

RRA Investment Management, LLC
Part 2A of Form ADV: Firm Brochure



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This Part 2A of the Form ADV (the "Brochure") provides information about the qualifications and business practices of RRA Investment Management, LLC ("RRA" or "Adviser"). If you have any questions about the contents of this brochure, please contact us at 602-714-5111. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about RRA is available on the SEC's website at www.adviserinfo.sec.gov. Investment adviser registration does not imply a certain level of skill or training.

Item 2. Material Changes

Since RRA Investment Management, LLC's last annual brochure dated March 29, 2023, the Adviser has made certain updates and revisions to this brochure in Item 5 regarding disclosure of partnership and organizational expenses, and Item 8, including disclosures around Risks Related to War and International Conflicts, and Banking and Financial System Instability.

Additionally, The RRA Credit Income Fund, LP and RRA Credit Opportunity Fund, LP have closed and were cancelled in December 2023. Additionally, the RRA Real Estate Debt Fund III, LP was launched in May 2023.

RRA recommends that investors read this document in its entirety.

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Item 4. Advisory Business

RRA Investment Management, LLC (“RRA” or the “Adviser”) was founded in 2013. RRA is wholly owned by KCS Holding Company, LLC. KCS Holding Company, LLC is owned principally by RRA’s three principals: Charles Dunlap through Kentfield Holdings, LLC, John Dunlap through Chosin Holdings, LLC, and Marc Grayson through Solano Holdings, LLC.

RRA provides investment advisory services to pooled investment vehicles (each, a “Partnership” and collectively, “Partnerships”) that are not registered under the Investment Company Act of 1940 and whose securities are not registered under the Securities Act of 1933. The Partnerships primarily acquire and/or originate short-term, senior and second position loans and preferred equity investments on middle-market real estate assets throughout the United States.

RRA provides advisory services to the Partnerships on a discretionary basis according to the objectives and investment policies described in each Partnership’s respective offering and/or operational documents (“Offering Documents”) provided to each Investor in the Partnership (“Investor”). RRA, along with each Partnership’s general partner and affiliates (as described in Item 10 of this Brochure), identifies investment opportunities for, and participates in the origination, asset management, loan servicing, disposition of investments of, each Partnership. Except as described in certain side letters, RRA does not tailor its advisory services to the individual needs of Investors, and Investors may not impose restrictions on investing in certain securities or types of investments.

RRA currently provides investment advisory services to the following Partnerships: RRA Real Estate Debt Fund II, L.P. (the “Real Estate Debt Fund II”) and RRA Real Estate Debt Fund III, L.P. (the “Real Estate Debt Fund III”). The general partners of the Partnerships are RRA Real Estate Debt Fund II GP, LLC and RRA Real Estate Debt Fund III GP, LLC (herein the “General Partner(s)”, respectively), each Delaware limited liability companies. The Partnerships will invest in a subsidiary entity (the “REIT Subsidiary”) that qualifies as a real estate investment trust (“REIT”) for federal income tax purposes.

In addition to entering into sourcing and servicing agreements with the Partnerships, RRA and its affiliates also enter into sourcing and servicing agreements with insurance companies and asset manager clients to originate and service commercial real estate loans on a non-discretionary, non-advisory basis (herein, “Sourcing and Servicing Clients”). The target loan type and risk profiles identified for each of the Sourcing and Servicing Clients are distinct. The Adviser maintains investment allocation policies and procedures to ensure all investment opportunities are allocated in a fair and equitable manner.

As of December 31, 2023, RRA managed approximately \$432,818,873 in client assets, all on a discretionary basis.

Item 5. Fees and Compensation

Management Fees

As compensation for its investment advisory services, each Partnership pays an annual management fee to RRA. These management fees are payable quarterly, in arrears, and are deducted directly from each limited partner's capital account. The specific fee rate, payment terms, and other conditions of a Partnership's management fee are set forth in the Partnership's Offering Documents and/or side letters. Management fees may differ from one Partnership to another, as well as among Investors in the same Partnership. Management fees for the Partnerships typically range between one percent to one and one-half of one percent (1.0% – 1.5%) per annum based on aggregate capital contributions during the investment period and thereafter, such Investor's aggregate capital contributions reduced by distributions to such Investor representing a return of capital contributions.

Upon termination of RRA's services to a Partnership, appropriate treatment, including, where applicable, returning prepaid management fees on a prorated basis, will be given to management fees collected in advance. A Partnership's management fee is generally subject to waiver or reduction by RRA or the Partnership's general partner in its sole discretion, including in connection with investments made by RRA or its related persons or pursuant to side letter agreements with Investors.

Please see the section *Performance Based Fees and Side-by-Side Management*, below, regarding carried interest and other performance-based fees that the Partnerships pay. Certain Partnership Investors may negotiate Partnership terms (including management fees payable and carried interest terms) through side letter agreements.

Other Fees and Expenses

Organizational Expenses. Subject to its Offering Documents, each Partnership typically pays or reimburses its general partner or RRA for the Partnership's organizational, offering and startup expenses. These expenses typically include or may include, without limitation, expenses relating or attributable to the preparation of, and negotiations with respect to, the Offering Documents, presentations (including those conducted virtually), marketing and promotional materials and activities, subscription documents, side letters or similar agreements, placement agreements and any other agreements enter in connection with the fundraise; out-of-pocket costs and expenses incurred by placement agents, finders or other persons performing similar services in connection with the fundraise that are paid or reimbursed by the Fund; any travel (including, where appropriate as determined by the General Partner, the cost of air travel, car or ride sharing services and other modes of transportation) and conference attendance costs and fees; lodging, meals and reasonable gifts and entertainment; printing, mailing and courier; legal; filing (including blue sky and world sky filings); to the extent not otherwise set forth above, clerical fees, marketing costs and other out-of-pocket costs and expenses incurred in the course of engaging in the activities set forth above; accounting fees and expenses; and initial regulatory compliance, including expenses associated with the initial or preliminary registrations, filings and compliance obligations and other

offering requirements contemplated by any law, rule or regulation in any relevant jurisdiction or any similar law, rule or regulation (including compliance with any law, rule, regulation, policy, directive or special measure (including relating to privacy, data protection, know-your-customer, anti-money laundering, sanctions or antiterrorism considerations)). The Partnership's Offering Documents may provide for a cap on these organizational expenses.

Partnership Expenses. Subject to its Offering Documents, each Partnership pays (or reimburses its general partner or RRA) for all costs and expenses related to its operations ("Partnership Expenses").

