

Item 1. Cover Page

Linchris Capital Management, LLC

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Plymouth, MA 02360
(781) 924-2064**

Part 2A of Form ADV: Firm Brochure

March 27, 2024

This brochure provides information about the qualifications and business practices of Linchris Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (781) 924-2064 or rbowman@linchris.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Linchris Capital Management, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

The *Material Changes* section of the Brochure will be updated annually or sooner if a material change(s) occurs to this Form ADV Part 2A (the “**Brochure**”) and any subsequent release of this Brochure.

Since the last annual filing of the Firm’s Brochure, dated March 31, 2023, the Firm has the following material changes to disclose:

- No material changes since the last filing of this Brochure.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

The foregoing is only a summary of the material changes to the Brochure. It does not purport to identify every change to the Brochure since the last annual update (e.g., format changes). This summary of material changes is qualified in its entirety by reference to the full discussion in this Brochure. Clients are encouraged to read the Brochure in detail and contact us with any questions.

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Item 4. Advisory Business

Firm Description

Linchris Capital Management, LLC (“**Linchris**”, “**we**” or “**us**”) was organized in 2017 as a Delaware limited liability company with its principal office and place of business at 225 Water Street Suite A-125, Plymouth, MA 02360. Linchris is principally owned by Glenn M. Gistis, Christopher G. Gistis, and Michael Sullivan.

Linchris is registered as an investment adviser with the U.S. Securities and Exchange Commission (“**SEC**”).

Types of Advisory Services

Linchris offers investment advisory services primarily to pooled investment vehicles (the “**Funds**”) that are exempt from registration under the Investment Company Act of 1940, as amended and whose securities are not registered under the Securities Act of 1933, as amended. Linchris may in the future provide advisory services to other types of clients, including individuals, pooled investment vehicles managed by a third-party manager and portfolio management for investment companies.

Linchris provides investment advisory services to each Fund pursuant to a separate investment advisory agreement with such Fund and/or pursuant to the terms of such Fund’s governing documents. Linchris provides investment advice and management services directly to the applicable Fund, and not individually to the investors in the Fund.

Investment restrictions for a Fund, if any, are generally established in the Fund’s governing documents, which are provided to each Fund investor prior to investing in the Fund. Once invested in a Fund, investors cannot impose restrictions on the types of securities or investments in which the Fund may invest.

Assets under Management

As of December 31, 2023, Linchris manages approximately \$ 498,903,929 in investment advisory client assets, all on a discretionary basis.

Item 5. Fees and Compensation

Compensation

Linchris will typically be compensated for our advisory services for the Funds, in one of several ways:

1. **Management Fees**: Linchris charges investors in the Funds an annual management fee that can range from 0% to 1.50% of aggregate capital commitments to a Fund during the investment period and then of contributed capital until the Fund is fully liquidated. Linchris may elect to waive a portion or all of a Fund investor’s management fee and Linchris or its affiliates may not be charged a management fee with respect to their commitments or invested capital. Management fees are typically paid quarterly in

advance, and deducted from the Fund's account. If there are insufficient assets, Linchris will issue a capital call notice to investors. Management fees are generally not refundable absent certain circumstances described in the Fund's limited partnership agreement

2. Performance-Based Compensation: In addition to the management fee, Linchris or its affiliates may also be paid performance-based compensation as more fully described in "Item 6 – Performance Based Fees and Side-by-Side Management".

Additional Fees and Expenses

Investors in the Funds typically bear their pro rata share of fees, costs and expenses incurred in the organization, operation and administration of the Fund (the "**Fund Expenses**"). Fund Expenses are described in the private placement memorandum and/or limited partnership agreement for each respective Fund.

Organizational costs and expenses borne by the Funds include, legal, accounting and other professional costs and out-of-pocket expenses including travel expenses related to the offering of the applicable Fund's interests (but excluding any costs or fees payable to placement agents assisting with the sale of such Fund's interests). A Fund's private placement memorandum and/or limited partnership agreement may cap the amount of organizational expenses borne by such Fund and any organizational expenses exceeding such cap may offset the management fee payable to such Fund's investment manager.

Operational and administrative expenses borne by a Fund include (but are not limited to) (a) the organization of alternative investment vehicles, (b) all legal, accounting, custodial, and third-party consulting fees for services rendered to or for the benefit of the Fund, (c) all expenses, costs, and liabilities incurred in connection with the identifying, structuring, negotiating, purchasing, owning, developing, improving, managing, monitoring, readying for sale, servicing, sale, proposed sale, other disposition, or valuation of investments and temporary investments considered for the Fund (including research (including the cost of subscription services used in conducting research), and due diligence in connection therewith), including, but not limited to, travel and entertainment expenses incurred in connection with the foregoing, conference registration expenses incurred in connection with the foregoing, membership fees, costs and expenses for organizations that provide research and educational materials in connection with the foregoing, fees, costs and expenses relating to conferences held for operating partners, legal fees and expenses, filing fees and expenses, accounting fees and expenses, audit fees and expenses, third party consulting fees and expenses (including fees and expenses related to services from commercial real estate information companies), fees and expenses related to software or any asset management software, and other fees and expenses (to the extent not subject to reimbursement), (d) costs and liabilities incurred in connection with litigation or other extraordinary events, directors and officers liability and other insurance and indemnity expenses, (e) all taxes, fees and other governmental charges payable by a Fund, expenses incidental to the transfer, servicing and accounting for a Fund's cash and securities, including all charges of depositories and custodians, and all expenses incurred by the tax matters partner, or a similar role under applicable state or local tax law, (f) communications expenses,

