

Item 1 – Cover Page

FORM ADV, PART 2A BROCHURE

Industrial Development Funding, LLC

1000 South Pointe Drive
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Miami Beach, FL 33139

March 28, 2024

This Brochure provides information about the qualifications and business practices of Industrial Development Funding (“IDF”). If you have any questions about the contents of this Brochure, please contact us at +1.917.658.7661 or by email at Nik.Nunes@Indevfunding.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

The Adviser is registered with the SEC as an investment adviser. The Adviser’s registration as an investment adviser does not imply any level of skill or training. The oral and written communications the Adviser provides to you, including this Brochure, serve as information for you to use to evaluate the Adviser and should be considered in your decision whether to invest in an investment vehicle advised by the Adviser.

Additional information about IDF is also available on the SEC's website at www.adviserinfo.sec.gov, and on IDF’s website at <https://indevfunding.com/>

Item 2 – Material Changes

Since our prior filing on March 28, 2023, we have continued to provide advisory services to firms in connection with large-scale industrial projects. In 2023, we entered into two new agreements with the portfolio companies to which we provide investment advice. One agreement matured within 2023 itself. This has caused our AUM to drop to approximately \$613 million.

As stated in Item 4, the Adviser previously moved its registration from New York to Florida, but maintains its limited liability company structure. Our New York limited liability company exists for providing operational support for Advisor and 1 Project that was entered into while we were domiciled in New York, and which target completion is expected by March 2025.

In Item 6, we clarify our policies and procedures concerning co-investments.

In Item 8, we added additional information concerning environmental issues, as well as discussing our policies and procedures concerning cybersecurity breaches and identity theft.

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Item 4 — Advisory Business

A. Advisory Firm

IDF has been in business since 2015 and currently is a Florida limited liability company. One of our legacy Projects exists within our initial limited liability company domiciled in New York. It is solely owned by Nikhil Nunes. Some of our Projects are advised and managed through separately formed subsidiaries. All Projects are subject to customary terms and conditions and financed at market rates.

B. Advisory and Other Services Provided

IDF provides customized ongoing investment advice, on a regular basis for fees, to separately managed accounts (“SMAs” or “Clients”) in connection with long-term project finance transactions (each, a “Project”). All of our Clients qualify as “QIBs” (i.e., Qualified Institutional Buyers). We provide investment advice to Clients on available product development and sales funding techniques, with an emphasis on debt finance. Each Project is separately advised and structured in an entity tailored to each Client’s requirements based on investment objectives and applicable restrictions. IDF identifies potential projects for Clients on a global basis.

In addition to investment advisory services, IDF provides day-to-day managerial and administrative services for each Project. These additional services may include identifying, analyzing, structuring, and negotiating potential investments and financing opportunities, monitoring the performance of each Project, and advising each Client regarding both financing and disposition opportunities. The scope of these services is described in the respective advisory and management agreements separately negotiated for each Project.

Separately, as opportunities arise, IDF also provides customized consulting services to project originators on a contractual basis. These arrangements are documented in separately negotiated consulting agreements.

In evaluating the Projects we advise, whether on an ongoing basis or contractually, we take into account ESG criteria, to the extent this information is reasonably available. Although these criteria are not formally defined by the Securities and Exchange Commission, our regulator, and are evolving, we adhere to what our research indicates are industry standards of what these terms mean. Generally, they evaluate business, legal, and financial considerations that promote sustainability while mitigating Project risks. Our evaluation and ongoing investment management includes an assessment of the impact of each of these factors when we select and manage Projects to which we provide investment advice, based on the nature of the Project itself. IDF has no authority or ability to change the Environmental, Social or Governance factors implemented by our portfolio companies. See also, Item 8 for additional information on ESG investment considerations.

Environmental factors are typically concerned with calculating the direct and, in some cases, indirect impact of a business on the natural environment. Each portfolio company’s efforts to

conserve or improve the natural environment may also be considered.

