

Item 1 – Cover Page

Form ADV Part 2A Brochure

March 2024



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*This brochure ("**Brochure**"), provides information about the qualifications, investment strategies, and business practices of LoanCore Capital Credit Advisor LLC (the "**Advisor**"), an investment adviser registered with the U.S. Securities and Exchange Commission (the "**SEC**").*

Please note that SEC registration status does not indicate a particular level of skill or training of the Advisor or its employees and that neither the SEC nor any state securities authority has approved this Brochure. The information in this brochure has not been approved or verified by the SEC or by any U.S. state securities authority.

If you have any questions about the contents of this Brochure, please contact us at (203) 861-6000 or by e-mail at investorrelations@loancore.com. Additional information about the Advisor is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure dated March 2024 replaces our previous brochure, dated March 2023.

This Brochure has been further updated to clarify certain risk disclosures. In addition, the Advisor routinely makes updates throughout the Brochure to improve and clarify the description of its business practices, compliance policies and procedures, as well as to respond to evolving industry best practices.

No material changes have been made in this Brochure.

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Item 4 – Advisory Business

Background and Ownership Structure

LoanCore Capital Credit Advisor LLC (the “**Advisor**”) was founded in 2016 as an asset manager focused exclusively on commercial mortgage loans and other commercial real estate-related assets, and has its principal office and place of business in Greenwich, Connecticut. The Advisor is an investment adviser registered with, and regulated by, the SEC under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). The Advisor is a wholly owned subsidiary of LoanCore Capital, LLC (“**LoanCore Capital**”), which itself is principally owned indirectly by DivCore Capital, LLC. The Advisor is led and controlled solely by Mark Finerman. LoanCore Capital Credit Manager LLC (“**LoanCore Manager**”), also a wholly owned subsidiary of LoanCore Capital, was founded in 2016 as a special purpose vehicle, and also has its principal office and place of business in Greenwich, Connecticut. For purposes of this Brochure, “Advisor” includes, where the context permits, LoanCore Manager and any other affiliates that provide advisory services to and/or receive advisory fees from, the Funds (as defined below).

Advisory Services

The Advisor serves as an investment adviser to LoanCore Capital Credit REIT LLC (the “**REIT**”), a commercial real estate finance company that primarily originates, invests in and manages commercial mortgage loans and other commercial real estate-related assets. Mr. Finerman, along with other Advisor personnel, serve as executive officers of the REIT and members of the REIT’s credit committee (the “**Credit Committee**”), and Mr. Finerman serves as one of three members of the REIT’s board of managers (the “**Board**”).

LoanCore Capital Credit LP (the “**Feeder Fund**,” and, together with the REIT, the “**Funds**”) owns more than 99% of the REIT. LoanCore Manager serves as manager and director of the REIT and general partner of the Feeder Fund. The Funds are exempt from registration as investment companies under U.S. law by virtue of Section 3(c)(1), Section 3(c)(5) and/or Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “**Investment Company Act**”) and their securities are not registered under the Securities Act of 1933, as amended (the “**Securities Act**”).

Pursuant to a management agreement between the Advisor and the REIT (the “**REIT Management Agreement**”), the Advisor, subject to the overall supervision and control of the Board and LoanCore Manager, acts as the investment adviser to the REIT. As the investment adviser, the Advisor, among other services, identifies, evaluates, structures and makes investment recommendations to LoanCore Manager, the Board and the Credit Committee. The Advisor does not have discretionary authority to make or dispose of investments on behalf of the Feeder Fund or the REIT. The Advisor tailors the investment advisory services provided to the REIT based on the REIT’s investment objectives.

All descriptions of the Funds in this Brochure, including, but not limited to, their investments, the strategies used in advising the Funds, the risks associated with them, the fees and other costs associated with an investment in the Funds, and conflicts of interest faced by the Advisor

in connection with advisement of the Funds are qualified in their entirety by reference to the Fund's governing documents, including offering memoranda, as supplemented from time to time, organizational documents and subscription agreements, advisory agreements and/or any side letter agreements negotiated with investors in the applicable Fund (collectively, the "Fund Documents"). Specific details relating to the advisory and management services provided by the Advisor are fully disclosed in the Fund Documents. In addition, because the Feeder Fund's sole investment is an interest in the REIT, references to investment activities of the Funds generally mean indirect investment activities of the Feeder Fund, and direct investment activities of the REIT.

The Advisor does not participate in wrap fee programs.

Regulatory Assets Under Management

As of December 31, 2023, the Advisor had approximately \$8,007,227,307 in regulatory assets under management managed on a non-discretionary basis and \$25,698,035 in regulatory assets under management managed on a discretionary basis.

Item 5 – Fees and Compensation

Management Fee

In exchange for investment advisory services rendered to the Funds, the Advisor receives an annual management fee. The management fee is typically payable quarterly in advance and is calculated based on unreturned capital contributions to the REIT. The management fee will be prorated for any quarter for which the Advisor serves as an adviser for less than the full quarter (based on the number of days remaining in the quarter). The management fee paid by the REIT is indirectly borne by the investors in the REIT and the Feeder Fund. The fee structures described herein may be modified from time to time.

The management fee is deducted from the REIT's assets. The Advisor's management fee is payable regardless of the performance of the REIT's portfolio and is not based upon any performance goals or metrics.

The management fee arrangement with respect to the REIT is detailed in the REIT's Fund Documents and disclosed to each investor prior to an investment in the REIT or Feeder Fund. At the discretion of the Advisor or LoanCore Manager, the management fee may be reduced, waived or modified. Current and prospective investors should refer to the applicable Fund Documents for complete information with respect to the management fee arrangements.

The Advisor from time to time enters into economic and/or other fee sharing arrangements with respect to the REIT and/or certain investors of the REIT and/or the Feeder Fund, the terms of which will not generally be made available to other investors.

The Advisor also participates in a joint venture where the Advisor is entitled to a financing services fee based on the principal amount of the financing arrangements outstanding during the relevant periods, as well as reimbursement of expenses approved by the joint venture partner. The management fee described above is reduced by an amount equal to the product of the financing services fee received by the Advisor multiplied by the indirect percentage interests of the Funds' investors in the joint venture.

Performance-Based Compensation

Under the Fund Documents for the Feeder Fund, LoanCore Manager is entitled to receive an incentive fee if the limited partners achieve a preferred return as calculated under the Fund Documents.

The terms of the incentive fee paid to LoanCore Manager could incentivize the Advisor to recommend to the Funds to make more speculative investments than they would otherwise make in the absence of performance-based compensation. Notwithstanding the foregoing, the Fund Documents contain certain mitigating provisions for the benefit of the limited partners to ensure that investors achieve the appropriate preferred return on a rolling basis, and the Advisor believes that it has implemented policies and procedures to mitigate such conflicts and align its interests with that of the Funds.

Other Fees and Expenses

The Funds are required to reimburse the Advisor or its affiliates for costs and expenses incurred by it and its affiliates on the Funds' behalf except those specifically required to be borne by the Advisor under the Fund Documents and the REIT Management Agreement. The Advisor is responsible for the salaries and other compensation of the personnel of the Advisor and its affiliates.

In accordance with the Fund Documents, the Funds are generally required to bear the following expenses:

- fees, costs and expenses in connection with the issuance and transaction costs incident to the acquisition, negotiation, structuring, trading, settling, disposition and financing of the Funds' investments and investments of the Funds' subsidiaries (whether or not consummated), including brokerage commissions, hedging costs, prime brokerage fees, custodial expenses, clearing and settlement charges, forfeited deposits, and other investment costs, fees and expenses actually incurred in connection with the pursuit, making, holding, settling, monitoring or disposing of actual or potential investments;
- fees, costs, and expenses of legal, tax, accounting, consulting, auditing, finance, administrative, investment banking, capital market and other similar services rendered to the Funds (including, where the context requires, by or through one or more third parties and/or affiliates of the Advisor) or, if provided by the Advisor's personnel or personnel of affiliates of the Advisor, in amounts that are no greater than those that would be payable to outside professionals or consultants engaged to perform such services pursuant to agreements negotiated on an arm's-length basis;

- interest, fees and expenses arising out of borrowings made by the Funds, including, but not limited to, costs associated with the establishment and maintenance of any of the Funds' credit facilities, other financing arrangements, or other indebtedness of the Funds (including commitment fees, accounting fees, legal fees, closing and other similar costs) or any of the Funds' securities offerings;
- the Funds' allocable share of costs associated with technology-related expenses, including, without limitation, any computer software or hardware, electronic equipment or purchased information technology services from third-party vendors or affiliates of the Advisor that is used solely for the Funds, technology service providers and related software/hardware utilized in connection with the Funds' investment and operational activities;
- the Funds' allocable share of expenses incurred by managers, officers, personnel and agents of the Advisor for travel on the Funds' behalf and other out-of-pocket expenses incurred by them in connection with the purchase, financing, refinancing, sale or other disposition of an investment or the establishment and maintenance of any securitizations or any of the Funds' securities offerings;
- the Funds' allocable share of costs and expenses incurred with respect to market information systems and publications, research publications and materials, including, without limitation, news research and quotation equipment and services;
- expenses of investor meetings and investor events, including the cost of lodging, tickets, ground transportation, food and beverages, regardless of whether all investors are invited to participate or choose to attend such meetings;
- expenses (such as food, beverage, lodging, conference tickets, travel expenses (including business and first class airfare and ground transportation)) associated with attendance of, participating in or sponsoring of industry conferences;
- the cost and expenses related to gifts and entertainment (such as tickets to sporting events) for the Funds' borrowers, potential business leads and brokers;
- charitable donations (including cash donations and tickets to charitable events) in connection with fundraising sponsored or otherwise supported by the Funds' borrowers;
- the costs and expenses relating to ongoing regulatory compliance matters and regulatory reporting obligations relating to the Funds' activities including all fees and expenses relating to compliance with tax, securities law or other legal or regulatory requirements applicable to a Fund or its investors as well as filing and similar fees paid on behalf of a Fund, including reimbursement of any fees and expenses paid to advisers, service providers and other third parties;
- the costs of any litigation involving the Funds or their assets and the amount of any judgments or settlements paid in connection therewith;

- directors and officers, liability or other insurance and indemnification of extraordinary expense or liability relating to the Funds' affairs;
- all taxes and license fees;
- all insurance costs incurred in connection with the operation of the Funds' business except for the costs attributable to the insurance that the Advisor elects to carry for itself and its personnel;
- the Funds' allocable share of costs and expenses incurred in contracting with third parties, in whole or in part, on the Funds' behalf;
- all other costs and expenses relating to the Funds' business and investment operations, including, without limitation, the costs and expenses of acquiring, owning, protecting, maintaining, developing and disposing of investments, including appraisal, due diligence, reporting, audit and legal fees;
- any judgment or settlement of pending or threatened proceedings (whether civil, criminal or otherwise) against the Funds or any subsidiary, or against any director, trustee, partner, member or officer of the Funds or of any subsidiary in his capacity as such for which the Funds or any subsidiary is required by any court or governmental agency to indemnify such director, trustee, partner, member or officer;
- the management fee; and
- all other expenses actually incurred by the Advisor (except as otherwise described above) which are reasonably necessary for the performance by the Advisor of its duties and functions under the REIT Management Agreement including expenses in connection with the formation of special purpose vehicles to be used in connection with the Funds' investment activities.