(g) all expenses and costs associated with limited partner meetings, (h) all expenses and costs of a Fund's advisory board, (i) brokerage commissions, custodial expenses, appraisal fees, and other investment costs actually incurred in connection with actual investments and temporary investments; (j) technology, hardware, consulting, and software expenses related to the development and maintenance of a Fund's specific trading and valuation models and systems, (k) expenses of liquidating the Fund and its subsidiaries, (l) expenses incurred in connection with maintaining a Fund's books of account and the preparation of audited or unaudited financial statements required to implement the provisions of the Partnership Agreement or by any governmental authority with jurisdiction over the Fund (including fees and expenses of independent auditors, accountants and counsel, the costs and expenses of preparing and circulating reports and any fees or imposts of a governmental authority imposed in connection with such books and records and statements) and other routine administrative expenses of the Fund or its subsidiaries, including, but not limited to, the cost of the preparation of applicable tax returns of the Fund, cash management expenses, insurance expenses and legal fees and expenses, and (m) all expenses incurred in connection with any indebtedness of the Fund or other credit arrangement (including any line of credit, loan commitment or letter of credit for the Fund or related to any investment (or any underlying asset)).

Certain costs and expenses for products and services used in connection with the business of the Fund and other entities managed by Linchris or its affiliates are incurred on an aggregate basis and are allocated among the Fund and such entities as further described in the Fund governing documents. Fund expenses do not include the expenses of the Funds' general partners, Linchris or their affiliates with respect to their general overhead, such as salaries and rents.

Fees for the Sale of Securities

Linchris does not receive, directly or indirectly, any compensation from the sale of securities or investments that are purchased or sold for client accounts. Linchris is compensated through the stated management fee, performance fee, and/or other additional fees and expenses (if any) agreed upon in the relevant investment management agreement and/or limited partnership agreements for each Fund.

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

Carried Interest

The fee arrangement for the Funds typically includes a performance fee (payable to an affiliate of Linchris), referred to as "carried interest", on profits (net of fees and expenses) after the portfolio has achieved certain return hurdles as more fully described in the private placement memorandum and/or limited partnership agreement of the respective Fund. The carried interest is accrued and estimated on an ongoing basis, and distributed to Linchris or its affiliate from a Fund account in accordance with the governing documents of the applicable Fund. Performance fees are negotiated at time of offering, but generally not negotiable after an investor has invested in a Fund.

Side-by-Side Management

Linchris manages multiple Funds currently in the same strategy but may in the future manage Funds with different strategies. Parallel Funds are managed in parallel with the main Fund and investments are generally allocated pro rata. Conflicts would arise in the event there are co-investment opportunities within a strategy that would be available to one or more of the Funds in that strategy or be available to other investors in the Funds, related parties or third parties as co-investment opportunities. For example, a disparity could arise where a closed Fund does not have enough capital to fund a follow-on investment but such investment is suitable for an open Fund in the same strategy. Additionally, certain Funds within a strategy may have higher or more favorable performance-based compensation arrangements than other accounts. When Linchris and its investment personnel manage more than one Fund, a potential exists for a Fund with higher or more favorable performance-based compensation to be favored over another. Accordingly, such conflicts may be addressed in limited partnership agreements for the Funds and, additionally, Linchris has adopted and implemented policies and procedures intended to address such potential conflicts of interest.

Item 7. Types of Clients

Linchris' clients are the Funds, which are investment funds that are offered in private placements to investors that include institutions, fund of funds, banks, family offices, and high net worth individuals.

Some of the Funds require investors to make a minimum commitment amount ranging from \$250,000 to \$10 million. Such minimums may be waived at the discretion of the general partner of the applicable Fund.

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

Methods of Analysis and Investment Strategies

Real Estate Funds

The investment strategy and objective of each Fund is outlined in its governing documents.

Linchris believes that the fractured nature of the hotel industry presents opportunities to acquire hotel assets at below their true economic value. By purchasing these below-value hotels, improving them physically, and correcting inefficient cost controls and revenue generation techniques, we believe the opportunity exists to turn-around underperforming hotels, significantly improve operating income and later sell them at a premium over acquisition cost. Hotels are real estate investments that have many characteristics of an operating company. Linchris believes there are opportunities to acquire hotels that are managed by small operators who are not familiar with or unable to implement current best industry practices. Additionally, Linchris believes there are opportunities to acquire hotels managed by management companies

whose size or management philosophy precludes them from being able to manage hotels in an entrepreneurial fashion, preventing them from maximizing profitability.

Linchris seeks to identify assets that are mismanaged in one or more of the following three areas: (1) opportunities for cost controls and profitability given the current level of a hotel's revenue; (2) opportunities for improved revenue generation through contemporary revenue management techniques; and (3) opportunities for improved revenue growth through physical improvement of hotel facilities. Linchris typically reviews over nine hundred hotels for sale each year, and seeks to acquire just four to six per year, focusing on hotels where historic mismanagement could provide the best potential opportunity for the greatest returns.

The Funds modified the investment strategy to include investments in non-performing and sub-performing mortgage loans, defaulted preferred equity, and similar types of obligations ("Debt Obligations"), in each instance primarily backed by individual hotels or portfolios of hotels (which may include mixed-use hotel properties), and real estate-related assets that involve hotel properties located in the United States ("Hotel Properties"). Below are certain risk considerations associated with an investment in Debt Obligations.

Methods of Analysis

Linchris plans to build a portfolio through the acquisition of undervalued hotels (including mixed-use hotel properties and real estate-related assets that involve hotel properties) with quantifiable growth opportunities utilizing a comprehensive due diligence process. Linchris intends to diligently underwrite each site's potential and risks by basing its investment decision on an in-depth analysis of the demands of the market. In selecting each hotel investment, Linchris utilizes a disciplined due diligence process that includes detailed financial analysis; employee evaluations; extensive site visits; market studies and an in-house property improvement plan ("PIP") review and pricing.