The Partnership Expenses paid by a particular Partnership are set forth in the Partnership's Offering Documents and/or side letters. Partnership expenses, may include, without limitation and as applicable, all fees, costs, expenses, liabilities and obligations relating to the Partnership's or its subsidiaries' and intermediate entities' activities, business, or actual or potential investments, including with respect to any entity formed to effect the acquisition or holding of an investment (to the extent not borne or reimbursed by such investment or third parties in any co-investment vehicle or joint venture pursuant to the governing agreements of such vehicles), including all costs relating or attributable to: activities with respect to the origination, identification and sourcing of investment opportunities for the Fund, including meeting with consultants, broker-dealers, investment banks, mortgage bankers, debt/equity brokers, real estate capital intermediaries, sponsors, and other sources of investments and developing an investment pipeline; activities with respect to the pursuing, structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to any periodicals, databases, deal sourcing or research services), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving or otherwise disposing of, as applicable, the Partnership's actual and potential investments (including follow on investments), including investments in the same entity as one or more other investment vehicles (other than the Fund) managed or controlled by the General Partner or any of its affiliates, or seeking to do any of the other items herein (including any associated legal, financing, commitment, transaction or other costs payable to attorneys, accountants, tax professionals, investment bankers, lenders, expert networks, third-party diligence and deal-sourcing software and service providers, consultants and similar professionals in connection therewith and any costs related to transactions that may have been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful and whether or not such activities were undertaken prior to the initial closing of the Partnership; indebtedness of, or guarantees made by the Partnership, the General Partner or any affiliate thereof on behalf of the Partnership (including any credit facility, letter of credit or similar credit support, or any indebtedness entered into pending participation by a co-investor in an investment), including the repayment of principal and interest with respect thereto, or seeking to put in place or amend any such indebtedness or guarantee; financing, commitment, origination and similar activities (including fees and expenses thereof); broker (including real estate broker), dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar

services (including buy- and sell-side finders' fees as well as similar deal sourcing payments); brokerage, sale, custodial, depository and local paying agent, expenses of a paying agent appointed pursuant to any law, rule or regulation, trustee, record keeping, account, registered office and similar services; legal, accounting, research (including expert consultants, research reports, subscriptions to research services, research calls and meetings and research or industry conferences), auditing, administration (including costs associated with compliance with any anti-money laundering laws and regulations and any third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, fairness opinions, appraisals or pricing services, including with respect to transactions entered into between the Partnership and other investment vehicles affiliated with the General Partner, as well as costs related to the establishment or maintenance of such services), consulting (including consulting and retainer fees, salary, bonus and other compensation or expense reimbursements paid to, and benefits or personnel costs (including employee benefits, payroll taxes, insurance, paid-time-off and overhead) provided to or on behalf of, consultants, including consultants performing investment initiatives, sourcing or identifying investment opportunities, or providing services related to environmental, social and governance ("ESG") investment considerations and policies and other consultants), tax, information technology and other professional services; reverse breakup, termination and other similar arrangements (including with respect to contemplated transactions that may have been offered to co-investors); insurance (including directors and officers liability, fidelity bond, cyber security, investment management liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory expenses, including any costs related to any retention or deductibles and broker fees, costs and commissions) and the costs of any consultants or other advisors utilized in the procurement, review, maintenance and analysis of insurance policies; filing, title, transfer, survey, environmental diligence, registration and other similar activities; printing, communications, mailing, courier, marketing, promotion, advertising and publicity (including in connection with pursuing investment opportunities and relationships that the General Partner believes may be beneficial to the Partnership and marketing to, and maintaining business relationships with, real estate developers, real estate fund sponsors and similar persons); the preparation, distribution or filing of Fund- or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, 1099-DIVs or similar forms, other communications with Partners or any other administrative, compliance or regulatory filings or reports or other information, including the costs of any third-party service providers and professionals related to the foregoing; costs associated with the reporting, filings or other ongoing compliance with the requirements contemplated by any rule or regulation in any relevant jurisdiction (including securities filings related to the Partnership, but excluding, for clarity, the initial or preliminary registrations, filings and compliance described as "organizational expenses"); compliance with any financial account reporting regime applicable to the Partnership or the General Partner and any costs of any third-party service providers and professionals related to the foregoing; developing, licensing, implementing, maintaining or upgrading any web portal, website, extranet tools, computer software, computer programs, ledger systems or other administrative or reporting tools whether used for legal, investment, accounting, investor tracking, investor reporting, financial management, cybersecurity, customer relationship management (i.e., CRM) or other purposes (including subscription-based services such as Westlaw Practical Law,

DocuSign, HubSpot and ProDeal); any activities with respect to protecting the confidential or non-public nature of any information or data, including confidential information (including any costs incurred in connection with compliance with all applicable legislation and regulation relating to the protection of personal data in force from time to time); any activities or proceedings of the Advisory Board (including any costs incurred by representatives of the General Partner, the Advisory Board members, permitted observers and other persons in attending, traveling for or otherwise participating in meetings of the Advisory Board); indemnification obligations (including any legal and any other costs incurred in connection with indemnifying any Partner or other person pursuant to the Partnership Agreement or otherwise and advancing costs incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the Partnership Offering Documents), except as otherwise set forth in the Partnership Offering Documents; actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs of any discovery related thereto and any judgment, other award or settlement entered into in connection therewith; any annual, periodic or special Limited Partner meeting and any other conference, meeting or webcast or other video conference with any Partner(s) (in each case, including any costs associated with venue, set-up, employee travel, room and board, dining and other meeting or conference related costs) and any other activities necessitated by and incidental to the Fund's global investor base, in each case to the extent incurred by the Partnership, the General Partner or any other affiliate thereof; the Management Fee; except as otherwise determined by the General Partner in its sole discretion, any cost relating to any alternative investment vehicle or its activities, business, actual or potential investments (to the extent not borne or reimbursed by an investment of such alternative investment vehicle) that would be a Partnership expense or organizational expense if it were incurred in connection with the Partnership, any costs incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to the Partnership to the extent not paid by the investors investing in such entities and any other costs related to any structuring or restructuring of the Partnership or its affiliated entities (excluding, for clarity, costs described as "organizational expenses"); the termination, liquidation, winding-up, structuring, restructuring or dissolution of the Partnership and any legal entities owned directly or indirectly by the Partnership, including in respect of investments and any related entities; defaults by Partners in the payment of any capital contributions; amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Partnership and any entities owned directly or indirectly by the Partnership, including, in each case, the preparation, distribution and implementation thereof; compliance with any law, rule, regulation, policy directive or special measure (including in relation to privacy, data protection, know-your-customer, anti-money laundering, sanctions or antiterrorism considerations), including any legal, administrator, consulting or other third-party service provider costs related thereto, any regulatory costs of the General Partner or any of its affiliates incurred in connection with the operation of the Partnership and any costs related to compliance with any ESG or other investment considerations and policies of the General Partner or the Partnership; any costs related to the validation of any payments made to the Partnership or the General Partner in connection with any voluntary or compulsory review (including as a result of any anti-money laundering laws, rules or regulations); any litigation or governmental inquiry, investigation or proceeding, including any costs of discovery related thereto and the

