. There can also be no guarantee that in such circumstances favorable inter-creditor rights will be negotiated.

Credit Strategy Clients can acquire interests in real estate loans via participation. Holders of participations are subject to additional risks not applicable to holders of direct interests in loans. Participations in a selling institution's portion of a loan typically result in a contractual relationship only with such selling institution, not with the borrower. Holders of a participation in a loan typically have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set off against the borrower, and may not directly benefit from the collateral supporting the loan in which it has purchased the participation. As a result, the holder of a participation interest will assume the credit risk of both the borrower and the institution selling the participation, which will remain the legal owner of record of the applicable loan. In the event of the insolvency of the selling institution, holders of participation interests may be treated as general unsecured creditors of the selling institution and may not benefit from any set off between the selling institution and the borrower.

General Economic and Market Conditions

General fluctuations in the market prices of securities and interest rates may affect a Client's investment opportunities and the value of a Client's investments. CIM's financial condition may

be adversely affected by a significant economic downturn, and CIM may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on particular investments, as well as CIM's general businesses and operations.

A recession, slowdown and/or sustained downturn in the North American market, and to a lesser extent, the global economy (or any particular segment thereof) may have a pronounced impact on CIM and could adversely affect CIM's profitability, impede the ability of the entities in which CIM invests to perform under or refinance their existing obligations and impair CIM's ability to effectively deploy its capital or realize the investment on favorable terms. CIM could also be affected by difficult conditions in the capital markets and any overall weakening of the financial services industry. It is possible that a weakening of credit markets could adversely affect funding obligations to CIM and could suffer other adverse consequences, any of which could adversely affect the business of CIM, restrict CIM's activities and impede CIM's ability to effectively achieve its investment objective.

Co-Investments and Non-Control Investments

Clients may hold non-controlling interests in certain investments or, similarly, may co-invest with operating partners or other third parties through partnerships, joint ventures or other entities. The Client may not have control over these investments and therefore, may have a limited ability to protect its position therein. Such investments may involve risks not present in investments where an operating partner or other third party is not involved, including the possibility that a third-party partner or co-venturer may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Client or may be in a position to take (or block) action in a manner contrary to the Client's investment objectives, as well as the increased possibility of default by, or diminished liquidity or insolvency of, the third party due to a sustained or general economic downturn. Furthermore, if a co-venturer defaults on its funding obligations, the Client may be required to make up the shortfall.

Receipt of Material Non-Public Information

As a result of CIM's operations and due diligence processes, including its use of expert networks, CIM will occasionally come into possession of material non-public information or other confidential information regarding a potential or existing investment. As a result, CIM's ability to transact in such investment will be restricted, and in some cases prohibited, to the extent necessary to comply with applicable securities laws, contractual obligations and CIM's internal policies.

Limited Access to Information

Investors' rights to information regarding a Fund Client are specified, and strictly limited, in the Governing Documents. In particular, it is anticipated that CIM and its respective affiliates obtain certain types of material information from investments that not be disclosed to investors, because such disclosure is prohibited for contractual, legal or other obligations outside of the control of CIM and its respective affiliates.

Litigation at the Property Level

The acquisition, ownership and disposition of real properties carry certain specific litigation risks. Litigation may be commenced with respect to a property acquired by the Fund or its subsidiaries in relation to activities that took place prior to the Fund's 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 potential 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 Fund's efforts to maximize sale proceeds.

Illiquidity of Investments

The investments made by CIM on behalf of its Clients are illiquid and may include investments in non-performing, sub-performing, distressed, under-capitalized or other troubled assets. Given the nature of the investments made by CIM, there is a significant risk that Clients will be unable to realize their investment objectives by sale or other disposition at attractive prices or within any given period of time or will otherwise be unable to complete any exit strategy. Because the terms of Fund Clients will be limited, certain investments may be sold at unfavorable prices or, subject to the consent requirements in the relevant Fund's governing documents, may be distributed in-kind to the Fund's investors at liquidation, and those investments may be less liquid than other types of investments or illiquid.

Valuation

All or certain of Clients' investments are expected to be illiquid, with limited or no access to market prices at the time valuations are performed. Valuations of assets without a liquid resale market involve uncertainties and the exercise of both judgment and discretion based on the best available data, including data from third-parties. Unforeseen market fluctuations can affect transaction pricing and sale prices of investments, which could be lower or higher than CIM's most recent fair value determination. There can be no assurance that investments will ultimately be realized at their reported values.

Limited Current Return

The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of an investment. Most of a Client's investments will not be sold until a number of years after they are made. Although current returns from investments generally vary, there may be some cases, prior to partial or complete disposition, in which there will be no current return on an investment, and CIM is not obligated to manage investments to maximize current returns.

Use of Leverage

CIM uses leverage in connection with its Clients' investments. This leverage subjects such investments to restrictive financial and operating covenants, which generally impair such

investments' ability to finance their future operations and capital needs or limit their flexibility to respond to changing business and economic conditions. In addition, leverage increases such investments' exposure to adverse economic factors such as significantly rising interest rates, severe economic downturns or deteriorations in the condition of the real estate investment or its market. The income and net assets of a leveraged investment will tend to increase or decrease at a greater rate than if borrowed money were not used. Lenders or other holders of senior positions are entitled to a preferred cash flow prior to a Client receiving a return on a leveraged investment, and, in the event an investment is unable to generate sufficient cash flow to meet the principal and interest payments on its indebtedness, the value of the Client's equity in such investment could be significantly reduced or even eliminated.

Leveraging a Client's assets involves significant complexity. In the event the Client is unable to obtain committed debt financing for potential acquisitions or can only obtain debt at an increased interest rate or on other unfavorable terms, the Client may have difficulty completing otherwise profitable acquisitions or may generate profits that are lower than would otherwise be the case, either of which could lead to a decrease in the investment income earned by the Client. There is no assurance that a Client will be able to obtain financing and, to the extent that it is available, there is no assurance that such financing will be on terms favorable to the Client, including with respect to interest rates.

Fund Clients also engage in financings directly rather than at the level of particular investments, including by way of subscription facilities. The rights of lenders making loans directly to a Fund to receive payments of interest or repayments of principal are senior to those of the Fund investors, and the terms of such borrowings often contain provisions that limit distributions to the investors or certain other activities of the Fund.

Fund borrowings under subscription facilities are generally secured by the investors' obligations to make capital contributions to the Fund. Any inability of the Fund to repay such borrowings could enable a lender to call capital from the investors and to take action against the investors and their interests in the Fund to the extent that such investors fail to fund any such capital call.

Interest Rates and Inflation

Leverage at the asset or Client level can expose investors to interest rate risk. Future financing or refinancing could involve a higher or lower rate, depending on economic activity and central bank decision-making. CIM seeks to obtain financing on the best available terms, but there can be no assurance that leverage will be obtained at targeted rates.

Often, central bank intervention is imposed to control the rate of inflation. Inflation is a measure of the relative value of money. When inflation is present, the buying power of money is eroded and its future value may be less than its present value. Recently, inflation in the U.S. market has been higher than the average over the last decade, leading to an increase in central bank intervention.

The current inflationary environment is likely to continue, and any disruptions in the capital markets, as a result of economic, political and market instability (including as a result of a

shutdown of U.S. government services, strikes, work stoppages, labor shortages, labor disputes, supply chain disruptions and accidents), may increase the spread between the yields realized on risk-free and higher risk securities and can result in illiquidity in parts of the capital markets, significant write-offs in the financial sector and re-pricing of credit risk. These and any other unfavorable economic conditions could increase our funding costs, limit our access to capital markets and result in a decision by lenders not to extend credit to us.

