

MERIT FUND ADVISORS, LLC

Part 2A of Form ADV The Brochure

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This brochure (this “Brochure”) provides information about the qualifications and business practices of Merit Fund Advisors, LLC (“MFA”). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”), the Alabama Securities Commission or any other state securities authority.

MFA is registered as an investment adviser with the SEC. Registration with the SEC does not imply a certain level of skill or training.

Contact Information: If you have any questions about the contents of this Brochure, please contact us at (205) 313-4809, via email at cmoorhouse@stonerivercompany.com or at the business address listed above. Additional information about MFA also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 Material Changes

This Brochure has been prepared in accordance with the requirements and rules promulgated by the SEC.

Item 2 is used to provide MFA's clients with a summary of new and/or updated material information since the last annual update of the Brochure. Since the last annual amendment dated as of January 1, 2023 and filed on March 28, 2023 (the "Last Filing"), the following material changes have been made to this Brochure:

- Certain affiliate entities listed in Item 10(C) of the Last Filing are no longer managed by MFA and certain other changes were made to the affiliates listed in Item 10(C) of this Brochure.
- MFA has removed certain clients since the Last Filing, and its regulatory assets under management decreased to approximately \$188.58 million as of January 1, 2024. No other material changes have occurred since the Last Filing.

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Item 4 Advisory Business

A. Description of Advisory Firm

Merit Fund Advisors, LLC, an Alabama limited liability company (hereinafter, “MFA”), is an investment advisory firm located in Birmingham, Alabama that was formed on April 3, 2017. Sterling Capital Management, Inc., an Alabama corporation (“Sterling Capital”), owns one hundred percent (100%) of MFA. Sterling Capital is owned and controlled by Benny M. LaRussa, Jr., an individual resident of the State of Alabama.

MFA serves as the investment adviser for, and provides investment advisory services to, private pooled investment vehicles (each, a “Fund”) that are sponsored and/or controlled by one or more affiliates of MFA (collectively, the “MFA Affiliates”). Each Fund’s securities are offered to investors on a private placement basis.

The Funds fall into one of two categories: (i) private pooled investment vehicles that invest in privately owned, emerging businesses in the consumer goods industry (collectively, the “Fenwick Funds”); or (ii) private pooled investment vehicles that invest, directly or indirectly, in real estate properties and projects (collectively, the “StoneRiver Funds”).

Fenwick Brands, Inc. (“Fenwick”) or an affiliate thereof (collectively, the “Fenwick Companies”) sponsors and serves as manager of each Fenwick Fund. StoneRiver Company, LLC (“StoneRiver”) or an affiliate thereof (collectively, the “StoneRiver Companies”) sponsors and serves as managing member of the StoneRiver Fund. Fenwick, the other Fenwick Companies, StoneRiver and the other StoneRiver Companies are all MFA Affiliates. As used herein, the term “client” generally refers to each Fund that receives investment advisory services from MFA. A Fenwick Company serving as a manager or managing member of a Fenwick Fund under such Fenwick Fund’s organizational documents shall be referred to as a “Fenwick Fund Manager” herein, and a StoneRiver Company serving as a manager, managing member or general partner of a StoneRiver Fund under such StoneRiver Fund’s organizational documents shall be referred to as a “StoneRiver Fund Manager” herein.

Fenwick was formed in 2005 to invest in consumer-packaged goods companies that have strong, high-potential brands that require capital, strategy or operational expertise to grow. Fenwick looks at potential portfolio companies holistically and takes a diligent approach to its capital, both human and financial. Traditionally, Fenwick and the other Fenwick Companies have contributed capital to facilitate business expansion, growth plans, management buyouts and business recapitalizations.

StoneRiver was formed in 2006 to, among other things, acquire, operate, develop, manage and invest in real estate. StoneRiver has acquired, developed, leased, managed and/or sold real estate with an aggregate gross asset value of over \$1 billion since its inception.

B. Types of Advisory Services Provided

MFA, directly or indirectly, provides investment advisory services to the Funds in respect of their respective investment holdings and portfolios, as well as certain ancillary management and administrative services. These investment, management and administrative services include, among others, identifying and screening potential investments, establishing investment objectives, recommending strategies for and overseeing the acquisition, management and disposition of investments, identifying investment opportunities for the Funds, monitoring the performance of investments, preparing required reports to the Funds and their investors and ensuring compliance by the Funds with applicable governing and operating documents. Each Fund's portfolio is managed by MFA pursuant to an investment management agreement with MFA, the investment guidelines contained or incorporated therein and the Fund's specific investment policy set forth in Fund's governing and offering documents.

MFA's clients are the respective Funds. Interests in the Funds are privately offered to qualified investors, including eligible high net worth individuals, family offices and institutional investors.

MFA provides investment advisory services to the Fenwick Funds on potential investments in privately owned, emerging businesses that require some combination of capital, strategy or operational expertise. Fenwick Funds provide capital to facilitate business expansion, growth plans, management buyouts and business recapitalizations for its investments.

MFA provides investment advisory services to the StoneRiver Funds on real estate investments, principally through acquisitions of existing multifamily real estate assets generally located in the Southeast United States. StoneRiver Funds also seek opportunities to invest in certain developments of new multifamily real estate assets generally located in the Southeast United States, subject to applicable investment guidelines and restrictions in such Funds' offering documents. Future StoneRiver Funds could also invest in additional property types, subject to any applicable investment guidelines and restrictions set forth in the offering documents for such Funds.

MFA only provides investment advice with respect to the limited types of investments described in the immediately preceding two paragraphs (as further described in Item 8).

MFA (together with the Fenwick Fund Manager or StoneRiver Fund Manager, as applicable) identifies, investigates, underwrites and executes each investment, provides asset and investment management services for each investment while owned by a Fund, determines when a sale or other disposition of an investment would be beneficial to a Fund and oversees such ultimate sale or other disposition. For more information about these investment types and the investment strategies supporting such types, please refer to the information provided in Item 8.

C. Services Tailored to Individual Needs of the Client

MFA's investment advisory services are specialized to the management of each Fund and such Fund's investment objectives, parameters and restrictions disclosed to prospective investors in such Fund's offering materials and governing documents, including its subscription documents and the Fund's organizational documents.

MFA and/or an MFA Affiliate may from time to time also enter into side letters or other agreements with specific investors in a Fund to establish certain rights under, or otherwise alter or supplement, the terms of such Fund's governing documents, including providing differing fee and return structures or providing alternative access rights to Fund information or reporting. Any rights established, or terms altered or supplemented, will govern and affect only such Fund investor and not the Fund as a whole. Neither MFA

nor an MFA Affiliate will enter into a particular side letter if MFA determines that the provisions contained in such side letter would be disruptive or otherwise disadvantageous to the applicable Fund or its investment strategy and program.

D. Wrap Fee Program

MFA does not participate in wrap fee programs for any of its Funds.

E. Client Assets

As of January 1, 2024, MFA managed approximately \$188.58 million of Fund assets. MFA manages all of these assets on a discretionary basis.

Item 5 Fees and Compensation

A. Fees

Investors are directed to consult the applicable Fund's private offering materials and/or governing agreements (including, without limitation, such Fund's limited liability company agreement or similar organizational document) for the specific fees paid by such Fund. These fees vary by Fund and may be different for future Funds. In all cases investors in a Fund agree to such fees in writing prior to making an investment in such Fund. From time to time and under certain circumstances, fees payable by a particular investor in a Fund (including the fees described in this Item 5) may be adjusted after negotiation between such investor and the applicable Fund Manager via a side letter or other agreement executed by such Fund and such investor.