Social factors consider how a business handles its relationships with suppliers, contractors, employees, and communities. As such, it is inherently focused on labor practices and community relations.

Governance factors are focused on how a business is structured, managed, and operated. This will include, as appropriate, executive compensation, shareholder rights, and how the potential portfolio company holds itself accountable, such as audit and internal controls, as defined by the portfolio company.

In addition, we also measure and track our Projects against the United Nations Sustainable Development Goals (SDG).

For further details, please see Item 8 regarding IDF's ESG and sustainable infrastructure investments approach.

C. Custom Advisory Services

As detailed in section B of Item 4, above, IDF's investment advice to its Clients is customized and tailored to each Client's investment mandate, objectives, and restrictions.

Investors and prospective investors should refer to the relevant confidential private placement memorandum, entity governance agreement, investment management agreement and other governing documents (the "Governing Documents") for complete information on the investment objectives, policies and restrictions of a relevant Client. The terms of the Governing Documents may differ for each Client for tax, regulatory, or other reasons.

D. Wrap Fee Programs

IDF does not participate in wrap fee programs.

E. Assets under Management

As of December 31, 2023, IDF had \$613,321,594 in regulatory assets under management for which it had non-discretionary authority, as described in each Client's advisory and management agreement.

BIOGRAPHICAL INFORMATION

In lieu of adding ADV Form 2B as a Brochure Supplement, IDF is providing the biographical information for Mr. Nikhil Nunes, IDF's sole owner and investment advisor, below:

Educational Background and Business Experience:

Nikhil Nunes, born in 1969, received a Master of Science in Materials Engineering from the Georgia Institute of Technology, a Masters in Business Administration from New York University, and a Bachelor of Science in Mechanical Engineering from the University of Massachusetts.

Mr. Nunes, IDF's CEO and CCO, founded IDF in January 2015 while he was a Partner at Perella Weinberg Partners Asset Management ("PWP") from 2015-2018.

Prior to PWP, Nikhil was at General Electric ("GE") for 25 years, leading multiple mergers and acquisitions across the globe. During his last position at GE (2009 to 2015), he was the Managing Director of the Strategic Investment Partnerships group, where he led over \$15Bn of strategic partnerships across GE's industrial and financial businesses.

Disciplinary Information:

None.

Other Business Activities:

As noted in Item 5, below, IDF also charges fees for special projects and/or other ad hoc consulting assignments. Any such fees are described in an investment management agreement or similar document. Therefore, IDF may receive compensation for consulting services provided to business entities that are not Clients. Compensation for such services is provided in accordance with the respective consulting agreement with the business entity.

Supervision:

Mr. Nunes has extensive experience in the financial services industry, having previously worked for, among other firms, GE and PWP, where he structured transactions similar to the Projects on which he currently provides investment advice for IDF's Clients. He is the CCO of IDF and is fully aware of his fiduciary and other duties to Clients. Advice provided by IDF to each Client, through Mr. Nunes, is documented in email, investment management agreements and/or investment materials provided, discussing key terms and disclosures to Clients.

Item 5 — Fees and Compensation

All fees and expenses are separately negotiated with each Client, as stated in each advisory and management agreement, as well as the applicable Governing Documents. Typically, these include management and performance fees. Since all Clients are QIBs, as well as “qualified purchasers,” as defined in section 2(a)(51)(A) of the Investment Company Act of 1940, IDF limits disclosure of such fees in this Brochure.

IDF also charges fees for special projects and/or other ad hoc consulting assignments. Any such fees are described in an investment management agreement or similar document. Therefore, IDF may receive compensation for consulting services provided to business entities that are not Clients. Compensation for such services is provided in accordance with the respective consulting agreement with the business entity.

Clients are not required to pay certain IDF fees in advance.