Target Markets

Linchris will target properties located primarily in the Northeast, Mid-Atlantic, Southeast and Southwest regions of the United States, but with the capability for opportunistic acquisitions in other geographies within the United States for hotel assets that present particularly enticing growth opportunities.

Value Growth During Holding Period

During the initial stage of the holding period for each hotel, Linchris intends to create value by increasing net operating income ("NOI") through a combination of expense reduction and increased operational efficiencies, renovating or expanding hotel accommodations and re-positioning (re-flagging and branding) hotels.

Exit Strategies

The Funds' strategy is to hold and operate each hotel until Linchris feels that future upside is limited, and then listing the hotel for sale. As hotels enter the disposition stage of their holding periods, Linchris intends to investigate market conditions to identify the best disposition strategy for each hotel. Potential exit strategies for the Fund include the disposition of individual hotels in private sales and the disposition of the entire portfolio, or a subset thereof, in an institutional sale.

Material Risks of Strategies and Investments used in Strategies

The Funds' investments will involve a high degree of business and financial risk that can result in a loss of the Funds' entire investment in a hotel. In order to realize profits that may be distributed to the Funds' investors, the Funds will need to profitably exit its investments in portfolio hotels. To mitigate the aforementioned risks, as discussed previously, Linchris performs extensive due diligence on target properties and management teams.

To manage the risks related to economic conditions and the ability to exit, Linchris seeks to structure investments with a view to capital preservation and to develop a portfolio with an attractive balance of current income and equity upside. [Transactions will therefore utilize a variety of instruments, including subordinated debt and equity securities. An investment in a property may be made in the form of subordinated debt, preferred equity, common equity or a combination of these securities. For subordinated debt investments, the exit is generally driven by maturity dates on the subordinated debt.] Certain risks are enumerated below; for a more complete list of related risks, please refer to the private placement memorandums for the Funds.

General Investment Risk: The types of investments that the Funds generally make involve a high degree of business and financial risk. Timing of profit realization may be highly uncertain and a loss of an investor's entire investment in a Fund is possible

Past Performance; No Guarantee of Future Results: The past investment performance of the Funds should not be construed as an indication of the future results of the Funds. Past performance does not guarantee future results.

Reliance on Key Personnel: The Funds' performance may be partially reliant on certain key personnel of Linchris. The departure of any such key personnel for any reason, including relating to work visas, compensation or other factors, or the inability of such key personnel to perform certain duties may materially and adversely affect the ability of Linchris to implement the investment strategies of the Funds.

Reliance on Management Teams: The Funds' performance may be partially reliant on the performance of management teams, who are responsible for the day-to-day operations of the

properties in which Linchris invests. Failure on the part of the management teams to fulfill their obligations, in whole or part, may materially and adversely impact the performance of the Funds.

Limited Liquidity of Fund Interests: Investments in real estate are highly illiquid and subject to industry cycles, downturns in demand, market disruptions and the lack of available capital from potential lenders or investors (whether to finance or refinance portfolio properties or for potential purchasers of such properties). Additionally, Fund Interests are not freely transferable and subject to significant restriction on transfer, as described in the Fund's governing documents (and may not be redeemed except under very limited circumstances). An investment in a Fund is suitable only for certain sophisticated investors that will not be materially impacted by limited liquidity and are able to bear the risks of an investment for an indefinite period of time.

Valuation of the Funds' Investments: The Funds invest in assets that lack a readily discernible market value and the net asset values of the Funds may be affected by the valuation of any such assets. Given the uncertainty inherent in the valuation of assets that lack a readily ascertainable market value, the value of such assets as reflected in the net asset value of the Fund may differ materially from the prices at which Linchris would be able to liquidate the assets.

Availability of Suitable Investments: There is no guaranty that Linchris will be able to identify and acquire investments that meet the investment objectives of an investor on satisfactory terms or at all or that Linchris will be able fully to invest the capital available. The availability of investment opportunities generally will be subject to market conditions and competition from other similarly focused investors, some of which may have greater resources than the Funds.

Differing Arrangements with Investors; Side Letters: The Funds and Linchris may grant certain investors (including Linchris employees) certain additional and/or different rights (including, without limitation, with respect to fees, minimum investment amounts, and access to information) than are offered to other investors through the issuance of a new class, side letters, or similar arrangements, or otherwise. As a result of such arrangements, certain investors may receive certain rights (including, but not limited to, expanded informational rights) which other investors may not receive.

Legal, Tax and Regulatory Risks: Linchris and the Funds are subject to legal, tax and regulatory oversight, including by the SEC. New regulations may result in increased costs, reduced profit margins and reduced investment opportunities, all of which may negatively impact the performance of the Funds. In addition, there may also be unanticipated and/or adverse legal, tax and regulatory changes, including changes in the interpretation or enforcement of existing laws and rules, from time to time, including requirements to provide additional information pertaining to the Funds (or its underlying investors) to the Internal Revenue Service or other taxing authorities. Compliance with any new or revised laws or regulations could be difficult and expensive, and any uncertainty in respect of their implementation may result in increased taxes or other costs, reduced profit margins and reduced investment opportunities, and may require a significant restructuring of the manner in which the Funds are organized, all of which may negatively impact the performance of the Funds. Certain of the Fund utilize a REIT structure

which has complex qualification requirements and may be especially susceptible to changes in tax law. Moreover, it is possible that the U.S. federal income tax treatment currently accorded an investment in a Fund will be modified by other legislative, administrative or judicial action in the future. The nature of additional changes in U.S. federal income tax law, if any, cannot be determined prior to enactment of any new tax legislation. However, such legislation could significantly alter the tax consequences and decrease the after-tax rate of return of investments in the Funds. Prospective investors therefore should seek, and must rely on, the advice of their own tax advisers with respect to the possible impact on their investments attributable to recent legislation, as well as any future proposed tax legislation or administrative or judicial action. Please see the private placement memorandum for the applicable Funds for a more detailed discussion on the tax consequences of investing in Linchris Funds.