U.S. Credit Rating Risk

U.S. debt ceiling and budget deficit concerns have increased the possibility of additional credit-rating downgrades and economic slowdowns, or a recession in the United States. Although U.S. lawmakers have passed legislation to raise the federal debt ceiling on multiple occasions, ratings agencies have previously lowered, or threatened to lower, the long-term sovereign credit rating on the United States.

The impact of this or any further downgrades to the U.S. government's sovereign credit rating or its perceived creditworthiness could adversely affect the U.S. and global financial markets and economic conditions. Absent quantitative easing by the Federal Reserve, these developments could cause interest rates and borrowing costs to rise, which may negatively impact a Client's and its underlying assets' ability to access the debt markets on favorable terms. In addition, disagreement over the federal budget has caused the U.S. federal government to shut down for periods of time and may lead to additional U.S. federal government shutdowns. Continued adverse political and economic conditions could have a material adverse effect on the Clients' business, financial condition and results of operations.

Financial Institution Risk; Distress Events

CIM's Clients are subject to the risk that one or more of the Client's banks, brokers, lenders or other custodians of some or all of a Client's investments (each, a "*Financial Institution*") fail to perform their obligations and/or experience insolvency, closure, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank and Signature Bank in March 2023 (each, a "*Distress Event*"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, CIM, its Clients and/or its investments may not be able to access deposits, borrowing facilities or other services for an extended period of time or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation ("*FDIC*"), in the case of banks, or the Securities Investor Protection Corporation ("*SIPC*"), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event can have a potentially adverse effect on the ability of CIM to manage its Clients and its investments, and on the ability of CIM, its Clients and/or investments to maintain operations, which in each case could result in significant losses and unconsummated investment

acquisitions and dispositions. Such losses have the potential to cause Clients to pay fees and expenses associated with a Client's inability to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of investors to make capital contributions or otherwise), or to acquire or dispose of investments at prices that CIM believes reflect the fair value of such investments and/or an investment's inability to make payroll, fulfill obligations and maintain operations. Although CIM expects to utilize Insured Cash Sweep (ICS) services as well as exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such ICS services or remedies will be successful or avoid losses or delays.

Although CIM seeks to do business with custodians that it believes are creditworthy and capable of fulfilling their respective obligations to its Clients, CIM is under no obligation to use a minimum number of custodians with respect to its Clients, or to maintain account balances at or below the relevant insured amounts.

Reference Rate Risk

On March 15, 2022 the Consolidation Appropriations Act of 2022, which includes the Adjustable Interest Rate (LIBOR) Act ("*LIBOR Act*"), was signed into law in the United States. This legislation established a uniform benchmark replacement process for certain financial contracts that matured after June 30, 2023 and did not contain clearly defined or practicable LIBOR fallback provisions. The Federal Reserve Board adopted a final rule in December 2022 implementing the LIBOR Act and specified benchmarks based on the secured overnight financing rate ("*SOFR*").

Although the transition process away from the London Interbank Offered Rate ("*LIBOR*") has become increasingly well-defined, the transition process is complex. Although the Federal Reserve Bank of New York, started publishing SOFR in 2018 and has started publishing historical indicative SOFR dating back to 2014, such historical data inherently involves assumptions, estimates and approximations. Since the initial publication of SOFR, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable reference rates or market rates, and SOFR rates may bear little or no relation to historical actual or historical indicative data. In addition, there are significant differences between LIBOR and SOFR, such as LIBOR being an unsecured lending rate while SOFR is a secured lending rate, and SOFR is an overnight rate while LIBOR reflects term rates at different maturities. The use of SOFR or other alternative reference rates could have adverse impacts on our business, financial condition and results of operations, including, among other things, increased volatility or illiquidity in markets for instruments that continue to rely on LIBOR or which have been transitioned away from LIBOR to a different rate like SOFR and, in any case, could result in a reduction in the value of certain Clients' investments.

Reliance on Key Personnel Risk

The success of CIM depends in substantial part upon the skill and expertise of the personnel at CIM to identify and select appropriate investment opportunities. There is an ever-increasing competition among managers and other industry participants for hiring and retaining qualified professionals, and there can be no assurance that these key professionals will continue to be associated with CIM. The loss of key personnel could have a material adverse effect on CIM. There can be no assurance that CIM's personnel will not be solicited by and join competitors or

other firms and/or that CIM will be able to hire and retain any new personnel that it seeks to add to its team.

Reliance on Third-Party Service Providers

CIM depends on the services of custodians, counterparties, administrators and other agents to carry out certain transactions and other administrative services, including compliance with regulatory requirements in U.S. and non-U.S. jurisdictions. CIM is subject to risks of errors and mistakes made by these third parties, which may be attributed to CIM, and subject its Clients to reputational damage, penalties or losses. CIM depends on third parties to provide primary and back up communications and information systems. Any failure or interruption of those systems, including as a result of the termination of an agreement with any third-party service providers, could cause delays or other problems in CIM's or its Clients' activities. CIM's financial, accounting, data processing, portfolio monitoring, backup or other operating systems and facilities may fail to operate properly or become disabled or damaged as a result of a number of factors including events that are wholly or partially beyond our control. The terms of the contracts with third-party service providers are often customized and complex, and many of these arrangements occur in markets or relate to products that are not subject to regulatory oversight. Accordingly, CIM may be unsuccessful in seeking reimbursement or indemnification from these third-party service providers. In addition, CIM relies on a select number of third-party service providers and replacement of any one of these service providers could be difficult and result in disruption and increased expenses.

Engagement and Transactions with Affiliates

In addition to third-parties, Clients employ affiliates to perform Other Services, as described in Item 5, above. CIM also relies on an affiliated broker dealer to serve as the dealer manager and/or placement agent to certain CIM Funds and affiliated real estate brokers to provide real estate brokerage services to CIM's Clients, as described in Item 10, below. In addition, Mitsui has the right to provide broker services to a particular co-investment Client, as further described below. There can be no assurances that the rates charged to Clients in respect of these services will be lower than could be obtained by independent service providers. Additionally, if regulatory changes or adverse events impact the ability of these affiliates to provide services to Clients, third-party providers will need to be obtained and the rates charged could be more or less than those charged by the affiliates.

Also, certain companies, in which CIM Group is invested, lease commercial space from real assets owned by CIM clients. There can be no assurances that the rents paid to Clients in respect to these leases will be equal to or higher than what could be obtained by another tenant.

Risks Associated with Foreign Investments

CIM invests some Client capital outside of the United States. Investments in foreign countries will be affected favorably or unfavorably by changes in interest rates, due to political and economic factors, including inflation. Also, because non-U.S. companies are not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable with those applicable to U.S. companies, there are often times different types of, and lower quality,

information available about non-U.S. companies and their assets. If this were to occur, it would affect CIM's ability to underwrite and evaluate proposed investments in foreign countries or to obtain appropriate financial reports relating to such investments. In addition, with respect to certain countries, there is an increased potential for corrupt business practices, or the possibility of expropriation or confiscatory taxation, political or social instability, or diplomatic developments that could affect the Client's investments in those countries. While CIM manages each Client's investments in a manner that it believes minimizes exposure to the foregoing risks, there is no assurance that adverse developments with respect to such risks will not adversely affect the assets of Clients that are held in certain countries. Investments in foreign countries are also subject to currency exchange rate fluctuations, which may adversely affect the returns Clients realize from such investments. While CIM considers hedging such exchange rate exposure, if undertaken, there is no guarantee that any such hedges will be wholly or partially successful.

Lack of Diversification

While diversification is an objective of the Funds, there is no assurance as to the degree of diversification that will actually be achieved in the Fund's investments. The Fund may make a limited number of investments and, as a consequence, the aggregate return to the Fund may be substantially affected by the unfavorable performance of even a single investment.