amount of any judgments, settlements or fines paid in connection therewith, except as set forth in the Partnership's Offering Documents; any third-party experts, including independent appraisers or ESG experts, engaged by the General Partner in connection with the Partnership considering, making, holding or disposing of, directly or indirectly, an investment in the same entity as one or more investment vehicles (other than the Partnership) sponsored, managed or controlled by the General Partner or any of its affiliates; unreimbursed costs incurred in connection with any transfer or proposed transfer by a Limited Partner or any Limited Partner's name change, internal restructuring or change in trust, registered agent or custodian; any taxes, fees and other governmental charges levied against the Partnership or any alternative investment vehicle and all costs incurred in connection with any tax audit, inquiry, investigation settlement or review of the Partnership and any costs of or related to the "partnership representative" of the Partnership and any "designated individual" thereof; costs related to making distributions to the Partners and other costs associated with the acquisition, holding and disposition of investments, including extraordinary expenses; compliance or regulatory matters (including any legal, administrator, consulting or other third-party service provider fees, costs and expenses related thereto), except as otherwise set forth in the Offering Documents, including compliance with the Offering Documents or any side letter or similar agreement (including the Partnership's most favored nations process); amendments to, and waivers, consents or approvals pursuant to, side letters and similar agreements with Limited Partners and "most-favored-nations" election processes in connection therewith; hosting or attending training programs, meetings or other events (including, attendance of any member, manager, shareholder, partner, director, officer, employee or affiliate of the General Partner or the Adviser at any trade conference, including any applicable registration fees and exhibition, sponsorship or other presentation fees, costs and expenses) and annual licensing or registration fees or membership dues owed by any member, manager, shareholder, partner, director, officer, employee or affiliate of the General Partner or the Adviser to professional or trade organizations; any travel (including, where appropriate as determined by the General Partner, the cost air travel, car or ride sharing services and other modes of transportation) and lodging, meals and reasonable gifts and entertainment relating to any of the foregoing, including in connection with business development, consummated and unconsummated investment and disposition opportunities (including site visits), and expenses related to late night travel and meals incurred by or on behalf of employees providing services outside of business hours; any of the items listed above relating to any investment, restructuring, disposition or other opportunity not consummated, including any opportunity offered to co-investors; any placement fees; any asset management and servicing fees and origination and acquisitions fees (as such terms are described below); and any other costs approved by the Advisory Board.

Certain expenses, such as underwriting, legal, and due diligence expenses, are paid for by borrowers (or prospective borrowers) in the form of borrower deposits and not directly by the Partnerships.

Other Compensation

RRA Capital Management, LLC ("Loan Servicer" or "Loan Originator"), an affiliate of RRA, provides loan underwriting (typically paid for by the borrower deposit), loan origination

and loan servicing to underlying loans owned by the Partnerships and receives fees for such services. The Loan Originator receives compensation or fees with respect to originating loans or other credit-like investments (including a portion of the upfront loan origination fees) on behalf of these Partnerships. The Loan Servicer receives compensation or fees (including a servicing fee, a portion of the modification fees, and certain special servicing fees for assets in default) for servicing and asset management of the portfolio loans. With respect to Real Estate Debt Fund II, the Adviser seeks to make reasonable efforts to ensure that the loan origination and servicing payments are at market rates and on terms no less favorable than those available from unaffiliated third-party servicing and asset management companies for a comparable level of quality and service, provided, however, that affiliate fees are not based on an arm's length negotiation and may be higher than market rates. With respect to Real Estate Debt Fund III, established rates for loan origination, asset management and servicing are as set forth in the Offering Documents.

RRA has entered into Strategic Partnerships with third parties in order to invest in deals that may be too large for RRA and/or the Partnerships to complete a transaction on independently. RRA and/or its affiliated entities will earn compensation such as servicing, origination, and modification fees from the Strategic Partner. RRA's receipt of any loan servicing or other fees associated with these deals creates an incentive for RRA to select the Strategic Partnerships on transactions, rather than selecting from a broader market of loan participants.

As previously disclosed, RRA or its affiliates are also engaged by Sourcing and Servicing Clients to provide loan origination and servicing and retains all related income.

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

RRA or the General Partners (each an affiliate of RRA) are entitled to receive a carried interest allocation from the Partnership. Each closed-end Partnership's carried interest distribution is generally an amount equal to a percentage of the Partnership distributions paid to Partnership Investors after the return of capital invested by Investors and a specific annual preferred return on those investments. The specific payment terms and other conditions of the performance compensation arrangements for each Partnership are set forth in the Partnership's Offering Documents. Certain Partnership Investors may negotiate Partnership terms (including management fees payable and carried interest terms) through side letter agreements.

The payment of carried interest and other performance-based compensation create an incentive for RRA to make more speculative investments on behalf of a Partnership than RRA might otherwise make in the absence of such performance-based compensation. The payment by Partnerships of performance compensation at varying terms and rates (including varying effective rates based on a Partnership's past performance) may create an incentive for RRA's personnel to disproportionately allocate time, services or functions to Partnerships paying performance compensation at a higher rate or allocate choice investment opportunities to such Partnerships. Generally, and except as otherwise set forth in a Partnership's Offering Documents, this conflict is mitigated through RRA's written policies and procedures relating to allocation of investment opportunities and through disclosure. Please see *Item 10 - Code of Ethics, Participation*

or Interest in Client Transactions and Personal Trading, below, for additional information relating to how conflicts of interests are generally addressed by RRA.

Item 7. Types of Clients

RRA currently provides investment advisory services to each Partnership, subject (as applicable) to the discretion and control of the Partnership's General Partner. Investment advice is provided directly to the Partnerships, and not individually to the Investors in the Partnerships. Investors are accredited investors, qualified clients, qualified purchasers and/or knowledgeable employees of RRA.

Conditions for investing in each Partnership, including minimum investment amounts and investor qualification requirements, are stated in the Partnership's Offering Documents. Each General Partner (or equivalent) typically has discretion to lower or waive the Partnership's minimum investment amount.

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

Methods of Analysis and Investment Strategies

Each Partnership's investment strategy and objective is outlined in its Offering Documents. RRA's general investment objective is to seek current income, low volatility, and principal protection through a diversified pool of senior and second position mortgages secured by commercial real estate assets in the United States. The portfolio is sourced through professional commercial mortgage broker and direct borrower relationships which results in a levered loan portfolio diversified by geography, sponsorship, and property type. Investment decisions are governed by the Adviser's investment committee, who has extensive involvement in the industry as investors, developers, builders, managers, and lenders on middle market real estate across a range of property types, including, office, retail, industrial, multifamily, hospitality, medical office, and self-storage.

Risks

Investing in loans and securities involves a substantial degree of risk, and the acquisition of interests in a Partnership is highly speculative. A Partnership may lose all or a substantial portion of its investments, and investors in each Partnership must be prepared to bear the risk of a complete loss of their investments.

Different risks may exist with respect to investments in different Partnerships. The risks associated with an investment in any Partnership may be impacted substantially by the nature and timing of the market. The following risk factors are those generally applicable to all Partnerships or their Investors. These risk factors, however, do not purport to be a complete list or explanation of all risks involved with respect to an investment in a Partnership, or investments made by the Partnership. Each Partnership's Offering Documents include a more detailed summary of the material risks and the investment strategy for that Partnership, which each prospective investor should review and consider carefully before investing.

General Investment Risks. The types of investments that the Partnerships generally make involve a high degree of risk. In general, financial, and operating risks confronting loan borrowers and issuers of other Partnership investments can be significant. A loss of an investor's entire investment in a Partnership is possible.