Investment in Debt Instruments: The Fund may invest in debt instruments, including those that are senior or subordinated, secured or unsecured. Debt instruments associated with real estate bear the risks associated with a direct investment in real estate as well as additional risks associated with the structure of the debt and the issuer. The Fund's investments in non-performing loans, which may include those at or near foreclosure, will involve a particularly high degree of financial risk, and for any loan, there can be no assurance as to the amount or timing of payments, if any, that the Fund may receive on these loans.

Investments in Distressed Assets: The Fund may make investments in under-performing or other distressed assets utilizing leveraged capital structures or purchase loans relating to Hotel Properties. By their nature, these investments involve a high degree of financial risk, and there can be no assurance that the Fund's return objectives will be realized or that there will be any return of capital. Furthermore, investments in Hotel Properties operating in workout modes or under Chapter 11 of the U.S. Bankruptcy Code are, in certain circumstances, subject to certain additional potential liabilities that may exceed the value of the Fund's original investment in such Hotel Property. In addition, under certain circumstances, payments to the Fund and distributions by the Fund to the Limited Partners may be reclaimed if such payments or distributions are later determined to have been fraudulent conveyances or preferential payments. Numerous other risks also arise in the workout and bankruptcy contexts.

The Fund's investment activities, particularly involving Hotel Properties in distressed situations, may result in it becoming involved as a creditor in bankruptcy cases. In addition, the Fund may purchase securities or assets of, or claims against, companies in bankruptcy. Many of the events within a bankruptcy proceeding are adversarial and often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions that may be contrary to the interests of the Fund.

Generally, the duration of a bankruptcy case is lengthy and can last years. The reorganization of a debtor usually involves the development and negotiation of a plan of reorganization, plan approval by creditors and confirmation by the bankruptcy court. This process can involve substantial legal, professional and administrative costs to a debtor in bankruptcy, as well as to

its creditors, including the Fund. Being a creditor of a debtor in bankruptcy can result in a total failure to realize the economic benefit of such investment or contract giving rise to the creditor relationship.

The Fund may encounter additional risks in bankruptcy to the extent that certain of the Fund's investments may be subordinated to senior lenders, and, in the case of mezzanine loans, such investments may be treated solely as equity in limited circumstances. Bankruptcy laws may delay the ability of the Fund 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 or may result in a restructuring of the debt through principles such as the "cram down" provisions of the bankruptcy laws. Subordinate lenders are typically required to enter into inter-creditor or other agreements with senior lenders or senior noteholders, and also to enter into such agreements in connection with participation and syndication interests. These agreements would deprive the subordinate lenders of any influence in the bankruptcy proceedings. For example, in the event of a default under a syndication or participation interest, typical inter-creditor language would provide that most of the important mortgage loan control rights (including the right to approve a workout plan for the property) are exercised by majority voting rights, with certain fundamental rights requiring unanimous approval. In the event of a default under the mortgage loan above a subordinate debt interest, most of the important mortgage loan control rights (including the right to approve a workout plan for the property) reside with the first loss note holder, who would generally retain these rights unless certain trigger events occur. Thus, the Fund may be deprived of any control or influence over an Investment if the Hotel Property in which the Fund invested files for bankruptcy protection.

Mezzanine Loans and Subordinated or Unsecured Loan Investments: The Fund may invest in mezzanine loans. Mezzanine investments are typically issued by entities owning a single asset entity that owns the real estate and are secured by pledges of equity interests in the entity that owns interests in real estate (rather than direct liens on the real estate itself). As a result, any claim, secured or unsecured, that can be asserted against the owner of the real estate is effectively superior to the mezzanine investment. Also, mezzanine investors, in contrast to first priority deed of trust investors, typically do not receive a lien on cash flow, which reduces the power of a mezzanine lender in a default, workout, or bankruptcy.

Debt instruments issued by the entity owning the real estate that are subordinated or unsecured will be junior to senior secured or unsecured debt with priority rights in the event of a default. Generally, in the event of an issuer default, the control of the workout, foreclosure or disposition of collateral is controlled by the holder of the senior debt rather than the holder of subordinate debt. This may impair the ability of the subordinate debt holder to recover its fair share of value out of a troubled loan. Generally, in the event of issuer default, all available cash (including liquidation proceeds) is distributed to the senior debt holder until the senior debt holder is paid in full, and only any residual proceeds are available to the subordinate debt holder.

Further, senior lenders often require participation or inter-creditor agreements that restrict the remedies available to the holder of subordinate or mezzanine debt if a borrower runs into

financial difficulty or defaults. There may also be strict contractual limitations on the resale of subordinated debt instruments.

Maintaining the Viability of a Subordinate Investment: In the event of a default on a whole loan in respect of which the Fund has a subordinate interest, the Fund, may have to foreclose (or be significantly involved in the foreclosure) on the whole loan. Foreclosure can be an expensive and lengthy process that could materially adversely affect the anticipated return on the loan. Alternatively, it may be necessary for the Fund to make cure payments to senior lenders in order to preserve the viability of the Investment. The incurrence of any of these costs would decrease the Fund's overall return on, and possibly of, its Investment.