Allocation of Expenses

From time to time the Advisor will be required to decide whether certain fees, costs and expenses should be borne by a Fund, on the one hand, or the Advisor on the other hand, and/or whether certain fees, costs and expenses should be allocated between or among Funds and/or other parties. Certain expenses may be the obligation of one particular Fund and may be borne by such Fund or, expenses may be allocated among multiple Funds and entities. When the Advisor or its affiliates incur an expense that is clearly attributable to, or for the benefit of, only one Fund, then such expenses will be borne by such Fund. When expenses are incurred that benefit more than one of (i) the Advisor, (ii) the Funds, (iii) portfolio investments of the REIT, and (iv) third parties (each, an "Allocable Party"), the Advisor or its affiliate allocate such expenses in accordance with the Fund Documents or any agreement with any portfolio investment and, to the extent not addressed in such Fund Documents or such agreement with a portfolio investment, then in the sole and absolute discretion of the Advisor or its affiliates, in each case using its good faith and best judgment, taking into account such factors that it determines in its sole and absolute discretion to be relevant, notwithstanding its interest (if any) in the allocation. Such

equitable methodologies may include pro rata allocation based on the respective capital commitments of a Fund, pro rata allocation based on the respective investment (or anticipated investment) of an Allocable Party in an investment, relative benefit received by an Allocable Party, or such other equitable method as determined by the Advisor in its sole discretion) and an Allocable Party will bear more or less of a particular expense based on the methodology used.

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

As described in Item 5 above, LoanCore Manager will receive performance-based compensation from the Feeder Fund.

See Item 5 above for potential conflicts of interest related to LoanCore Manager's receipt of performance-based compensation.

The Advisor and LoanCore Manager do not currently, but may in the future, manage another account for which they do not charge a performance-based fee, or charge different performance-based fees. In the case that the Advisor manages accounts that have different fee arrangements in place, the Advisor may have an incentive to favor clients that pay performance-based fees over clients that pay only asset-based fees (for example, in the context of allocating favorable investment opportunities among its clients).

Item 7 – Types of Clients

As noted in Item 4 above, the Advisor provides non-discretionary investment advice to the REIT, which is a Delaware limited liability company that operates as a real estate investment trust for U.S. federal income tax purposes, and LoanCore Manager serves as manager and director of the REIT and general partner of the Feeder Fund, which is a Delaware limited partnership.

Investors in the Funds consist primarily of sovereign wealth funds and highly sophisticated, high net worth investors. In general, the Advisor requires that each limited partner in the Funds be an "accredited investor" as defined in Regulation D under the Securities Act and, in most cases, a "qualified purchaser" as defined by the Investment Company Act. Admission to the Funds managed by the Advisor is not open to the general public.

The Advisor does not have a minimum size requirement for Its Funds. Investors in the Funds are requested to refer to the Fund Documents of the applicable Fund for complete information on the minimum investment requirement for participation in that Fund. The stated minimum commitment for the Funds is \$1,000.

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

The following is a summary of (1) the strategies and methods of analysis that the Advisor uses in formulating advice or managing assets (and related material risks) for the Funds and (2) certain material risks associated with the types of securities that the Advisor primarily recommends to the Funds.

The information included in this Brochure does not include every potential risk associated with each investment strategy or security. Current and prospective investors in the Funds are urged to review all risk factors applicable to a particular investment strategy or security, read all product-specific risk disclosures and determine whether a particular strategy or type of security is suitable for his/her/its own account in light of his/her/its circumstances, investment objectives and financial situation. Investing in securities involves risk of loss that investors should be prepared to bear.

Methods of Analysis and Investment Strategy

The Funds utilize the Advisor's network of experienced commercial mortgage loan originators to identify investment opportunities. For each investment opportunity, the Advisor's deal team (the "**Deal Team**") prepares an initial loan sizing, receive initial approval on proposed loan terms and structure from the Funds' management, receives preliminary pricing from the Funds' management, and, assuming the potential investment generally meets the Funds' credit and investment criteria, drafts a preliminary quote sheet for issuance to the borrower. In addition, the Deal Team submits property characteristics and preliminary loan terms and structure to the Funds' management for approval to issue a formal conditional commitment. The Deal Team then contacts outside counsel to prepare the conditional commitment and distribute it to the borrower.

Investments are priced based on market conditions. Then, using a proprietary model, the Deal Team confirms that the required pricing achieves the appropriate return on any given investment. Key model inputs include anticipated subordination levels, current credit spreads and relevant property and investment metrics, including asset type, property class, underwritten cash flow, property valuation, investment amount, investment term and amortization type. Model assumptions and pricing methodology are constantly adjusted based on prevailing market conditions, investor sentiment and activity and portfolio allocations and concentrations at the time of pricing.

Upon receipt of an executed conditional commitment and an expense deposit, the Deal Team commences full due diligence. Concurrently with the due diligence process, the Deal Team structures the proposed investment and prepares a memorandum for the Credit Committee.

The Funds' investments are generally originated or acquired in accordance with specific underwriting criteria as set forth in the Fund Documents. However, variations from these guidelines may be implemented as a result of various conditions. The credit underwriting process for each investment is performed by the local originator and his or her deal team. This team is required to conduct a thorough review of the underlying property, which

typically includes an examination of historical operating statements, rent rolls, tenant leases, current and historical real estate tax information, insurance policies and/or schedules, and third-party reports pertaining to appraisal/valuation, zoning, environmental status and physical condition/seismic/engineering.

A member of the Deal Team is required to perform an inspection of the property as well as a review of the surrounding market area, including demand generators and competing properties, in order to confirm tenancy information, assess the physical quality of the collateral, determine visibility and access characteristics and evaluate the property's competitiveness within its market. The Deal Team, along with an affiliated or unaffiliated third-party provider engaged by the Funds, also performs a detailed review of the financial status, credit history and background of the borrower and certain key principals through financial statements, income tax returns, credit reports, background investigations and specific searches for judgments, liens, bankruptcy and pending litigation. Circumstances may also warrant an examination of the financial strength and credit of key tenants as well as other factors that may impact the tenants' ongoing occupancy or ability to pay rent. The Deal Team's review also includes an evaluation of relative valuation, comparable analysis, supply and demand trends, shape of yield curves, delinquency and default rates, recovery of various sectors and vintage of collateral.

After the compilation and review of all documentation and other relevant considerations, the Deal Team finalizes its detailed underwriting analysis of the property's cash flow in accordance with the Funds' property-specific cash flow underwriting guidelines. Determinations will be made regarding the implementation of appropriate loan terms to structure in a manner to mitigate risks, which may result in features such as ongoing escrows or upfront reserves, letters of credit, lockboxes/cash management or guarantees. Among other requirements, nearly all of the Funds' loans require borrowers to purchase interest rate caps to hedge against rising interest rates. As part of the underwriting process, the Advisor typically obtains property assessments and reports.

Following the completion of due diligence, the Deal Team prepares a memorandum summarizing its due diligence findings and presents it to the Credit Committee. The Credit Committee reviews, among other things, property details, market fundamentals, borrower creditworthiness, investment structure, cash flow underwriting and deal risks and mitigating factors prior to issuing an approval for funding. The Advisor's investment advice is based on prevailing market conditions and may change over time in response to opportunities available in different interest rate, economic and credit environments.

The Credit Committee evaluates investment opportunities based on stringent investment criteria including: (1) asset quality; (2) strong, sustainable cash flow profiles; (3) well-capitalized sponsorship; (4) strong market fundamentals with favorable demographics; (5) securely structured transactions with appropriate protective covenants; (6) favorable distribution strategies; (7) balanced portfolio composition and risk diversification; (8) impact on maintaining the REIT's qualification as a real estate investment trust and its exclusion from registration under the Investment Company Act; (9) general compliance with the Funds' underwriting guidelines and procedures; and (10) compliance with the

Fund's investment guidelines. Investment approval requires majority approval by members of the Credit Committee.

The Funds focus on originating and selectively acquiring commercial mortgage loans that are secured or otherwise supported by institutional quality commercial real estate located in in-fill locations that the Funds generally intend to hold for long-term investment. The Advisor builds upon the Funds' competitive strengths to grow its business through the following investment strategies:

- *Capitalize on Demand for Commercial Real Estate Financing.* The Advisor seeks to capitalize on the opportunity created by the confluence of two major themes: (1) the constrained supply of commercial real estate debt capital due to retrenchment by commercial banks and other large commercial lenders since 2007 and (2) the expected demand from borrowers for new financing in the commercial real estate sector.
- *Originate and Selectively Acquire Additional Commercial Mortgage Loans and Other Commercial Real Estate-Related Assets.* The Advisor seeks to grow the Funds' lending business by continuing to originate and selectively acquire additional commercial mortgage loans and other commercial real estate-related assets, which the Funds generally hold for long-term investment. Under current market conditions, the Advisor focuses the Funds' investments primarily on floating rate first mortgage loans with principal balances under \$100 million that are generally secured or otherwise supported by high quality properties or properties in attractive geographic locations.
- *Focus on Major Metropolitan Markets.* Using the Advisor's network of experienced commercial mortgage loan originators strategically located in major markets across the United States, including Greenwich, Los Angeles, San Francisco, Orange County, Chicago, Palm Beach and Atlanta, the Advisor focuses geographically on markets in the United States, primarily in major metropolitan areas that exhibit favorable long-term demographics, including in California and New York. The Funds also focus on the opportunities presented in regions in Europe where there is minimal availability of debt capital and limited transactional volume, though real estate fundamentals are stable.
- *Utilize LoanCore's Expertise to Build upon Existing Relationships and Identify Attractive Opportunities.* The Advisor, including its senior management team, has a broad history in the commercial real estate finance industry, resulting in extensive relationships with owners, managers and operators of commercial real estate in the United States and in Europe. In addition, the Advisor maintains long-standing relationships in the investment banking and mortgage brokerage communities, which the Funds believe generate substantial deal flow for their business. The Advisor seeks to build upon these relationships to capitalize on current market opportunities in order to grow the Funds' business. As market conditions evolve over time, the Funds expect that the Advisor will advise the Funds to adjust and evolve their investment strategies to adapt to such market changes. The Funds believe that their current target assets provide significant investment opportunities for attractive returns. However, the Advisor may focus on and target

investment opportunities that are most attractive for the Funds at their particular stage in the economic and real estate investment cycle at a given time.

The Funds finance their investments over time with various types of borrowings, including, but not limited to, bank credit facilities (including term loans and revolving facilities), repurchase agreements and facilities (including master repurchase facilities), warehouse facilities and structured financing and derivative instruments, in addition to transaction or asset-specific funding arrangements. The Funds may also issue additional equity, equity-related and debt securities to fund their investment strategies.

Subject to maintaining the REIT's qualification as a real estate investment trust, the Funds may, from time to time, engage in hedging transactions that seek to mitigate the effects of fluctuations in interest rates or currencies and their effects on the Funds' operating results and cash flows.

Target Assets

The Funds invest primarily in commercial mortgage loans and other commercial real estate-related assets, focusing on loans secured by properties primarily in the office, mixed use, multifamily, industrial, retail, hospitality, self-storage and manufactured housing real estate sectors in the United States and, to a lesser extent, in Europe, including, but not limited to, the following:

- *Commercial Mortgage Loans.* The Funds focus on originating and selectively acquiring mortgage loans that are backed by commercial properties. Mortgage loans are generally secured by a first mortgage lien on a commercial property, may vary in duration, may bear interest at a fixed or floating rate, and may amortize and typically require a balloon payment of principal at maturity. These loans may encompass a whole loan or may also include *pari passu* participations within such a mortgage loan.

- *Other Commercial Real Estate-Related Assets.* Although originating and selectively acquiring commercial mortgage loans is the Funds' primary area of focus, they also opportunistically originate and selectively acquire other commercial real estate-related assets, subject to the REIT maintaining its qualification as a real estate investment trust, including, but not limited to, the following:

- mezzanine loans: loans made to commercial property owners that are secured by pledges of the borrower's ownership interests, in whole or in part, in entities that directly or indirectly own the property, such loans being subordinate to whole mortgage loans secured by first or second mortgage liens on the property itself;

- subordinate mortgage interests: interests, often referred to as "B Notes," in loans secured by a first mortgage on a single large commercial property or group of related commercial properties and that are subordinated in right of payment to a senior interest in such loans;

- preferred equity: investments in an entity that are subordinate to any debt of such entity, but senior to such entity's common equity;
- construction or rehabilitation loans: mortgage loans and mezzanine loans to finance the cost of construction or rehabilitation of a commercial property;
- net leases / sale-leaseback transactions: commercial properties subject to net leases, which typically have longer terms than gross leases, require tenants to pay substantially all of the operating costs associated with the properties and often have contractually-specified rent increases throughout their term as well as renewal terms at the option of the tenant; the Funds may acquire these properties through sale-leaseback transactions, which involve the purchase of a property and the leasing of such property back to the seller thereof;
- participating debt: debt investments that participate in equity ownership;
- commercial real estate corporate debt: corporate bonds of commercial real estate operating or finance companies and corporate bank debt, which may be in the form of a term loan or a revolving credit facility that is often secured by the company's assets or equity in subsidiaries;
- real estate securities: interests in real estate, which may take the form of commercial mortgage-backed securities ("CMBS") or collateralized loan obligations ("CLOs"), that are collateralized by pools of commercial real estate debt instruments, often first mortgage loans; and
- miscellaneous assets: other commercial real estate-related assets, if necessary, to maintain the REIT's qualification as a real estate investment trust for U.S. federal income tax purposes or its exclusion from regulation under the Investment Company Act.