In general, fees earned by MFA or MFA Affiliates from the Funds consist of the following:

- Each Fund generally pays a management fee to MFA or an MFA Affiliate.
 - Fenwick Funds: Certain Fenwick Funds pay a management fee to their respective Fenwick Fund Manager equal to a percentage (currently in the 1.5% to 2% range) of the total capital commitments of such Fenwick Fund's investors. Not all Fenwick Funds pay a management fee at this time.
 - StoneRiver Funds: All StoneRiver Funds pay to its StoneRiver Fund Manager an annual asset management fee equal to a percentage (currently in the 1.5% to 1.75% range) of invested capital contributions of such StoneRiver Fund's investors, but such range and structure of asset management fees could vary for future StoneRiver Funds.
- MFA receives an investment management fee for its investment advisory services for each Fund. A Fenwick Fund Manager or a StoneRiver Fund Manager, as applicable, pays the investment management fee (generally from a portion of the management fee received from a Fund) to MFA under the investment management agreement executed for a Fund. Certain Funds may pay the investment management fee directly to MFA.
- A performance allocation (or "carried interest") is generally payable by each Fund to an MFA Affiliate.
 - Fenwick Funds: The Fenwick Fund Manager of certain Fenwick Funds (or an affiliate thereof) may be entitled to receive a carried interest. The performance fee generally is equal to 20% of the profits of the Fund. For some Fenwick Funds, the carried interest is not payable until investors receive a return of their capital and a preferred return, and this is fully described in the particular Fenwick Fund's governing documents. Not all Fenwick Funds pay a carried interest at this time.
 - StoneRiver Funds: Each StoneRiver Fund will pay a carried interest to its StoneRiver Fund Manager or an affiliate thereof. The carried interest is a percentage of all profits (usually in the 20% to 30% range, but such range could vary for future StoneRiver Funds depending on their investment strategies) distributed by a StoneRiver Fund after (i) its investors receive a return of all contributed capital and (ii) such StoneRiver Fund achieves one or more specified internal rate of return hurdles. A StoneRiver Fund may impose different carried interest percentages or internal rate of return hurdles depending on the capital commitment provided by such investors (e.g., after all capital is returned and the preferred

return is paid, certain StoneRiver Fund investors with higher capital commitments could receive a higher percentage of distributions than those investors with a smaller capital commitment), which different carried interest percentages would be spelled out in the StoneRiver Fund's organizational documents or under a side letter with such investor(s). The carried interest percentage and internal rate of return hurdles applicable to a StoneRiver Fund are fully described in each StoneRiver Fund's governing documents, as the same may be adjusted from time to time via a side letter with a StoneRiver Fund investor.

- The Funds may also (i) pay an acquisition and/or disposition fee to MFA or an MFA Affiliate for services provided to a Fund for a particular Fund investment and (ii) reimburse MFA and/or an MFA Affiliate for costs incurred in connection with a particular Fund investment, including diligence costs, legal fees, offering and organizational costs and other pre-closing costs. Such fees and reimbursable costs, if applicable, are approved under a Fund's governing documents. Certain Funds may cap the organizational costs that are reimbursable to MFA and/or an MFA Affiliate, as set forth in such Funds' governing documents.
- Certain StoneRiver Funds pay one or more of the following fees to MFA Affiliates: (i) a construction management fee equal to a percentage (generally around 5%) of any rehabilitation or construction costs in connection with the construction or rehabilitation of a multifamily real estate asset, (ii) a development fee equal to a percentage (generally around 5%) of the total development costs in connection with the development of a new multifamily real estate asset, or (iii) a construction guarantee fee equal to a percentage (generally not to exceed 1%) of the principal amount of any construction financing if a StoneRiver Fund Manager or affiliate thereof executes any recourse guarantee in connection with any real estate development or construction financing. Such fees, if applicable, are approved under the StoneRiver Fund's governing documents.
- StoneRiver Property Management, LLC, an Alabama limited liability company and an MFA Affiliate ("SRPM"), serves as property manager for the multifamily real estate projects owned by the StoneRiver Funds. For such property management services, SRPM is paid a property management fee equal to a percentage (generally ranging from 3% to 4%) of rent and other collections received from the applicable real estate investment with a monthly floor established at times under the applicable property management agreement.
- Certain investments acquired by Fenwick Funds may pay management and/or monitoring fees to Fenwick or an affiliate thereof pursuant to the investments' applicable governing documents.

B. How Fees are Charged

MFA and MFA Affiliates receive fees and other payments in the amounts and at the times set forth in the subscription and other governing documents for the Funds and in the applicable investment management agreements, property management agreements or other agreements. Fees payable by a Fund and the payment dates thereof are agreed upon in writing by such Fund's investors under such Fund's governing and subscription documents prior to an investment in such Fund.

Fees paid by Fenwick Funds

The management fees paid by a Fenwick Fund are billed periodically (usually two times a year) via a capital call to its investors and, pursuant to its governing documents, are payable by the Fenwick Fund to its Fenwick Fund Manager quarterly in advance on the first day of each calendar quarter. Fees may also be deducted from Fenwick Fund assets at the option of its Fenwick Fund Manager. The carried interest

payments are made from distributions paid by a Fenwick Fund to its investors as described in Item 5(A) above.

Fees paid by StoneRiver Funds

The StoneRiver Funds pay management fees in arrears from available cash flow and/or capital proceeds. If any portion of the management fee is not paid in any given month because there is insufficient available cash, such management fee shall accrue and be payable as soon as possible from cash flow as it becomes available. Future StoneRiver Funds may pay management fees in advance and/or have the right to call capital contributions to fund management fees.

As noted above in Item 5(A), each StoneRiver Fund will pay a carried interest to its StoneRiver Fund Manager or an affiliate thereof once such StoneRiver Fund's investors receive a return of all contributed capital and such StoneRiver Fund achieves one or more specified internal rate of return hurdles, in each case as set forth in such StoneRiver Fund's governing documents. The carried interest is paid from cash otherwise distributable to such Fund's investors.

The StoneRiver Funds pay acquisition fees and reimburse pre-closing costs, when applicable, at closing for the acquisition of an investment. Construction management fees, development fees, construction guarantee fees and disposition fees are payable at the times permitted by a StoneRiver Fund's governing documents.

Property management fees are payable monthly to SRPM from the collections received by SRPM from a StoneRiver Fund real estate investment. The property management fees are deducted by SRPM from such monthly collections prior to such monthly collections being paid to the StoneRiver Fund.

C. Other Fees and Expenses

In addition to the fees and payments set forth above, the Funds bear their own respective expenses. Such expenses include, among other things, formation costs, operational expenses, accounting and audit costs, and certain tax and legal costs and expenses. Additionally, each Fund pays all bank and custodial fees charged on accounts maintained with banks and other custodians.

In certain circumstance, MFA or an MFA Affiliate may provide certain services to the Funds that would otherwise be performed for the Funds by third parties on terms that are determined by MFA or an MFA Affiliate to be fair and reasonable. Such services include, among others, accounting services, property management services (as described above), construction and development services (as described above), technology services, legal services and other operational overhead and shared expenses. These affiliate services and all payments or reimbursements therefor are subject to the restrictions set forth in the applicable Fund's governing documents.

Given the nature of the Funds and their investment programs, MFA does not currently transact through broker-dealers. Therefore, the Funds and their investors do not incur brokerage costs from broker-dealers. MFA does not maintain any trading accounts and does not use "soft" dollars. If MFA or any Fund in the future decides to utilize the services of a placement agent or broker-dealer, MFA would comply with the process for selecting and engaging such a professional set forth in MFA's Compliance Manual.

Occasionally a real estate broker will be used and compensated by a StoneRiver Fund for such real estate broker's services on a real estate acquisition or disposition. If a third-party broker is engaged, the payments to such third party real estate broker are negotiated at arms-length by MFA or the StoneRiver Fund Manager. If SRPM is engaged to serve as a real estate broker for a disposition, the fee amount payable to

SRPM for such services will be subject to the restrictions and terms of the StoneRiver Fund's governing documents.

D. Refunds for Fees Charged in Advance

The management fees payable by the Fenwick Funds (if applicable) are paid quarterly in advance, but shall be refunded to the applicable Fenwick Fund if such Fund's investment management agreement with MFA is terminated before the end of the quarter. The unearned and refunded management fee shall be calculated on a pro-rata basis for partial billing periods.

All fees and expenses paid by the StoneRiver Funds are paid when due or in arrears; accordingly, when an investment is sold or an investment management agreement with MFA is terminated by a StoneRiver Fund, there are no unearned fees or payments that are subject to reimbursement to such StoneRiver Fund.

E. Compensation for Sales of Securities

Neither MFA nor its supervised persons have received compensation for the sale of securities or other investment products.

