

Item 1 – Cover Page

**Part 2A of Form ADV
Brochure for:**

Velocis Management, LLC

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This Brochure provides information about the qualifications and business practices of Velocis Management, LLC (“Velocis” or the “Adviser”). If you have any questions about the contents of this Brochure, please contact the Adviser at the address listed above. 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.

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

Additional information about Velocis is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Since the initial registration filing on June 29, 2023 there has been no material updates

Item 3 – Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes	ii
Item 3 – Table of Contents	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	3
Item 6 - Performance-Based Fees and Side-By-Side Management	5
Item 7 – Types of Clients.....	6
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	6
Item 9 – Disciplinary Information	17
Item 10 – Other Financial Industry Activities and Affiliations	17
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	18
Item 12 – Brokerage Practices	19
Item 13 – Review of Accounts	20
Item 14 – Client Referrals and Other Compensation	20
Item 15 – Custody.....	20
Item 16 – Investment Discretion.....	21
Item 17 – Voting Client Securities	21
Item 18 – Financial Information	21

Item 4 – Advisory Business

Velocis Management, LLC (“Velocis” or the “Adviser”) was co-founded by W. Frederick (Fred) Hamm, Michael (Mike) Lewis, and James (Jim) Yoder in 2010 as a Delaware limited liability company with a principal place of business in Dallas, Texas. The senior management team of Velocis is comprised of Mr. Hamm, Mr. Lewis, Mr. Yoder, Paul Smith and David Seifert, who all hold an equity interest in the Adviser. Velocis acts as the investment adviser to private real estate secondary investment funds (collectively, the “Funds”). The Funds are privately offered real estate secondary investment vehicles that are structured as Delaware limited partnerships, each managed by a General Partner (“General Partner”) which is an affiliate of the Adviser. The Funds may be referred to as Clients (each a “Client”) throughout this document.

Velocis is a private equity real estate investment manager whose investment advisory services consist of investments in other private funds with real estate focus through the secondary market and select non-controlled real estate investments. Velocis is a large real estate investor, and a sub-set of its activities are investment advisory services.

Velocis investment advisory activities seek to generate attractive, risk-adjusted opportunistic returns by constructing a diversified real estate portfolio across a range of geographies, property types, strategies, and vintage years via equity interest acquisitions and General Partner-led liquidity-driven transactions in real estate funds and real estate assets. Velocis provides discretionary investment services to private funds that are exempt from registration under the Investment Company Act of 1940, as amended (“1940 Act”), and whose securities are not registered under the Securities Act of 1933, as amended (“Securities Act”). Each fund is generally structured as a limited partnership with an affiliated entity to Velocis serving as General Partner.

Separate from the investment advisory services Velocis provides to its Clients, Velocis also provides investment selection, execution, and management services to privately offered partnerships (or similar legal entities) which invest exclusively in controlled real estate investments (collectively, the “Real Estate Funds”). Because the Real Estate Funds only invest in or own real assets, such entities do not invest in securities or receive investment advisory services from Velocis (meaning they are not “clients” for purposes of the Advisers Act) and the value of such Real Estate Funds or their investments are not included in Velocis’ calculation of regulatory assets under management disclosed below.

Velocis provides discretionary investment advisory services based on each Fund’s investment guidelines as outlined in each fund’s operative documents. Velocis tailors its investment advisory services to each private fund. However, Velocis does not tailor its advisory services to the individual needs of the private fund investors, (**“Investors” or “Limited Partners”**) and such investors may not impose restrictions on investing in certain securities or types of investments.

Additionally, Velocis at its discretion has entered and may enter into additional agreements, or “side letters,” with Fund investors whereby such investors may be subject to terms and conditions that vary from or are more advantageous than those applicable to other investors.

Persons reviewing this Brochure should not construe this Brochure as an offering of any of the Funds described herein, which will only be made pursuant to delivery of a confidential offering memorandum to prospective eligible investors.

Velocis does not participate in wrap fee programs.

As of December 31, 2023, the Adviser managed approximately \$268,390,240 in regulatory assets under management on a discretionary basis. Velocis does not manage any advisory client assets on a non-discretionary basis.