In addition, a non-collusive, regularly conducted foreclosure sale may be challenged as a fraudulent conveyance, regardless of the parties' intent, if a court determines that the sale was for less than fair consideration and such sale occurred when the borrower was insolvent and within one year (or within the applicable state statute of limitations if the trustee in bankruptcy elects to proceed under state fraudulent conveyance laws) of the filing of bankruptcy.

Similarly, a suit against a borrower on a note may take several years, and generally is a remedy alternative to foreclosure, which may preclude the Fund from pursuing both foreclosure and an action on a note simultaneously. Such situations could cause the Fund to expend significant sums to maintain and protect its rights and interests in an Investment, which would decrease the overall return to the Limited Partners, even if the Fund is successful in its efforts.

Senior Loan Positions in Multiple-Layered Debt Structures: If the Fund makes an investment in a particular tranche of debt which is senior to other tranches, there may be risks to the cash flow available to fully satisfy the Fund's investment profit expectations or full repayment of principal. For example, the existence of mezzanine debt may reduce cash flow on the related borrower's mortgaged property after the payment of debt service and may increase the likelihood that the owner of such borrower will permit the value or income producing potential of a mortgaged property to fall, and may create greater risk that such borrower will default on the related loan secured by the mortgaged property whose value or income is relatively weak.

Borrower Default: The Fund will bear the risk that a note issuer or other borrower will be unable to pay the amounts owed at maturity. In addition, certain mortgage loans may be structured with only limited amortization during the related initial term or extension period and may have interest-only characteristics during the term of the loan. Accordingly, each such loan will have a balloon payment due at maturity. Thus, each such loan will have a substantial payment due at or prior to the related scheduled maturity. Interest-only loans and balloon loans involve a greater risk to a lender than fully self-amortizing loans because the ability of a borrower to make a balloon payment will normally depend on its ability to fully refinance the loan or sell the mortgaged property at a price sufficient to permit the borrower to make such payment. The risk of issuer non-payment at maturity may be adversely affected if real estate debt markets fail to recover sufficiently to provide refinancing to issuers.

In the context of a borrower default under a mezzanine investment comprised of a subordinate note that is secured by a single mortgage lien on the borrower's real property, the applicable

inter-creditor agreement may provide the Fund with the right to cure borrower defaults. Under such circumstances, the Fund should be able (i) to realize the value of any remaining equity in the collateral once all senior lenders have completed foreclosure, or (ii) to purchase any senior notes and/or foreclose on the mortgage lien provided sufficient funds are then available. In either case, the Fund's remedies will be subject to the rights of all senior lenders. Additionally, in order to purchase senior notes, the Fund may need to obtain financing, using either Capital Contributions from the Limited Partners or through third-party financing, which may not be available.

In the context of a borrower default under a "true" mezzanine investment comprised of a subordinate loan secured by a pledge of the borrower's equity and subordinate to a mortgage loan made simultaneously to such borrower by a senior lender, the Fund's exercise of remedies may be accomplished independently of any remedies exercised by the senior lender. Under such circumstances, the applicable inter-creditor agreement is expected to provide the Fund with the right to cure borrower defaults under such mortgage loan. However, if the Fund owns equity in the borrower or forecloses on the applicable equity pledge, the Fund will then be subject to the senior lender's claims under the mortgage loan and may have other financial obligations to third parties.

If, in connection with either of the foregoing investment structures, the Fund also holds preferred equity interests in the borrower, the Fund may also be subject to equitable defenses to foreclosure on its loan collateral, to which it would not otherwise be subject.

Decline in Value of Collateral: The Fund anticipates that each Debt Obligation in which the Fund invests will be secured by either a mortgage on real property or a pledge and assignment of an ownership interest in the borrower entity. There is a risk that any such collateral may decline in value. Each Debt Obligation that is subject to the risk of loss from casualty or condemnation and the other risks associated with the ownership of real property. Although it is anticipated that the Fund will in some instances have approval rights for certain major decisions (e.g., in cases of direct ownership, leasing, budgets, refinancing and sale), the Fund will in some cases be dependent upon the management skills of the borrower (or its affiliates) for the overall operations of the underlying collateral.

Commercial mortgage loans are generally viewed as exposing a lender to a greater risk of loss through delinquency and foreclosure than lending on the security of single-family residences. The ability of a borrower to repay a loan secured by income-producing property typically is dependent primarily upon the successful operation and operating income of such property (i.e., the ability of tenants to make lease payments, the ability of a property to attract and retain tenants, and the ability of the owner to maintain the property, minimize operating expenses, and comply with applicable zoning and other laws) rather than upon the existence of independent income or assets of the borrower. Most commercial mortgage loans provide recourse only to specific assets, such as the property, and not against the borrower's other assets or personal guarantees.

Global financial and real estate markets have experienced a variety of difficulties and changed economic conditions in recent years. In particular, delinquencies and losses with respect to mortgage loans (in particular, subprime mortgage loans and second-lien mortgage loans) and the leverage lending markets have increased and may continue to increase. These conditions have had significant adverse effects and may continue to have significant adverse effects on the global financial markets generally, including the commercial mortgage market. Numerous laws, regulations, and rules related to the servicing of mortgage loans, including foreclosure actions, have been, and continue to be, proposed by various governmental authorities. If enacted, these laws, regulations, and rules may result in delays in the foreclosure process, reduced payments by borrowers, or increased servicing expenses.