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

A. Performance -Based Fees

As generally described in Item 5, IDF typically receives performance-based compensation (which may take the form of an incentive allocation, incentive fee, carried interest or other fees), as set forth in each Client's advisory and management agreement, as well as the applicable Governing Documents. Performance fees are paid in accordance with the rules set forth in Section 205(a)(1) and Rule 205-3 of the Investment Advisers Act of 1940, as amended (the "Advisers Act") and available exemptions thereunder. IDF performance fees are paid when a particular Project is successful.

Since all IDF Clients invest in specific Projects and are "qualified clients" as defined in Rule 205-3(d)(1) of the Advisers Act, performance-based compensation is separately negotiated in each Client's advisory and management agreement. IDF has varying compensation arrangements among its Clients that are managed in a substantially similar fashion. This potentially could lead to a conflict of interest if these agreements incentivize IDF to manage each Client differently due to such different compensation arrangements or to make more speculative or riskier investments than it would otherwise make in the absence of such performance-based compensation.

In addition, IDF, because of differing investment objectives, different investment teams or other factors, may cause a Client to take investment positions that are different from or adverse to those taken by another Client, including positions contrary to those held by such other Client or senior or junior to those held by such other Client. To the extent that a Client holds interests that are different from (or more senior or junior to) those held by another Client, IDF may be presented with decisions involving circumstances where the interests of one Client conflict with those of another Client, including with respect to the operations of a portfolio company, the expected returns for the investment and the timeframe for and method of exiting the investment. Furthermore, it is possible that (in a bankruptcy proceeding or otherwise) a Client's interest may be subordinated or otherwise adversely affected relative to another Client or otherwise by virtue of such Client's involvement and actions relating to its investment. For example, a Client that is a debt holder of a company may be better served by the company's liquidation, in which case it may be paid in full, whereas a Client that is an equity holder of a company may prefer a reorganization that could create value for the Client and other equity holders.

IDF may have varying compensation arrangements among Clients that could incentivize IDF to manage such Clients differently. There will be no obligation to purchase, sell or exchange any security or financial instrument for a Client if IDF believes in good faith, at the time the investment decision is made, that such transaction or investment would be unsuitable, impractical or undesirable for the particular Client. In allocating investment opportunities among Clients, IDF may consider factors including, among other things, the relative amounts of capital available for new investments and the investment programs, ESG considerations, and portfolio positions, investment objectives and restrictions of the Client and such other Clients and investment vehicles. However, situations may arise in which the activities of IDF may be disadvantageous to a Client, such as the inability of the market to fully absorb the purchase or sale of particular investments placed by IDF for a Client and other Clients or at prices that may

be obtainable if the same were being placed only for the Client.

IDF may earn fees from a Client for providing investment advice with respect to follow-on investments. Sometimes, following an investment by a Client, IDF can recommend an additional or follow-on investment in the same portfolio company or a Project. Occasionally, rather than allocate these additional or follow-on investment opportunities to the Client(s) that made the original investment, IDF may allocate the opportunity in a different manner, including but not limited to amongst other Clients (including Clients that may be wholly or principally owned by IDF) and one or more strategic investors (which may include third parties). Typically, IDF makes these allocations in circumstances where the additional investment opportunity or follow-on investment could not, because of available capital, expected holding period of the investment, risk limits, size, tax considerations, concentration or other reasons, be allocated in the same manner as the original investment to which it relates. Additional investment opportunities and follow-on investments may be more or less profitable than the original investment to which they relate.

From time-to-time, a Client makes commitments to provide capital for investments at a certain date in the future. At the time any such investment requires funding, IDF may allocate the investment opportunity among such Client and other Clients eligible to participate in the investment.

B. Side-by-Side/Co-Investments

IDF's strategy seeks to achieve attractive returns by providing investment advice to structure financing options to world-class industrial companies. We may elect to co-invest with such companies in product development and infrastructure with significant upfront costs, in exchange for a share in future revenues. The allocation of co-investment opportunities is entirely discretionary on the part of IDF. As stated above, since these future revenues are performance-based, there is a risk that we may recommend investments that are riskier or more speculative than those recommended under a different fee arrangement.