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

As noted above, a Fund is typically subject to a “carried interest” payment that is distributed to a Fenwick Fund Manager, a StoneRiver Fund Manager or an affiliate thereof. These fees are typically measured as a percentage of the distributions made from such Fund to its investors after such investors receive a return of its invested capital and an agreed-upon preferred return (or, in certain circumstances, after a StoneRiver Fund achieves one or more specified internal rate of return hurdles). These carried interest payments/performance fees are (i) negotiated at a rate consistent with industry standards; (ii) in compliance with the Advisers Act; and (iii) in all situations agreed upon in writing by all Fund investors (in the applicable Fund’s organizational documents or pursuant to side letters) prior to an investment in such Fund and the achievement of such carried interest payments/performance fees. No performance fee is charged in respect of any Fund investor unless such investor is reasonably believed to be a “qualified client” (within the meaning of Advisers Act Rule 205-3). Currently, the amount of these carried interest payments/performance fees are typically a percentage (ranging from 20% to 30%) of the distributable cash from a Fund after the return by such Fund of all contributed capital to its investors and the payment of the applicable preferred return that accrues thereon (or, in certain circumstances, after a StoneRiver Fund achieves one or more specified internal rate of return hurdles).

The Fenwick Fund Manager, the StoneRiver Fund Manager or affiliate thereof receiving carried interest payments will distribute a portion of such carried interest payments to certain supervised persons of MFA. Additionally, certain StoneRiver Fund Managers receiving carried interest payments will distribute a portion of such carried interest payments (i) into a bonus pool payable to certain StoneRiver employees and/or (ii) to members of the applicable StoneRiver Fund’s advisory committee members.

The existence and possibility of carried interest payments may create an incentive for MFA and its supervised persons to make riskier or more speculative investments on behalf of a Fund with a carried interest arrangement than would be the case in the absence of such an arrangement. However, MFA Affiliates are investors in each of the Funds and would bear the loss if such a riskier or speculative investment did not perform. Relevant conflicts of interest, and the methods MFA and its supervised persons utilize to address these conflicts, are disclosed to potential Fund investors under such Fund’s subscription, offering and governing documents prior to becoming a member of such Fund. For additional information on risk factors and how MFA addresses such conflicts, see Item 10 below.

From time to time there may be Funds receiving investment management services from MFA that are not required under their governing document to pay performance fees to MFA or an MFA Affiliate. However, MFA does not believe there is a conflict of interest by providing investment advisory services to both Funds required to pay performance fees and Funds not required to pay performance fees because there is no incentive or opportunity to divert investments among the various Funds. The StoneRiver Funds have completely different investment strategies from the Fenwick Funds, seek different investment types and implement separate investment programs with widely different return expectations and, therefore, do not compete for potential investments.

For more information regarding the carried interest payments/performance fees, see Item 5 above.

Item 7 Types of Clients

MFA provides investment advisory services to the Funds as its sole clients. Each of the current Funds is a pooled investment vehicle sponsored and/or controlled by an MFA Affiliate. Ownership interests in the Funds are offered privately only to qualified investors, typically (i) individuals or entities who qualify to invest in the Funds because they have a sufficiently high income or net worth to qualify as an “accredited investor” and a “qualified client” (as such terms are defined in the applicable US securities laws), (ii) family offices and (iii) institutional investors. Future StoneRiver Funds may also require certain investors to be “qualified purchasers” (as such term is defined in the applicable US securities laws). The Funds also may offer investment opportunities to its and the other MFA Affiliates’ qualified professional personnel, as well as other qualified institutions or individuals that have a pre-existing relationship with an MFA Affiliate or offer expertise or other assistance with respect to a particular investment area or portfolio investment. MFA Affiliates will also directly or indirectly invest in the Funds from time to time.

MFA and the Funds typically impose a minimum investment amount on prospective Fund investors to become a member of a Fund, usually in the \$250,000 to \$5,000,000 range; provided, however, MFA and the Fund’s manager or managing member (a StoneRiver Fund Manager or Fenwick Fund Manager, as applicable) often have discretion to lower and/or waive the minimum investment amount for potential Fund investors. The specific minimum investment amount for each Fund’s investors is included in such Fund’s offering documents.

MFA does not manage any accounts other than the Funds and, therefore, does not have any requirements for opening or maintaining accounts.

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

A. Methods of Analysis and Investment Strategies

The methods of analysis and investment strategies used by MFA in formulating investment advice or managing assets differ depending on whether such analysis, strategy and advice is for a Fenwick Fund or a StoneRiver Fund. MFA's methods of analysis and investment strategies, and investing in securities or real estate generally, involve a risk of loss that the Funds and its investors should be prepared to bear. Item 8(B) below discusses certain material risks involved in MFA's methods of analysis and investment strategies. The different strategies used by MFA for the two Fund types are described below:

Fenwick Funds

The Fenwick Funds will invest exclusively in consumer products companies, which include consumer packaged goods ("CPG") such as food and beverage, household products, pet products, personal care, health and wellness and lawn and garden products. MFA believes that this represents a very large and fragmented industry. The Fenwick Funds will focus their investment efforts on companies that have strong, high-potential brands but require capital, strategy support or operational expertise to grow. The Fenwick Funds will target brands that have a clear opportunity for expansion, that are differentiated and defensible and that participate in attractive consumer sectors. While the Fenwick Funds will have no specific brand focus, MFA will avoid investments with considerable private label or commodity revenue streams. The Fenwick Funds may also invest in turnaround situations in which there is a clear set of challenges and strategy for addressing those challenges.

The Fenwick Funds will invest in companies that need both growth capital and management and brand strategy assistance. The Fenwick Funds may invest in equity and equity-related securities, as well as certain debt securities. The Fenwick Funds will consider both majority and controlling investments as well as co-investments and minority investments, provided that Fenwick or another Fenwick Company has the right to participate actively in the management of the company, collaborating on business strategy. Once invested, a Fenwick Fund will leverage its access to operational expertise to mitigate investment risk in an effort to deliver returns to such Fund's investors.

The Fenwick Funds generally seek to make investments ranging in size from \$3,000,000 to \$7,000,000 in companies with strong potential, though the ultimate size of an individual investment may fall outside this range depending on the specifics of a transaction. The Fenwick Funds will invest in companies anywhere in North America.

The Fenwick Funds will only invest in emerging companies or companies that need to be improved or repositioned with the potential for significant capital appreciation. To minimize potential losses, Fenwick or another Fenwick Company will take on an active role with an investment's management teams. The Fenwick Funds look at potential portfolio companies holistically and take a diligent approach to its capital, both human and financial. Each Fenwick Fund will establish a series of parameters that each investment is reviewed against and must meet in order for MFA to determine whether such Fund should make an investment.

Once an investment is made, Fenwick or another Fenwick Company will work with its portfolio companies' management team by serving as a mentor to help close the gap between those skills expected of a founder and those expected of an experienced chief executive officer. This includes understanding pain points and how to solve problems, as well as bringing operations excellence downstream. Fenwick or another Fenwick Company will actively participate with management teams to transition the portfolio company's current products into national brands, and MFA will select an investment for a Fenwick Fund

only if the target company and its principals are committed to a defined market and growth strategy that MFA understands in advance of the investment. Elements of growing a brand include harnessing brand authenticity, earning loyalty with customers by delivering on promises and leveraging data to guide branding strategies. Fenwick's substantial operational expertise should allow Fenwick to quickly add value in the management of its portfolio companies thereby enhancing the companies' opportunities and increasing the likelihood of strong returns for the Fenwick Fund.

While any investment may exceed this timeframe, MFA anticipates that a Fenwick Fund will exit each investment within five years from the date of the original investment. MFA anticipates that a Fenwick Fund may invest in a company more than once. However, a Fenwick Fund will not invest more than thirty percent (30%) of its committed capital in any one company.

An essential element of MFA's investment decision making process for the Fenwick Funds includes performing extensive due diligence on potential investment targets. MFA or a Fenwick Fund Manager will establish a specific due diligence plan for each potential investment that will be specifically designed for that company based on MFA's initial business assessment. The due diligence process will include a thorough financial review and analysis of the company's earnings and financial position, manufacturing and supply arrangements, customers and distribution, and legal due diligence, among other factors. Certain key factors will always include the following:

- Management team
- Product evaluation
- Exit strategy
- Manufacturing operations
- Category and consumer trends

MFA ultimately looks to invest each Fenwick Fund's capital in a portfolio of CPG companies that will appreciate in value and earn a return for such Fund and its investors upon the ultimate sale of the CPG companies or other disposition of such Fund's interests in such CPG companies.