Lack of Exclusive Control: The Fund may invest in Investments alongside third-parties through a co-investment vehicle jointly owned by the Fund and such co-investors. Co-investors may have the ability to influence the affairs of the co-investment vehicle, and therefore, the Fund may be more limited with respect to operational or other decisions than if the Fund had sole decision-making authority. It may also be more difficult for the Fund to sell its interest in any joint venture, co-investment vehicle or other entity with other owners than to sell its interest in other types of investments (and an investment may be subject to a buy/sell right, right of first offer, right of first refusal, call right, forced sale or similar provision). The Fund may grant co-investors approval rights with respect to major decisions concerning the management and disposition of an investment, which would increase the risk of deadlocks or unanticipated exits from an investment. A deadlock could delay the execution of the business plan for the investment or require the Fund to engage in a buy/sell of the venture with the co-investors or conduct the forced sale of such investment or require alternative dispute resolution in order to resolve such deadlock. As a result of these risks, the Fund may be unable to fully realize its expected return on any such investment.

Compensation from Co-Investors: The General Partner may establish one or more co-investment vehicles or joint ventures designed to facilitate the Fund's investment in an Investment alongside third-parties. The General Partner and/or its affiliates may receive a management fee and other compensation, such as carried interest, from the co-investors participating in such co-investment vehicles or joint ventures. Any such compensation will not offset the Management Fee. In addition, one or more Limited Partners that participated in the initial closing of the Fund have certain approval rights and economic rights with respect to the Fund's participation in co-investment vehicles.

Terrorism Risk: The prevalence of terrorist attacks throughout the world could have significant adverse effects on the global economy and may exacerbate some of the general risk factors related to investing in certain strategies. The likelihood of these types of events occurring in the future cannot be predicted nor how such events may affect the Funds.

Risk of Natural Disasters and Epidemics: Natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and other severe weather-related phenomena generally, and widespread disease, including pandemics and epidemics, have been and can be

highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Funds' investments. These disruptions could prevent the Funds from executing advantageous investment decisions in a timely manner and negatively impact the Funds' ability to achieve their investment objectives. Any such event(s) could have a significant adverse impact on the value and risk profile of the Funds.

An outbreak of respiratory disease caused by a novel coronavirus, referred to as COVID-19, was first detected in China in late 2019 and subsequently spread globally. As of the date hereof, the impact of the outbreak has been rapidly evolving, and cases of the virus have continued to be identified in most developed and emerging countries throughout the world. Many local, state, and national governments, as well as businesses, have reacted by instituting quarantines, border closures, restrictions on travel, and other measures designed to arrest the spread of the virus. The outbreak and public and private sector responses thereto have led to large portions of the populations of many nations working from home for indefinite periods of time, temporary or permanent layoffs, disruptions in supply chains, lack of availability of certain goods, and adversely impacted many industries. The hospitality industry has been significantly impacted by the outbreak. These circumstances are evolving, and further developments could result in additional disruptions and uncertainty. The impact of the coronavirus outbreak may last for an extended period of time and result in a substantial economic downturn. The impact of the coronavirus outbreak, and other epidemics and pandemics that may arise in the future, could result in a general decline in the global economy, and negatively affect the performance of individual countries, industries, or sectors in significant and unforeseen ways.

Deteriorating economic fundamentals may in turn increase the risk of default or insolvency of particular companies, negatively impact market value, increase market volatility, cause credit spreads to widen, and reduce liquidity. All of these risks may have a material adverse effect on the performance and financial condition of the Fund's Investments, and on the overall performance of the Fund. The General Partner's and the Investment Manager's key service providers may incur extraordinary expenses, reduction in revenues, delays, or interruption of critical business functions relating to the coronavirus outbreak. These circumstances could have a material adverse impact on the Fund's and the Investment Manager's ability to continue to provide some or all aspects of the General Partner's and the Investment Manager's investment advisory services to the Fund without interruption.

Cybersecurity: Linchris, the Funds, their properties and their third-party service providers are subject to cybersecurity risks. Cybersecurity risks have significantly increased in recent years, and the Funds could suffer material losses relating to cyber-attacks or other information security breaches in the future. The computer systems, software and networks of Linchris, the Funds, their properties and its third-party service providers may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could have a security impact. If one or more of such events occur, this potentially could jeopardize confidential and other information of Linchris, the Funds (and/or its investors) and their properties (and guest

information), or otherwise cause interruptions or malfunctions in Linchris' or the Funds' operations or the operations of their third-party service providers. This could result in financial losses to the Funds and their investors. In addition, substantial costs may be incurred in an attempt to prevent future cyber incidents. Linchris has established risk management systems and business continuity plans designed to reduce the risks associated with cybersecurity across its portfolio. However, there is no guarantee that such efforts will succeed and the Funds could be negatively impacted as a result.

Leverage: The Funds plan to utilize leverage with the goal of enhancing its returns. The failure of a Fund to obtain leverage at the contemplated levels, or to obtain leverage on attractive terms at either the Fund level or the portfolio property level, could have a material adverse effect on the Fund and/or its portfolio investments. In addition, the use of leverage will subject the applicable Fund (or its portfolio investments) to risks normally associated with debt financing, including the risk that the cash flow of the Fund (or its portfolio investments) will be insufficient to meet required payments of principal and interest, the risk that indebtedness on the investments will not be able to be refinanced and the risk that the terms of such refinancing will not be as favorable as the terms of the existing indebtedness.

General Risks of Real Estate Investment: Each underlying real property held by a Fund (either directly or through other lower-tier vehicles) (each, an **"Underlying Investment"**) is directly owned by a separate operating company, which in turn is owned by the Fund. The ability of each operating company to meet its obligations will depend on factors which affect all hotel properties generally, including occupancy, rental rates and operating expenses. These in turn may be affected by national and local economic conditions; neighborhood characteristics; changes in neighborhood values; movement of business and industry away from the specific Underlying Investment; increases in real estate taxes (which might occur as a result of an increase in the tax rate and/or as a result of an increase in the assessed value of a project); imposition of additional taxes or charges by governmental bodies; increases in utility and/or insurance costs; changes in governmental rules or regulations; availability of financing; competition from other property owners; the ability of tenants to make rent payments; collection difficulties; conditions of domestic and international financial markets; acts of terrorism or war; liability for removal of hazardous substances and for the dispersal of hazardous substances; pandemics and related lock-down measures; and other matters. Certain significant expenditures associated with an investment in real estate (such as mortgage payments, real estate taxes and maintenance costs) generally do not decline when circumstances cause a reduction in income from the relevant Underlying Investment. Because real estate investments are relatively illiquid, a Fund's ability to vary its portfolio promptly in response to economic or other conditions is limited. The relative illiquidity of its holdings could impede a Fund's ability to respond to adverse changes in the performance of its investments. No assurances can be given that the fair market value of any Underlying Investments will not decrease in the future.