Certain of the Funds' investments have been, and may in the future be, acquired from "LCM" (an entity advised by an affiliate of the Advisor, as described further in Item 10), as disclosed to Fund investors in the Fund Documents.

Certain Related Risks

Commercial real estate debt assets that are secured, directly or indirectly, by commercial property are subject to delinquency, foreclosure and loss, which could materially and adversely affect the Funds

Commercial real estate debt assets, such as mortgage loans, mezzanine loans and preferred equity, that are secured or, in the case of certain assets (including mezzanine loans and preferred equity), that are supported by commercial property are subject to risks of delinquency and foreclosure and risks of loss that are greater than similar risks associated with loans made on the security of single-family residential property. The ability of a borrower to pay the principal of and interest on a loan secured by an income-producing property typically is dependent primarily upon the successful operation of such property

rather than upon the existence of independent income or assets of the borrower. If the net operating income of the property is reduced, the borrower's ability to pay the principal of and interest on the loan in a timely manner, or at all, may be impaired and therefore could reduce the Funds' return from an affected property or investment, which could materially and adversely affect the Funds. Net operating income of an income-producing property may be adversely affected by the risks particular to real property described above, as well as, among other things:

- tenant mix and tenant bankruptcies;
- success of tenant businesses;
- property management decisions, including with respect to capital improvements, particularly in older building structures;
- property location and condition;
- competition from comparable types of properties;
- changes in specific industry segments;
- declines in regional or local real estate values or rental or occupancy rates; and
- increases in interest rates, real estate tax rates and other operating expenses.

In the event of any default under a mortgage loan held directly by the Funds, the Funds will bear a risk of loss to the extent of any deficiency between the value of the collateral and the principal of and accrued interest on the mortgage loan. In the event of the bankruptcy of a mortgage loan borrower, the mortgage loan to that borrower will be deemed to be secured only to the extent of the value of the underlying collateral at the time of bankruptcy (as determined by the bankruptcy court), and the lien securing the mortgage loan will be subject to the avoidance powers of the bankruptcy trustee or debtor-in-possession to the extent the lien is unenforceable under state law. Foreclosure of a mortgage loan can be an expensive and lengthy process that could have a substantial negative effect on any anticipated return on the foreclosed mortgage loan.

Interest rate fluctuations could significantly decrease the Funds' ability to generate income on its investments, which could materially and adversely affect the Funds

The Funds' primary interest rate exposure relates to the yield on their investments and the financing cost of their debt, as well as its interest rate swaps that they may utilize for hedging purposes. Changes in interest rates affect the Funds' net income from investments, which is the difference between the interest and related income they earn on their interest-earning investments and the interest and related expense the Funds incur in financing these investments. Interest rate fluctuations that result in the Funds' interest and related expense exceeding interest and related income would result in operating losses for the Funds. Changes in the level of interest rates also may affect the Funds' ability to originate

or acquire investments and may impair the value of the Funds' investments and their ability to realize gains from the disposition of assets. Changes in interest rates may also affect borrower default rates.

The Funds' operating results depend, in part, on differences between the income earned on their investments, net of credit losses, and its financing costs. For any period during which the Funds' investments are not match-funded, the income earned on such investments may respond more slowly to interest rate fluctuations than the cost of the Funds' borrowings. Consequently, changes in interest rates, particularly short-term interest rates, could materially and adversely affect the Funds.

Prepayment rates may adversely affect the value of the Funds' investment portfolio

Prepayment rates may adversely affect the value of the Funds' investment portfolio. Prepayment rates on the Funds' investments, where contractually permitted, are influenced by changes in current interest rates, significant improvement in the performance of underlying real estate assets and a variety of economic, geographic and other factors beyond the Funds' control. The Funds invest in loans and other assets secured or, in the case of certain assets (including mezzanine loans and preferred equity), supported by transitional real estate assets and significant improvement in the performance of such assets may result in prepayments as other financing alternatives become available to the borrower. Consequently, prepayment rates cannot be predicted with certainty and no strategy can completely insulate the Funds from increases in such rates. In periods of declining interest rates, prepayments on investments generally increase and the proceeds of prepayments received during these periods may generally be reinvested by the Funds in comparable assets at reduced yields. In addition, the market value of investments subject to prepayment may, because of the risk of prepayment, benefit less than other fixed-income securities from declining interest rates. Conversely, in periods of rising interest rates, prepayments on investments, where contractually permitted, generally decrease, in which case the Funds would not have the prepayment proceeds available to invest in comparable assets at higher yields. Furthermore, the Funds may acquire assets at a discount or premium and the Funds' anticipated yield would be impacted if such assets prepay more quickly than anticipated. Under certain interest rate and prepayment scenarios, the Funds may fail to recoup fully their cost of certain investments. In a limited number of investments, the Funds may be entitled to fees upon their prepayment although no assurance can be given that such fees will adequately compensate them as the functional equivalent of a "make whole" payment. Furthermore, the Funds may not be able to structure future investments to impose a make whole obligation upon a borrower in the case of an early prepayment.

The Funds' investment portfolio may be concentrated by region, and may be concentrated by asset or property type, increasing the Funds' risk of loss if there are adverse developments or greater risks affecting the particular concentration

The Funds' investment portfolio may be concentrated by geographic region, and may be concentrated in the future by asset or property type, increasing its risk of loss if there are

adverse developments or greater risks affecting the particular concentration. Adverse conditions in the areas where the properties securing or otherwise underlying the Funds' investments are located (including business layoffs or downsizing, industry slowdowns, changing demographics and other factors) and local real estate conditions (such as oversupply or reduced demand) may have an adverse effect on the value of the Funds' investments. A material decline in the demand for real estate or the demand or ability of tenants to pay rent in these geographic regions may materially and adversely affect the Funds.

A lack of liquidity in certain of the Funds' investments may materially and adversely affect the Fund

A lack of liquidity in certain of the Funds' investments may make it difficult for it to sell such assets if the need or desire arises. Certain investments that the Funds make or may make, such as mortgage loans, B Notes, mezzanine and other loans (including participations) and preferred equity, in particular, are relatively illiquid investments due to their short life and the less likely recovery of their principal and their expected yield in the event of a borrower's default. In addition, certain of the Funds' investments may become less liquid after the Funds' investment as a result of periods of delinquencies or defaults or turbulent market conditions, which may make it more difficult for the Funds to dispose of such investments at advantageous times or in a timely manner. Moreover, many of the Funds' investments are not registered under the relevant securities laws, resulting in prohibitions against their transfer, sale, pledge or their disposition except in transactions that are exempt from registration requirements or are otherwise in accordance with such laws. As a result, many of the Funds' investments are or will be illiquid, and if the Funds are required to liquidate all or a portion of their portfolio quickly, for example as a result of margin calls, it may realize significantly less than the value at which the Funds had previously recorded their investments.

Most of the commercial mortgage loans that the Funds originate or acquire are nonrecourse loans and the assets securing these loans may not be sufficient to protect them from a partial or complete loss if the borrower defaults on the loan, which could materially and adversely affect the Funds

Except for customary nonrecourse carve-outs for certain actions and environmental liability, most commercial mortgage loans are effectively nonrecourse obligations of the sponsor and borrower, meaning that there is no recourse against the assets of the borrower or sponsor other than the underlying collateral. In the event of any default under a commercial mortgage loan held directly by the Funds, they will bear a risk of loss to the extent of any deficiency between the value of the collateral and the principal of and accrued interest on the mortgage loan, which could materially and adversely affect the Funds. Even if a commercial mortgage loan is recourse to the borrower (or if a nonrecourse carve-out to the borrower applies), in most cases, the borrower's assets are limited primarily to its interest in the related mortgaged property. Further, although a commercial mortgage loan may provide for limited recourse to a principal or affiliate of the related borrower, there is no assurance that any recovery from such principal or affiliate will be made or that such

principal's or affiliate's assets would be sufficient to pay any otherwise recoverable claim. In the event of the bankruptcy of a borrower, the loan to such borrower will be deemed to be secured only to the extent of the value of the underlying collateral at the time of bankruptcy (as determined by the bankruptcy court), and the lien securing the loan will be subject to the avoidance powers of the bankruptcy trustee or debtor-in-possession to the extent the lien is unenforceable under state law.

The Funds' origination or acquisition of construction loans expose them to an increased risk of loss

The Funds originate or acquire construction loans. If the Funds fail to fund their entire commitment on a construction loan or if a borrower otherwise fails to complete the construction of a project, there could be adverse consequences associated with the loan, including: a loss of the value of the property securing the loan, especially if the borrower is unable to raise funds to complete construction from other sources; a borrower claim against the Funds for failure to perform under the loan documents; increased costs to the borrower that the borrower is unable to pay; a bankruptcy filing by the borrower; and abandonment by the borrower of the collateral for the loan. As described below, the process of foreclosing on a property is time-consuming, and the Funds may incur significant expense if they foreclose on a property securing a loan under these or other circumstances.

Risks of cost overruns and non-completion of the construction or renovation of the properties underlying loans the Funds originate or acquire could materially and adversely affect them

The renovation, refurbishment or expansion by a borrower of a mortgaged property involves risks of cost overruns and non-completion. Costs of construction or renovation to bring a property up to standards established for the market intended for that property may exceed original estimates, possibly making a project uneconomical. Other risks may include: environmental risks, permitting risks, other construction risks and subsequent leasing of the property not being completed on schedule or at projected rental rates. If such construction or renovation is not completed in a timely manner, or if it costs more than expected, the borrower may experience a prolonged impairment of net operating income and may not be able to make payments of interest or principal to the Funds, which could materially and adversely affect the Funds.

Any investments the Funds make in CMBS, CLOs, collateralized debt obligations, or CDOs, and other similar structured finance investments would pose additional risks

The Funds intend to invest in CMBS, CLOs, CDOs and other similar structured finance investments, which are subordinated classes of securities in a structure of securities secured by a pool of mortgages or loans. Such securities are the first or among the first to bear the loss upon a restructuring or liquidation of the underlying collateral and the last to receive payment of interest and principal. Thus, there is generally only a nominal amount of equity or other debt securities junior to such positions, if any, issued in such structures. The estimated fair values of such subordinated interests tend to be much more sensitive to

adverse economic downturns and underlying borrower developments than more senior securities. A projection of an economic downturn, for example, could cause a decline in the price of lower credit quality CMBS, CLOs or CDOs because the ability of borrowers to make principal and interest payments on the mortgages or loans underlying such securities may be impaired, as has occurred in past economic cycles.

Subordinate interests such as CLOs, CDOs and similar structured finance investments generally are not actively traded and are relatively illiquid investments and volatility in CLO and CDO trading markets may cause the value of these investments to decline. In addition, if the underlying mortgage portfolio has been overvalued by the originator, or if the values subsequently decline and, as a result, less collateral value is available to satisfy interest and principal payments and any other fees in connection with the trust or other conduit arrangement for such securities, the Funds may incur significant losses.