Item 5 – Fees and Compensation

Velocis or its affiliated General Partner entities receive fees from the Funds in connection with the Adviser's investment management services. The Adviser, through the affiliated General Partner entity for each Fund, has the right and ability to modify the fees paid by their respective limited partnerships. Fees are negotiable on a case-by-case basis. Additionally, consistent with the operative documents of a Fund, the Fund typically bears certain out-of-pocket expenses incurred by Velocis in connection with the services provided to the Fund and/or the portfolio investments. Further details about certain fees and expenses are set forth in more detail below:

Management Fee

For the Advisers' services to the Funds, each Fund will pay a management fee (**"Management Fee"**) to the Adviser with respect to each Limited Partner. The management fees vary by Fund as described in the governing documents for each fund. Management fees range from .50% to 1.50%, *per annum* of the aggregate amount of the capital commitments of such Limited Partner, depending on the Fund vehicle. For each fiscal quarter beginning upon or after the expiration of the investment period, the Management Fee payable with respect to each Limited Partner will be 1/4 the annual % amount per quarter of such Limited Partner's funded capital commitments in respect of portfolio investments then held by the Fund (as determined by the General Partner in its reasonable discretion), other than any portfolio investments that have been written off (which will be reflected in the Fund's year-end audited financial statements).

Performance-based Fees

From the Funds, Velocis or an affiliated entity generally receives Carried Interest. Carried Interest vary by fund as described in the governing documents of each Fund. Carried Interest range from 12% to 20% and is calculated in the following order and priority: the First, one hundred percent (100%) to such Limited Partner until such Limited Partner has received an amount equal to the aggregate funded capital commitments of such Limited Partner; and thereafter, (100% minus the Carried Interest % for the specific fund) to such Limited Partner and (Carried Interest % for specific Fund) to the General Partner (such distributions to the General Partner in this paragraph (b) being referred to as the **"Carried Interest"**).

The incentive allocation will only be charged to accounts of those Investors who are "qualified clients" as defined in Rule 205-3 of the Investment Advisers Act of 1940, as amended ("Advisers Act").

Other Fees and Expenses

The General Partner, the Manager and their affiliates will be responsible for their respective overhead expenses, facilities expenses, compensation of their employees and certain other expenses as provided in the limited partnership agreement of each Fund (each a Fund Agreement).

The Fund will pay all fees, costs, expenses, liabilities and obligations relating to the Fund and/or its activities, business or actual or potential investments (collectively, “**Fund Expenses**”), including, without limitation, (a) the organizational expenses of the Fund and related vehicles; (b) the costs and expenses incurred in connection with maintaining the organizational existence of the Fund; (c) the costs and expenses incurred relating to sourcing, investigating, identifying, analyzing, pursuing, negotiating, consummating, organizing, acquiring, holding, financing, refinancing, structuring, restructuring, monitoring, managing, valuing, seeking sale and other disposition opportunities and selling or otherwise disposing of or winding up any actual or potential portfolio investments for the Fund (regardless of whether such transactions are actually consummated or such activities are successful, and including any breakup, dead deal costs and termination fees); (d) costs, expenses and liabilities in connection with indebtedness, borrowings, guarantees and similar arrangements entered into directly or indirectly by or on behalf of the Fund, including interest and other fees and expenses incurred in connection therewith; (e) the fees and expenses of the Fund’s brokers, administrators, custodians, depositaries, legal counsel, consultants, investment bankers, investor relations consultants, appraisers, valuation advisors and consultants, accountants (including audit and certification fees) and other outside advisors; (f) the costs and expenses of reporting to the Limited Partners, any meetings of or with any of the foregoing, and any expense reimbursements relating to any of the foregoing; (g) any taxes, fees or other governmental charges levied against the Fund or on its income or assets or in connection with its business or operations (except as otherwise provided in the Fund Agreement), and all expenses incurred in connection with any tax audit, investigation or review of the Fund; (h) Management Fees; (i) placement fees; (j) the costs and expenses of any Fund-related tax, administrative, compliance, regulatory or other similar matters, including the cost of any related reporting or filing obligations, any investigations, examinations and governmental inquiries or proceedings (including any fines, penalties, judgments and settlements in connection therewith), and the fees, costs and expenses associated with preparing and distributing financial statements, tax returns, tax estimates, Schedule K-1s and any other tax, administrative, compliance, regulatory or other Fund-related reporting or filing; (k) all other direct and indirect costs and expenses of the Fund, any parallel fund or the General Partner in connection with this agreement and/or the parallel fund agreement(s), such as expenses relating to travel, meals and entertainment, costs of insurance (including directors and officers insurance, errors and omissions insurance, General partner liability insurance and representation and warranty liability insurance, and all premiums and charges in connection therewith), costs of litigation, mediation and arbitration (including judgments, awards and settlement costs), liabilities, indemnification and reimbursement costs, and costs of winding-up and liquidating the Fund and/or any other Fund vehicle(s); (l) except as set forth in the Fund Agreement, any costs (including legal fees) of amending the Fund Agreement and any governing documents of other Fund vehicles, and any costs (including legal fees) of amending the organizational or governing documents of the General Partner, the Adviser or any of their respective affiliates in connection with the formation of or other matters relating to the Fund and/or the related vehicles; and (m) to the extent determined to be equitable by the General Partner, the costs