We have implemented policies and procedures to safeguard that we are acting in the best interests of each of our Clients. This includes policies and procedures intended to prevent this conflict from influencing the selection and allocation of investment and co-investment opportunities among our funds and the management of portfolio properties once selected. IDF believes that our long-term commitment to the business and our ongoing reviews of each Client's investments result in investment decisions made in the best interest of each of our Clients and not IDF.

Item 7 — Types of Clients

IDF furnishes non-discretionary investment advisory, consulting and other services, directly and indirectly, to SMAs who are Qualified Institutional Buyers (“QIBs”) including institutional investors, insurance and financial institutions, and state pension funds. (as previously noted, collectively referred to as “Clients”). See also, Item 4, Part B, concerning QIBs.

The minimum investment for a Client generally will be determined by IDF and will generally be set out in the investment management or other agreements, as well as the Governing Documents. Such minimum investment amounts may be waived by IDF, as applicable, if permissible under relevant law. Minimum investment amounts generally are negotiated on a case-by-case basis with a Client.

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

Methods of Analysis:

Investment ideas are usually generated internally, through research and analysis, and are based primarily upon the research and analytical experience and expertise of each of the investment and other professionals that supervise and review the Client accounts. IDF may obtain information regarding investment opportunities through industry participants, broker-dealers, and business and other relationships. IDF may, from time to time, engage the services of affiliates as well as consultants and third parties to provide investment ideas, source potential investments, or gather further research or information.

IDF's investment analysis methods may include, depending upon the investment strategy and circumstances, Project, legal, regulatory, ESG, and financial due diligence including reviewing Project documentation and Project cash flow modelling.

Investment Strategy:

IDF's strategy seeks to achieve attractive returns by providing investment advice to structure financing options to world-class industrial companies. As stated in Item '6B.', above, it may co-invest with such companies in product development and infrastructure with significant upfront costs, in exchange for a share in future revenues.

Related Risks:

As with all investing, there are risks associated with investment funding solutions that share product or project development risks in exchange for future product or project cash flows. A description of some of the more significant risks follows:

- Product development risks: development cost overrun and timing delay risks, product revenue & cash flow timing risks, technology risk, and product pricing risks.
- Project development risks: construction cost overruns and timing delay risks, project revenue and cash flow timing risks, operating costs risks, lower than expected equipment utilization, environmental impact concerns, foreclosure or bankruptcy risks and legal and regulatory changes, including, without limitation, changes to the environmental, tax and other laws of the applicable jurisdiction. IDF may not have access to complete information regarding the investment (such as physical matters, zoning and environmental regulations, or other local conditions affecting an investment). Therefore, no assurance can be given that IDF will have knowledge of all circumstances that may adversely affect an investment. Where appropriate, we seek input from specialized experts by various third-party consultants and service providers in connection with their evaluation of proposed investments. However, there can be no assurance that evaluations or reports from third party providers will be accurate or complete.
- IDF seeks to mitigate these risks through rigorous Project underwriting standards by evaluating the creditworthiness of the parties involved, using experts to determine the

technological viability as well as the utilization expectations of the Project, and ensuring the use of top-tier equipment and service providers with sufficient guarantee provisions. IDF makes a good faith effort to identify the ESG risk facing the portfolio companies, nonetheless there may be situations where there may be unknown or undisclosed risks.

- IDF will review if the product or project developer has a strong history of successful product or project development. IDF will perform customer research and market sizing to determine that there is strong demand for developer's products or project and a significant pipeline of attractive leads. IDF will employ independent third-party utilization forecasts for investments tied to equipment utilization. IDF will choose mission-critical projects that are key to the strategy and the growth of the product or project developer, including, among other factors, ESG concerns, to reduce the likelihood of project shut-down.