StoneRiver Funds

Location Characteristics: The StoneRiver Fund currently targets (i) existing multifamily residential properties for acquisition and (ii) sites for the development of new multifamily residential properties, in each case located generally in secondary markets (or in surrounding suburbs of primary markets) in the Southeast United States that demonstrate growing or stable employment and population trends. However, MFA would look in other markets, including larger metro areas, if MFA identified a potential investment that it believed was otherwise within the investment criteria and demonstrated the potential to provide the required economic returns for a StoneRiver Fund. A StoneRiver Fund may only invest outside of the Southeast United States if it complies with the applicable restrictions and concentration limits set forth in its governing documents or otherwise obtains the consent from an outside advisory board and/or the members of such StoneRiver Fund.

MFA and the StoneRiver Funds place particular emphasis on submarkets with strategic competitive advantages and, where applicable, there exist justifiable and attractive barriers to entry. Key location considerations will include quality public school districts, desirable single-family communities, nearby institutional and corporate anchors and neighboring retail services. In addition, when possible and prudent, the StoneRiver Funds will attempt to exploit opportunities for scale in target markets. In general, MFA seeks real estate investments for the StoneRiver Funds that display attractive demand and supply

fundamentals. Investors in StoneRiver Funds are provided with more detailed information on the investment strategies of an applicable StoneRiver Fund prior to their investment therein.

StoneRiver Funds target and invest in (i) value-add enhancement opportunities; (ii) core and core-plus investments; (iii) ground-up developments; and (iv) opportunities that offer a pricing dislocation.

Value Add Strategy: A value-add enhancement opportunity is typically an investment that shows the potential for a StoneRiver Fund to drive value by (i) improving the property's oversight, maintenance, rent levels, ancillary revenue, expense load and general overall property management, and/or (ii) developing and executing a targeted renovation program that provides meaningful investment in the property's physical plant, including interior improvements (such as kitchen and bath enhancements, new appliances, granite countertops, improved lighting and cabinet packages and/or new flooring), upgraded amenities and more resident-friendly common areas, which allows the property to increase rents and ancillary revenue and enhance returns to investors by repositioning the asset within in a market. These properties may be undermanaged and charge artificially low rents, with the StoneRiver Fund looking to acquire such overly discounted, potentially out-of-favor projects and make a substantial investment to upgrade and reposition the asset.

Core and Core-Plus Strategy: A core or core-plus opportunity is typically a well-located, institutional quality investment that produces durable cash flow during the StoneRiver Fund's holding period and features predictable capital needs and historically stable occupancy. Core and core-plus assets are generally newer vintage assets that require little to no deferred maintenance. StoneRiver Funds endeavor to drive value by maximizing rents, reducing operating expenses and increasing ancillary revenue opportunities. These core and core-plus investments will not require major rehabilitation, although a StoneRiver Fund may pursue minor upgrades and enhanced amenities to achieve higher rent premiums. StoneRiver Funds seek to identify core and core-plus properties in the Southeast that support stable and predictable cash distributions to its investors with long-term capital appreciation and limited downside risk.

Class A Developments: Another investment strategy for the StoneRiver Funds is the ground-up development of multifamily properties. With this strategy, MFA will pursue opportunities to develop Class A properties that generally have more than 200 units and feature high-end finishes and amenities. During the lease-up for the developed property, MFA and the StoneRiver Fund will determine when to take the property to market for sale or refinance the construction financing with attractive permanent debt. MFA and the StoneRiver Funds will consider a development opportunity that is larger or smaller than described above if such investment is in the best interest of the applicable StoneRiver Fund and its investors and carries the potential to provide investors with the StoneRiver Fund's targeted returns.

Pricing Dislocation. A pricing dislocation opportunity is typically an investment that can be acquired below established market price based on unique deal circumstances, an off-market/relationship driven market process, non-typical timing and/or in-place debt/equity structures. These properties usually are undermarketed and/or undermanaged.

Yield, value creation potential and projected risk-adjusted returns are driving factors in MFA's determination of whether a StoneRiver Fund will pursue a Value-Add Enhancement Opportunity, a Core or Core-Plus Investment, a Pricing Dislocation Opportunity or a Class A Development. MFA ultimately makes its investment decisions on an asset-by-asset basis on what MFA believes is in the best interest of the applicable StoneRiver Fund. Additionally, StoneRiver Funds may be created in the future that invest in different property profiles or types. The applicable property profile for each StoneRiver Fund shall be set forth in the Fund's offering and governing documents.

Joint Ventures: Subject to any applicable restrictions set forth in a StoneRiver Fund's offering and governing documents, such Fund could make an investment in a joint venture with a property owner, a developer, a co-investor or other investor (or group of investors). In any such investment, MFA currently intends for a StoneRiver Company to serve as manager of, and otherwise control, the joint venture.

Investment Acquisition and Management: A StoneRiver Fund will either acquire a real estate investment directly or it will form a subsidiary that it (or its StoneRiver Fund Manager) directly or indirectly controls and that will acquire the real estate investment. For purposes of this Brochure, (a) the acquisition of a real estate investment by a direct or indirect subsidiary of a StoneRiver Fund shall constitute the acquisition of such investment by such StoneRiver Fund, and (b) in the case of a joint venture, a "real estate investment" includes a direct or indirect partial interest in a real estate asset.

B. Material Risks

Investing in private funds like the Fenwick Funds and the StoneRiver Funds involves a wide range and significant amounts of risks. MFA provides potential Fund investors with more detailed information regarding material risks to which an investment in such Fund is subject before potential investors make an investment in such Fund. Such material risks include, but are in no way limited to, the risk factors set forth below. MFA advises potential Fund investors to carefully review the risk factors set forth in the offering and governing documents for an applicable Fund and to discuss such risks with their attorneys and advisors before making an investment.

Risk of Loss

Funds advised by MFA are highly speculative investments and are not intended to be a complete investment program. The Funds are designed only for sophisticated persons who can bear the economic risk of the loss of all or a material portion of their investment and who have limited need for liquidity. The risks of investing in a Fund should be carefully evaluated before making an investment, and all investors should carefully review the "Risk Factors", "Certain Risk Factors", "Conflicts of Interest" and similar titled sections of a Fund's offering memorandum and/or other subscription documents before investing.

There can be no assurance that the Funds will achieve their investment objectives, and a Fund's performance may be volatile. Each Fund's performance depends greatly upon correctly assessing the future value of an investment and/or the cash flow to be generated by such investment. All Fund investments and strategies are subject to market risk that cannot be predicted with certainty. Funds may be subject to increased volatility because they may be concentrated in a limited number of investments. The Funds may use leverage. The use of leverage may cause volatility in Fund performance. Please review the discussion of these and other risks in the applicable Fund's offering memorandum.

Long-Term Investments

Fund investments require a long-term commitment with no certainty of return. While it is the intention of MFA to achieve target returns over the life of each Fund, factors such as overall economic conditions, market changes, interest rates and unexpected events may shorten or lengthen a Fund's holding period and affect its target returns during such period.

Transfer Restrictions on Fund Interests

The issuance and sale of ownership interests in a Fund (collectively, the "Fund Interests") have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or applicable state securities laws, including state blue sky laws. The Fund Interests may not be offered for sale, sold, transferred or assigned in the absence of (a) an effective Registration Statement for the Fund Interests under the Securities

Act or (b) an applicable exemption from registration. Additionally, the Fund Interests are subject to additional restrictions on transfer under the applicable Fund's governing documents, voluntary withdrawal of a member of a Fund is not allowed, and the Fund Interests are not redeemable. Generally, investors in a Fund will not be able to sell, transfer, pledge or encumber their Fund Interests.

Prior Investments Are No Indication of Future Performance

The past investment performance of StoneRiver, Fenwick, the other MFA Affiliates and their respective principals, managers, officers and employees (collectively, the "MFA Team") cannot be relied upon as an indication of a Fund's or a Fund investment's future performance or success. The information provided by and about the MFA Team in connection with a purchase of Fund Interests is solely intended to illustrate the experience of the MFA Team and the type of investments MFA intends to pursue on behalf of the Funds.