With respect to the CMBS, CLOs and CDOs in which the Funds intend to invest, control over the related underlying loans will be exercised through a special servicer or collateral manager designated by a “directing certificateholder” or a “controlling class representative,” or otherwise pursuant to the related securitization documents. The Funds may acquire classes of CMBS, CLOs or CDOs, for which it may not have the right to appoint the directing certificateholder or otherwise direct the special servicing or collateral management. With respect to the management and servicing of those loans, the related special servicer or collateral manager may take actions that could materially and adversely affect the Funds’ interests.

The Funds originate or acquire interim loans, which will expose it to an increased risk of loss

The Funds originate or acquire interim loans secured by first lien mortgages on commercial real estate that provide interim financing to borrowers seeking short-term capital for the acquisition or transition (e.g., lease up and/or rehabilitation) of commercial real estate generally having a maturity of three years or less. Such a borrower under an interim loan has usually identified a transitional asset that has been under-managed and/or is located in a recovering market. If the market in which the asset is located fails to recover according to the borrower’s projections, or if the borrower fails to improve the quality of the asset’s management and/or the value of the asset, the borrower may not receive a sufficient return on the asset to satisfy the interim loan, and the Funds will bear the risk that they may not recover some or all of their initial expenditure.

In addition, borrowers usually use the proceeds of a long-term mortgage loan to repay an interim loan. The Funds may therefore be dependent on a borrower’s ability to obtain permanent financing to repay an interim loan, which could depend on market conditions and other factors. Interim loans are also subject to risks of borrower defaults, bankruptcies, fraud, losses and special hazard losses that are not covered by standard hazard insurance. In the event of any default under interim loans held by the Funds, they will bear the risk of loss of principal and non-payment of interest and fees to the extent of any deficiency between the value of the mortgage collateral and the principal amount and unpaid interest of the interim loan.

The Funds may finance first mortgage loans, which may present greater risks than if they had made first mortgages directly to owners of real estate collateral

The Funds' portfolio may include first mortgage loan financings, which are loans made to holders of mortgage loans that are secured by commercial real estate. While the Funds will have certain rights with respect to the real estate collateral underlying a first mortgage loan, the holder of the commercial real estate first mortgage loans may fail to exercise its rights with respect to a default or other adverse action relating to the underlying real estate collateral or fail to promptly notify the Funds of such an event, which would adversely affect the Funds' ability to enforce their rights. In addition, in the event of the bankruptcy of the borrower under the first mortgage loan, the Funds may not have full recourse to the assets of the holder of the commercial real estate loan, or the assets of the holder of the commercial real estate loan may not be sufficient to satisfy the Funds' first mortgage loan financing. Accordingly, the Funds may face greater risks from their first mortgage loan financings than if they had made first mortgage loans directly to owners of real estate collateral.

Investments in non-conforming and non-investment grade rated investments involve an increased risk of default and loss

The Funds' investments may not conform to conventional loan standards applied by traditional lenders. In addition, certain of the investments in the Funds' portfolio upon the completion of their offering are not, and the Funds' future investments may not be, rated as investment grade by the rating agencies (including investments not rated at all as is often the case for private loans). As a result, these investments should be expected to have an increased risk of default and loss than investment-grade rated assets. Any loss the Funds incur may be significant and may materially and adversely affect the Funds. The Funds' investment guidelines do not limit the percentage of unrated or non-investment grade rated assets the Funds may hold in their portfolio.

Any credit ratings assigned to the Funds' investments will be subject to ongoing evaluations and revisions and the Funds cannot assure that those ratings will not be downgraded

Some of the Funds' investments are or may be rated by rating agencies such as Moody's Investors Service, Inc., Fitch Ratings, Inc., Standard & Poor's Ratings Services, Morningstar, Inc., DBRS Limited, Morningstar Credit Ratings, LLC or Kroll, Inc. Any credit ratings on the Funds' investments are subject to ongoing evaluation by credit rating agencies, and the Funds cannot assure investors that any such ratings will not be downgraded or withdrawn by a rating agency in the future if, in its judgment, circumstances warrant. If rating agencies assign a lower-than-expected rating or reduce or withdraw, or indicate that they may reduce or withdraw, their ratings of the Funds' investments in the future, the value and liquidity of the Funds' investments could significantly decline, which would adversely affect the value of the Funds' investment portfolio and could result in losses upon disposition or the failure of borrowers to satisfy their debt service obligations to the Funds.

The Funds may invest in derivative instruments, which would subject them to increased risk of loss

Subject to maintaining the REIT's qualification as a real estate investment trust, the Funds may invest in derivative instruments. Derivative instruments, especially when purchased in large amounts, may not be liquid in all circumstances, so that in volatile markets the Funds may not be able to close out a position without incurring a loss. The prices of derivative instruments, including swaps, futures, forwards and options, are highly volatile and such instruments may subject the Funds to significant losses. The value of such derivatives also depends upon the price of the underlying instrument or commodity. Such derivatives and other customized instruments also are subject to the risk of non-performance by the relevant counterparty. In addition, actual or implied daily limits on price fluctuations and speculative position limits on the exchanges or over-the-counter markets in which the Funds may conduct their transactions in derivative instruments may prevent prompt liquidation of positions, subjecting the Funds to the potential of greater losses. Derivative instruments that may be purchased or sold by the Funds may include instruments not traded on an exchange. The risk of non-performance by the obligor on such an instrument may be greater and the ease with which the Funds can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange-traded instrument. In addition, significant disparities may exist between "bid" and "asked" prices for derivative instruments that are traded over-the-counter and not on an exchange. Such over-the-counter derivatives are also typically not subject to the same type of investor protections or governmental regulation as exchange-traded instruments.

In addition, the Funds may invest in derivative instruments that are neither presently contemplated nor currently available, but which may be developed in the future, to the extent such opportunities are both consistent with their investment objectives and legally permissible. Any such investments may expose the Funds to unique and presently indeterminate risks, the impact of which may not be capable of determination until such instruments are developed and/or the Funds determine to make such an investment.

Any distressed investments the Funds make, or investments that later become non-performing, may subject the Funds to losses and other risks relating to bankruptcy proceedings, which could materially and adversely affect the Funds

While the Funds currently focus primarily on performing investments, they may also make distressed investments (e.g., investments in defaulted, out-of-favor or distressed bank loans and debt securities) or certain of their investments may become non-performing following the Funds' acquisition thereof. Certain of the Funds' investments may include properties that typically are highly leveraged, with significant burdens on cash flow and, therefore, involve a high degree of financial risk. During an economic downturn or recession, loans or securities of financially or operationally troubled borrowers or issuers are more likely to go into default than loans or securities of other borrowers or issuers. Loans or securities of financially or operationally troubled issuers are less liquid and more volatile than loans or securities of borrowers or issuers not experiencing such difficulties. The market prices of such securities are subject to erratic and abrupt market movements

and the spread between bid and asked prices may be greater than normally expected. Investment in the loans or securities of financially or operationally troubled borrowers or issuers involves a high degree of credit and market risk.

In certain limited cases (e.g., in connection with a workout, restructuring or foreclosure proceeding involving one or more of the Funds' investments), the success of the Funds' investment strategies with respect thereto will depend, in part, on the Funds' ability to effectuate loan modifications and/or restructure and improve the operations of the Funds' borrowers. The activity of identifying and implementing successful restructuring programs and operating improvements entails a high degree of uncertainty. There can be no assurance that the Funds will be able to identify and implement successful restructuring programs and improvements with respect to any distressed investments they may have from time to time.

These financial difficulties may never be overcome and may cause borrowers to become subject to bankruptcy or other similar administrative proceedings. There is a possibility that the Funds may incur substantial or total losses on their investments and, in certain circumstances, become subject to certain additional potential liabilities that may exceed the value of the Funds' original investment therein. For example, under certain circumstances, a lender that has inappropriately exercised control over the management and policies of a debtor may have its claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In any reorganization or liquidation proceeding relating to the Funds' investments, the Funds may lose their entire investment, may be required to accept cash or securities with a value less than the Funds' original investment and/or may be required to accept different terms, including payment over an extended period of time. In addition, under certain circumstances, payments to the Funds may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment, or similar transaction under applicable bankruptcy and insolvency laws. Furthermore, bankruptcy laws and similar laws applicable to administrative proceedings may delay the Funds' ability to realize on collateral for loan positions held by it, may adversely affect the economic terms and priority of such loans through doctrines such as equitable subordination or may result in a restructuring of the debt through principles such as the "cramdown" provisions of the bankruptcy laws. Any of the foregoing results could materially and adversely affect the Funds.

The Funds may need to foreclose on certain of the loans they originate or acquire, which could result in losses that materially and adversely affect the Funds

The Funds may find it necessary or desirable to foreclose on certain of the loans they originate or acquire, and the foreclosure process may be lengthy and expensive. Whether or not the Funds have participated in the negotiation of the terms of any such loans, they cannot assure investors as to the adequacy of the protection of the terms of the applicable loan, including the validity or enforceability of the loan and the maintenance of the anticipated priority and perfection of the applicable security interests. Furthermore, claims may be asserted by lenders or borrowers that might interfere with enforcement of the

Funds' rights. Borrowers may resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the Funds, including, without limitation, lender liability claims and defenses, even when the assertions may have no basis in fact, in an effort to prolong the foreclosure action and seek to force the lender into a modification of the loan or a favorable buy-out of the borrower's position in the loan. In some states, foreclosure actions can take several years or more to litigate. At any time prior to or during the foreclosure proceedings, the borrower may file for bankruptcy, which would have the effect of staying the foreclosure actions and further delaying the foreclosure process and potentially resulting in a reduction or discharge of a borrower's debt. Foreclosure may create a negative public perception of the related property, resulting in a diminution of its value. Even if the Funds are successful in foreclosing on a loan, the liquidation proceeds upon sale of the underlying real estate may not be sufficient to recover the Funds' cost basis in the loan, resulting in a loss to the Funds. Furthermore, any costs or delays involved in the foreclosure of the loan or a liquidation of the underlying property will further reduce the net proceeds and, thus, increase the loss. The incurrence of any such losses could materially and adversely affect the Funds.

The Funds may experience a decline in the fair value of investments they may make in securities and loans, which could materially and adversely affect the Funds

A decline in the fair value of investments the Funds may make in securities, such as CMBS, may require the Funds to recognize an "other-than-temporary" impairment against such assets under GAAP if the Funds were to determine that, with respect to any assets in unrealized loss positions, they do not have the ability and intent to hold such assets to maturity or for a period of time sufficient to allow for recovery to the original acquisition cost of such assets. If such a determination were to be made, the Funds would recognize unrealized losses through earnings and write down the amortized cost of such assets to a new cost basis, based on the fair value of such assets on the date they are considered to be other-than-temporarily impaired. Such impairment charges reflect non-cash losses at the time of recognition. The subsequent disposition or sale of such assets could further affect the Funds' future losses or gains, as they are based on the difference between the sale price received and adjusted amortized cost of such assets at the time of sale. If the Funds experience a decline in the fair value of their investments, it could materially and adversely affect the Funds.

Insurance proceeds on a property may not cover all losses, which could result in the corresponding non-performance of or loss on the Funds' investment related to such property

There are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, terrorism or acts of war, which may be uninsurable or not economically insurable. Inflation, changes in building codes and ordinances, environmental considerations and other factors, including terrorism or acts of war, also might result in insurance proceeds that are insufficient to repair or replace a property if it is damaged or destroyed. Under these circumstances, the insurance proceeds received with respect to a property relating to one of the Funds' investments might not be adequate to restore the Funds' economic position with respect to their investment. Any uninsured loss could result

in the corresponding non-performance of or loss on the Funds' investment related to such property.

Liability relating to environmental matters may impact the value of properties that the Funds may acquire upon foreclosure of the properties underlying the Funds' investments

To the extent the Funds foreclose on properties underlying their investments, the Funds may be subject to environmental liabilities arising from such foreclosed properties. Under various U.S. federal, state and local laws, an owner or operator of real property may become liable for the costs of removal of certain hazardous substances released on its property. These laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the release of such hazardous substances. If the Funds foreclose on any properties underlying their investments, the presence of hazardous substances on a property may adversely affect the Funds' ability to sell the property and the Funds may incur substantial remediation costs. As a result, the discovery of material environmental liabilities attached to such properties could materially and adversely affect the Funds.