Investing in Sustainable Industrial Development & Growth:

Given increased investor interest and industry trends towards a more environmentally friendly and sustainable future, often called ESG considerations, IDF has expanded its focus to provide investment advice on “Investments in sustainable infrastructure”. Our investment advice concerning sustainability-linked loans and debt obligations are performance-based to incentivize our Clients’ transition towards sustainability by optimizing pricing, liquidity, and the cost of capital. We look to a Project’s management team to provide consistent leadership on ESG concerns. Such leadership includes, as appropriate, the metrics used by such management team to evaluate, implement, monitor, and measure its progress on a long-term basis, to the extent this information is reasonably available. However, there can be no assurance that evaluations or reports from third party providers to our Project management team will be accurate or complete.

IDF’s Clients have seen a significant uptick in related sustainable infrastructure asset deployment alongside its global Industrial Equipment Manufacturers. During 2023, IDF provided investment advice on a hydrogen enabled gas power plant. Previously, IDF has provided investment advice to five (5) renewable backup aeroderivative power plants in the US, and for base-load gas power plants in the US, Canada, and Mexico to enable the transition away from coal-generated power. Lastly, IDF also provides investment advice on multiple other early-stage Industrial transactions in the Energy storage, Solar, and Offshore and Onshore Wind segments, enabling renewable developers to accelerate closing funding through deferred capex payments.

Cybersecurity Breaches and Identity Theft:

IDF’s technology system may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although IDF has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, IDF and our Clients may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause

significant interruptions in IDF's and our Clients' operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors. Such a failure could harm IDF's and our Clients' reputations, subject any such entity and their respective affiliates to legal claims, and otherwise affect their business and financial performance. We regularly monitor the IDF technology system to detect such risks.

Valuation Matters:

If needed, the fair value of all investments will be determined by IDF in accordance with the terms of the relevant Governing Documents.

Item 9 — Disciplinary Information

None.

Item 10 — Other Financial Industry Activities and Affiliations

As noted in Items 4, 5 and 8, and with the permission of investment advisory Clients, where required, IDF may provide consulting services to non-advisory clients. Outside of consulting services, IDF does not engage in any other financial industry activities and has no affiliations with other financial industry firms. This includes potential project developers and any of the service providers needed for a project and described in this Brochure. IDF employees and senior advisors, including the owner of IDF, may serve on boards and act in consulting roles to business enterprises, subject to approval in accordance with IDF's Code of Ethics, provided, however, that no access person may serve on the boards of any person or entity who sponsors projects that may be recommended or are recommended as appropriate for investment by IDF Clients.

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

IDF has adopted a written code of ethics (Code), in compliance with SEC requirements, covering all supervised persons and access persons. The Code was designed to promote high ethical standards by reinforcing fiduciary principles that govern the conduct of IDF and its employees, in particular, that each such person conducts his/her/their activities in a manner that places Client interests ahead of his/her/their own interests. This Code requires certain standards of business conduct, compliance with federal securities laws, reporting and recordkeeping of personal securities transactions and holdings, reviews and sanctions.

The Code is designed to protect the firm's Clients by deterring misconduct; educate employees regarding the firm's expectations and the laws governing their conduct; remind employees that they are in a position of trust and must act with complete propriety at all times; protect the reputation of the firm; guard against violations of the securities laws; guard against disclosing or using material non-public information in violation of applicable law; and establish procedures for employees to follow so that IDF may determine whether our employees are complying with the firm's ethical principles.

A conflict of interest may occur, or appear to occur, when the personal interests of IDF's employees interfere or could potentially interfere with their responsibilities to IDF and its Clients. IDF recognizes that both receiving and providing gifts and entertainment from companies in which IDF invests could conflict with, or appear to conflict with, the interests of the underlying Client objectives. IDF also has implemented policies and procedures to ensure proper oversight, documentation and pre-approval of certain business entertainment and gifts, outside of promotional gifts, such as coffee mugs, tee shirts, golf balls, etc. by all access persons. All entertainment expenses will be reviewed periodically but no less frequently than annually.