Environmental, Social, and Governance ("ESG")

Although ESG considerations do not represent a primary focus of CIM's investment strategies, CIM integrates them into pre-investment sourcing and origination, underwriting, approval and portfolio oversight functions where CIM deems appropriate. CIM believes that, in certain scenarios, ESG matters have the potential to impact financial risk or create opportunities for an investment and are best analyzed in combination with an investment's fundamentals, including its industry, management, growth prospects, geography and strategic position. CIM believes that assessing ESG factors can contribute to a more robust and integrated evaluation of all investment risks.

Where CIM deems appropriate, CIM considers one or more ESG factors together with non-ESG factors in making investment decisions, and the ESG factors are generally no more significant than other factors in the investment selection process, such that ESG factors may not be determinative in providing advice with respect to any particular investment. The specific ESG factors that may be considered in connection with any potential investment may depend on, and be tailored as appropriate to, the particular asset class being evaluated for investment. Depending on the investment, CIM likely has differing levels of control and information transparency both during the underwriting process and after an investment has been consummated, which could affect the way CIM assesses and integrates ESG factors. The specific ESG factors CIM may look at include: (1) environmental factors, such as climate risks, water management, pollution and waste and adherence to local regulations; (2) social factors, such as tenant relations, human capital, demographic and societal trends and employee and community health and safety; and (3) governance factors, such as organizational structure, management credibility and track record, risk management, accounting and compliance reporting standards, corporate governance and conflicts of interests. Given that the materiality of certain factors may vary based on sector and

industry, CIM does not focus on any particular factor or set of factors in its review of potential investments, and CIM may consider certain ESG factors for certain investments and not for other investments. When considering ESG factors, CIM generally uses company disclosures, public data sources, environmental and/or engineering reports, third-party ESG ratings and/or industry standard frameworks (e.g., Energy Star, LEED, BREEAM, MSCI, etc.) as inputs to support its ESG assessment. CIM may incorporate ESG factors to evaluate an investment as part of risk analysis, credit analysis or in other manners. ESG factors may vary across types of investments, and not every ESG factor may be identified or evaluated for a particular investment.

There can be no guarantee that CIM will be successful in implementing its ESG initiatives, or that these initiatives will ultimately enhance financial returns.

Cybersecurity Breaches and Identity Theft

Cybersecurity and cyber incidents may adversely affect CIM, Clients' portfolio companies (collectively "CIM" for purposes of this provision only) and their service providers by causing a disruption to CIM operations, or those of its service providers (such as third-party vendors). A cybersecurity incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of the information resources of CIM or the service providers that CIM relies upon. These incidents may be an intentional attack or an unintentional event and could involve gaining unauthorized access to CIM systems and Client data or third-party vendors for purposes of misappropriating assets, stealing confidential information, corrupting data or causing operational disruption. The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusions, including by computer hackers, nation-state affiliated actors, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Despite careful security and controls design, CIM's information technology systems and the information technology systems of third-party vendors, may be subject to security breaches and cyber-attacks, the result of which may include disrupted operations, misstated or unreliable financial data, liability for stolen assets or information, increased cybersecurity protection and insurance costs, litigation damage to business relationships and damage to CIM's competitiveness. The costs related to cyber or other security threats or disruptions may not be fully insured or indemnified by other means. As CIM's and its third-party vendors' reliance on technology has increased, so have the risks of CIM's information systems, both internally and those by provided by third-party service providers. CIM Capital, LLC has implemented processes, procedures and internal controls to help mitigate cybersecurity risks and intrusions, but these measures, as well as increased awareness of the nature and extent of a risk of a cyber incident, do not guarantee that a cyber incident will not occur and/or that CIM Capital, LLC's financial results, operations or confidential information will not be negatively impacted by such an incident. In addition, cybersecurity has become a top priority for regulators around the world, including the SEC, and some jurisdictions have enacted laws requiring companies to notify individuals of data security breaches involving certain types of personal data. Even the most well-protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target, and in some cases, are designed not to be detected, and in fact, may not be detected. Accordingly, CIM and its service providers may be unable to anticipate these techniques or to implement adequate security barriers or other

preventative measures, and this it is impossible for CIM and its services providers to entirely mitigate this risks. Cybersecurity risk requires continuous and increasing attention and other resources from CIM from other activities and there is no assurance that our efforts will be effective. If CIM fails to comply with relevant laws and regulations, CIM could suffer financial losses, a disruption of its business, liability to Clients or investors, regulatory intervention or reputational damage. Further, the increased use of mobile and cloud technologies due to the proliferation of remote work resulting from new flexible work arrangements have heightened CIM's and its service providers vulnerability to a cybersecurity risk or incident. Reliance on mobile or cloud technology or any failure by mobile technology and cloud service providers to adequately safeguard systems could disrupt its operations or the operations of service providers and result in misappropriation, corruption or loss of personal, confidential or proprietary information or the inability to conduct business operations.

Use of Artificial Intelligence

Recent technological advances in artificial intelligence and machine learning technology ("*Machine Learning Technology*") pose risks to CIM, and any third parties with whom CIM engages. CIM could be exposed to the risks of Machine Learning Technology if third-party service providers or any counterparties use Machine Learning Technology in their business activities. CIM is not in a position to control the use of Machine Learning Technology in third-party products or services. Use of Machine Learning Technology could include the input of confidential information in contravention of applicable policies, contractual or other obligations or restrictions, resulting in such confidential information becoming partly accessible by other third-party Machine Learning Technology applications and users. Machine Learning Technology and its applications continue to develop rapidly, and CIM cannot predict the risks that may arise from such developments. Machine Learning Technology is generally highly reliant on the collection and analysis of large amounts of data, and it is not possible or practicable to incorporate all relevant data into the model that Machine Learning Technology utilizes to operate. Certain data in such models will inevitably contain a degree of inaccuracy and error and could otherwise be inadequate or flawed, which would likely degrade the effectiveness of Machine Learning Technology. To the extent CIM is exposed to the risks of Machine Learning Technology use, any such inaccuracies or errors could adversely impact us and our business.

Implications of the United Kingdom's Withdrawal from the European Union

As part of the process of the UK leaving the European Union ("*EU*"), the EU and the UK agreed to an EU-UK Trade and Cooperation Agreement ("*TCA*") that governs the trading relationship between the UK and the member states of the EU from and after January 1, 2021. Broadly, the TCA provides for zero tariffs and zero quotas on all goods that comply with the appropriate rules of origin, but is subject to both parties maintaining a level playing field in areas such as environmental protection, social and labor rights, investment, competition, state aid, and tax transparency.

The TCA does not provide for continued access by UK firms to the EU single market, adversely affecting financial service firms - although there is the possibility that in time, the UK may obtain a recognition of equivalence from the EU in certain financial sectors which would enable varying degrees of access to the EU market. Non-tariff barriers, customs declarations, customs checks,

restrictions on movements of employees, withdrawal of recognition of previously recognized professional qualifications, changes in the status of the UK vis-à-vis the EU for tax and VAT purposes, and other sources of friction have the potential to impair the profitability of a business, require it to adapt, or even relocate. Understanding and preparing for these new arrangements may result in increased operational and compliance burdens for CIM and its Clients. *Force Majeure*

Force majeure is the term generally used to refer to an event beyond the control of the party claiming that the event has occurred, including acts of God, fire, flood, weather, earthquakes, war, terrorism, and labor strikes. In particular, terrorist attacks have caused instability in the world financial markets and may generate global economic instability. In addition, investments in infrastructure assets may involve significant strategic assets that have a national or regional profile and may have monopolistic characteristics. The nature of these assets could expose them to a greater risk of being the subject of a terrorist attack than other assets or businesses. Some force majeure events may adversely affect a party's ability to perform its obligations, under a contract or otherwise, until it is able to remedy the force majeure event. In addition, the cost of repairing or replacing damaged assets could be considerable. Force majeure events that are incapable of, or costly to, cure may also have a permanent adverse effect on an investment. Liability, fire, flood, extended coverage and rental loss insurance with insured limits and policy specifications that are customary for certain investments is maintained. However, Clients are not able to insure against all catastrophic losses described herein. For example, most insurers are excluding terrorism and earthquake coverage from their all-risk policies. As such, catastrophic losses may be either uninsurable or insurable at such high rates that to maintain such coverage would cause an adverse impact on the related investments. If a major uninsured loss occurs, Clients could lose both invested capital in and anticipated profits from the affected investments. In general, discretion as to the type and level of coverage to obtain, or whether to obtain insurance at all are specified in the Clients' Governing Documents.