Reliance on the MFA Team

The Funds and their respective investments will be dependent upon the abilities of MFA and certain members of the MFA Team to identify and consummate suitable investments, execute project plans, manage and operate the Fund investments and sell Fund investments at the appropriate time to maximize the return on investment. Control over the operation of the Funds, their respective investments and their future profitability is highly dependent upon MFA and the MFA Team.

Conflicts of Interest; Fees and Indemnification to MFA Affiliates

There will be occasions when MFA and/or MFA Affiliates may encounter inherent or potential conflicts of interest in connection with the Funds. Such conflicts may include, but are not limited to, the fees, payments and reimbursements MFA and the MFA Affiliates receive from the Funds, all of which are set forth in the Funds' offering and governing documents (see Item 5 for more information on said fees and payments). Although MFA believes that the foregoing arrangements are reasonable and competitive with similar services provided by other businesses, such arrangements were not the result of arm's-length negotiations.

Additionally, (i) certain MFA Affiliates may be entitled to earn carried interest payments from the Funds and (ii) one or more members of the MFA Team may receive distributions of such carried interest payments (or bonus compensation paid from a portion of such carried interest payments) from such MFA Affiliates. The existence of carried interest could create an incentive for such MFA Affiliates and such MFA Team members to make more speculative investments or hold an investment longer or shorter than they otherwise would in the absence of such performance-based compensation. Additionally, a conflict could arise in connection with the refinancing of a particular investment or the financing of capital improvements since it may be beneficial for the applicable Fund Manager to accelerate or delay such a financing to delay or accelerate a fee or carried interest payable by the Fund. However, these risks of a conflict of interest are somewhat mitigated by the ownership by MFA Affiliates and MFA Team members of a meaningful portion of the Fund Interests in each Fund and the losses that they personally would incur if a speculative investment did not perform or a financing did not ultimately benefit the investment.

Each Fund's governing documents also provide for broad indemnification of the MFA Affiliate(s) serving as the manager or managing member of such Fund, subject to certain conditions set forth therein. MFA believes that these indemnification provisions are customary for these types of entities.

It is possible, if not probable, that MFA Affiliates and/or MFA Team members may own or manage from time to time investments (both CPG companies and real estate investments) that are comparable to or competitive with the investments acquired by the Funds. Additionally, MFA Affiliates and the MFA Team will not devote 100% of their time to the Funds and may have business relationships unrelated to the Funds.

These other business activities could create conflicts of interest with respect to time devoted to managing the Funds. The methods MFA and the MFA Team members utilize to address conflicts of interest are disclosed to prospective Fund investors under such Fund's governing documents before they invest.

Tax Consequences

The Funds are generally expected to be treated as pass-through vehicles for U.S. federal income tax purposes; however future Funds could utilize subsidiary REIT and other structures for legal, tax, regulatory or other considerations. Investments in a Fund may give rise to a variety of complex U.S. federal and/or state tax and other issues. MFA advises all investors in Funds to consult with their tax advisers before making an investment in a Fund.

Investments in Consumer Products Companies

The Fenwick Funds will invest in consumer products companies. The consumer products industry is intensely competitive, and products are subject to significant price competition. Portfolio companies will compete with companies that have various product ranges and geographic reach, and some of their competitors have significant financial resources. The Fenwick Funds' portfolio companies are subject to the additional risks associated with less mature companies, such as inexperienced management, lack of revenues, inadequate capitalization, unproven products or markets, competition from larger, better-capitalized companies, and a comparatively long time-frame to achieve profitability. As a result, these companies may be more vulnerable to general economic trends and to specific changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller private companies, which may make realizations of gains more difficult, by requiring sales to other private investors. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in small companies, could make it difficult for the Fenwick Funds to react quickly to negative economic or political developments.

Real Estate Investments

An investor's investment in a StoneRiver Fund, and the StoneRiver Fund's acquisition and/or development of a real estate investment, will be subject to risks generally incident to the ownership of real property, including, but not limited to, changes in general economic or local conditions; changes in tenant preferences that reduce the attractiveness of a StoneRiver Fund's properties; uncertainty as to cash flow to meet fixed and other obligations; adverse changes in local employment conditions, interest rates and real estate taxes; changes in fiscal policies; declines in rental or occupancy rates; changes in supply or demand for competing properties in a market or submarket; changes in the financial condition of tenants and their ability to make rent payments; the availability of attractive debt; energy and supply shortages; the occurrence of natural disasters, epidemics, pandemics and other force majeure events; and uninsured losses and other risks that are beyond the control of MFA or the applicable StoneRiver Fund. Additionally, real estate investments may be adversely affected by government regulation (including environmental, land-use, zoning and fair housing laws and regulations). Because real estate, like other long-term investments, historically has experienced significant fluctuations and cycles in values, specific market conditions may result in occasional or permanent reduction in the values of real estate investments acquired by StoneRiver Funds. Also, there can be no assurance of profitable operations of such real estate investments or that there will be cash from such operations available for distribution to a StoneRiver Fund's investors because the cost of owning real estate may exceed the income produced, particularly since certain expenses related to real estate

and its ownership, such as property taxes, utility costs, maintenance and insurance costs and other operating expenses, tend to increase over time and are largely beyond the control of MFA and the StoneRiver Funds.

Risk Related to Redevelopments and Value-Add Improvements

Some investments acquired by a StoneRiver Fund will require redevelopment and/or significant value-add improvements to meet such Fund's investment strategy. Redevelopment and value-add activities increase the time between the acquisition of an asset and the post-completion stabilization of the investment. Because of this additional time requirement, a value-add investment may, as a result of changes in the real estate market or economic and other conditions prior to the completion of the improvements, become an economically unattractive investment or subject to changes in tenant preferences. In addition, redevelopment activities and value-add improvements may not be completed within budget or on schedule because of cost overruns, work stoppages, material shortages, the inability of contractors to perform their obligations, defects in plans and specifications, the ability to receive vacant units for renovation in accordance with the project schedule or other factors. Any delay in completing value-add improvements may result in increased interest and other costs and the potential loss of previously identified tenants or prospective purchasers.

Risks Relating to Development Activities

As discussed above, certain StoneRiver Funds may undertake real estate developments during the term of such Funds. Although MFA and the StoneRiver Funds intend for the applicable StoneRiver Fund to contract with construction, architect, engineering and other companies that are experienced in completing such developments, the StoneRiver Fund will be subject to various risks, including the risk that there may be unanticipated delays in completion of such development due to factors beyond the control of the StoneRiver Fund, MFA or the StoneRiver Fund Manager. These factors may include, among others, the availability and timely receipt of regulatory approvals, strikes, adverse weather, the occurrence of natural disasters, epidemics, pandemics and other force majeure events, changes in building plans and specifications, inadequate or challenging soil conditions, lease-up velocity and rent levels, the existence of rock on the site, material shortages and delays, labor shortages and increases in the cost of labor and materials. Delays in completing any development may result in increased development costs and will cause corresponding delays in the receipt of operating income and, consequently, the distribution of any cash flow by the StoneRiver Fund with respect to such development. In addition, the estimated costs and schedules of developing and constructing buildings, other improvements and related landscaping may be affected by changes in construction plans and specifications and other unforeseen events, all of which may cause additional expenses to be incurred that will likely be borne by the StoneRiver Fund.

THE FOREGOING LIST OF RISK FACTORS IS NOT A COMPLETE LIST OR EXPLANATION OF THE RISKS INVOLVED IN THE PURCHASE OF FUND INTERESTS. MFA INSTRUCTS POTENTIAL FUND INVESTORS TO READ ALL FUND OFFERING DOCUMENTS, THE FUND'S LIMITED LIABILITY COMPANY AGREEMENT OR LIMITED PARTNERSHIP AGREEMENT AND ALL DOCUMENTS REFERENCED THEREIN AND TO CONSULT WITH THEIR OWN LEGAL, TAX AND INVESTMENT ADVISORS BEFORE DECIDING WHETHER OR NOT TO INVEST AND PURCHASE THE FUND INTERESTS IN A FUND.

The Funds' investment strategies do not involve frequent trading of securities.