Adverse Changes in General Economic Conditions — The success of the Fund and its Underlying Investments will be dependent upon the general economic conditions in the geographic areas in which the Underlying Investments are located. The Underlying Investments'

continuing ability to maintain a high occupancy rate and satisfactory revenue stream will depend in part on the continuing economic success of the surrounding area. Adverse changes in national economic conditions or in the economic conditions of the regions in which each Underlying Investment is located likely would have an adverse effect on real estate values, and the cash flow of such Underlying Investment and, accordingly, the Funds' business, income, and the Funds' ability to make distributions to its limited partners. The general economic conditions in the geographic area in which the Underlying Investments are located are beyond the control of the Funds and Linchris.

Risks of Environmental Liabilities: Under various federal, state and local environmental laws, ordinances and regulations, a current or previous owner or operator of real property may be liable for the costs of removal or remediation of hazardous or toxic substances on, under or in that real property. These laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence of hazardous or toxic substances. The costs of investigation, removal or remediation of hazardous or toxic substances may be substantial. In addition, the presence of hazardous or toxic substances, or the failure to remedy environmental hazards properly, may adversely affect the owner's or operator's ability to sell or rent affected real property or to borrow using affected real property as collateral. Persons or entities that arrange for the disposal or treatment of hazardous or toxic substances may also be liable for the costs of removal or remediation of hazardous or toxic substances at the disposal or treatment facility, whether or not that facility is owned or operated by the person arranging for the disposal or treatment of hazardous or toxic substances. In connection with the ownership, operation, management and development of any Underlying Investment, the applicable operating company may be potentially liable under these laws and may incur costs in responding to these liabilities.

Government Investigations: In the event that Linchris or any current or former principal, director, trustee, manager, member, partner, officer, employee, or affiliate thereof becomes the subject of (or is otherwise involved in) any formal or informal investigation by a governmental or regulatory agency or is otherwise suspected to have engaged in or be involved in any wrongdoing (including through reports in the press), such event may have a material adverse effect on the Funds, regardless of whether Linchris or such other person is ultimately charged or found to have engaged in any wrongdoing. Such investigation or suspicion may cause reputational and other harm to Linchris and may dissuade new investors from investing with Linchris, or may result in substantial redemptions from, the imposition of suspensions or other limitations on redemptions from, the liquidation of, or other consequences to the Funds. In addition, such an investigation may divert Linchris' attention from its investment management responsibilities, which also could have a material adverse effect the Funds.

Limited Regulatory Oversight — The Funds and Linchris are not required to file regular reports under the Securities Exchange Act of 1934, as amended. The Funds are not registered under the Investment Company Act of 1940, as amended. The absence of regular reporting may restrict the availability of information to current and prospective investors. Neither the Funds nor Linchris have any plans to become a reporting company in the foreseeable future.

Item 9. Disciplinary Information

There have been no material legal or disciplinary events related to Linchris required to be disclosed pursuant to Item 9.

Item 10. Other Financial Industry Activities and Affiliations

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

Linchris has no relationships or arrangements with affiliates that are material to our advisory business or to our clients.

Linchris does not recommend or select other investment advisers for our clients or receive compensation, either directly or indirectly, from other advisers.

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

Compliance Manual and Code of Ethics

Linchris has prepared and adopted a Regulatory Compliance Manual (the “**Compliance Manual**”) that includes a Code of Ethics (the “**Code**”) setting forth the standards of ethical and business conduct expected of our personnel and addresses conflicts that may arise from personal trading by personnel. The Code, among other things, requires compliance with the federal securities laws, reflects the fiduciary responsibilities of Linchris and its advisory personnel, prohibits certain personal securities transactions, and requires personnel to periodically report their personal securities transactions and to pre-clear certain securities transactions. The Compliance Manual will also address potential conflicts of interest, insider trading and other topics. Pertinent provisions of the Compliance Manual and the Code are discussed below. A copy of our Code is available to any client or prospective client upon request by contacting Linchris’ Chief Compliance Officer.

Linchris’ Compliance Manual includes policies and procedures regarding giving or receiving gifts and business entertainment between Linchris’ related persons and certain third parties (e.g. vendors, portfolio company managers, fund investors, consultants, etc.) to mitigate the potential for conflicts of interest surrounding these practices. In general, Linchris limits the value of gifts that may be given or received by related persons to \$250, and requires the reporting of gifts given or received. Certain nominally valued and promotional gifts of \$50 or less are excluded from the gifts policies as well as personal gifts in recognition of certain life events (weddings, births, significant religious events such as a bar mitzvah or ordination, etc.). There is no set dollar limit on business entertainment given or received, but business entertainment given or received with a market value exceeding \$250 must be reported.

Linchris prohibits receiving or providing gifts or entertainment with a market value exceeding \$250 to any government or foreign government official.

Linchris prohibits its related persons from making political contributions on behalf of Linchris, or from making political contributions for the purpose of securing or retaining business. Linchris maintains policies and procedures that set forth specific limitations as to whom related persons may make contributions and the amounts of such contributions, as well as pre-clearance requirements for political contributions.