Public Health Risk

Certain countries have been and continue to be susceptible to pandemics and epidemics, such as severe acute respiratory syndrome, avian flu, H1N1/09 flu and COVID-19, coronavirus disease. The outbreak of an infectious disease or any other serious public health concern, together with any resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy, CIM's business and business activity in any of the countries in which Clients may invest and thereby adversely affect the performance of the Client's investments. COVID-19 and renewed and new outbreaks of other pandemics or epidemics could result in health or other government authorities requiring the closure of offices or other businesses and could also result in a general economic decline. Similarly, travel restrictions or operational issues resulting from the rapid spread of contagious illnesses may have a material adverse effect on business and results of operations. During periods of economic slowdown or recession, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, could result in a general decline in rents or an increased incidence of defaults under existing leases. These disruptions could also prevent CIM and its vendors or service providers from maintaining normal business operations or could result in the loss of services of key personnel on a temporary or long-term basis due to illness or other reasons. Any such event(s) could have a significant adverse impact on the value of Client accounts and the risk profile of CIM's investment strategies. The

duration of the business disruption and related financial impact caused by a widespread health crisis cannot be reasonably estimated.

Highly Competitive Market for Opportunities

The process of identifying, acquiring, operating and realizing investments is generally highly competitive, and involves a high degree of risk and uncertainty. CIM competes for investments with other funds, as well as individuals, companies, strategic buyers, financial institutions, other institutional investors, sovereign wealth funds, hedge funds and investment funds associated with other financial sponsors or institutional investors, private equity and debt investors, and credit vehicles. Further, over the past several years, a number of funds have been formed (and many such existing funds have grown in size). Additional funds and vehicles with similar objectives may be formed in the future (resulting in larger funds and vehicles). In addition, CIM's strategies in certain prospective investments may depend on its ability to enter into satisfactory relationships with joint venture or operating partners. There can be no assurance that CIM's current relationship with any such partner or operator will continue with respect to CIM or that any relationship with other such persons can be established in the future as desired with respect to any sector or geographic market and on terms favorable to CIM.

Data Protection and Privacy Law Compliance

Compliance with current and future privacy, data protection and information security laws could increase costs and significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and some of the current and planned business activities of CIM, its affiliates, the Funds and the Fund's underlying assets. A failure to comply with such laws could result in fines, sanctions or other penalties, which could materially and adversely affect results of operations and overall business, as well as have an impact on reputation. As privacy, data protection and information security laws are implemented, interpreted and applied, compliance costs may increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

Anti-Corruption Laws and Regulations

Economic sanction laws in the United States and other jurisdictions prohibit a Fund from transacting in certain countries and/or with certain individuals and entities. In the United States, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") administers and enforces laws, Executive Orders and regulations establishing U.S. economic and trade sanctions. Such sanctions prohibit, among other things, transactions with, and the provision of services to, certain foreign countries, territories, entities, and individuals. These entities and individuals include specially designated nationals, specially designated narcotics traffickers, and other parties subject to OFAC sanctions and embargo programs. The lists of OFAC prohibited countries, territories, persons, and entities, including the List of Specially Designated Nationals and Blocked Persons, as such list are amended from time to time, can be found on the OFAC website at www.treas.gov/ofac. In addition, certain programs administered by OFAC prohibit dealing with individuals or entities in certain countries regardless of whether such individuals or entities appear on the lists maintained by OFAC.

In recent years, the U.S. Department of Justice, the SEC and other regulators have devoted greater resources to enforcement of the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and similar regulations adopted by various other countries. Portfolio companies in which the Funds invest, particularly in cases where a Fund does not control such company, may engage in activities that could result in violations of applicable anticorruption or anti-bribery laws. Any determination that CIM, the Funds or a portfolio company has violated the applicable anti-corruption or anti-bribery laws could subject CIM to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect a Fund's business prospects and/or financial position, as well as its ability to achieve investment objectives and/or conduct its operations.

Pay-To-Play Laws, Regulations and Policies

In light of controversies and highly publicized incidents involving money managers, a number of U.S. states and municipal pension plans have adopted so-called "pay-to-play" laws, regulations or policies, which prohibit, restrict or require disclosure of payments to U.S. state and local officials by individuals and entities seeking to do business with U.S. state entities, including investments by public retirement funds. The SEC also has adopted rules that, among other things, prohibit an investment adviser from providing advisory services for compensation with respect to a government plan investor for two years after the adviser or certain of its executives or employees make a contribution to certain elected officials or candidates. If CIM or its employees or affiliates fail to comply with such pay-to-play laws, regulations or policies, such non-compliance could have an adverse effect on CIM by, for example, providing the basis for the withdrawal of the affected government plan investor.

Restricted Developer Ordinance

On June 8, 2022, the Los Angeles City Council adopted Ordinance No. 186477, which prohibits certain developers and their principals, from making political contributions to Los Angeles City officials. Any applicable developer or principal found in violation of the Ordinance cannot be involved in a Los Angeles City entitlement application for 12 months after the determination of the violation, in addition to other applicable penalties. If CIM or its applicable employees or affiliates fail to comply with the Ordinance, such non-compliance could have reputational damages to CIM and adverse effects on CIM's Clients by, for example, having to refrain for at least 12 months from submitting entitlement applications for Client investments located in Los Angeles.

SEC Private Fund Rule

In August 2023, the SEC voted to adopt previously proposed new rules and amendments to existing rules under the Advisers Act (collectively, the "Private Funds Rules") specifically related to investment advisers and their activities with respect to private funds they advise. In particular, the Private Funds Rules will, among other changes, impose required quarterly reporting by private funds to investors concerning detailed information on performance, investments, adviser-

compensation, fees and expenses, capital inflows and capital outflows; require registered investment advisers to obtain an annual audit for all private funds that meets the requirements of the existing Advisers Act custody rule; require registered investment advisers to obtain a fairness or valuation opinion and make certain disclosures, in connection with adviser-led secondary transactions (also known as GP-led secondaries); restrict advisers from engaging in certain practices unless they satisfy certain disclosure requirements and, in some cases, consent requirements, which practices include, without limitation, charging regulatory or compliance fees or expenses, or fees or expenses associated with an examination, of CIM or its related persons to private fund clients, seeking reimbursement for certain investigation-related expenses, reducing the amount of the clawback by actual, potential or hypothetical taxes applicable to the investor, borrowing from a private fund, making non-pro rata fee or expense allocations; restrict advisers from engaging in certain forms of preferential treatment to private fund investors related to liquidity and information rights if they would be reasonably expected to have a material negative effect on other investors and otherwise require advisers to make certain disclosures regarding preferential treatment of investors; and prohibit an adviser from having a private fund bear the costs of any fees or expenses related to an investigation resulting in a court or governmental authority imposing a sanction for violating the Advisers Act. The Private Funds Rules also impose additional requirements on advisers to document their annual compliance reviews in writing and retain additional required books and records relating to private funds they advise. Although the legality of the Private Funds Rules is currently being challenged in federal court, it is uncertain whether this legal challenge will succeed.