C. Recommendations of Particular Securities

The Fenwick Funds have traditionally invested in CPG companies, while the StoneRiver Funds have traditionally invested in real estate investments. The specific investment strategies employed by the two Fund types are described above in Item 8(A). Prospective investors are directed to reference the applicable Fund's offering documents for a description of risk factors. See also Item 8(B) above.

Item 9 Disciplinary Information

MFA is not aware of any legal or disciplinary events that are or would be material to a client's or prospective client's evaluation of MFA's advisory business or the integrity of MFA's management.

Item 10 Other Financial Industry Activities and Affiliations

A. Broker-Dealers

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

B. Futures and Commodity Trading

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

C. Material Relationships

The following describes MFA Affiliates that are (i) pooled investment vehicles or (ii) real estate brokers and addresses the actions taken to mitigate any inherent or potential conflicts of interest, if any, that arise with the Funds because of such status:

MFA and MFA Affiliates create and organize Funds to make investments of the types described in Item 8 above. MFA provides investment management services to such Funds, and an MFA Affiliate serves as the manager or managing member of such Funds under their respective governing documents. These relationships and related management and other fees and expenses are disclosed in the private offering materials and Fund governing documents provided to prospective investors prior to their investment in the Funds.

The following are entities (collectively, "Other StoneRiver Apartment Owners") that are not currently clients of MFA but (a) own or recently owned multifamily properties or developments and (b) are controlled directly or indirectly by StoneRiver or a StoneRiver Company: Wildforest Apartments, LLC, Southside Investors II, LLC, Highland Park Investors, LLC, Sterling Capital IV, LLC, SRC Inverness Cliffs, LLC, Tenn OZ Partners I, LLC, SRC Magnolia Grove, LLC, JLC Magnolia Grove TIC Owner, LLC, SRC Pecan Springs, LLC, TJW Pecan Springs TIC Owner, LLC, BW Pecan Springs TIC Owner, LLC, SRC Terraces, LLC, SRC Concord Ridge, LLC and The HUB at Grants Mill LLC. **One or more of these Other StoneRiver Apartment Owners may, in the future, execute an investment management agreement with MFA and become a client of MFA. C & M Food Distributing, Inc., FB-PM, LLC, SRC Ridgeland Ranch Investments, LLC, SRC Hampton Place Investments, LLC, SRC Hampton House Investments, LLC, SRC Rise at Signal Mountain, LLC, SRC Ashford Place Investments, LLC, SRC Huntleigh Woods Investments, LLC, SRC Southern Oaks Investments, LLC, SRC Ridge CI, LLC, SRC Magnolia Grove CI, LLC, SRC Pecan Springs CI, LLC, SRC Terraces CI, LLC and SRC Concord Ridge CI, LLC previously were clients of MFA, but their investment management agreements with MFA were terminated.**

StoneRiver Property Management, LLC, an Alabama limited liability company ("SRPM"), is a licensed real estate broker. Additionally, SRPM serves as property manager for the apartment communities currently owned by the Other StoneRiver Apartment Owners. Certain MFA Team members also maintain Alabama real estate broker licenses.

MFA has implemented specified procedures to address certain conflicts of interest that arise with the ownership, management and/or development of real estate projects by the Other StoneRiver Apartment Owners and other StoneRiver Companies that could be competitive with projects owned and/or acquired by a StoneRiver Fund. Also, the StoneRiver Companies and entities controlled thereby (excluding any

StoneRiver Fund) will not acquire any existing multifamily properties that are of a type that fit within the investment strategy of the StoneRiver Fund currently managed by MFA at any time while it has equity to deploy under its governing documents unless certain procedural safeguards described in such governing documents are followed, including, without limitation, obtaining the consent from an outside advisory board and/or certain members of such StoneRiver Fund. From time to time certain assets that are outside the investment strategy for a particular StoneRiver Fund, such as small acquisitions that will ultimately become part of or otherwise supplement an existing project, or that would violate concentration, leverage or other restrictions in such StoneRiver Fund's governing documents, will be acquired by another StoneRiver Affiliate and not by such StoneRiver Fund; however, such acquisitions do not result in a conflict of interest because such acquired assets are not potential investments for such StoneRiver Fund. Additionally, StoneRiver must comply with an Investment Allocation Policy that governs the allocation of investment opportunities between a StoneRiver Fund managed by MFA and any other investment vehicle controlled by StoneRiver. Also, one or more StoneRiver Companies will always own a material portion of the Fund Interests in each StoneRiver Fund (generally at least 5% to 15% of each StoneRiver Fund). As a result of such meaningful ownership stake in each real estate investment acquired by a StoneRiver Fund, the StoneRiver Companies have a substantial economic incentive for the StoneRiver Funds and such investments to be successful and profitable.

MFA Affiliates also control or are members in certain other pooled investment vehicles (collectively, "Non-Apartment Real Estate Owners") that own, directly or indirectly, interests in non-multifamily real estate. These Non-Apartment Real Estate Owners and the non-multifamily real estate projects directly or indirectly owned thereby do not compete with the StoneRiver Funds and/or the real estate investments acquired thereby.

Benny M. LaRussa, Jr., an individual resident of the State of Alabama and indirect owner of 100% of the ownership interests in MFA ("Mr. LaRussa"), and certain of his family members have pooled funds for purposes of non-real estate investments that do not compete with the Funds. Mr. LaRussa and certain of his family members also own direct or indirect interests in the Funds, the Other StoneRiver Apartment Owners, the Non-Apartment Real Estate Owners and other StoneRiver and Fenwick Companies.

Personnel of the StoneRiver Companies and the Fenwick Companies will work on several projects at any time and, therefore, conflicts may arise in the allocation of personnel and other management resources. MFA Affiliates and MFA Team members are not required to manage any one Fund (or any investment by a Fund) as their sole and exclusive function. MFA Affiliates and MFA Team members may engage in or possess interests in other business ventures and may generally engage in other activities independently or with others. Notwithstanding the foregoing, MFA and the MFA Team members are committed to providing a high level of investment advisory services to the Funds and, as mentioned elsewhere in this Brochure, have a vested economic interest in the performance of the Funds. Additionally, certain Funds will suspend and/or terminate its investment period under its governing documents if certain Key Person events are triggered.

StoneRiver, Fenwick and MFA often engage lawyers on matters when it is determined that such engagement is needed or otherwise justified. MFA's Chief Compliance Officer and StoneRiver's Vice President of Investor Relations are licensed attorneys. MFA Affiliates may hire (and have hired in the past) other attorneys from time to time in connection with the operation of their businesses.

StoneRiver, Fenwick and MFA often engage accountants on matters when it is determined that such engagement is needed or otherwise justified. Certain employees of Fenwick and StoneRiver, including

certain supervised persons of MFA, are licensed accountants. MFA Affiliates may hire (and have hired in the past) other accountants from time to time in connection with the operation of their businesses.

Conflicts of interest, and the methods MFA and its supervised persons utilize to address these conflicts, are disclosed to Fund investors in each Fund's offering documents before they invest and/or before a Fund enters into an investment management agreement with MFA. For additional information regarding potential conflicts of interest, see Item 8(B) above.

D. Recommendation or Selection of Other Investment Advisors

MFA does not recommend or select other investment advisers for its client, nor does MFA receive compensation directly or indirectly from any such advisers.

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

A. Code of Ethics

MFA adopted its Code of Ethics in accordance with Rule 204A-1 under the Advisers Act, which Code of Ethics is an appendix to MFA's Compliance Manual. MFA's Code of Ethics and Compliance Manual are reviewed at least annually and updated when necessary. MFA owes a fiduciary duty to its clients, which are currently the existing Funds, including a general duty to act in its clients' best interests. To that end, MFA's Code of Ethics requires, among other things, MFA and its employees to:

- Place the interests of its clients ahead of those of MFA or MFA's employees.
- Act honestly, fairly and professionally when dealing with clients.
- Keep complete and accurate records.
- Avoid, mitigate and/or manage actual or potential conflicts of interest, including reporting any material transaction or relationship that reasonably could be considered to create a conflict of interest. Observe resolution procedures as described in MFA's Code of Ethics and Compliance Manual.
- Safeguard confidential information.
- Maintain a professional working environment.
- Avoid trading, either personally or on behalf of others, on material, non-public information, and avoid communicating material, non-public information to others in breach of a duty of trust or confidence owed directly or indirectly to an issuer, its shareholders or the source of such information.
- Conduct personal securities transactions in a manner consistent with MFA's Code of Ethics (including pre-clearance when required and reporting of transactions).
- Comply with MFA's Code of Ethics, MFA's Compliance Manual and all applicable laws, rules and regulations, and report any conduct that may be a violation of MFA's Code of Ethics or Compliance Manual.