General Credit Risk. One of the fundamental risks associated with a Partnership's investments is credit risk, which is the risk that an issuer will be unable or unwilling to make principal and interest payments on its outstanding debt obligations when due. A Partnership's returns to investors would be adversely impacted if an issuer of debt in which the Partnership invests were to become unable to make such payments when due. Although Partnerships may make investments that RRA believes are secured by specific collateral, the value of which may initially exceed a Partnership's cost basis in such investments, there can be no assurance that the liquidation of any such collateral would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal payments with respect to any such investment, or that such collateral could be readily liquidated. A Partnership may also invest in common and preferred equity securities and other unsecured investments, each of which involves a higher degree of risk than senior secured loans. Furthermore, a Partnership's right to payment and its security interest, if any, may be subordinated to the payment rights and security interests of a senior lender, to the extent applicable. Certain of these investments may have an interest-only payment schedule, with the principal amount remaining outstanding and at risk until the maturity of the investment. In addition, certain instruments may provide for payments-in-kind, which have a similar effect of deferring current cash payments. In such cases, a borrower's ability to repay the principal of an investment may be dependent upon a liquidity event or the long-term success of the borrower, the occurrence of which is uncertain.

All investing involves a risk of loss. Each prospective investor should carefully review the more complete list of risks included in their respective Partnership's Offering Documents, including the Private Placement Memorandum and/or related agreements, as applicable, before deciding to make an investment in a Partnership or engaging RRA. There can be no assurances that the Partnerships will achieve their investment objectives.

Ability to Acquire Loans on Advantageous Terms; Competition and Supply. A Partnership's success will depend, in part, on the Partnership's ability to acquire investments on advantageous terms. In acquiring loans, a Partnership will compete with a broad spectrum of lenders, many of which have more resources than the Partnership and may be willing to provide capital on better terms (from a borrower's standpoint) than the Partnership. Increased competition for, or a diminution in the available supply of, qualifying loans may result in lower yields on such loans, which could reduce the Partnership's performance and returns to Investors.

Nature of Investment in Senior and Secured Loans. The Partnerships typically invest (directly or indirectly) in first lien senior secured debt and may also include selected second lien senior secured debt, which involves a higher degree of risk of a loss of capital. The factors affecting an issuer's first and second lien loans, and its overall capital structure, are complex. Some first lien loans may not necessarily have priority over all

other unsecured debt of an issuer. For example, some first lien loans may permit other secured obligations or involve first liens only on specified assets of an issuer. Issuers of first lien loans may have two tranches of first lien debt outstanding, each with first liens on separate collateral.

Any secured debt is secured only to the extent of its lien and only to the extent of underlying assets or incremental proceeds on already secured assets. Although the amount and characteristics of the underlying assets selected as collateral may allow a Partnership to withstand certain assumed deficiencies in payments occasioned by the borrower's default, if any deficiencies exceed such assumed levels or if underlying assets are sold it is possible that the proceeds of such sale or disposition will not be equal to the amount of principal and interest owing to a Partnership in respect of its investment.

Further, loans may become non-performing for a variety of reasons. Upon a bankruptcy filing by an issuer of debt, the U.S. bankruptcy laws imposes an automatic stay on payments of its prepetition debt. Non-performing debt obligations may require substantial workout negotiations, restructuring or bankruptcy filings that may entail a substantial reduction in the interest rate, deferral of payments and/or a substantial write-down of the principal of a loan or conversion of some or all of the debt to equity. If an issuer were to file for Chapter 11 reorganization, U.S. bankruptcy laws typically authorize the issuer to restructure the terms of repayment of a class of debt even if the class fails to accept the restructuring as long as the restructured terms are "fair and equitable" to the class and certain other conditions are met.

A Partnership's loan investments may be syndicated to a number of different financial market participants. The documentation governing such investments may require either a majority consent or, in certain cases, unanimous approval for certain actions in respect of the credit, such as waivers, amendments or the exercise of remedies. As a result of these voting regimes, a Partnership may not have the ability to control any decision in respect of any amendment, waiver, exercise of remedies, restructuring or reorganization of debts owed to the Partnership with respect to certain loan investments.

Senior secured loans are also subject to other risks, including (i) the possible invalidation of a debtor lien as a "fraudulent conveyance," (ii) the recovery as a "preference" of liens perfected or payments made on account of a debt in the 90 days before a bankruptcy filing, (iii) equitable subordination claims by other creditors, (iv) so-called "lender liability" claims by the issuer of the obligations and (v) environmental liabilities that may arise with respect to collateral securing the obligations. Decisions in bankruptcy cases have held that a secondary loan market assignee can be denied a recovery from the debtor in a bankruptcy if a prior holder of the loans either received and did not return a preference or fraudulent conveyance or engaged in conduct that would qualify for equitable subordination.

A Partnership's loan investments may be subject to early redemption features, refinancing options, prepayment options or similar provisions that, in each case, could result in the issuer repaying the principal on an obligation held by the Partnership earlier than expected. As a consequence, the Partnership's ability to achieve its investment

objective may be negatively affected.

Junior, Unsecured and Equity Investments. The Partnerships may acquire (directly or indirectly) debt securities that are junior, unsecured or equity investments (e.g., preferred units in a limited liability company holding real estate). While this approach can facilitate obtaining a certain degree of additional control and then adding value through active management, it also means that such investments may be unsecured and/or subordinated to other obligations, which means the Partnership may be more likely to suffer a loss of all or part of its investment.

Financial Market and Interest Rate Fluctuations. General fluctuations in interest rates and real estate values may adversely affect the value of a Partnership's investments and/or increase the risks associated with one or more particular investments. The ability of borrowers to refinance debt securities or repay debt obligations (including making payments to a Partnership as a creditor with respect thereto) may depend on their ability to obtain new debt or equity financing. Interest rate changes may affect the value of a debt instrument held by a Partnership.

General Risks of Real Estate Related Investments. The Partnerships typically invest (directly or indirectly) in loans and other debt and similar instruments that are secured by real property, and at times in equity investments in entities holding real property. These investments are subject to many of the risks incident to the ownership of real property and related investments, including uncertainty of cash flow to meet fixed and other obligations (including obligations owing to a Partnership); adverse changes in local market conditions, population trends, neighborhood values, community conditions, general economic conditions, local employment conditions, interest rates and real estate tax rates; changes in fiscal policies; competition from other properties; and uninsured losses and other risks that are beyond the control of a Partnership and the issuers of debt and equity securities held by a Partnership.

Investments will be subject to the risks associated with the ownership of real estate or real estate-related assets. These risks may affect real estate markets generally or specific assets and include general economic and social climate, international, national, regional and local real estate conditions, environmental risks, the supply of and demand for properties, the financial resources and solvency of buyers of properties, competition for buyers of property, the ability of a Partnership to manage the real properties, changes in zoning, building, agrarian, environmental, tax or other applicable laws, changes in real property tax rates, changes in interest rates, negative developments in the economy that depress travel activity, uninsured casualties, changes in operating expenses, changes in the availability, cost or terms of permanent mortgage indebtedness, fluctuations in energy prices, changes in the relative popularity of property or asset types, the ongoing need for capital improvements, cash flow risks and constructions risks, as well as natural catastrophes, global pandemics, acts of war, civil unrest, uninsurable losses and other factors that are beyond the control of a RRA or the Partnership.