While the full impact of the Private Funds Rules cannot yet be determined, it is generally anticipated that these rules will have a significant effect on CIM and its operations, including by increasing regulatory and compliance costs and burdens and heightening the risk of regulatory inquiries and actions (including public regulatory sanctions). Funds are expected to bear (either directly or indirectly through its Portfolio Entities) certain regulatory and compliance costs relating to the Private Funds Rules, which could include (without limitation) fees, costs and expenses incurred in connection with preparing and distributing to investors the quarterly statements required by the rules, soliciting and obtaining from investors any consents required by the rules, providing investors with any notices or disclosures required by the rules and obtaining and distributing to investors fairness or valuation opinions in connection with adviser-led secondary transaction (including fees paid to third parties engaged by CIM or the Funds to perform or assist with such actions or processes), which fees, costs and expenses could be expected to be material.

Trade Policy

Political leaders in the United States and certain European nations have recently been elected on protectionist platforms, fueling doubts about the future of global free trade. The U.S. government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries. In addition, the U.S. government has recently imposed tariffs on certain foreign goods, including steel and aluminum, and has indicated a willingness to impose tariffs on imports of other products. Some foreign governments, including China, have instituted retaliatory tariffs on certain U.S. goods and have indicated a willingness to impose additional tariffs on U.S. products. Global trade disruption, significant introductions of trade barriers and

bilateral trade frictions, together with any future downturns in the global economy resulting therefrom, could adversely affect the financial performance of CIM Clients and their investments.

Market Disruption Risk

The military operations of the United States and its allies, the instability in various parts of the world and the increasing prevalence of terrorist attacks throughout the world could have significant adverse effects on the global economy. A terrorist attack involving a business, asset or property owned by CIM or its Clients may result in liability far in excess of available insurance coverage and have adverse consequences for all investments. CIM cannot predict the likelihood of these types of events occurring in the future or how such events may affect its investments.

Uncertain Geopolitical Events

International and/or local geopolitical events are likely to influence the investments, properties, borrowers and markets targeted by CIM Clients. Geopolitical events, including, without limitation, national referenda, political elections, international violent and non-violent conflicts, political movements and reactions to national and international emergencies, can affect monetary policy, fiscal policy, international relations, currency valuations, legal systems and regulatory regimes, among numerous other things, in ways that could impact CIM Clients and/or their ability to operate and/or pursue its investment strategy.

The ongoing war between Russia and Ukraine and the resulting global response, including economic sanctions by the United States, the European Union and other countries, and the escalated armed conflict in the Middle East have increased and could continue to increase volatility and uncertainty in the financial markets and adversely affect regional and global economies. The extent and duration of the ongoing war in Ukraine and the Middle East and the repercussions of such conflicts are impossible to predict but could result in significant market disruptions and may further negatively affect global supply chains, energy prices, inflation and global growth. The foregoing presents material uncertainty and risk with respect to Clients and the performance of their investments or operations, and the ability of Clients to achieve their investment objectives.

Possible Conflicts of Interest

Performance-Based Fees

Performance-based fee arrangements create an incentive for CIM to recommend investments that are riskier or more speculative than those that CIM would otherwise recommend under a different fee arrangement. In addition, the manner in which performance-based fees are calculated differ, in at least one instance, between co-investment vehicles and comingled funds and result in a conflict between CIM's interests and the interests of the Clients with respect to the sequence and timing of disposals of investments. Performance-based fee arrangements also create an incentive for CIM to favor Clients with performance-based fee arrangements over Clients that are not charged a performance-based fee, and to favor one Client with performance-based fee arrangements over

another Client with similar arrangements, depending on the relative likelihood that CIM Group will earn performance-based fees from such Clients and the likely amounts thereof.

Allocation of Investment Opportunities

CIM advises multiple Clients that are actively investing in the same strategy at a given time. These Clients have differing fee arrangements, and some, but not all, pay performance-based fees. CIM Group invests in some, but not all, Funds managed by CIM. CIM Group will continue to invest in real estate, real estate-related and infrastructure assets for its own account. Further, as noted above, the type and amount of fees, including performance-based fees, paid to CIM and CIM Group differs among Clients. Side-by-side management and CIM Group's own active investment portfolio gives rise to conflicts of interest when allocating investment opportunities among Clients, and between Clients and CIM Group. To address conflicts of interest and to fulfill CIM's fiduciary duties to each of its Clients, among other things, CIM has adopted an Investment Allocation Policy and constituted an Investment Allocation Committee. Please see "Item 6: Performance-Based Fees and Side-by-Side Management" for a description of CIM's Investment Allocation Policy and Investment Allocation Committee.

Side-by-Side Investments

CIM advises Clients that invest alongside other Clients in particular investments, for example, by investing (including by assignment or participation) in pieces of the same debt facility, and by co-investing in a single real estate or infrastructure asset. As part of its investment strategy, CIM keeps its Fund sizes relatively small in order to make co-investment opportunities available, generally first, to Fund investors, and second, to investors in other Funds and other existing or prospective Clients. CIM advises Clients to enter into such side-by-side investments when it is in the interest of all participating Clients; for example, in order to diversify exposure to a single asset, asset class, or geographic region, or because a Client brings particular knowledge or expertise to bear that is expected to improve the performance of the investment. The terms and conditions under which side-by-side investments may be made are set forth in Clients' Governing Documents. Transaction-specific returns, and a Client's overall return, may be materially affected if the Client's investment in a particular asset is diluted by another Client's side-by-side investment. CIM receives Management Fees and performance-based fees from all Client's participating in side-by-side investments, which creates an incentive for CIM to offer more side-by-side investment opportunities than it otherwise would in the absence of such fees. CIM also has an incentive to offer side-by-side investment opportunities to Clients more likely to pay performance-based fees, such as Client's investing in a single asset (such as co-investment) rather than a pool of assets.

Where two or more Clients invest side-by-side in a particular asset, CIM will likely be presented with decisions in which the interests of the Clients are in conflict, and CIM will likely have conflicting loyalties between its duties to such Clients. For example, conflicts arise with respect to the allocation of expenses, the granting of control rights or exercise of control rights, and the structuring and/or timing of the acquisition and/or disposition of the particular investment. In any such case, actions may be taken that benefit one Client but are adverse to the interests of other

Client(s). There can be no assurance that the returns realized by one Client will be equivalent to or better than the returns obtained by other Client(s) participating in the same investment.

Other Services Fees

As described in “Item 5: Fees and Compensation—Non-Investment Advisory Services (Other Services) Fees,” CIM Group provides Other Services to CIM Clients in return for Other Services Fees, which services would otherwise be provided by third parties. For example, CIM Group provides property management, development, leasing and multifamily residential sales services to real estate assets, loan servicing and work-out services to debt investments and operating and administration services to infrastructure companies, including services in connection with or following a foreclosure on any portfolio investment. The terms and conditions upon which Other Services are provided and the terms and conditions of Other Services Fees are individually negotiated with each Client and are set forth in the Governing Documents. Other Services Fees do not reduce or offset Management Fees.

Certain Clients reimburse CIM Group for administrative services provided to Clients, such as internal finance, tax, accounting, legal, compliance, human resources, and information technology. The terms and conditions of such reimbursements are set forth in the Client’s Governing Documents.

Side Letters

CIM’s Clients are permitted to enter into side letters or other similar agreements with one or more investors, which would have the effect of establishing preferential terms for those investors. Such terms may include, without limitation, (i) exclusion rights applicable to particular assets or assets in certain jurisdictions, (ii) additional informational rights for an investor, (iii) waiver or modification of certain confidentiality obligations and/or documentation that might be requested for the benefit of lenders or other persons extending credit to or arranging financing for the Client (iv) consent to certain transfers by such investors, (v) rights or terms necessary in light of particular legal, regulatory or public policy characteristics of an investor, (vi) economic rights, (vii) additional obligations and restrictions with respect to the structuring of any investment in light of the legal, tax and regulatory considerations of particular investors, (viii) limitations on an investor’s indemnification obligations in such subscription agreement, (ix) restrictions on, or special rights of such investor with respect to, the activities of CIM and its affiliates and (x) preferential access to co-investment opportunities.