Personal Trading and Co-Investment

Linchris has adopted a Personal Trading Policy that governs employees' ability to trade securities. Linchris also adopted policies and procedures to prevent the misuse of material, inside information (the "**Insider Trading Policy**"). These policies are designed to avoid conflicts of interest that may arise when Linchris personnel and members of their family engage in securities transactions for their own account. All Linchris employees must adhere to the Personal Trading Policy, the Insider Trading Policy and all other employee policies and procedures in place at Linchris. An employee may not buy or sell any security on the Linchris restricted securities list without first obtaining approval from the Chief Compliance Officer, and may not buy or sell **any** public security if he or she has material, nonpublic information about that security. Employees must also obtain pre-clearance approval from the Chief Compliance Officer for each investment in, or purchase of, securities in a private placement or initial public offering prior to executing the trade. All employees must report to Linchris all of their personal security holdings at time of hire and thereafter annually. In addition, all employees must report all personal security trading activities quarterly and provide copies of their brokerage statements. These policies and procedures cover all personal securities accounts and transactions of each Linchris officer, director and employee and their immediate family members residing in their household where they have a direct or indirect beneficial interest (as defined by SEC Rule 16a-1(a)(2)), including holdings by a spouse, minor children, trusts, foundations, and any account for which trading authority has been delegated to them.

Principals, officers and employees of Linchris and its related persons and affiliates are, or may be, investors in the Funds. As such, it is possible that Linchris could cause a Fund to buy or sell securities in which Linchris or one of its related persons has a financial interest. For example, Linchris could recommend that a Fund invest in a hotel in which Linchris previously invested in. Because Linchris will have a nominal ownership interest in both Funds, Linchris could have a potential conflict of interest in making such a recommendation. Linchris addresses this through approval from the Funds' advisory boards (comprised of significant investors in the applicable Fund) and disclosure to clients and Fund investors. It is also possible that a Linchris related person may co-invest alongside one of the Funds directly in an investment property. As a policy, the terms of such co-investments must be consistent with the terms of a Fund's investment, and we have adopted other conflict mitigating policies to eliminate or minimize the conflicts of interest in these arrangements.

Item 12. Brokerage Practices

Because the Funds make private investments in real estate (or in underlying master funds that ultimately make real-estate investments), Linchris generally does not invest Fund assets in publicly traded securities.

On the rare occasions the Funds do utilize broker-dealers to execute trades, Linchris plans to obtain “best execution” (i.e., the Fund’s total cost or proceeds in each transaction are the most favorable under the circumstances). The SEC has stated that in deciding what constitutes best execution, the determinative factor is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution. In determining the abilities of a broker-dealer or bank to obtain best execution of portfolio transactions, Linchris will consider all relevant factors, including: the execution capabilities the transactions require; the ability and willingness of the broker-dealer or bank to facilitate the accounts’ portfolio transactions by participating for its own account; the importance to the account of speed, efficiency, and confidentiality; the apparent familiarity of the broker-dealer or bank with sources from or to whom particular securities might be purchased or sold; the reputation and perceived soundness of the broker-dealer or bank; and other matters relevant to the selection of a broker-dealer or bank for portfolio transactions for any account.

Item 13. Review of Accounts

Oversight and Monitoring

Linchris’ investment professionals monitor the Fund’s investments on a regular basis. Specifically, they maintain an active dialogue with portfolio company management teams and/or property operators. Typically, once an investment has been made, a senior investment professional (Principal or Partner level professional) is assigned primary responsibility for overseeing the relationship with and activities of the underlying portfolio investment.

Reporting

Investors in Linchris’ Funds receive written quarterly reports. A typical report includes (i) portfolio performance; (ii) valuations of the underlying investments; (iii) new investments made since the last report; (iv) balance sheet; (v) income statement; (vi) statement of cash flows; (vii) statement of partner’s capital.

Item 14. Client Referrals and Other Compensation

Client Referrals

Linchris has engaged third-party solicitors and/or placement agents for client or private fund investor referrals (collectively, “Promoters”). Under these arrangements, Linchris generally pays a portion of the referred client’s management fee earned by Linchris to the referring party. In these circumstances, we will ensure that each Promoter complies with the applicable requirements in Rule 206(4)-1 under the Advisers Act. Such requirements may include, depending on the circumstances, maintenance of a written agreement between Linchris and the Promoter, and delivery by the Promoter of certain disclosures to prospective clients or prospective private fund investors setting forth the nature of the relationship between the Promoter and Linchris, any fees to be paid to the Promoter, and related conflicts of interest.

Other Compensation

Linchris does not receive any other type of benefit from non-clients for providing investment advice or other advisory services.

Item 15. Custody

For purposes of the Investment Advisers Act of 1940, Linchris is deemed to have custody of funds and securities held by the Funds because Linchris or an affiliate of Linchris serves as general partner or manager to the Funds. Each Fund is audited at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and each Fund generally distributes its audited financial statements on an annual basis to all investors generally within 90 days after the end of the applicable Fund's fiscal year end.

Item 16. Investment Discretion

Investment advice is provided to the Funds, subject to the direction and control of the Funds' general partner and investment committee (as applicable), and not individually to the investors in the Funds. Linchris provides investment advisory and management services to the Funds in accordance with each such Fund's governing documents.

Item 17. Voting Client Securities

Linchris will not engage in proxy voting.

Item 18. Financial Information

Linchris does not require the payment of fees or other compensation six months or more in advance. There exists no financial condition of which Linchris is currently aware that would impair Linchris' ability to meet contractual commitments to its clients. Linchris has not been the subject of a bankruptcy petition within the past 10 years.