See Items 11(C) and 11(D) below for further detail on MFA's Code of Ethics. Copies of MFA's Code of Ethics are available to any client or prospective client upon request. All MFA officers, managers and other employees and persons providing advice on behalf of MFA that are subject to MFA's supervision and control (collectively, "supervised persons") must acknowledge their receipt, review and understanding of, and agreement to adhere to, MFA's Compliance Manual and Code of Ethics.

B. Participation or Interest in Client Transactions

As described in Items 5, 8 and 10(C) above, MFA and MFA Affiliates have a financial interest in the Funds and the Funds' investments, including through ownership of Fund Interests, the payment of fees and carried interest and the reimbursement of certain costs and expenses. All such financial interests are disclosed to prospective Fund investors prior to their investment in such Fund.

MFA is subject to certain restrictions on "principal transactions" pursuant to its Code of Ethics. A principal transaction occurs when an investment adviser, acting for its own account (or the account of an affiliate) transacts with a client's account. In accordance with Section 206(3) of the Advisers Act, MFA must provide written disclosure to a client and obtain a client's consent prior to the settlement of any principal transaction, which transaction must nonetheless be determined by MFA to be in the client's best interest. A client or

prospective client may request a copy of the Code of Ethics and MFA's rules and restrictions on principal transactions contained therein.

See Items 5, 8 and 10(C) above for additional information regarding potential conflicts of interest and MFA's practice on addressing such potential conflicts of interest. The related conflicts of interest are disclosed to prospective Fund investors prior to an investment. These conflicts of interest, and MFA's plan for addressing and managing such conflicts, are described above in Item 8 and set forth in MFA's Compliance Manual and Code of Ethics.

C. Personal Trading

MFA Affiliates, in the aggregate, make material investments in each Fund. Additionally, members of the MFA Team purchase Fund Interests in the Funds from time to time. MFA believes that the investment by MFA Affiliates and MFA Team members in the Funds aligns financial interests between MFA Affiliates and the MFA Team, on the one hand, and MFA's clients (the Funds), on the other hand, and incentivizes everyone to work towards successful investments for the Funds.

As described in Items 5, 8 and 10(C) above, MFA Affiliates have a material interest in the investments acquired by the Funds. The related conflicts of interest are disclosed to prospective Fund investors prior to an investment. These conflicts of interest, and MFA's plan for addressing and managing such conflicts, are described above in Item 8 and set forth in MFA's Compliance Manual and Code of Ethics.

MFA's Code of Ethics places certain restrictions on personal trades of supervised persons and imposes certain disclosure requirements relating to their family's personal securities holdings.

D. Personal Trading Contemporaneous with Client Transactions

Given the nature of the StoneRiver Funds' investment program, and that StoneRiver Funds invest exclusively in real estate projects, MFA usually does not recommend securities or investments to the StoneRiver Funds, or purchase or sell securities or investments for the StoneRiver Funds' accounts, at or about the same time that MFA, an MFA Affiliate or any other related person to MFA buys or sells an interest in the same security or investment for its own account; provided, however, MFA and the applicable StoneRiver Fund Manager may determine that a real estate investment requires equity above the amount which MFA and the StoneRiver Fund Manager believe is appropriate for a StoneRiver Fund to invest. In such a situation, the StoneRiver Fund Manager may provide co-investment opportunities to investors and/or third parties, including the StoneRiver Companies and MFA. The StoneRiver Fund Manager may charge management fees and earn incentive allocations, carried interests or other similar compensation on co-investments. Prospective investors are directed to reference the applicable StoneRiver Fund's offering materials and governing documents for such StoneRiver Fund's specific policies and procedures regarding co-investment opportunities.

MFA and the applicable Fenwick Fund Manager may determine that a portfolio company requires investments above the amount which MFA and the Fenwick Fund Manager believe is appropriate for the Fenwick Fund to invest. In such a situation, the Fenwick Fund Manager may provide co-investment opportunities to investors and third parties, including the Fenwick Companies and MFA. The Fenwick Fund Manager may charge management fees and earn incentive allocations, carried interests or other similar compensation on co-investments. Prospective investors are directed to reference the applicable Fenwick Fund's offering materials and governing documents for such Fenwick Fund's specific policies and procedures regarding co-investment opportunities.

Item 12 Brokerage Practices

A. Selection of Broker-Dealers

Given the nature of the Funds' investment programs, MFA does not currently select or recommend broker-dealers for the Funds' transactions, nor does MFA have any active engagements with any broker-dealer. Furthermore, MFA does not maintain any trading accounts and does not use "soft dollar benefits" received from broker-dealers from the purchase and sale of securities for clients. If MFA or an MFA Affiliate were to engage a broker-dealer to assist a Fund, MFA and such MFA Affiliate would utilize outside counsel to ensure compliance with all applicable SEC rules and regulations with respect to such engagement. The process for retaining a placement agent or other broker-dealer is set forth in MFA's Compliance Manual.

B. Aggregation of Orders of Securities for Client Accounts

Given the nature of the Funds' investment programs, MFA does not aggregate the purchase or sale of securities for various client accounts. As described in Item 8 above, potential investments are selected for a Fund depending on its investment strategy. StoneRiver Funds and Fenwick Funds do not invest in similar investments or securities. Also, since there will not be multiple StoneRiver Funds looking for potential investments at the same time unless certain procedural safeguards under such StoneRiver Funds' governing documents, StoneRiver's Investment Allocation Policy and MFA's Compliance Manual are strictly followed, or multiple Fenwick Funds looking for potential investments at the same time, there is no possibility of competition between StoneRiver Funds or Fenwick Funds for potential investments. Any co-investment in a real estate investment made by one or more StoneRiver Funds will be completed in compliance with any applicable co-investment policy for such StoneRiver Fund(s).

Item 13 Review of Accounts

A. Periodic Review of Accounts

MFA maintains comprehensive review procedures for the ongoing monitoring of the Funds' investments. MFA and certain members of the MFA Team periodically review the Funds' investments and the performance thereof. Additionally, the MFA Team continually monitors operations, overall performance, financial performance and strategic direction of each investment owned by a Fund. Financial reviews of Fund investments occur at least monthly, while certain MFA Team members analyze and discuss on a quarterly basis the strategic direction of each Fund investment. Additionally, written reports are provided to each Fund's investors at the frequency and for the periods required by its governing documents.

The MFA Team members that participate in the review of Fund investments include (i) MFA's Chief Compliance Officer; and (ii) the President of StoneRiver or Fenwick (depending on whether the investment under review is owned by a StoneRiver Fund or a Fenwick Fund); however, other MFA Team officers and professionals also participate in these reviews.

StoneRiver maintains an investment committee (the "StoneRiver Investment Committee") that meets frequently to discuss potential and recently acquired StoneRiver Fund investments. Investment strategies, material property occurrences and financial performance of StoneRiver Fund investments are thoroughly discussed at these meetings. The StoneRiver Investment Committee is comprised of (i) StoneRiver's Chief Executive Officer (who also serves as MFA's Chief Executive Officer and President), (ii) StoneRiver's President and Chief Investment Officer, (iii) StoneRiver's General Counsel (who also serves as MFA's Chief Compliance Officer); and (iv) StoneRiver's Executive Vice President of Finance and Accounting and Chief Operating Officer; provided, however, other MFA and StoneRiver analysts, employees and affiliates participate in these committee meetings. StoneRiver's President and Chief Investment Officer chairs the StoneRiver Investment Committee. MFA will present all potential investments for the StoneRiver Funds to the StoneRiver Investment Committee for its review. All investments require unanimous approval of the StoneRiver Investment Committee.