Valuation

CIM’s Management Fee and performance-based fee for certain Clients is based on the value of the Client’s assets. The participation of CIM Group investment professionals in the valuation process, and CIM’s selection of third party valuation advisors (such as real estate appraisers), creates a conflict of interest. To mitigate this conflict, CIM maintains a Valuation Policy and valuations are subject to the review and approval of a valuation committee (“*Valuation Committee*”) comprised of CIM Group’s Chief Valuation Officer, Chief Financial Officer, Chief Compliance Officer and a CIM Group Founding Principal. In addition, potential third party appraisers are selected through

a formalized assessment of multiple factors including cost effectiveness, appraiser expertise, and quality of work product. For real assets located in North America, appraisers must be members in good standing of the Appraisal Institute. For real assets located in the United Kingdom, appraisers must be Chartered Members of the Royal Institution of Chartered Surveyors. For credit-related assets, CIM utilizes widely-known, nationally recognized pricing vendors, and CIM conducts tailored due diligence before hiring an appraiser for its Clients' operating portfolio company assets. Appraisal firms are typically rotated out of the selection process regularly to minimize any conflicts of interest that could result from entrenchment; i.e., the risk that an appraiser could provide advantageous appraisals to ensure its continued retention.

CIM's Management Fee and performance-based fee is based on the value of the Client's assets. For certain Clients, the Fees are charged to the Clients quarterly; however, the Clients' assets are valued annually. Such discrepancy poses a potential conflict of interest, especially during a declining market, as the Clients may be charged Fees based on a stale and/or higher value of the Client's assets compared to the current value of the Client's assets.

Cross Transactions

In circumstances where CIM believes it to be appropriate and in the best interest of both participating Clients, CIM could cause one Client to purchase assets from or sell assets to another CIM Client or Affiliated Advisers' client (a "*Cross Transaction*"). Cross Transactions may be appropriate in furtherance of rebalancing or other portfolio management decisions that advance the investment programs of CIM's Clients. When pursued, Cross Transactions conform with the Governing Documents of both Clients, as well as CIM's policies and applicable securities laws and regulations. To the extent required, CIM obtains the consent of each Client's advisory committee prior to engaging in a Cross Transaction.

Cross Transactions pose potential conflicts of interest with respect to fees and valuations. Generally, CIM and its affiliates do not earn any brokerage compensation in respect of arranging such transactions. Additionally, valuations are determined in accordance with CIM and Client policies, as well as any applicable regulations.

Principal Transactions

In instances where CIM purchases an investment from or sells an investment to a Client, (a "*Principal Transaction*"), or otherwise engages in a transaction with a Client for its own account, CIM obtains the written consent of the Client prior to executing the transaction, as required by the Advisers Act and the Client's Governing Documents. For certain Clients, the Governing Documents vest the Client's advisory committee with the authority to grant such consent.

In instances where CIM, an affiliate, or persons associated with CIM or affiliate have a controlling interest in a Client that is participating in a Cross Transaction, such transaction could be deemed a Principal Transaction in respect of CIM. Additionally, where permitted by the Advisers Act and the Client's Governing Documents, CIM or an affiliate can engage in bridging or warehousing transactions for their own account prior to a later acquisition by a Client.

Employee Investment Program

CIM Group sponsors an employee investment program (the “*CIM EIP*”), in which certain eligible CIM Group employees (or their respective family trusts or other estate planning vehicles which they control) are provided the opportunity to invest their personal capital in certain Fund(s) (generally, indirectly through a separate pooled investment vehicle for employees that invests in a Fund). In addition, eligible employees have the opportunity to leverage their personal investment through a loan made available through the CIM EIP, to increase their investment in a Fund. If the value of the Fund falls below the required loan-to-value limits of the loan assumed by an employee, such employee will likely be required to “cure” the deficit through payment of a certain portion of the loan to the lender. In addition to the interest an employee has in the appreciation of their Fund investment, an employee who leverages their Fund investment has an interest in value appreciation in light of the requirement to cure a deficit should one result. Therefore, employees involved in the valuation of the Funds could be incentivized to inappropriately lobby for the over-valuation of the Funds in which they are personally invested.

Time and Resources of Investment Professionals

As noted in “Item 4: Advisory Business,” CIM has 170 Supervised Persons, as well as access to CIM Group’s other ~930 employees for non-securities related matters. While these Supervised Persons, as well as the officers of CIM, devote as much of their time to CIM’s Clients as reasonably required to fulfill CIM’s fiduciary duties to its Clients, pursuant to the Governing Documents and in accordance with reasonable commercial standards, they are not exclusive to CIM’s current Clients. For example, such persons, manage Affiliated Advisers’ clients with investment objectives similar to those of CIM’s current Clients, and/or serve as officers, directors, or principals of entities that operate in the same, or a related, line of business as CIM’s current Clients. While such persons are performing their respective roles with and for multiple CIM Clients, competing priorities and allocation of time and responsibilities create a conflict of interest.

Familial Relationships

From time-to-time, in the normal course of business, Clients participate in transactions with, and/or sponsored by, Ares Management (“*Ares*”) and Apollo Global Management (“*Apollo*”). Certain executives and/or founders of Ares and Apollo have a familial relationship with Richard Ressler, an indirect owner of CIM.

Corporate and Employee Benefits

CIM Group and its employees may receive certain benefits, such as discounts on hospitality, services or products from properties in which Clients hold a significant ownership interest or from tenants of properties owned by Clients.

In addition, CIM Group employees can be expected to receive certain intangible or other benefits resulting from their activities on behalf of Funds or underlying assets that are not be subject to a management fee offset or otherwise shared with the Funds or underlying assets. For example, airline travel, hotel stays or use of a credit card, typically result in cash rebates, “miles,” “points”

or credit in loyalty/status programs, and such benefits advantage such employees even though the cost of the underlying service is borne by the Fund and/or underlying assets.

Selling and Financing to Third Parties

Certain Clients from time to time provide financing to third parties in connection with such third parties' acquisition of assets from other Clients, including where any such third party is unable to obtain financing from another source. This creates a conflict of interest because CIM has an incentive to cause a Client to provide such financing in order to facilitate the sale of another Client's assets, even if this means providing financing on terms that may be less favorable than those that the Client would typically obtain when providing financing in other contexts. Similarly, CIM has an incentive to cause a Client to sell an investment to a third party in order to generate the opportunity for another Client to provide financing to that third party, even if transacting with another counterparty may have been more favorable to that Client. Ultimately, such arrangements may be more advantageous to the Client selling its asset than to the Client providing the financing, or vice versa. In addition, CIM and its related persons and/or their professionals from time to time have significant investments in one or both of the Clients or may receive, directly or indirectly, higher fees, compensation or other benefits from one Client than the other. As a result, CIM may have an incentive to improve the performance of one Client at the expense of the other Client.

Client Loans to Affiliates

A certain Fund made a portfolio investment in the form of a loan, in which the proceeds of the loan were distributed to an affiliate of CIM. Conflicts of interest may arise between the interests of the Fund as a creditor and those of CIM's affiliate as an equity holder in connection with the Fund's investment. Such loan was disclosed to investors in the Fund's Governing Docs and consent was received via the investors' subscription into the Fund.

Item 9: Disciplinary Information

CIM has no material facts to report regarding any legal or disciplinary events that would be material to the evaluation of CIM.

Item 10: Other Financial Industry Activities and Affiliations

Affiliated Investment Vehicles

CIM Group acts as the managing member or general partner of various investment funds that are exempt from registration under the Investment Company Act pursuant to Sections 3(a)(1), 3(c)(5), 3(c)(7) or 3(c)(1) thereof. CIM and its relying advisers are the investment advisers to most of CIM Group's investment funds.