The Funds may be subject to lender liability claims, and if the Funds are held liable under such claims, they could be subject to losses

In recent years, a number of judicial decisions have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories, collectively termed "lender liability." Generally, lender liability is founded on the premise that a lender has either violated a duty, whether implied or contractual, of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower or its other creditors or stockholders. The Funds cannot assure prospective investors that such claims will not arise or that they will not be subject to significant liability and losses if a claim of this type were to arise.

The Funds' use of leverage may create a mismatch with the duration and index of the investments that the Funds are financing

The Funds generally structure their leverage such that they minimize the difference between the term of their investments and the leverage they use to finance such an investment. In the event that the Funds' leverage is for a shorter term than the financed investment, they may not be able to extend or find appropriate replacement leverage and that would have an adverse impact on the Funds' liquidity and its returns. In the event that the Funds' leverage is for a longer term than the financed investment, they may not be able to repay such leverage or replace the financed investment with an optimal substitute or at all, which would negatively impact the Funds' desired leveraged returns.

The Funds attempt to structure their leverage such that they minimizes the difference between the index of their investments and the index of their leverage (i.e., financing floating rate investments with floating rate leverage and fixed rate investments with fixed rate leverage). If such a product is not available to the Funds from their lenders on reasonable terms, the Funds may use hedging instruments to effectively create such a

match. For example, in the case of future fixed rate investments, the Funds may finance such an investment with floating rate leverage, but effectively convert all or a portion of the attendant leverage to fixed rate using hedging strategies.

The Funds' attempts to mitigate such risk are subject to factors outside their control, such as the availability to them of favorable financing and hedging options, which is subject to a variety of factors, of which duration and term matching are only two. The risks of a duration mismatch are magnified by the potential for the extension of loans in order to maximize the likelihood and magnitude of their recovery value in the event the loans experience credit or performance challenges. Employment of this asset management practice would effectively extend the duration of the Funds' investments, while the Funds' liabilities have set maturity dates.

Qualifying as a real estate investment trust involves highly technical and complex provisions of the Internal Revenue Code

Qualification as a real estate investment trust involves the application of highly technical and complex provisions of the Internal Revenue Code for which only limited judicial and administrative authorities exist. Even a technical or inadvertent violation could jeopardize the REIT's real estate investment trust qualification. The REIT's qualification as a real estate investment trust depends on its satisfaction of certain asset, income, organizational, distribution, stockholder ownership and other requirements on a continuing basis. In addition, the REIT's ability to satisfy the requirements to qualify as a real estate investment trust depends in part on the actions of third parties over which it has no control or only limited influence, including in cases where the REIT owns an equity interest in an entity that is classified as a partnership for U.S. federal income tax purposes.

Risks associated with Multifamily Residential Real Estate

The performance of multifamily residential investments is subject to many of the risks associated with owning and operating other types of real estate. In addition, competition in the residential real estate marketplace is strong. There are numerous housing alternatives that compete with multifamily properties in attracting residents. These include other multifamily condominium and rental apartments, and single-family homes that are available for purchase or rent in the relevant market. A large number of factors may adversely affect the value and successful operation of a multifamily property, including, as applicable: physical attributes of the apartment building, such as its age, condition, design, appearance, access to transportation, and construction quality; location of the property, for example, a change in the neighborhoods over time; the use of inferior quality materials such as polybutylene piping, aluminum wiring and pulp wood siding; location and access to points of interest (e.g., public transportation, places of work, shopping, dining and entertainment facilities) and any changes in these factors over time (for example, changes in neighborhoods linked to road closures, the construction of new power lines and changes in zoning or drawing of districts); the ability of management to provide adequate maintenance and insurance; the types of services or amenities that the property provides; the property's reputation, including as it may be affected by factors

outside of the Funds' direct or exclusive control (e.g., poor customer service at the property management level, low social media impact or even criminal activity); the level of mortgage interest rates, which may encourage tenants to purchase rather than lease housing; changes in government support for multifamily housing (e.g., changes to the condition of Fannie Mae or Freddie Mac), including the potential for a decrease in liquidity made available to the multifamily sector or adverse effects on loan availability, capital availability, interest rates and the value of multifamily assets; presence of competing properties; the tenant mix, such as the tenant population being predominantly students or being heavily dependent on workers from a particular business or personnel from a local military base; governmental programs that provide assistance or rent subsidies to tenants pursuant to tenant voucher programs, which vouchers may be used at other properties and influence tenant mobility; adverse local or national economic conditions, which may limit the amount of rent that may be charged and may result in a reduction of timely rent payments or a reduction in occupancy levels; federal, state, and local regulations, which may affect the building owner's ability to increase rent (such as rent control laws), to market rent for an equivalent property or evict delinquent tenants; and regulations requiring substantial capital investments (e.g., fire safety systems or increased accessibility mandates). If the demand for multifamily properties is reduced, or if competitors develop and/or acquire competing properties on a more cost-effective basis, then the occupancy of a Fund's residential properties, the rent received (including by virtue of a Fund's ability – or lack thereof – to avoid making rent concessions) and income generated from a Fund's investments and the underlying value of such investments may be adversely affected.

To the extent a Fund forecloses on age-restricted multifamily housing properties, a Fund will face competition from numerous operators in similar industries, some of which will have greater cash reserves, ability to borrow funds and/or more experience in the space. Additionally, such properties are at greater risk for civil lawsuits alleging negligent care and/or breach of duty due to the oversight and care services often expected to be provided. Such lawsuits can be costly to defend and may negatively impact the reputation of a property, which, in turn, can have a negative impact on occupancy and operations.

In addition, certain jurisdictions regulate the relationship of an owner and its tenants. Commonly, these laws require a written lease, good cause for eviction, disclosure of fees, and notification to residents of changed land use, while prohibiting unreasonable rules, retaliatory evictions, and restrictions on a resident's choice of unit vendors. Apartment building owners have been the subject of lawsuits under various "Landlord and Tenant Acts" and other general consumer protection statutes for coercive, abusive, or unconscionable leasing and sales practices. A few jurisdictions may offer more significant protection. For example, there may be provisions that limit the bases on which a landlord may terminate a tenancy or increase its rent or prohibit a landlord from terminating a tenancy solely by reason of the sale of the owner's building. In addition to state regulation of the landlord-tenant relationship, numerous towns and municipalities impose rent control on apartment buildings. These ordinances may limit rent increases to fixed percentages, to percentages of increases in the consumer price index, to increases set or approved by a governmental agency, or to increases determined through mediation or binding arbitration.

Risks associated with Hotels

The performance of the hotel industry has historically been closely linked to the performance of the general economy and, specifically, growth in U.S. gross domestic product ("GDP"). It is also sensitive to business and personal discretionary spending levels. Declines in corporate travel budgets and consumer demand due to adverse general economic conditions, such as declines in GDP, risks affecting or reducing travel patterns, such as airlift decisions by airlines, lower consumer confidence, changes in consumer travel destination preferences and adverse political conditions can lower the revenues and profitability of hotel properties and, therefore, net operating profits. In addition, the hotel industry is highly competitive. Investments in hotels involve a high degree of risk because hotels are (i) both management-intensive and labor-intensive and (ii) especially subject to general economic and social conditions and trends. Also, hotels may be exposed to more liability than other investments for claims relating to property loss, labor difficulties, supplier problems and personal injuries. To meet competition in the hotel industry and to maintain economic values, continuing expenditures must be made to modernize, refurbish, and maintain hotel facilities prior to the end of their useful lives. These expenditures are likely to be significant and may be necessary or desirable regardless of occupancy levels or profitability of hotels.

A Fund will require significant capital to renovate, rehabilitate, operate, and make periodic capital improvements at hotel properties. To the extent required funding is not available from cash, a Fund will need to obtain new or additional financing on satisfactory terms, which will depend on capital market conditions. There can be no assurance that a Fund will be able to obtain the required financing for its hotel properties on favorable terms or at all.

Risks associated with Industrial Properties

The Funds may foreclose on commercial or industrial properties, including special use single-tenant properties. With these properties, if the current lease is terminated or not renewed, the Funds may be required to renovate the property or to make rent concessions in order to lease the property to another tenant or sell the property. In addition, a Fund may have difficulty selling the property to a party other than the tenant due to the special purpose for which the property may have been designed. These and other limitations may affect a Fund's ability to sell or re-lease industrial properties and may adversely affect returns to investors.

Properties historically used for industrial, manufacturing and commercial purposes are more likely to contain, or may have contained, underground storage tanks for the storage of petroleum products and other hazardous or toxic substances. Owning industrial properties that conduct industrial, manufacturing and commercial activities will cause the Funds to be subject to increased risk of liabilities under environmental laws and regulations. The presence of hazardous or toxic substances, or the failure to properly remediate these substances, may adversely affect the Funds' ability to sell or rent an industrial property.

Risks Associated with Retail Properties

The performance of investments that are retail properties is subject to many of the risks associated with owning and operating other types of real estate. However, retail properties may be subject to certain additional risks. For example, in many cases, the tenants of retail properties may negotiate leases containing certain exclusive rights to sell particular types of merchandise or services within a particular retail center. When leasing other space after vacancy by another tenant, these provisions may limit the number and types of prospective tenants for the vacant space. Further, the termination of the lease of an anchor tenant could provide other tenants with the rights to modify or terminate their leases. The failure to lease or re-lease on satisfactory terms could harm the operating results of the Funds.

Risks Associated With Office Properties

The Funds may foreclose on commercial office buildings, which may be subject to certain additional risks not associated with other types of real estate. As with retail properties, the investment in office properties is subject to the risk that tenants may be unable to make their lease payments or may decline to extend a lease upon its expiration. A termination of the lease of an anchor tenant could provide other tenants with the right to modify or terminate their lease. Any such modifications or conditions would be unfavorable to the Funds and would decrease rents or expense recoveries. In the event of default by any tenant, the Funds may experience delays and costs in enforcing their rights as landlord to recover amounts due to the Funds under the terms of their agreements with those parties.

Environmental Risks of Real Estate

Under various federal, state and local environmental laws, ordinances and regulations, a current or previous owner or operator of real estate (which may include a lender in some instances) may be required to investigate and clean up any hazardous or toxic substances or petroleum product releases at such property and may be liable to a governmental entity or to third parties for property damage and for investigation and cleanup costs incurred by such parties in connection with contamination. These laws typically impose clean up responsibility and liability without regard to whether the owner knew of or caused the presence of the contaminants, and the liability under such laws has been interpreted to be joint and several unless the harm is divisible and there is a reasonable basis for allocation of responsibility. The cost of investigation, remediation or removal of such substances may be substantial, and the presence of such substances or the failure to properly remedy the contamination on such property may adversely affect the owner's ability to sell or rent such property or to borrow using such property as collateral. Persons, including third-party lenders which have directed or had an active involvement in the environmental compliance activities or the day-to-day management of a borrower's facilities or which have taken possession of or title to such borrower's collateral, who arrange for the disposal or treatment of hazardous or toxic substances or petroleum products at a disposal or treatment facility may also be liable for the costs of removal or remediation of a release of hazardous or toxic substances or petroleum products at such disposal or treatment facility,

whether or not the facility is owned or operated by such person. In addition, some environmental laws create a lien on the contaminated site in favor of the government for damages and costs it incurs in connection with contamination. The owner of a site may also be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from a site. Certain federal, state, and local laws, regulations and ordinances govern the removal, encapsulation or disturbance of asbestos-containing materials (“ACMs”) when such materials are in poor condition or in the event of construction, remodeling, renovation, or demolition of a building. These laws may impose liability for release of ACMs and may provide for third parties to seek recovery from owners or operators of real property for personal injury associated with ACMs.