and expenses incurred in connection with the organization, management, operation, dissolution, liquidation and final winding up of any other Fund vehicles and any other costs and expenses jointly incurred by or on behalf of the Fund and/or any other Fund vehicle. Except as expressly provided above, General Partner expenses will be excluded from the definition of Fund Expenses. The Fund may make capital calls to fund any Fund Expenses, or such amounts may be funded out of investment proceeds, as determined by the General Partner. Any contributions made by a Partner in respect of Fund Expenses will reduce such Partner's unfunded capital commitment. The General Partner may allocate Fund expenses among the various Fund vehicles (including any alternative investment vehicles) in an equitable manner as determined in good faith by the General Partner. The Funds will not bear any general overhead expenses of the Adviser with respect to the Adviser providing its services to the Funds, including office rental and salary expenses.

For the Funds, all organizational and operating expenses are initially paid by the Adviser and these Funds pay the Adviser a one-time fee (the "Formation Fee") which the Adviser uses as reimbursement of organizational and offering expenses incurred on behalf of these Funds in connection with the offering of these Funds' interests, including but not limited to legal, accounting, filing, capital raising and other similar fees and expenses incurred in connection with the offering. The Adviser will pay any organizational and startup expenses it incurs, whether on behalf of itself or these Funds, for all organizational and offering expenses incurred in connection with the offering of the Fund interest, including but not limited to legal, accounting, filing, capital raising and placement agent fees and other similar fees and expenses incurred in connection with the offering.

The Adviser will be entitled to receive fees attributable to the acquisition and disposition of Fund investments. These fees will be treated as described in the applicable Fund's offering documents.

The foregoing discussion in Items 5 represents Velocis' basic compensation arrangements. The management fees and incentive allocations described above are structured to comply with Rule 205-3 under the Advisers Act and applicable state laws. Fees and other compensation are negotiable in certain circumstances and arrangements with any particular Investor may vary. Although Velocis believes its fees are competitive, lower fees for comparable services may be available from other investment advisers.

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

As discussed in Item 5.A., Velocis generally receives an incentive allocation equal to a percentage of the net income allocated to each Investor for the year with respect to its Funds. Due to the Funds' structure, Velocis allocates investment opportunities to the Fund, and not to individual Investor accounts. Therefore, there are no potential conflicts of interest related to, the side-by-side management.

Performance-based compensation may provide a possible incentive for Velocis to make riskier or more speculative investments on behalf of a Client than it might make otherwise. Notwithstanding this potential incentive, Velocis will evaluate investments in a manner that it considers to be in the best interest of its Clients, given those Clients' investment objectives, investment strategies, suitability of the investment, and risk profile.

Item 7 – Types of Clients

As detailed in Item 4, Velocis, through affiliated General Partners, provides investment advisory services on a discretionary basis to privately offered pooled investment vehicles organized as limited partnerships. Investment advice is provided directly to the Funds and not individually to investors in such Funds. Investors in the limited partnerships must be accredited investors within the meaning of Regulation D under the Securities Act and, for certain limited partnerships, qualified clients or qualified purchasers within the meaning of the 1940 Act. Investors include, among others, high net worth individuals, banks, thrift institutions, public and private pension and profit-sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities. Generally, there is no minimum commitment to the limited partnership.

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

The investment strategy of the Adviser is to construct a diversified real estate secondary portfolio across a range of geographies, property types, strategies, and vintage years via equity interest acquisitions and General Partner-led liquidity-driven transactions in real estate funds and real estate assets. The Velocis secondary platform will leverage the distinct portfolio benefits secondary transactions offer, specifically, broad diversification and opportunistic returns. A well-constructed, hyper-diversified real estate secondary portfolio often exhibits reduced volatility compared to a primary portfolio, benefiting from exposure to a vast array of underlying positions across all key metrics, including vintage year, sponsor, strategy, asset class and geographic area. To achieve broad diversification, Velocis will take into consideration the four traditional real estate categories of industrial, multifamily, office and retail, as well as various niche categories, including, but not limited to, cold storage, data centers, hospitality, gaming, life science, medical office, single family residential and self-storage. Velocis will not explicitly target or avoid certain property types and markets, but rather will express certain conviction on a case-by-case basis and will adjust return projections and pricing accordingly. The Velocis underwriting process involves pricing each individual underlying asset in the fund and applying an individual discount rate to account for the risk associated with different markets and property types. Broad market and property type parameters will also offer more access to larger, name brand funds that often cover various geographies and real estate categories. Through effective diversification, the Fund will target a portfolio that achieves attractive risk-adjusted returns while exhibiting

defensive attributes, such as discount-to-NAV (net asset value) pricing, J-Curve mitigation, and accelerated distributions. Each of these attributes plays an important role in the Fund's overall portfolio construction. Prioritizing risk management and diversification, the Fund will gain exposure to private real estate at an attractive risk-adjusted basis, leading to a complimentary investment allocation for its investors.