Other Investment Advisers

CIM has four Relying Advisers (CIM Capital Real Property Management, LLC; CIM Capital RE Debt Management, LLC; CIM Capital Controlled Company Management, LLC and CIM Capital Securities Management, LLC) all of which conduct a single advisory business. Also, CIM and certain management persons are related to the following 1) registered investment advisers: CIM Capital IC Management, LLC, CIM Capital SA Management, LLC, OFS Capital Management, LLC ("*OFS Capital Management*"), OFS CLO Management, LLC, OFS CLO Management II, LLC; 2) non-registered advisers: CIM Group, LP, CIM RE Debt Management, LLC, CIM Controlled Company Management, LLC, CIM Real Estate Finance Management, LLC; and 3) OCV Management, LLC ("*OCV*") (an exempt investment adviser pursuant to the Venture Capital Fund Exemption created by the Dodd Frank Act).

CIM Capital IC Management, LLC, provides investment advisory services to the securities subsidiaries of a non-traded public REIT and a non-diversified, closed-end investment company registered under the Investment Company Act. CIM Capital SA Management, LLC serves as a sub-adviser to the non-diversified, closed-end investment company registered under the Investment Company Act. CIM Group, LP, CIM RE Debt Management, LLC and CIM Controlled Company Management, LLC, provide advisory services to funds and other vehicles regarding non-securities investments. CIM Real Estate Finance Management provides advisory services to a non-traded public REIT and its subsidiaries, regarding non-securities investments.

OFS Capital Management focuses primarily on investments in middle market and broadly syndicated US loans, debt and equity positions in collateralized loan obligations ("*CLOs*") and other structured credit investments. OFS Capital Management advises two business development companies and a closed-end fund, registered under the Investment Company Act, as well as CLOs, separately managed accounts and proprietary funds. OFS Capital Management also serves as a sub-adviser to affiliated and non-affiliated pooled investment vehicles and an affiliated closed-end fund registered under the Investment Company Act. OFS CLO Management, LLC and OFS CLO Management II, LLC advise CLOs primarily in investments in broadly syndicated US loans, and to a lesser extent, publicly traded corporate bonds.

OCV advises a pooled investment vehicle in investments in control positions in middling and displaced companies in the technology and life science sectors.

CIM and its Clients engage in transactions (including side-by-side investments) with Clients of these adviser affiliates, and CIM may provide investment advice to clients of these adviser affiliates. However, CIM and the Affiliated Advisers have adopted an Investment Allocation

Policy and constituted an Investment Allocation Committee as described above to mitigate allocation risks and conflicts.

One of CIM Group's Founding Principals, who serves as chairman of CIM Group's Investment Committee and Real Assets Management Committee, as well as CIM's Chief Compliance Officer, provide services to CIM Group, LP, CIM RE Debt Management, LLC, CIM Controlled Company Management, LLC, CIM Capital IC Management, LLC, CIM Capital SA Management, LLC, OFS Capital Management, LLC, OFS CLO Management, LLC, OFS CLO Management II, LLC and OCV Management, LLC and their affiliates. A conflict of interest, due to competing priorities and allocation of time and responsibilities, arises when these officers are providing these services.

Broker-Dealer

CIM Group includes CCO Capital, LLC, a limited purpose broker-dealer registered with the SEC and a member of the Financial Industry Regulatory Authority, Inc., the scope of which is limited to acting as dealer manager and/or placement agent for certain CIM Funds. CCO Capital, LLC does not receive a commission on such sales but is paid for services performed by CIM. Certain Supervised Persons of CIM are registered representatives of CCO Capital, LLC. CIM Group also includes CIM Japan, Ltd., a Type II Financial Instruments Business (the equivalent of a broker-dealer), registered by the Japanese Financial Service Agency. CIM Japan, Ltd markets interests in certain CIM Funds to residents of Japan. Lastly, CIM Group includes CIM Group (Australia) PTY LTD, a Corporate Authorized Representative of PAS Advisory Services Pty Ltd, which allows for (a) the provision of general financial product advice and (b) dealing in a financial product by arranging for another person to issue or apply for certain classes of financial products to wholesale clients.

Real Estate Broker

CIM Group includes real estate brokers that provide real estate brokerage services to CIM's Clients.

Sponsor, General Partner or Managing Member (or equivalent) of Fund Clients

CIM Group or its affiliate is the sponsor, general partner, or managing member (or equivalent) of all the Fund Clients.

As the sponsor, general partner, or managing member (or equivalent) of Fund Clients, CIM Group manages the Client on behalf of the investors therein, including selecting the Client's investment adviser and engaging affiliates to provide Other Services. To the extent CIM Group shares in the fees earned by its affiliates, including CIM, it has a conflict of interest in determining whether to engage its affiliates to provide such services.

Conflicts Procedures

CIM has adopted various policies and procedures to address potential conflicts among various Clients and between CIM and its Clients, which CIM refers to as the "*Conflicts Procedures*." These policies and procedures, which are modified from time to time at CIM's sole discretion, require prior review or approval of certain transactions by the Chief Compliance Officer or members of

senior management. Relevant policies and procedures for addressing conflicts with respect to a particular Client are described in greater detail in the Client's Governing Documents. With respect to affiliate transactions or other matters giving rise to conflicts of interest, the relevant Governing Documents, in certain instances, provide for, among other things, consultation regarding, or approval of, such transactions by a person or body, such as an advisory committee comprised of certain of the underlying investors in an investment vehicle.

For a discussion of additional conflicts of interest and CIM's procedures for addressing those conflicts, please see "Item 8: Methods of Analysis, Investment Strategies and Risk of Loss."

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

CIM mandates the highest standards of ethical conduct and care from all of its personnel, including CIM Group employees who provide services to CIM (collectively, “*CIM Personnel*”). CIM Personnel must abide by this basic business standard and must not take inappropriate advantage of their position. CIM Personnel are under a duty to exercise their authority and responsibility for the benefit of the Clients and CIM and are prohibited from having outside interests that inappropriately conflict with the interests of CIM and its Clients. CIM Personnel must avoid circumstances or conduct that adversely affect, or that appear to adversely affect, CIM or its Clients.

Code of Ethics

Pursuant to Rule 204A-1 of the Advisers Act, CIM has adopted a Code of Ethics to establish applicable policies, guidelines, and procedures that promote ethical practices and conduct by all of CIM’s Supervised Persons (as defined in the Code of Ethics) and that prevent violations of the federal securities laws, including the Advisers Act. The Code of Ethics is predicated on the principle that CIM owes a fiduciary duty to its Clients. It consists of several policies primarily designed to address potential conflicts of interest, including a Personal Investment Policy, an Inside Information Policy, a Gifts and Entertainment Policy, a Political Activity Policy and an Outside Affiliations Policy.

CIM’s Supervised Persons must observe the applicable standards of care set forth in the Code of Ethics and are prohibited from seeking to evade the policies and procedures set forth therein in any way, including through indirect acts by family members or other associates. CIM also maintains various compliance policies to assure compliance with other relevant provisions of the Advisers Act (“*Compliance Policies*”). CIM’s Supervised Persons must certify at least annually that they have read, understand, are subject to, and have complied with the Code of Ethics and its various Compliance Policies. CIM’s Supervised Persons must comply with applicable federal securities laws and must report violations of the Code of Ethics to the Chief Compliance Officer.

CIM provides a copy of the Code of Ethics, free of charge, to any Client or Fund investor or any prospective Client or prospective Fund investor upon request. Request a copy of the Code of Ethics by contacting CIM’s Chief Compliance Officer, Mukya S.D. Porter, at 332-860-4900 or mporter@cimgroup.com.