In connection with its direct or indirect ownership and operation of real estate, the Funds may incur liability for such environmental costs. And in connection with a Fund’s debt investments, a Fund, to the extent it has an active involvement in the environmental compliance activities of a borrower’s facilities or takes possession of a borrower’s collateral, may incur liability for environmental costs. Also in connection with a Fund’s debt investments, the ability of the owner to make payments to the Fund may be reduced, which in turn may also adversely affect the value of the relevant asset held by the Fund. Additionally, changes in environmental laws or in the environmental condition of an asset may create liabilities that did not exist at the time of acquisition and that could not have been foreseen.

Non-Circumvent and Non-Disclosure Agreements

By reason of their responsibilities in connection with potential investments for the Funds, the Advisor, the investment professionals and certain of their officers, directors, employees, agents and affiliates may enter into non-circumvent and/or non-disclosure agreements with intermediaries, restricting their ability to disclose information and/or pursue the investment through a different intermediary. Due to these restrictions, the Funds may not be able to initiate a transaction that they might otherwise have initiated and may not be able to dispose of an investment that they otherwise might have disposed.

Disaster Recovery

Upon the occurrence of a catastrophic event, such as a data breach, natural disaster or other similar event that threatens LoanCore Manager’s or the Advisor’s operations, the Advisor has only limited disaster recovery plans for its operations for such events. There is no assurance that any disaster recovery plans will be in place at the time of such event or that such disaster recovery plans will be effective at the time of such event, which could result in significant losses for the Funds.

Market Disruption, Health Crises, Terrorism and Geopolitical Risk

A Fund is subject to the risk that war, terrorism, global health crises or similar pandemics, and other related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on world economies and markets generally, as well as

adverse effects on issuers of securities and the value of a Fund's investments. War, terrorism and related geopolitical events, as well as global health crises and similar pandemics have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Those events as well as other changes in world economic, political and health conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of a Fund's investments. At such times, a Fund's exposure to a number of other risks described elsewhere in this section can increase.

Cybersecurity Risk

The Advisor's and the Funds' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds and their investors, despite the efforts of the Advisor and the Funds' service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the security, confidentiality, integrity and availability of information belonging to the Funds and their investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, encrypt or otherwise prevent access to these systems of the Advisor, the Funds' service providers and counterparties, as well as the data stored by these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Advisor's systems to disclose sensitive information in order to gain access to the Advisor's data or that of the Funds' investors. A successful penetration or circumvention of the security of the Advisor's systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Funds, the Advisor or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. In addition, the Advisor may incur substantial costs related to investigation of the origin and scope of a cybersecurity incident, increasing and upgrading cybersecurity protections including its administrative, technical, organizational and physical controls, acts of identity theft, unauthorized use or loss of proprietary information, adverse investor reaction, increased insurance premiums or difficulties obtaining insurance coverage or litigation, regulatory actions or other legal risks.

Similar types of operational and technology risks are also present for the companies in which the Funds invests, which could have material adverse consequences for such companies, and may cause the Funds' investments to lose value.

New Technologies; Artificial Intelligence

The Funds may be exposed to competitive risks related to the adoption and application of new technologies, including artificial intelligence, by established market participants, new entrants and others. Artificial intelligence is a new and developing technology and the scope of its potential uses and impact on the Funds are difficult to predict. Market participants may, for example, seek to utilize artificial intelligence to identify investment opportunities, conduct due diligence on potential investments and borrowers, perform market research and monitor and maintain existing investments. LoanCore Manager and the Advisor may not be successful in anticipating or responding to these developments on a timely and/or cost-effective basis.

There is no guarantee whether LoanCore Manager, the Advisor or any third party engaged by the Funds will use artificial intelligence technology in connection with the Funds' operations and activities. The use of artificial intelligence is subject to legal and regulatory risks, including privacy and data protection laws and intellectual property rights, which would increase the exposure of the Funds to potential liabilities and to legal, compliance and other related costs if utilized in connection with the Funds. Artificial intelligence technology is complex, and its accuracy and effectiveness depend, in part, on the quality and reliability of the data that is inputted into the algorithm. Errors or inaccuracies in the data, or the failure to properly train or program the algorithm, could generate false or inaccurate results, which could have a material adverse effect on the Funds.

Possibility of Fraud and Other Misconduct of Employees and Service Providers

Misconduct by (i) employees of the Advisor, DivCore (as defined herein) or their respective affiliates, (ii) directors, officers, or employees of the Funds' investments and (iii) service providers to the foregoing and/or their respective affiliates could undermine the due diligence efforts of the Funds and/or LoanCore Manager and cause significant losses to such Funds. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by such Funds, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of such Funds and noncompliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption, market, or industry segment volatility and/or financial losses to such Funds. The Advisor has controls and procedures through which they seek to minimize the risk of such misconduct occurring. However, no assurances can be given that the Advisor will be able to identify or prevent such misconduct.

Pandemic Outbreak Risks

The global outbreak of the 2019 novel coronavirus ("**COVID-19**"), together with resulting voluntary and U.S. federal and state and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel

and quarantines, has meaningfully disrupted the global economy and markets. COVID-19 and other potential pandemics are expected to continue to have ongoing material adverse effects across many, if not all, aspects of the regional, national and global economy. The full effects, duration and costs of a pandemic are impossible to predict, and the circumstances surrounding a pandemic will continue to evolve.

Banking Counterparty Risk

The Advisor relies upon third-party banks or other custodians to hold and safeguard the Funds' assets and provide credit facilities that may be used to pay fund expenses and purchase new investments. While the Advisor carefully selects and monitors its custodians, there is no guarantee that such custodians will not experience financial difficulties or otherwise fail, which could prevent the Advisor from accessing the Funds' funds, securities, or credit facilities. The Advisor could be required to call investor capital to pay expenses or purchase investments that otherwise would have been financed through a credit facility, or the Advisor could be prevented from making timely distributions of investor capital in the event a banking counterparty is shut down by regulators. These events could negatively impact a Fund's performance or result in substantial delays in the return of capital to investors.

Recently Adopted Rules

On August 23, 2023, the SEC adopted a number of new rules and amendments to existing rules under the Advisers Act (the "Private Fund Adviser Rules") including new requirements related to quarterly statements, financial statement audits, adviser led secondaries, restricted activities and the preferential treatment of certain investors.

While the full impact of the Private Fund Adviser Rules cannot yet be determined, it is generally anticipated that these rules will have a significant effect on private fund advisers and their operations, including by increasing regulatory and compliance costs and burdens and heightening the risk of regulatory inquiries and actions (including public regulatory sanctions). Funds are expected to bear certain regulatory and compliance costs relating to the Private Fund Adviser Rules, which could include (without limitation) fees, costs and expenses incurred in connection with preparing and distributing to investors the quarterly statements required by the rules, soliciting and obtaining from investors any consents required by the rules, providing investors with any notices or disclosures required by the rules and obtaining and distributing to investors fairness or valuation opinions in connection with adviser-led secondary transactions (including fees paid to third parties engaged by the Advisor or the Funds to perform or assist with such actions or processes), which fees, costs and expenses could be expected to be material. Additionally, the Advisor will be required to circulate to all investors the material terms of any preferential treatment agreed in connection with investments in the Funds (i.e., all side letter terms), without regard to any most favored nation provision.

This may ultimately impact the Advisor's decisions with respect to agreeing to certain preferential rights. The Private Fund Adviser Rules include certain audit requirements,

which may require the Advisor to select a different auditor or obtain an additional audit, even if the Advisor does not believe it is in the best interest of the Funds or their investors to do so. Further, many provisions of the Private Funds Rules require the Advisor to make a variety of subjective determinations as to whether and how such rules apply to the Funds and the Advisor's related obligations.

The Advisor will face conflicts of interest in making such determinations, including for example with respect to whether certain fees and expenses may be charged to the Funds, whether certain provisions may have a material negative impact on certain investors and whether certain allocations are fair and equitable.

Item 9 – Disciplinary Information

Neither the Advisor nor its management persons have been involved in any legal or disciplinary events that are material to an investor's evaluation of the Advisor's advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

The Advisor has a number of material relationships with its affiliates and other industry participants, and various potential and actual conflicts of interest may arise from the investment activities of the Advisor and those persons. The following briefly summarizes those relationships and the material conflicts associated with those relationships, but is not intended to be an exclusive list of all such conflicts.

The Advisor is an indirect subsidiary of DivCore Capital, LLC, a Delaware limited liability company ("**DivCore**") which was formed by Stuart Shiff, Robert Mashaal and Mark Finerman in 2012 to integrate two real estate platforms: the Advisor and Divco West Real Estate Services, LLC, a Delaware limited liability company (together with its affiliates, "**DivcoWest**"). DivCore, through the Advisor and DivcoWest, provides real estate investment management services (including sourcing, evaluating, underwriting, originating, acquiring, developing, disposing, managing and servicing real estate investments) to other commingled funds, separate accounts and investment vehicles (collectively, "**DivCore Vehicles**").

LoanCore Capital Markets LLC ("**LCM**"), a real estate debt management company, is owned indirectly by a principal of the Advisor through a joint venture arrangement. LCM may, in certain circumstances and subject to any conditions set forth in the Fund Documents of the Funds, provide real estate financing through an affiliated company to underlying borrowers from investments by the Funds.

LoanCore Senior CRE Securities Fund, LP ("**LSF**"), a Delaware limited partnership and subsidiary of DivCore, is a real estate debt investment vehicle that was formed in 2023 for the purpose of using proprietary management company funds to invest in securities secured by or related to commercial real estate mortgage loans. LSF is not a client of the

Advisor, however its total assets are included in the regulatory assets under management of the Advisor.

The Funds' officers and the officers and other personnel of the Advisor, serve as officers, directors, members or partners of the Advisor and its affiliates, including, without limitation, LCM and LSF. Accordingly, the ability of the Advisor and its officers and other personnel, including the Funds' chairman and executive officers, to engage in other business activities may reduce the time they spend managing the Funds' business. In addition, officers and other personnel of the Advisor will have obligations to LCM, LSF and their respective investors and owners, the fulfillment of which might not be in the best interests of the Funds or their investors. Finally, it is expected that employees of the Advisor responsible for managing the Funds will, in the future, have responsibilities with respect to funds raised in the future or to proprietary investments made by the Advisor and/or its principals of the type made by the Funds. Conflicts of interest arise in allocating time, services or functions of these officers and employees.

Mr. Finerman has an employment agreement with LCM, the terms of which require Mr. Finerman to devote substantially all of his business time collectively to the management of LCM and LoanCore Capital's asset management business, including any business conducted by the Funds, provided that he devotes sufficient business time reasonably necessary to implement LCM's annual business plan. The Fund Documents also contain commitment requirements for Mr. Finerman (in terms of his time commitment to the Funds and LCM).

Officers, principals, employees and other related persons of the Advisor, LoanCore Capital and their affiliates may make capital investments in or alongside certain Funds and/or LCM and therefore have additional conflicting interests in connection with these investments.

The Advisor currently does not have more than one client¹. However, as noted above in this Item 10, personnel of the Advisor participate in the LCM joint venture and the LSF investment vehicle. At this time, LCM is the only other investment vehicle with which the Advisor or its personnel is actively involved (besides the Funds) that is currently seeking new investments (excluding follow-on investments). To the extent LCM seeks to acquire the Funds' target assets, the number and scope of investment opportunities otherwise available to the Funds may be adversely affected.

Moreover, the portfolio strategies employed by the Advisor and/or its affiliates in managing LCM could conflict with the strategies employed by the Advisor in managing the Funds' business and may adversely affect the marketability, exit strategy, prices and availability of the commercial mortgage loans and other commercial real estate-related assets that the Funds originate or acquire. Conversely, participation in specific investment opportunities may be appropriate, at times, for both the Funds and LCM. In addition, LCM may provide compensation (including performed-based compensation) to the Advisor or its affiliates that is different from or in excess of compensation the Advisor is entitled to

¹ Because the Feeder Fund invests solely through the REIT, the Feeder Fund and the REIT are referenced as "one client" for purposes of this Item 10.

receive from the Funds, which may provide an incentive for the Advisor or its affiliates to allocate certain investments to LCM. However, under the Fund Documents, subject to certain exclusions, including in respect of any opportunity presented to or for LCM or its subsidiaries, where consistent with the Funds' business, during the Feeder Fund's commitment period, LoanCore Manager and Mark Finerman are required to offer all investment opportunities developed or received by it or him to the REIT.