With respect to investments in the form of real property owned by a Partnership, the Partnership will incur the burdens of ownership of real property, which include paying expenses and taxes, maintaining such property and any improvements thereon, and

ultimately disposing such property. Furthermore, changes in interest rates or the availability of debt may render the investment in real estate assets difficult or unattractive. The possibility of partial or total loss of capital will exist and investors should not subscribe unless they can readily bear the consequences of such loss.

Many of these factors could cause fluctuations in demand for real properties, capitalization rates, occupancy rates or operating expenses, resulting in a negative effect on the value of real estate assets. Valuation of real estate assets may fluctuate. The capital value of the Partnership's real estate investments may be significantly diminished in the event of a downward turn in real estate market prices.

Certain expenditures associated with real estate, such as taxes, debt service, maintenance costs and insurance, tend to increase and are not generally decreased by events generally adversely affecting sales and/or rental revenues such as an unforeseen downturn in the real estate market, a lack of investor confidence in the market or a softening of demand. There can be no assurance that any of a Partnership's investments will be sold at a price above the cost of acquisition and development. As a result, there can be no assurance that the Fund's investment objectives will be realized.

In addition to the above, any real estate development would be subject to the typical pre-development risks (e.g., those associated with design and clearance, permitting, zoning), development risks (e.g., construction quality and cost overruns) and property market risks (e.g., competition and nature and level of demand).

Mortgage Investments. The Partnership may originate, participate in and/or acquire real estate loans that are non-recourse to the borrower. Mortgage investments have special inherent risks relative to collateral value. To the extent a Partnership makes or acquires subordinated or "mezzanine" debt investments, the Partnership may not have absolute control over the underlying collateral as the Partnership will be dependent upon third-party borrowers and agents and will have rights that are subordinate to those of senior lenders. In certain circumstances, the Partnership's loans may not be secured by a mortgage, but instead by partnership interests or other collateral that may provide weaker rights than a mortgage. In any case, in the event of default, the Partnership's source of repayment will be limited to the value of the collateral and may be subordinate to other lienholders. The collateral value of the property may be less than the outstanding amount of the Partnership's investment. Returns on an investment of this type depend on the borrower's ability and willingness to make required payments and, in the event of default, the ability and willingness of the senior lender to foreclose and liquidate the mortgage loan.

Construction Risks. Partnerships may invest in loans secured by properties that require development or redevelopment and may in certain circumstances acquire direct interests in such properties. Real estate development involves the risk that construction may not be completed within budget or on schedule because of cost overruns, work stoppages, weather conditions, shortages of building materials, the inability of contractors to perform their obligations under construction contracts, defects in plans and specifications or in construction, or other factors. Any delay in completing a project may result in increased costs, the potential loss of purchasers or tenants, and the

possibility of defaults under financings. Furthermore, increased real estate development may lead to periods of oversupply and result in vacancies, lower rentals, and lower sale prices for real estate projects. Newly developed real estate projects may be disproportionately affected by fluctuations in demand and supply as they may have no existing tenancies and may need to be leased up in their entirety. Any of such factors may affect the value of a Partnership's direct or indirect interests in such properties and/or the ability of a borrower to make payments of principal and interest owing to the Partnership.

Due Diligence Risk. There can be no assurance that RRA's or any of its affiliates' (or any unrelated third-party originators') due diligence and underwriting processes will uncover all relevant facts that would be material to an investment decision. Before making an investment, RRA will assess the strength of the underlying security for any loan or other investment and any other factors that they believe are material to the performance of the investment. In making the assessment and otherwise conducting customary due diligence, RRA will rely on the resources available to it and, in some cases, investigations by unrelated third parties.

Concentration of Investments. The Partnership will participate in a limited number of loans. Although the Partnership is subject to certain restrictions, such restrictions may be waived by the LP Advisory Board or may exceed what a limited partner deems prudent. A consequence of the fact that the Partnership may make a limited number of loans is that the aggregate returns realized by the limited partners may be substantially adversely affected by the unfavorable performance of a small number of these loans. Furthermore, the Partnership does not have fixed guidelines for diversification by geographic location, and Partnership capital may be concentrated in only a small number of loans. If a large portion of the assets of the Partnership is held in cash or similarly liquid form, the Partnership's performance might also be affected.

Rent Control, Rent Stabilization and Eviction Laws, Rules, Ordinances and Regulations. National, state and local rent control, rent stabilization and eviction laws, rules, ordinances and regulations may limit a property owner's ability to increase rents, evict tenants and to recover increases in operating expenses and the costs of capital improvements. Any properties involved in the Partnership's portfolio investments may be or become subject to rent control, rent stabilization and eviction laws, rules, ordinances and regulations, which would not only restrict ongoing rent increases and limit the ability to issue eviction notices but also prohibit the property owner from increasing rents upon turnover or realizing rents altogether. Following the recent COVID-19 outbreak and recent social and political instability, property owners with federally backed mortgages were temporarily prohibited from issuing eviction notices and certain state and local governments have set up additional restrictions. Enactment of additional rent control, rent stabilization and eviction laws, rules, ordinances and regulations have been considered from time to time in various state and local jurisdictions and on the national level, and any such changes in law, rule, ordinance or regulation may have a material adverse effect on a property owner's revenues, business and results of operations and thereby on the value or returns of the Partnership's investments or the Partnership's ability to source investments.

Non-Controlling Investments. The Adviser anticipates that the Partnership will principally hold debt obligations and other non-controlling interests in portfolio investments and, therefore, the Partnership will have a limited ability to protect its position through the operation of such portfolio investment. Although the Adviser will monitor the performance of each loan, it primarily will be the responsibility of a borrower's local operator to manage the underlying asset on a day-to-day basis. However, the Partnership will seek appropriate creditor and other rights to help protect its interest.

Limited Liquidity of the Partnership's Investments. The Partnership's loans and investments will have limited liquidity, or possibly no liquidity. There is no active secondary market for certain types of loans that the Partnership intends to make or for equity security or equity options, warrants, or other equity participation rights of the kind that the Partnership might acquire. Sales may also be limited by economic, securities market, political, or other local conditions generally, or by conditions that are unfavorable for sales of debt or equity of issuers in particular industries. In addition, the Partnership may become subject to legal or contractual restrictions that prevent the Partnership from disposing of an investment at a time it might otherwise seek to do so. Any of these circumstances could prevent or delay the disposition of the Partnership's investments, or reduce the amount of proceeds that the Partnership might otherwise realize.

Leverage Risk. The Partnerships expect to use leverage as part of their investment strategy and may do so directly and indirectly using one or more financing vehicles. The use of leverage will increase the volatility of the Partnerships, as well as increase the risk of default and loss. There can be no assurance that the Partnerships will be able to obtain indebtedness on terms available to any predecessor investment vehicle or account or to competitors, including terms that may be currently available in the market, or that indebtedness will be accessible by the Partnerships at any time, and to the extent that it is available there can be no assurance that such indebtedness will be on terms favorable to the Partnerships, including with respect to interest rates, or that such indebtedness will remain available throughout the term of the Partnerships. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast. During times when credit markets are tight, it may be difficult to obtain or maintain the desired degree of leverage. Moreover, the use of leverage may cause certain of the Partnerships' income to be unrelated business taxable income to U.S. tax exempt investors. Each prospective U.S. tax exempt investor should consult with its own adviser as to the advisability and tax consequences of an investment in the Partnerships.