The investment efforts of the Fenwick Funds are governed by a five (5) person investment committee (the "Fenwick Investment Committee"). The Fenwick Investment Committee is currently composed of Fenwick's Chief Executive Officer (who also serves as MFA's Chief Executive Officer and President), MFA's Chief Financial Officer, Fenwick's President and two outside members of the Fenwick Investment Committee. Fenwick's Chief Executive Officer chairs the Fenwick Investment Committee. All investments require unanimous approval of the Fenwick Investment Committee. The Fenwick Fund Manager may, in its sole discretion, appoint, replace or remove any member of the Fenwick Investment Committee.

B. Factors that Trigger a Review of Client Accounts

As referenced in Item 13(A) above, MFA and MFA Team members review Fund investments on a regular basis. Circumstances such as (i) a potential sale or refinance opportunity for an investment, (ii) an unexpected or materially poor financial period by an investment or (iii) the occurrence of a material event or incident at or with respect to an investment, including, among others, a casualty event or material incident at a StoneRiver Fund real estate investment, could trigger MFA and certain MFA team members to conduct

an additional and unscheduled thorough review of an investment and the circumstances surrounding the event or opportunity that triggered the review.

C. Reports to Clients Regarding Their Accounts

MFA and a Fund's manager or managing member (i.e., a StoneRiver Fund Manager or Fenwick Fund Manager) deliver written financial reports to such Fund and its investors for the periods and at the frequency required under its governing documents. Written reports summarizing information and developments concerning a Fund's investments, together with unaudited financial statements for such Fund, are prepared and circulated to such Fund and its investors on a quarterly basis within 45-60 days after quarter-end. Annually financial statements are also provided to the Funds and their respective investors. A Fund's governing documents dictate whether such annual financial statements (including a balance sheet and statement of income or loss) are audited by an independent public accountant or are internally prepared. Federal and state tax returns, Schedule K-1s and other tax information reasonably requested by a Fund investor are provided to such Fund and/or its investors in accordance with and during the time period required by such Fund's governing documents.

Item 14 Client Referrals and Other Compensation

A. Non-Client Payments for Investment Advice

MFA does not accept economic benefits (including any sale awards or other prizes) from a person who is not a client for providing investment advice or other advisory services to the Funds.

B. Compensation for Client Referrals.

At this time, MFA does not directly or indirectly compensate any person who is not a supervised person of MFA for client referrals. StoneRiver engaged Lynx Capital, LLC (“Lynx”) pursuant to a Consulting and Placement Agent Agreement (the “Lynx Agreement”) to identify and obtain potential investors for a future investment vehicle that is not intended to be an MFA client; however, no compensation has been paid to Lynx for a client referral. StoneRiver pays Lynx under the Lynx Agreement (i) a monthly retainer of \$16,666.67 (with a cap of \$300,000 in the aggregate) that would be credited against any success fee earned under the Lynx Agreement; and (ii) a success fee equal to (A) one percent (1%) of sourced commitments if the aggregate sourced commitments are equal to or less than \$25 million and (B) one and one-half percent (1.5%) of sourced commitments if the aggregate sourced commitments are greater than \$25 million.

The process for engaging a placement agent or other broker-dealer is set forth in MFA’s Compliance Manual.

Item 15 Custody

An MFA Affiliate is deemed to have custody of Fund assets because an MFA Affiliate is the managing member or manager of each Fund.

MFA maintains all securities in compliance with the SEC's Custody Rule, unless an exemption is available, particularly the "privately offered securities" exemption. Given the investment strategies of the Funds, many securities held by these Funds (private stock certificates) qualify for available exemptions. Where an MFA Affiliate is deemed to have custody of client funds and securities (for example, privately held securities that may not meet the technical criteria necessary to establish an exemption), we use unaffiliated, qualified, third-party custodians to hold such assets in a manner that seeks to comply with the Custody Rule and applicable SEC custody standards and guidance.

MFA and certain Funds also currently rely on an exception available to "pooled investment vehicles" from the reporting and surprise audit obligations imposed by the custody rule because such Funds are audited annually by an independent public accountant in accordance with GAAP, and the financial statements are distributed within 120 days of fiscal year end.

Any Fund that does not rely on the "pooled investment vehicle" exception currently complies with the Custody Rule by (i) providing written notice to such Fund and its investors of the identity of the qualified custodian holding such Fund's assets; (ii) instructing the qualified custodian to send an account statement at least quarterly to such Fund and its investors; and (iii) causing MFA to undergo an annual surprise verification performed by an independent public account regarding compliance with the Custody Rule for such Fund.

MFA will take certain additional steps to comply with the Custody Rule once the Custody Rule changes mandated by the new Private Fund Adviser Rules adopted in August 2023 become effective,

MFA's clients are urged to compare all account statements received by a qualified custodian with the account statements they receive from MFA or MFA Affiliates.

Item 16 Investment Discretion

MFA has discretionary authority to manage the investment portfolios of each of the Funds and to direct the investments acquired by the Funds and the timing for divesting such investments. This authority is granted by investors under the Funds' governing documents (including powers of attorney granted thereunder); however, such authority is also defined and limited by each Fund's governing agreements and investment guidelines, as specifically negotiated by MFA, such Fund and such Fund's investors. For additional information on the limitations imposed on investing in certain type of assets, see Items 4(C) and 8 above.

Item 17 Voting Client Securities

Fenwick Fund Managers intend to vote proxies or similar corporate actions in the best interests of the applicable Fenwick Fund, taking into account such factors as they deem relevant in its sole discretion.

MFA's proxy voting policy is designed to ensure that if a material conflict of interest is identified in connection with a particular proxy vote, the vote is not improperly influenced by the conflict. In general, MFA believes its interests are aligned with the Fenwick Funds' interests, but in the event of an actual or potential conflict of interest, MFA may take a variety of actions in accordance with its compliance policies and procedures.

In general, due to the nature of the StoneRiver Funds' investment programs and the type of real estate investments made on behalf of the StoneRiver Funds, StoneRiver Fund Managers would rarely, if ever, vote client securities. In the event that a StoneRiver Fund Manager has authority to vote client securities, the applicable StoneRiver Fund Manager will vote client securities in the manner deemed by the StoneRiver Fund Manager to be in the best interest of the StoneRiver Fund(s) holding the applicable securities.

As referenced in Item 8, a StoneRiver Fund may from time to time form a single-purpose entity to acquire a real estate investment (a "StoneRiver SPE"). The StoneRiver SPE would be directly or indirectly controlled by the StoneRiver Fund Manager that is serving as manager or managing member of the StoneRiver Fund that owns, directly or indirectly, such StoneRiver SPE. The StoneRiver Fund Manager (with the assistance of general investment advisory services provided by MFA to the StoneRiver Fund Manager and StoneRiver Fund) would still control and make all investment decisions with respect to the real estate investment acquired by the StoneRiver SPE even though such investment is owned directly by the StoneRiver SPE and not the StoneRiver Fund. Additionally, even though the StoneRiver Fund may have certain voting rights under the StoneRiver SPE's limited liability company agreement or limited partnership agreement for material items such as dissolution and the sale or other disposition of the real estate investment, those decisions requiring the StoneRiver Fund's vote would be related to investment decisions on the real estate investment owned by such StoneRiver SPE and shall be made by the StoneRiver Fund Manager (with the assistance of general investment advisory services provided by MFA to the StoneRiver Fund Manager and such StoneRiver Fund).

Additionally, as referenced in Item 8, subject to any applicable restrictions set forth in a StoneRiver Fund's offering and governing documents, such Fund could make an investment in a joint venture with a property owner, developer, co-investor or other investor (or group of investors). In any such investment, (i) MFA would serve as investment manager for the investment and (ii) MFA currently intends for a StoneRiver Company to serve as manager or managing member of, and otherwise control, the joint venture. The StoneRiver Fund Manager (with the assistance of general investment advisory services provided by MFA to the StoneRiver Fund Manager and StoneRiver Fund) would still control and make all investment decisions with respect to the real estate investment acquired by the joint venture even though such investment is owned directly by the joint venture and not the StoneRiver Fund.

Item 18. Financial Information

A. Balance Sheet Requirement

MFA does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance.

B. Financial Conditions Likely to Impair Contractual Commitments

MFA is unaware of any financial condition reasonably likely to impair MFA's ability to meet contractual commitments to its clients.

C. Bankruptcy Petitions

MFA has not been the subject of a bankruptcy petition at any time during the past ten years.