Because LCM's strategy is focused on the securitization and sale of the commercial real estate loans that it originates and is different from the Funds' strategy of holding commercial mortgage loans and other commercial real estate-related assets for long-term investment, the Advisor anticipate that LCM will continue to concentrate on loans that are typical for securitization and sale transactions (which the Advisor believes will help to mitigate the potential conflicts of interest set forth directly above as there is unlikely to be overlap in terms of potential investment opportunities).

Further, to address potential conflicts of interest, the Advisor and LoanCore Capital have an investment allocation policy in place that is intended to enable the Funds to share investment opportunities equitably with LCM. In general, subject to requirements in the Fund Documents, allocations of investment opportunities (including purchases and sales) will be made first by determining the client(s) (and, as applicable, LCM) for which a particular investment opportunity is appropriate. As between or among those clients and LCM (as applicable), the Advisor, LoanCore Capital and their affiliates will, as determined in good faith, allocate investments in a fair and reasonable manner; provided that, in all cases, investments will be allocated between or among clients and/or LCM based on the following general criteria that include, but are not limited to: the investment objectives and strategies of such clients and/or LCM; the size of the available investment; the time horizon of an investment; diversification considerations; the investment period, if any, of such clients and/or LCM; cash availability and access to capital; the impact on financial covenants, if any; cash flow expectations; risk profiles; the tax implications of an investment; the nature of the opportunity; market conditions; regulatory considerations; whether a client was recently (e.g., within the prior 6 months) formed and is therefore, still in its "ramp-up" phase; any requirements in the Fund Documents; and/or any other factor the Advisor, LoanCore Capital and their affiliates determine to be relevant and appropriate.

The Advisor, LoanCore Capital and their affiliates will seek to apply the forgoing policies and procedures in a fair and equitable manner, and will not favor or disfavor, consistently or consciously, any client in relation to any other client.

Notwithstanding the foregoing, under no circumstances will the Advisor, LoanCore Capital and their affiliates allocate opportunities based, in whole or in part, on (i) the relative fee structure or amount of fees paid by any client and/or LCM, (ii) the profitability of any client and/or LCM or (iii) any person's interest in offering or participating in co-investment opportunities outside of any client and/or LCM. The Advisor will maintain appropriate documentation in the event of any deviation from the policy described above. There can be no assurance that the application of the factors set forth above will result in

the Funds participating in all investment opportunities that fall within their investment objectives.

As indicated above, LCM may participate in some of the Funds' investments, in certain cases at a more junior or senior level in the capital structure of the underlying borrower and related real estate than the Funds' investment. Participating investments will not be the result of arm's-length negotiations and will involve potential conflicts between the Funds' interests and those of LCM in obtaining favorable terms. In addition, the same Advisor personnel may determine the price and terms for the investments for both the Funds and/or LCM, and there can be no assurance that the consideration the Funds are required to pay for these investments will not exceed their fair market value or that the terms the Funds receive for a particular investment will be as favorable as those available from an independent third party. The Funds' interests in such investments may also conflict with the interests of LCM in the event of a default or restructuring of the investment.

As stated in Item 8, certain of the Funds' investments have been, and may in the future be, acquired from LCM. The Fund Documents permit the REIT to acquire certain investments on terms the Board determines unanimously to be commercially reasonable.

To the extent the Funds co-invest or otherwise participate in an investment with LCM, (1) any joint expenses will generally be allocated to the participating entities *pro rata* (based on capital committed to the investment) (unless otherwise agreed by the participating entities) and (2) the Funds will not be responsible for any fees payable to the Advisor and/or its affiliates other than to the Advisor as set forth in the Fund Documents. There can be no assurance that any procedural protections will be sufficient to ensure that any of these transactions will be made on terms that will be at least as favorable to the Funds as those that would have been obtained in an arm's-length transaction. In addition, these investments may involve risks that would not otherwise be present in investments where LCM is not involved. Such risks include, among other things, the possibility that LCM may have differing economic or business goals than those of the Fund, or that LCM may be in a position to take actions that are inconsistent with the investment objectives of the Funds. There may also be instances where the Funds will be liable for the actions of LCM. There can be no assurance that the return of a Fund participating in a transaction with LCM would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

The investors in the Funds include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. Such investors often have conflicting investment, tax and other interests with respect to their investments in a Fund. The conflicting interests among the investors generally relate to or arise from, among other things, the nature of investments made by a Fund, the structuring of the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest arise in connection with decisions made by the Advisor or its affiliates, including with respect to the nature or structuring of investments, that are more beneficial for one investor than for another investor, especially with respect to investors' individual tax

situations. In selecting and structuring investments appropriate for a Fund, the Advisor and its affiliates will generally consider the investment and tax objectives of the applicable Fund, not the investment, tax or other objectives of any investor individually.

Furthermore, by virtue of their voting power, the rights of certain investors in the Funds to nominate members to the Board, as well as the respective rights of their Board designee(s) (if all applicable requirements are satisfied) to be member(s) of the Board committees, these investors will have the power to significantly influence the Funds' business and affairs. Further, the Advisor may be incentivized to favor such investors (and their affiliates) in order to benefit itself (to the detriment of the Funds).

The Advisor may enter into certain side letter arrangements with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures, information rights, co-investment rights, liquidity or transfer rights, modification of representations, and indemnification and/or liability and other obligations. Investors will have no recourse against a Fund, the Advisor or their respective affiliates in the event that certain investors receive additional or different rights or terms pursuant to such side letters, some of which rights may impact the rights and/or increase the obligations of other investors.

In addition to the fees the Funds will be required to pay to the Advisor under the REIT Management Agreement, the Advisor, its personnel and/or its affiliates may benefit from other fees paid to it in respect of the Funds' investments. For example, in the event the Funds seek to securitize loans in the future, the Advisor and/or its affiliates may act as collateral manager. The use of those persons in connection with these services raises potential conflicts of interest in that there may be an incentive for the Advisor to favor it, its affiliates and persons in which it or its personnel has an interest over more qualified service providers or to agree to pay fees that are higher than the fees charged for comparable services.

Although the Advisor's code of business conduct and ethics contain a conflicts of interest policy that, subject to the applicable Funds' documentation, prohibits its directors, officers and employees (if any), as well as the Advisor and its affiliates and their employees who provide services to Funds, from engaging in any transaction that is determined by the Advisor to involve an actual conflict of interest with the Funds without the Chief Compliance Officer's approval, the Advisor does not have a policy that expressly prohibits its directors, officers, employees (if any), security holders or affiliates from engaging for their own account in business activities of the types conducted by the Funds. In addition, except as indicated above, the Fund Documents do not prevent the Advisor or its affiliates from engaging in additional management or investment opportunities, some of which could compete with the Funds.

DivcoWest is an SEC-registered investment adviser and a vertically integrated operating company, which, together with its affiliates, provides investment advisory, property management, construction management, development management and leasing services to its clients. Stuart Shiff and the senior professionals of DivcoWest are responsible for the management and operation of DivcoWest.

As a result of the common ownership between DivCore and DivcoWest, Mark Finerman and certain other members of the Advisor's management team have an indirect interest in DivcoWest's business. Therefore, such persons have a conflict of interest with respect to, among other things, (i) any financing provided by the Funds to DivcoWest, a DivcoWest client or its subsidiary or (ii) any engagement of DivcoWest to manage a Fund asset. Any such financing or management engagement will only be entered into to the extent permitted by (and on terms consistent with) the applicable Fund Documents.

The Advisor and DivcoWest each provide investment advice to clients that may have similar or overlapping investment strategies, such that some investment opportunities may be appropriate for clients of both the Advisor and DivcoWest ("**Overlapping Opportunities**"). Once an investment opportunity has been identified as an Overlapping Opportunity (i.e., falls within the investment mandates of both the Advisor and DivcoWest), the allocation of such Overlapping Opportunity will be made by DivCore's allocation committee in accordance with DivCore's allocation policy, consistent with the fiduciary obligations of each of the Advisor and DivcoWest, as well as any relevant governing documents, as applicable, of the relevant DivCore Vehicles.

The Funds from time-to-time borrow funds or enter into other financing arrangements for various reasons, including to pay fund expenses, to pay management fees, to make or facilitate new or follow-on investments (including borrowings pending receipt of capital contributions from investors), to make payments under hedging transactions, and to cover any shortfall resulting from an investor's default or exclusion. If a Fund borrows in lieu of calling capital to fund the acquisition of an investment, the borrowing would be used for all limited partners in such Fund on a pro-rata basis, including LoanCore Manager. In addition, credit facilities for certain Funds are available to provide borrowed funds directly to the portfolio companies of such Funds, in which case such borrowed funds would be guaranteed by such Funds.

To the extent the Fund uses borrowed funds in advance or in lieu of capital contributions, the Fund's investors generally make correspondingly later capital contributions, but the Fund will bear the expense of interest on such borrowed funds. As a result, the Fund's use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and generally make net IRR calculations higher than they otherwise would be without fund-level borrowing as these calculations generally depend on the amount and timing of capital contributions. It is expected that the interest will accrue on any such outstanding borrowings at a lower rate than any preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the relevant Fund. Thus, while the Fund will bear the expense of borrowed funds, such borrowings can also increase the incentive fee received by LoanCore Manager or will result in LoanCore Manager receiving the incentive fee earlier than it would otherwise have by decreasing the amount of distributions from the Fund that are required to be made to Fund investors in satisfaction of any preferred return. LoanCore Manager therefore has a conflict of interest in deciding whether to borrow funds because LoanCore Manager may receive disproportionate benefits from such borrowings.

In addition, the batching of capital calls may amplify the magnitude of potential defaults by investors as a result of there being fewer but larger capital calls. To the extent a subscription facility is due upon demand by a lender (such as upon an event of default or otherwise), such a demand may be issued at an inopportune time at which liquidity is generally constrained, potentially resulting in greater defaults as a result of such liquidity constraints and/or investors facing similar capital calls in multiple funds and being unable to satisfy all such demands simultaneously. Moreover, the existence of a subscription facility may impair an investor's ability to transfer its interest in a Fund as a result of restrictions imposed on such transfers by the lender.

Borrowing by the Fund will generally be secured by capital commitments made by the investors to the Fund and/or by the Fund's assets, and documentation relating to such borrowing may provide that during the continuance of a default under such borrowing, the interests of the investors may be subordinated to such Fund-level borrowing. Moreover, tax-exempt investors should note that the use of borrowings by the Fund may cause the realization of Unrelated Business Taxable Income.

The Advisor and its personnel may engage common third-party service providers for the Funds, or the portfolio investments of the Funds, on either a long-term basis or in connection with a specific transaction. Such third-party service providers include, without limitation, investment bankers, real estate brokers, leasing brokers, outside legal counsel, accountants, custodians and auditors. In the event of a significant dispute or divergence of interest between Funds, the Advisor and/or its affiliates, the parties may engage separate counsel in the sole discretion of the Advisor and its affiliates, and in litigation and other circumstances separate representation may be required. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to the Advisor, its personnel, the Funds, and/or the portfolio investments. This may result in the Advisor or its personnel receiving a more favorable rate on services provided to it by such a common service provider than those payable by the Funds and/or the portfolio investment, or the Advisor or its personnel receiving a discount on services even though the Funds and/or the portfolio investments receive a lesser, or no, discount. This creates a conflict of interest between the Advisor and its personnel, on the one hand, and the Funds and/or portfolio investments, on the other hand, in determining whether to engage such service providers, including the possibility that the Advisor will favor the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Funds and/or the portfolio investments. Neither the Funds nor the investors in the Funds receive the benefit of any such favorable rate or discount provided to the Advisor, its personnel or its affiliates.