Inflation. Some countries, including the United States, are currently and may in the future experience substantial rates of inflation, which may have negative effects on the economies and securities markets of their economies. Governmental efforts to curb inflation (such as price controls) may involve drastic economic measures affecting the level of economic activities. There can be no assurance that the relevant governments

will be able to exercise effective control over inflation rates or that a high rate of inflation will not have a materially adverse effect on the Partnership or its investments.

Portfolio Valuation. It is expected that the Partnerships will have a limited ability to obtain accurate market quotations for purposes of valuing most of its Portfolio Investments, which may require the General Partner and/or RRA to estimate, in accordance with its established valuation policies, the value of the Partnership's debt investments on a valuation date. Further, because of the overall size and concentrations in particular markets, the maturities of positions that may be held by the Partnerships from time to time and other factors, the liquidation values of the Partnership's loans may differ significantly from the interim valuations of these loans derived from the valuation methods described herein.

Adverse Developments Affecting the Financial Services Industry; Bank Failures. National and regional banks, financial institutions and other participants in the U.S. and global capital markets are closely interrelated as a result of credit, trading, clearing, technology, and other relationships. A significant adverse development (such as a bank run, insolvency, bankruptcy, or default) with one or more national or regional banks, financial institutions, or other participants in the financial or capital markets may spread to others and lead to significant concentrated or market-wide problems (such as defaults, liquidity problems, impairment charges, additional bank runs, and losses, among other possible effects) for other participants in these markets. Future developments, including actions taken by the U.S. Department of the Treasury, Federal Deposit Insurance Corporation (FDIC), and/or Federal Reserve Board, and systemic risk in the U.S. and global banking sectors and broader economies in general, are difficult to assess and quantify, and the form and magnitude of such developments or other actions of any of the U.S. Department of the Treasury, Federal Deposit Insurance Corporation, and/or Federal Reserve Board, as well as other financial industry agencies and policy-making and regulatory bodies, may remain unknown for significant periods of time and could adversely affect the Partnerships and their investments.

For example, in response to the rapidly declining financial condition of regional banks Silicon Valley Bank and Signature Bank, the California Department of Financial Protection and Innovation and the New York State Department of Financial Services closed Silicon Valley Bank and Signature, and the Federal Deposit Insurance Corporation was appointed as receiver for each of Silicon Valley Bank and Signature Bank. In response, the Department of the Treasury, the Federal Reserve Board, and the Federal Deposit Insurance Corporation stated that all depositors of Silicon Valley Bank and Signature would have access to all their deposits. Similarly, in the spring of 2023, the California Department of Financial Protection and Innovation closed commercial bank First Republic Bank, and the Federal Deposit Insurance Corporation seized its assets, following the rapid decline of First Republic Bank's financial condition.

Although the U.S. Department of the Treasury, the Federal Reserve Board, the Federal Deposit Insurance Corporation, and other financial institutions have taken measures to stabilize the financial system, uncertainty and liquidity concerns in the broader financial services industry remain. Additionally, should there be additional systemic pressure on the financial system and capital markets, there is no assurance that the response of any government, regulator, or market participant will be as favorable to industry participants

as the recent measures have been. Highly publicized issues related to the U.S. and global capital markets in the past have led to significant and widespread investor concerns and market volatility. The aforementioned banking industry situation may lead to further rules and regulations for banks, financial institutions, and other financial market participants in both the U.S. and global capital markets, and complying with the requirements of any such rules or regulations may be burdensome. The recent bank closings have given rise to significant liquidity concerns in the broader financial services industry and to increased market volatility. Liquidity problems in the financial services industry could have an adverse effect on the Partnerships and their investment returns.

Cyber Security Risk. RRA, clients advised by RRA, and their service providers (“Affected Persons”) may be susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the Affected Persons have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by: interference with a client’s ability to calculate the value of its investments; impediments to trading for a client portfolio; the inability to transact business with the Affected Person; causing violations of applicable privacy, data security or other laws with resulting regulatory fines and penalties and reputational damage; any reimbursement or other compensation or remediation costs or legal fees or additional compliance costs.

Conflicts of Interest

Certain conflicts of interest exist between and amongst RRA, its affiliates and other third parties. Conflicts of interest can cause RRA to engage in riskier investments; act in RRA’s, its affiliates’ or third parties’ own best interest rather than the Partnership’s best interest; or increase the costs associated with an Investor’s investment in one of the Partnerships. Such conflicts of interest include:

Borrowing from Investors. Certain Partnerships have borrowed from Investors and Sourcing and Servicing Clients. Such arrangements are entered into at market rates. This is an inherent conflict of interest that such arrangement provides preferential treatment to such Investor, including, additional transparency into portfolio loans. RRA seeks to mitigate such conflict by robust disclosure to Investors and review of market rates and terms. RRA (as the investment adviser) does not borrow money from the Partnerships, Investors, or Sourcing and Servicing Clients for purposes that benefit RRA or its affiliated entities.

Allocation of Portfolio Loans. RRA, and/or its affiliates, currently manage, and may from time to time establish, other investment funds, partnerships, and separate accounts (the “RRA Investment Vehicles”). One or more of the RRA Investment Vehicles may invest alongside the Partnership on side-by-side basis in some or all of the loans originated

or purchased by the Partnership. Where the Partnership and one or more RRA Investment Vehicles co-invest, each is expected to participate in an investment in accordance with the RRA's investment allocation policy, which will generally allocate investments among the Partnership and the RRA Investment Vehicles based on the investment objectives, investment restrictions, available capital, liquidity, diversification, lender covenants and other limitations of the Partnership and other RRA Investment Vehicles. With respect to a particular investment opportunity, the Partnership has no investment allocation priority over the RRA Investment Vehicles. The Adviser may, subject to applicable law and the general allocation procedures described herein, allocate loans among the Partnership and any RRA Investment Vehicles based upon a rotational system.

RRA, and/or its affiliates, also originates and services loans for non-advisory clients pursuant to sourcing and servicing agreements ("Non-Advisory Clients"). Loans for Non-Advisory Clients are intended to be outside of the investment criteria for the Partnership and the RRA Investment Vehicles based on yield, LTV, and other risk/return characteristics. To the extent there is an allocation conflict between the Partnership or the RRA Investment Vehicles, on one hand, and a Non-Advisory Client, on the other hand, the Adviser shall ensure that allocation is made in a fair and equitable fashion. As a general matter, however, the Partnership and RRA Investment Vehicles will receive priority over Non-Advisory Clients if an investment is eligible for both the Partnership or the RRA Investment Vehicles, on one hand, and a Non-Advisory Client, on the other hand.

Expense Allocation. RRA maintains fee and expense allocation policies and procedures to ensure items charged to Partnerships conform to the Offering Documents, and are otherwise fair and equitable amongst Partnerships, RRA and its affiliates, and Sourcing and Servicing Clients.