Participation or Interest in Client Transactions

Although CIM does not often engage in Principal Transactions with Clients, it does so in limited circumstances in accordance with, and to the extent permitted by, the applicable Governing Documents and the Advisers Act. For example, in order to facilitate asset accumulation during Fund formation, CIM warehouses assets for transfer to a Fund post-closing. CIM Clients engage in Cross Transactions with other Clients, as permitted by the relevant Governing Documents. CIM advises Clients that invest side-by-side with other Clients in particular assets.

Also, conflicts of interest typically occur when CIM, its affiliates or any of CIM’s Supervised Persons invest in the same investments, trade in the same investments at or about the same time or

have a material financial interest in the same investments that CIM recommends to Clients. The Code of Ethics and the policies and procedures set forth therein have been designed to limit conflicts of interest in cases where CIM, its affiliates or any of CIM's Supervised Persons, buy, sell, or otherwise have a direct or indirect interest in, investments that CIM has recommended to Clients. Because CIM Clients primarily invest in real estate and real estate-related assets and infrastructure assets, it is unlikely that CIM's Supervised Persons will have a direct or indirect interest in such assets.

Personal Trading

Although, as a general matter, CIM's Supervised Persons do not typically invest in the same assets as CIM's Clients, CIM nonetheless maintains a rigorous and robust Code of Ethics that, among other things, prohibits CIM's Supervised Persons from using their knowledge concerning a trade, pending trade, or contemplated investment by any of the Clients, to profit personally as a result of such transaction, including by purchasing or selling such investments.

As required by Rule 204A-1 of the Advisers Act, the Code of Ethics contains a Personal Investment Policy which mandates that CIM's Supervised Persons disclose their personal securities holdings and transactions made in a "Reportable Security," as defined in the Code of Ethics. Further, CIM's Supervised Persons are generally prohibited from purchasing or selling, for any personal accounts, securities or other obligations of companies or issuers that, at that time, are listed on CIM's "Restricted List," which contains a list of companies or other issuers: (i) about which CIM or an affiliate may possess material non-public information, (ii) to which CIM may owe a fiduciary obligation, or (iii) in which CIM Clients own or intend to purchase an interest. Additionally, CIM's Supervised Persons may not invest in an initial public offering, initial coin offering or a private placement without the prior written approval of the Chief Compliance Officer or her designee(s).

In addition, the Code of Ethics contains policies and procedures to prevent the misuse of material non-public information by CIM's Supervised Persons, including the misuse of material non-public information about its investment recommendations and Client investments and transactions. The Code of Ethics describes what constitutes "material" and "non-public" information and outlines the penalties that CIM's Supervised Persons are subject to if they trade on such information.

Moreover, CIM's Supervised Persons are prohibited from engaging in "front running." Front running is an illegal practice in which an investment professional takes a position in an investment in advance of an action he or she knows will predictably affect the price of the investment. In addition, CIM's Supervised Persons are prohibited from entering into a short sale transaction or any transaction that has the same economic effect (e.g., short common stock, purchase a put option or sell a naked call option) in any security of an issuer for which a position is held long by a Client. The prohibition on such short sale transactions, front running and trading in the securities of issuers on the Restricted List is intended to prevent conflicts between CIM, CIM's Supervised Persons and CIM's Clients.

Item 12: Brokerage Practices

CIM primarily transacts in real estate and real estate-related assets and infrastructure assets for its Clients; however, in the event that CIM employs a securities broker to effect a securities transaction for a Client, CIM generally considers both qualitative and quantitative factors in selecting such a broker, including, but not limited to, the broker's reliability and execution capabilities for the transaction, the commissions charged by the broker, and the broker's reputation and responsiveness to request for trade data and other financial information.

CIM does not enter into soft dollar arrangements at this time.

Aggregation

CIM does not expect to aggregate trades across Clients.

Item 13: Review of Accounts

Account Review

All Client investment portfolios are generally illiquid, private and long-term in nature. CIM closely monitors each investment and maintains ongoing oversight with respect to the performance of each investment. CIM's Real Assets Management Committee monitors each Client's investment portfolio. Please see "Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Generally— Real Assets Management Committee" for more information on the composition and responsibilities of CIM's Real Assets Management Committee.

Reports

Investors in Fund Clients generally receive annual audited financial statements and quarterly unaudited balance sheets, income statements and summary reports on their respective Fund's investments.

Publicly traded Funds file with the SEC written periodic, quarterly, and annual reports regarding the composition of its portfolios and fund performance and, if requested, provide more frequent reports to the board of directors.

Item 14: Client Referrals and Other Compensation

CIM enters into placement agent arrangements, in which CIM compensates third parties for placing Fund interests with investors. CIM compensates such placement agents, and may be reimbursed therefor, or the pooled investment vehicle may compensate directly, as specified in the Governing Documents.

CIM will only compensate, directly or indirectly, a placement agent when doing so in compliance with Rule 206(4)-1 (“*Marketing Rule*”). The Marketing Rule requires, with some exceptions, placement agent activities to be subject to a written agreement, disclosures to be provided to the investor that explains the compensation and related conflicts of interest and prohibits placement agents with certain disciplinary history from being compensated for referring investors to CIM. CIM’s CCO, or her or his designee, oversees these placement agent arrangements, and CIM maintains policies and procedures to reasonably ensure referrals in exchange for direct or indirect compensation are carried out in compliance with the Marketing Rule.

With respect to ERISA, CIM does not make any indirect payments to marketing intermediaries, such as pension consultants, for the referral of investors and will comply in all respects with applicable “pay to play” legislation and rulemaking. Such payments would include, but are not limited to, direct payments for products/services offered by consultants and utilizing a consultant’s affiliated broker-dealer for securities transactions.

Placement agents that solicit or refer potential investors to CIM and its Funds experience a conflict of interest because they will be compensated in connection with their placement activities. Any material conflict between the placement agent and CIM will be disclosed by either CIM or the placement agent to the potential Client or Fund investor.

Item 15: Custody

Rule 206(4)-2 of the Advisers Act (the “*Custody Rule*”), and certain related rules and regulations under the Advisers Act, impose specific conditions on registered investment advisers who have actual or deemed custody of any funds or securities in which any client has any beneficial interest. An investment adviser is deemed to have custody or possession of client funds or securities if the adviser directly or indirectly holds client funds or securities or has the authority to obtain possession of them (regardless of whether the exercise of that authority or ability would be lawful).

In general, CIM is deemed to have custody of assets of Fund Clients due to it or an affiliated entity being the general partner of such Fund Clients. In such cases, CIM causes such Fund Clients to be audited annually and the audited annual financial statements to be distributed to all investors no later than 120 days after the end of the fiscal year for such Fund Clients. In addition, upon the final liquidation of such a Fund Client, CIM obtains a final audit and distributes the audited financial statements with respect to such liquidated Client to all investors promptly after completion of the final audit.

Item 16: Investment Discretion

CIM generally has discretionary authority to manage accounts on behalf of its Clients. This authority is limited by the investment objectives, practices and limitations, if any, set forth in each Client's Governing Documents. CIM maintains such discretionary authority pursuant to the investment management agreement between CIM and each Client, along with a power of attorney in CIM's favor, when necessary.

Item 17: Voting Client Securities

Client investments do not generally consist of voting securities. In the unlikely event voting securities are held in a Client's portfolio, any proxy solicitation received by CIM will be forwarded to the Chief Financial Officer to vote.

Item 18: Financial Information

CIM is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to its Clients.

Balance Sheet

CIM does not require or solicit any prepayment of fees six months or more in advance and, therefore, is not required to provide a balance sheet for its most recent fiscal year.

Contractual Commitments to our Clients

CIM has no financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to its Clients.

Bankruptcy Petitions

CIM has never been the subject of a bankruptcy petition.