Certain other service providers to the Advisor, the Funds and/or the portfolio investments, or affiliates of such service providers, also provide goods or services to or have business, personal, financial or other relationships with the Advisor, its affiliates, or their respective portfolio investments. Such service providers (or their employees) may also source investment opportunities, be co-investors or commercial counterparties or entities in

which the Advisor and/or the Funds have an investment, and payments by a Fund and/or such portfolio investments may indirectly benefit the Advisor and/or such Fund.

In addition, service providers often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required and the time demands of the service provider. As a result, to the extent the services required by the Advisor, its affiliates or their personnel differ from those required by the Funds and/or its portfolio investments, the Advisor, its affiliates and their personnel will pay different rates and fees than those paid by the Funds and/or its portfolio investments.

The Advisor or its affiliates engage certain service providers (including law firms) on behalf of the Funds and personnel of such service providers may be seconded to the Advisor or its affiliates on a temporary basis, pursuant to various arrangements including at cost or at no cost. The Advisor is, from time to time, a beneficiary of these arrangements as well. Such personnel may provide services in respect of multiple matters, including in respect of matters related to the Advisor, its affiliates and/or portfolio investments and in any such circumstance the benefits or costs of any such personnel will be allocated in the Advisor's discretion taking into consideration the usage of such personnel. In such circumstances, a conflict of interest exists because the Advisor or its affiliates have an incentive to select one service provider over another on the basis that the Advisor or its affiliates may receive the benefit of seconded employees from such service provider, particularly where the compensation and expenses for such personnel during the secondment is borne by the service provider and not the Advisor or its affiliates.

Additionally, former Advisor employees may also become employees, officers or directors of, or otherwise be engaged by, third-party service providers that provide services to the Advisor or the Funds. While employed by the Advisor, the cost of the compensation, benefits and attributable overhead provided to these individuals are paid by the Advisor unless a Fund's governing documents permit certain allocations of internal expenses to the Funds. If a former Advisor employee becomes an employee or consultant of a third party that also provides services to a Fund, such former Advisor employee may be assigned by such third party to provide services to the Advisor or the Funds' account. In such instance, the cost of the third-party service provider attributable to the former Advisor employee working on the Funds will be borne entirely by the Funds and no such amounts will reduce the management fee paid or the incentive fee or carried interest distributed by such Funds on the basis that such person used to be a former Advisor employee.

The Advisor and the Funds will generally engage common legal counsel and other service providers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent the Funds may be investors in a Fund and may also represent one or more portfolio investments or investors in a Fund. In the event of a significant dispute or divergence of interest between Funds, the Advisor and/or its affiliates, the parties may engage separate counsel in the sole discretion of the Advisor and its affiliates, and in litigation and other circumstances separate representation may be required.

Investors may be introduced to the Advisor, or may be brought in a Fund, by a third-party consultant from which the Advisor or a related person purchase products and to which the Advisor or a related person may make payments, including in connection with conferences sponsored or hosted by the third-party consultant.

The Advisor and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Funds, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses may result in “miles” or “points” or credit in loyalty/status programs to the Advisor and/or its personnel, and such benefits, rewards and/or amounts (whether or not de minimis or difficult to value), will exclusively benefit the Advisor and/or such personnel even though the cost of the underlying service is being borne by the Funds to the offset arrangements described above or otherwise shared with such Funds, its investors and/or the portfolio investments. In addition, airline travel incurred as a Fund expense for Advisor personnel travelling for appropriate Fund-related purposes (including, without limitation, travel related to a portfolio investment, a prospective portfolio investment or other Fund-related matter) may benefit such Advisor personnel to the extent the trip also serves a personal purpose.

The Advisor has in the past and may, from time to time in the future, cause one or more Funds to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the applicable Funds, the applicable General Partner, the Advisor and/or their respective directors, officers, employees, agents, representatives, members of the advisory committee and other indemnified parties, against liability in connection with the activities of the Funds. This may include a portion of any premiums, fees, costs and expenses for one or more “umbrella” or other insurance policies maintained by the Advisor that cover one or more Funds and/or the Advisor (including their respective directors, officers, employees, agents, representatives, members of the advisory committee and other indemnified parties). The Advisor will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” or other insurance policies among one or more Funds and/or the Advisor on a fair and reasonable basis, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no assurance that a different allocation would not result in a Fund bearing less (or more) premiums, fees, costs and expenses for insurance policies.

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

Code of Ethics

The Advisor has adopted a Code of Ethics pursuant to Advisers Act Rule 204A-1 (the “**Code of Ethics**”) which sets forth fiduciary principles and certain standards of business conduct that must be followed by, among others, all principals, officers and employees of the Advisor (collectively “**Covered Persons**”). The Code of Ethics provides guidelines for

professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations, and regarding adherence to securities laws generally. Covered Persons and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Fund, subject to the terms of the Code of Ethics. Under the Code of Ethics, Covered Persons are also required to file certain periodic reports with the Advisor's Chief Compliance Officer as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps the Advisor detect and prevent potential conflicts of interest.

In addition, the Code of Ethics requires that all Covered Persons report Code of Ethics violations and provides the potential for sanctions for such violations. Covered Persons who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal. Covered Persons are also required to promptly report any violation of the Code of Ethics of which they become aware and are required to annually certify compliance with the Code of Ethics.

The Advisor's Chief Compliance Officer is responsible for various aspects of the Code of Ethics' administration, including, without limitation, the monitoring and review of personal securities transactions, and is available for any questions Covered Persons have regarding the Code of Ethics. The Advisor will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions and Personal Trading

Advisor personnel may engage directly or indirectly in any business or other activities, including exercising investment advisory and management responsibility and buying, selling or otherwise dealing with securities for their own accounts, for the accounts of family members, and for the accounts of individual and institutional clients. These activities may conflict with Advisor personnel activities on behalf of the Advisor's clients. For example, Advisor personnel have, and may in the future, individually or on behalf of other clients (or in connection with LCM), invest in the same types of investments in which the Funds may invest or trade, and may invest the assets of the Funds in an investment while withdrawing (or recommending the withdrawal of) the same investment. These other activities may affect the prices and availability of the securities and other investments in which the Funds invest.

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. In connection with the Advisor's management of the Funds, the Advisor and its affiliates may engage in principal transactions. The Advisor has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the

applicable Fund(s) regarding any proposed principal transactions and that any required prior consent to such transactions be received.

In accordance with the Advisor's cross trading policy, the Advisor may advise that a security may be sold or bought by the Funds to or from another client when it believes, in its sole discretion, that such a transaction would be advantageous or otherwise beneficial to each of the clients involved. In such instances the Advisor will confirm that it (i) considers its respective duties to each Fund, (ii) determines whether the purchase or sale and price or other terms are comparable to what could be obtained through an arm's length transaction with a third party on commercially reasonable terms, and (iii) obtains any required approvals of the transaction's terms and conditions.

Item 12 – Brokerage Practices

Selection of Brokers

From time to time, the Advisor may use brokers or other intermediaries to facilitate the Funds' purchase or sale of an investment. The Advisor will have the authority to determine, without client consultation or consent, the broker or other intermediary through which the Funds purchase or sell an investment, and the compensation at which such transactions are effected.

In selecting brokers or other intermediaries to provide services in connection with portfolio transactions, the Advisor's policy is to seek the best execution on an overall basis, which means that it seeks to ensure that the client's total cost or proceeds is the most favorable under the circumstances. Accordingly, transactions will not always be effected at the best price or the lowest available compensation.

The Advisor does not adhere to any rigid formulas in making its selection of brokers or other intermediaries to assist with transactions on behalf of its client, but weighs a combination of factors or criteria. For example, the determination of what is expected to result in best execution on an overall basis involves a number of factors, including:

- reliability;
- reputation;
- industry knowledge and expertise;
- ability to provide access to borrowers;
- financial stability;
- efficiency;
- ability to keep activities confidential;

- provision of products and services;
- idea generation;
- competitive compensation; and
- general responsiveness.

The Advisor does not consider, in selecting or recommending brokers or other intermediaries, whether it or a related person receives limited partner referrals from such persons. The Advisor does not enter into directed brokerage arrangements.

Aggregation of Trades

In the case that the Advisor executes trades on behalf of multiple clients, and if investment decisions are made contemporaneously for multiple clients in the same investment, the Advisor may, if consistent with applicable law, bunch or aggregate client orders (including orders for clients in which the Advisor's personnel have beneficial interests) for execution. These bunched or aggregated orders might facilitate execution and may reduce brokerage and other costs. The Advisor, however, is not required to bunch or aggregate orders if investment decisions are not made contemporaneously, if the Advisor determines that it would be consistent with its duties or the interests of its clients not to do so, or if bunching or aggregating is not practical operationally or otherwise.

Although it is anticipated that any bunching or aggregation of orders will benefit each client overall, aggregating orders may disadvantage clients, including by resulting in shared allocations of orders or higher execution prices for clients. Alternatively, not aggregating orders may disadvantage clients, including by resulting in higher costs (including higher execution prices) for client orders.

Item 13 – Review of Accounts

The investment portfolios of the Funds are generally private, illiquid and long-term in nature, and accordingly the Advisor's review of them is not directed toward a short-term decision to dispose of them. However, the Advisor's investment professionals provide ongoing oversight and supervision of those individuals responsible for the asset management and ongoing operations of the investments. Business plans are updated at least annually by the Advisor's or its affiliate's asset management professionals and significant operations and assumptions are discussed with investment professionals.

The REIT investors receive annual financial statements of the Feeder Fund (as described below), which fully consolidate the REIT.

Feeder Fund investors receive quarterly financial reports, as well as, within 75 days after the end of each fiscal year of the Feeder Fund, the Feeder Fund's annual financial statements (which will be audited by an independent public accounting firm in accordance

with GAAP (see Item 15 below)). Feeder Fund investors also receive investment activity and performance reports on a quarterly and annual basis.

The reports set forth above are written. The Advisor will from time to time, in their sole discretion, provide additional information relating to such Fund to one or more investors in such Fund as they deem appropriate.

Item 14 – Client Referrals and Other Compensation

Neither the Advisor nor its related persons directly or indirectly compensate any person who is not a supervised person for investor or client referrals. The Advisor does not provide compensation to non-supervised persons for the purpose of obtaining clients.

Item 15 – Custody

To the extent required by applicable law, the Funds' securities and funds are held by qualified custodians. As noted in Item 13 above, the Funds' investors will receive annual financial statements audited by an independent public accounting firm. Investors are urged to carefully review such statements.

Item 16 – Investment Discretion

As discussed in Item 4 and Item 8 above, the Advisor does not have discretion with respect to the Funds. Investments by the REIT may not be funded without the approval of the Credit Committee or certain investors in the Fund.

Item 17 – Voting Client Securities

To the extent proxy voting is part of a particular investment strategy, the Advisor has adopted proxy voting policies and procedures designed to ensure that where its clients have delegated proxy voting authority to the Advisor, all proxies are voted in the best interest of its clients without regard to the interests of the Advisor or its related persons. Clients may not direct the Advisor's vote in a particular solicitation. The Advisor's proxy voting policies provide that, in the case of any potential material conflict of interest related to a proxy vote, (1) the Advisor's Chief Compliance Officer will determine the manner in which the proxy will be voted (and may involve client consent) or (2) the proxy will be voted through a third party proxy service. The Advisor believes that either of these alternatives would serve to address any potential conflict of interest related to the proxy vote between the Advisor and its clients.

Clients may obtain a complete copy of the Advisor's Proxy Voting Policy and Procedures or information on how the Advisor voted proxies for the relevant client free of charge by contacting us at (203) 861-6000 or at investorrelations@loancore.com.

Item 18 – Financial Information

The Advisor has not been the subject of a bankruptcy petition at any time during the past ten years. The Advisor does not believe there are any financial conditions that are reasonably likely to impair its ability to meet contractual commitments to its clients.

Item 19 – Requirements for State-Registered Advisers

The Adviser is registered with the SEC and is not required to be registered at the State level.