Co-Investments. RRA and its affiliates will invest capital in the Partnerships' portfolio transactions through the Partnerships or alongside the Partnerships. Such co-investments may not be subject to management fees or incentive allocations. However, other fees (e.g., loan origination servicing, and modification fees) will be received by RRA affiliates. Co-investment entities established by RRA and/or its affiliates are expected to participate in certain of the Partnerships' investments, which will dilute the Partnerships' participation in those investments. Investments will generally be apportioned among the Partnerships and the co-investment vehicles based upon RRA's investment allocation policies and procedures, as described above. Co-investors may include strategic investors that are believed to be able to otherwise assist with the management of the portfolio investment or property.

The Adviser may establish co-investment and/or loan participation arrangements ("Strategic Partnerships") with investors that grant such investors priority to invest alongside one or more Partnerships. The Adviser believes that such Strategic Partnerships enable a Partnership to pursue loan opportunities that would otherwise be in excess of the desired Partnership risk and concentration limits, which will in turn enable the Partnerships to pursue loan opportunities that it otherwise would not have had access to. The Adviser seeks to structure the Strategic Partnerships investments to

be on terms and conditions not more favorable than the terms and conditions of the investment by the applicable Partnership. However, there are inherent conflicts of interest to Strategic Partnership arrangements. For example, Strategic Partnerships will have priority over other Investors that have expressed interest in co-investment opportunities. In addition, Strategic Partnerships will have added transparency and major decisions consent rights into loan approval and servicing decisions than the rights of Partnership Investors. Such consent rights may cause the Adviser to make investment decisions that impact Partnership investments that it otherwise would not have made if it was not for the Strategic Partnership arrangement. In addition, Strategic Partnerships may require certain investment minimums that may conflict with the Partnership desired investment amounts. Also, the Loan Originator and Loan Servicer will benefit from additional origination and servicing fees from originating larger loans that do not offset or reduce Partnership management fees. To mitigate the aforementioned conflicts with Strategic Partnerships, RRA maintains investment and fee/expense allocation policies to determine and document that allocation decisions are fair and equitable. In addition, RRA will disclose to Partnership Investors material details of any loan participations of Strategic Partnerships in quarterly investor letters. Further discussion regarding co-investments is included in Item 11.

The Partnership will incur a portion of the organization, legal, and formation costs of such Strategic Partnerships. However, the Strategic Partnerships will generally bear its pro rata portion of expenses incurred in making, servicing, and disposing (as applicable) loan investments. As is the case with other co-investments, RRA will not receive any management fees or incentive allocations from Strategic Partnerships, but as disclosed previously, RRA's affiliates will receive additional origination and servicing fees from loan participations to Strategic Partnerships (as described in *Item 5 and Item 11*).

Certain Strategic Partnerships may be structured alongside the Partnership as an offshore entity. With respect to these structures, loans are initially originated in the Partnership (due to tax considerations) and after a period of time, applicable pro rata interests in such loans may be sold from the Partnership to the offshore Strategic Partnership, in order to give the latter exposure to the investment ("season and sell transactions"). RRA's policies with respect to these types of transactions are designed to allocate these investment opportunities appropriately, while complying with certain applicable structuring guidelines and considerations. While RRA may enter into such investments with the reasonable expectation that a portion of the investment may ultimately be sold from the Partnership to the offshore Strategic Partnership after a period of time, it is important to note during the time that the investment is held solely by the Partnership and assumes all downside risk, costs and expenses associated with such investment, including the risk that the investment will default and will result in a loss of invested capital, as well as the risk that the season and sell transaction may not be completed.

Side Letters. The Partnerships may from time to time enter into letter agreements or other similar agreements ("Side Letters") with one or more investors, which waive or modify the application of any provision of the Offering Documents and/or the terms of offer of the Interests as set out in the Offering Documents with respect to such investor(s). As a result, such Investor(s) may receive rights that other Investors will not

receive. The Partnerships will generally not be required to notify any of the other Investors of any such Side Letters or any of the rights and/or terms or provisions thereof, nor will the Partnerships generally be required to offer such additional and/or different rights and/or terms to the other Investors. The General Partners may enter a Side Letter with any Investor, at any time. The other Investors will have no recourse against the Partnerships, the General Partner and/or any of their affiliates in the event that such Investor(s) receive additional and/or different rights and/or terms as a result of such Side Letters. RRA has also negotiated a revenue sharing arrangement with a large Investor, whereby a variable percentage of the management fees and carried interest generated by the Partnerships to RRA and affiliates are paid to the Investor, based on the amount of capital the Investor contributes to the Partnerships.

Use of Affiliated Service Providers. RRA utilizes the services of its Loan Servicer and Loan Originator at rates it believes to be at competitive market levels. RRA will periodically review affiliated service provider rates against market rates, taking into consideration qualitative and quantitative factors. Additional disclosure of these services and the potential conflicts of interest can be found in Item 10.

Employee Investments in Real Estate. RRA employees may make personal investments in real estate, which may include equity investments and investments in blind pool private equity real estate funds. There are also situations where employees' investments or legacy investments are invested in blind pool funds or sponsors that are borrowers (or affiliated with borrowers) to the Partnerships. This situation creates a potential conflict of interest because RRA would be incentivized to provide better loan terms or modifications to such sponsors, which may indirectly benefit the employees' investments at the expense of the Partnerships. As disclosed in Item 11 below, RRA has implemented Code of Ethics procedures that, among other things, require employees to report and pre-clear certain transactions. In addition, Fund Offering Documents require LP Advisory Board (comprised of representatives of certain of the underlying Investors in a Partnership) notification and consent for certain related party transactions.

In addition to the Code of Ethics, RRA has adopted other policies and procedures to address potential conflicts (collectively, the "Conflicts Procedures"). These Conflicts Procedures, which may be modified from time to time at RRA's sole discretion, may require, as mentioned above, prior review or approval of certain transactions by the Chief Compliance Officer or consent from the LP Advisory Board. Additional procedures for addressing conflicts may be contained in Offering Documents.

Other conflicts of interest may exist. Please review the conflicts of interest section of the respective Partnership's Offering Documents for more information and discussion regarding how RRA mitigates such risks.

Item 9. Disciplinary Information

This item is not applicable to RRA.

Item 10. Other Financial Industry Activities and Affiliations

As previously disclosed, RRA is affiliated with other companies that serve as General Partners to the Partnerships.

In providing investment advisory services to its clients, RRA utilizes the expertise of its affiliated Loan Servicer and Loan Originator as a means of managing the quality of execution and delivery of ongoing asset management services, all in an effort to enhance its clients' return on investment. However, RRA's use of affiliated service providers creates a conflict of interest with clients. Although any fees incurred and paid to such affiliate are intended to be in the range of current market rates, there may be an incentive for RRA to employ such affiliates rather than third parties and utilize strategies that generate or increase fees to such affiliates.

RRA seeks to minimize these inherent or potential conflicts of interest by negotiating fee arrangements with affiliates at what it believes to be current market rates and by periodically analyzing the market for the services provided by its affiliates to maintain market rates for these services. As disclosed above, RRA typically collects an incentive fee based on clients' performance. As such, RRA believes its interests are aligned with the clients' interests as a whole and RRA is incentivized to maximize proceeds overall.