IDF prohibits employees from accepting inappropriate gifts, favors, entertainment, special accommodations, or other things of material value that could improperly influence their decision-making or make them feel unduly beholden to a person or firm. Similarly, no employee is permitted to offer gifts, favors, entertainment or other things of value that could be viewed as overly generous or aimed at influencing decision-making or making a Client feel inappropriately beholden to the firm or its employees. IDF and its employees are allowed to make political contributions subject to pre-approval from the IDF Chief Compliance Officer.

IDF does not trade marketable securities on behalf of Clients so insider trading is not an issue, but IDF does place restrictions on personal trades by employees. Employees are required to report their transactions in securities on a quarterly and annual basis and to pre-clear any transactions in privately-placed securities and initial public offerings. This reporting obligation also extends to immediate family members of employees.

On an annual basis, IDF requires all employees to re-certify that they are adhering to the Code. Any Client or potential Client may request a copy of our Code by contacting Nik Nunes, IDF's Chief Compliance Officer, at (917) 658-7661 or by email at Nik.Nunes@Indevfunding.com.

Participation or Interest in Client Transactions

Our policies and procedures with respect to co-investments are discussed in Item 6.

Privacy Policy

IDF is committed to maintaining the confidentiality, integrity, and security of our Clients' personal information. It is IDF's policy to collect only information necessary or relevant to the management of our business and use only legitimate means to collect such information. IDF does not disclose any non-public personal information about our investors or former investors to anyone except for servicing and processing transactions and as required by law. IDF restricts access to non-public personal information about investors to those employees with a legitimate business need for the information. IDF maintains security practices, both physical and electronic, as well as procedural safeguards to guard its Clients' non-public personal information.

Item 12 — Brokerage Practices

General Brokerage Practice

As noted above, IDF's investment strategy does not involve the purchase and sale of public securities. IDF engages in no brokerage business for its Clients and does not have a brokerage practice.

Research and Other Soft Dollar Benefit: N/A

Trade Aggregation: N/A

Other Issues and Conflicts:

Allocation of Time and Resources. Generally, IDF is not subject to specific obligations or requirements concerning the allocation of time, efforts, resources, or investment opportunities to any particular Client. IDF's personnel devote time to the affairs of Clients as they, in their discretion, determine to be necessary for the conduct of our business.

Item 13 — Review of Accounts

IDF reviews Client transaction accounts as necessary, but in no case less than quarterly. Where appropriate, IDF monitors certain investments recommendations made to Clients and may recommend adjustments to a Client's investment strategies based on performance metrics, including, without limitation, valuation considerations. For example, IDF provides relevant data to the Client such as power plant utilization reports to allow the Client to assess what changes, if any, would be appropriate.

Item 14 — Client Referrals and Other Compensation

IDF may pay solicitors to refer prospective Clients to us. If we retain a solicitor, IDF will comply with applicable requirements of Advisers Act Rule 206(4)-1, as amended.

Item 15 — Custody

IDF does not have custody of any Client funds since Client funds are directly invested into each Project. All separately managed account Clients should receive, at least quarterly, account statements from the broker-dealer, bank, or other custodian that maintains the Client's assets.

Item 16 — Investment Discretion

IDF generally receives and exercises non-discretionary authority to manage investments on behalf of Clients, though the firm may also provide discretionary investment management services upon request. IDF typically assumes this authority through contractual provisions agreed to by a Client. Generally, however, IDF exercises authority to invest in a Project for Clients unless a Client sends a notice to decline a particular investment opportunity. Once Client consent is obtained to commit capital to a specific Project, IDF has the authority to execute on that consent.

Item 17 — Voting Client Securities

As noted above, the IDF investment strategy does not involve securities other than privately-negotiated interests. In respect of those interests, there are no matters on which the Client can vote.

Item 18 — Financial Information

IDF is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its Clients. In addition, IDF has not been the subject of a bankruptcy petition at any time since its formation in 2015.