RRA is affiliated with RRA Property Services, LLC ("RRA Property Services"), which holds a real estate broker license in Arizona through one of RRA's principals. However, RRA Property Services is inactive in the business of real estate brokerage and has not processed any transactions to date. RRA Property Services does not provide real estate brokerage services to the Funds.

RRA is also affiliated with RRA Consulting, LLC ("RRA Consulting") which provides real estate consulting services including asset management services for non-advisory clients. RRA Consulting works with owners, lenders, and investors on their performing and non-performing commercial real estate assets. RRA Consulting does not provide services to the Partnerships or the portfolio loans therein.

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

RRA has adopted a Code of Ethics (the "Code") that applies to RRA's employees and officers. The Code, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 (the "Advisers Act"), establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. Under the Code, RRA's personnel are required to comply with applicable federal securities laws and to file certain periodic reports with RRA's Chief Compliance Officer. RRA's personnel are also required to promptly report any violation of the Code of which they become aware. A copy of RRA's Code is available to any investor or prospective investor upon request.

RRA, along with its related entities and their respective personnel and officers, engage in a broad range of activities, including investment activities for their own account and for the accounts of other clients. In the ordinary course of conducting its activities, the

interests of a Partnership may conflict with the interests of RRA, other Partnerships or their respective affiliates. Certain of these conflicts of interests, as well as a description of how RRA addresses these conflicts of interest, are discussed below.

On occasion, related parties or employees may co-invest in one or more lending opportunities (including syndicating portions of loans) offered by the Partnerships. RRA may also maintain or manage separate co-investment vehicles and accounts in connection to such co-investment or syndication opportunities. Co-investments and syndications typically occur in situations where the opportunity would otherwise unreasonably limit the diversification of the Partnership, in situations where loan to value is deemed too high for the risk parameters described in the Offering Documents, or when a co-investor may bring specific expertise to the business plan. RRA maintains co-investment policies and procedures that assist with monitoring for conflicts associated with co-investments and syndications and adhering to the Partnerships' Offering Documents, including obtaining Investor consent (as necessary) when related parties are involved.

The payment of other fee income for co-investment participation interests creates a conflict of interest because the amounts of any other fee income (such as origination or servicing fees) may be substantial, and the Partnerships (and its investors) generally do not have a direct interest in these fees. The Adviser determines the amount of these fees for the services provided, subject to negotiated agreements with the co-invest lender. To mitigate this conflict of interest, such fee rates are typically allocated on a *pro rata* and *pari passu* basis in accordance with the respective participation interests of the Partnership and participating co-investor. RRA may at its discretion allocate a portion of such fees to the Partnerships.

Item 12. Brokerage Practices

RRA is the investment manager to various private Partnerships and generally has complete discretion and authority to manage and direct the investment of capital for the Partnerships for which it or an affiliate serves as the general partner. Investments by the Partnerships in underlying funds or direct investments in loans do not involve a broker-dealer. RRA does not receive products or research services in return for payment of commissions to brokers or dealers ("soft dollars").

However, RRA engages other financing counterparties to complete transactions on behalf of the Partnerships. When executing a transaction in any investment for a Partnership, RRA must take reasonable steps to ensure that the counterparty is reliable and that the terms and circumstances of the transaction are the best available on the relevant market at the time of execution for transactions of the same size and nature. In determining to retain such parties, RRA may consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; (iv) ability to close transactions; and (v) responsiveness to requests for information. As a result, although RRA generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Partnerships may not necessarily pay the lowest commission or fee for such services.

Principal Transactions

RRA does not anticipate entering into principal transactions, where we or any of our affiliates purchase or sell any security for our own account from or to the account of any Fund. In the event that we (or our affiliates) may engage in a principal transaction, we will obtain the approval of the applicable Fund's advisory board.

Cross Transactions

RRA is not affiliated with a registered broker-dealer and as such cannot engage in agency cross transactions. While unlikely, we may engage in a cross transaction, where one Fund purchases or sells any security for its own account from or to the account of another Fund. In the event that we engage in a cross transaction, we will obtain the approval of the applicable Fund's advisory board.

Item 13. Review of Accounts

The Partnerships under RRA's management are monitored by RRA's investment professionals, including RRA's investment committee. Partnership Investors receive account statements directly from the Partnership's administrator, typically on a quarterly basis. RRA may supplement these account statements with reports provided during meetings with investors or as requested. Investors in the Partnerships are also generally provided with written annual audited year-end financial statements within 120 days after the end of the applicable Partnership's fiscal year.

Item 14. Client Referrals and Other Compensation

RRA has entered into an arrangement with a third-party broker-dealer to compensate such broker-dealer for referring investors to a Partnership and may enter into similar arrangements in the future. Any such referral arrangement will be fully disclosed to referred investors. To the extent a Partnership does engage such a placement agent and has incurred placement fees with respect to any investor, the management fee payable by the Partnership with respect to that investor will be reduced on a dollar-for-dollar basis, but not below zero.

Item 15. Custody

For purposes of the Advisers Act, RRA is deemed to have custody of funds and securities held by the Partnerships for which a related person of RRA serves as General Partner. Each such Partnership is audited at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and each such Partnership generally distributes its audited financial statements on an annual basis to all investors typically no later than 120 days after the end of the applicable Partnership's fiscal year end.

As described above, RRA has an affiliated entity that acts as a Loan Servicer. RRA has custody of assets in the loan servicing accounts as the accounts are commingling the assets of both advisory clients and third-party assets. RRA has engaged the services of an independent public accountant to conduct an internal control report of the servicer

accounts on an annual basis.

Item 16. Investment Discretion

Subject to the investment guidelines set forth in the Offering Documents of the applicable Partnership, RRA has discretion to determine the type and amount of investments in each Partnership. As previously disclosed, the Sourcing and Servicing Clients are non-discretionary, non-advisory clients.

Item 17. Voting Client Securities

RRA has adopted proxy voting policies and procedures that are designed to ensure that RRA votes proxies with respect to securities in the best interests of the Partnerships. The proxy voting policies and procedures also require that RRA identify and address conflicts of interest between RRA and the Partnerships that arise during the proxy voting process. If a material conflict of interest exists, RRA will determine whether voting in accordance with the guidelines set forth in the proxy voting policies and procedures is in the best interests of the Partnership or whether RRA should take some other appropriate action. Investors in the Partnerships are not able to direct how RRA votes proxies.

It should be noted that RRA is an investment adviser to Partnerships that primarily invest in bridge loans, and as such the portfolios over which it has investment discretion generally do not hold exchange-traded securities that regularly solicit votes, consents, or proxies. In the case that RRA is required to make a vote or grant an approval relating to an investment, RRA's investment committee and Chief Compliance Officer will review the proxy for potential conflicts of interest and typically vote in a manner that RRA believes to maximize investor returns. A copy of RRA's proxy voting policies and procedures is available upon request, as is information about how RRA voted.

Item 18. Financial Information

This item is not applicable to RRA.