Risk Factors and Potential Conflicts of Interest

Investing in securities involves risk of loss that Clients and Investors should be prepared to bear. An investment in the Fund entails a significant degree of risk and, therefore, should be undertaken only by investors capable of evaluating and bearing the risks of an investment in the Fund. Prospective investors in the Fund should carefully consider the following risk factors, in addition to the matters set forth elsewhere in this document, prior to investing in the Fund. The following does not purport to be a complete list of all risks that may be relevant to a decision to purchase an interest in the Fund. Prospective investors must rely upon their own examination of and ability to understand the nature of an investment in the Fund, including the risks involved in making a decision to invest in the Fund. There can be no assurance that the Fund will be able to achieve its investment objectives or that investors will receive a return of or on their capital.

General Risks

1. *Business Risks.* Due to the nature of the Fund's investment portfolio, operating results in a specified period will be difficult to predict. Generally, there will be no readily available market for a substantial number of the Fund's investments, and hence, most of the Fund's investments will be difficult to value. The Fund's investments involve a high degree of business and financial risk, which can result in substantial losses. While the General Partner intends for the Fund to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurance that any targeted return will be achieved. On any given investment, loss of principal is possible.

2. *Future and Past Performance.* The performance of the Velocis principals' and the Advisor's prior investments is not necessarily indicative of the Fund's future results. There can be no assurance that the Fund's investments will perform as well as the past investments of any person described herein or that the Fund will be able to avoid losses. The Fund's future operating results will depend on many factors, including its ability to raise adequate working capital, availability of properties for purchase, the level of its competition and its ability to attract and maintain key management and employees.

3. *Concentration of Investments.* The Fund will participate in a limited number of investments and intends to invest in a limited number of asset classes. As a result, the Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular asset class may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Fund may make fewer portfolio investments and thus be less diversified.

4. *Specific Investment Opportunities Not Identified.* The Fund has not identified specific investment opportunities. Investors in the Fund will not have an opportunity to review the

Fund's proposed investments before deciding whether to invest in the Fund. No assurance can be given that the Fund will be successful in identifying or consummating economically attractive investments. In addition, it may take considerable time for the Fund to find and consummate appropriate investment opportunities.

5. *Lack of Sufficient Investment Opportunities.* The business of identifying and structuring private equity transactions is highly competitive and involves a high degree of uncertainty. It is possible that the Fund will never be fully invested if enough sufficiently attractive investments are not identified.

6. *Illiquidity; Lack of Current Distributions.* An investment in the Fund should be viewed as illiquid. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, may occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be limited or no current return on the investment. Furthermore, the expenses of operating the Fund (including the Management Fee) may exceed its income in some periods, thereby requiring that the difference be paid from the Fund's capital, including, without limitation, unfunded capital commitments.

7. *Leveraged Investments.* The Fund may make use of leverage as provided in the Funds' governing documents and the Fund Agreement. Additionally, an underlying investment vehicle may use leverage at the investment level. Leverage generally magnifies both the Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage will also result in interest expense and other costs that may not be covered by the Fund's income or appreciation of its investments. Leverage at the investment level often imposes restrictive financial and operating covenants, in addition to the burden of debt service, and may impair the ability to finance future operations and capital needs. A leveraged capital structure will increase the exposure of the Fund's investments to any deterioration in an investment's condition, competitive pressures, an adverse economic environment or rising interest rates, and could accelerate and magnify declines in the value of the Fund's investments in a down market. In the event any investment cannot generate adequate cash flow to meet debt service, the Fund may suffer a partial or total loss of capital invested in that investment, which could adversely affect the returns of the Fund. Furthermore, should the credit markets be tight at the time the Fund determines that it is desirable to sell all or a part of an investment, the Fund may not achieve exit results consistent with its forecasts.

8. *Limited Transferability of Fund Interests.* There will be no public market for the Fund interests, and none is expected to develop. There are substantial restrictions upon the transferability of the Fund interests under the Fund Agreement and applicable securities laws. In general, withdrawals of the Fund interests are not permitted. In addition, the Fund interests are not redeemable.

9. *Distributions in Kind.* Although the Fund intends to make distributions in cash under normal circumstances, it is possible that under certain circumstances (including the liquidation of the Fund) distributions may be made in kind and could consist of assets for which there is no readily available public market.

10. *Reliance on Management.* Control over the operation of the Fund will be vested in the General Partner, and the Fund's future profitability will depend largely upon the business and investment acumen of the Velocis principals. Limited Partners generally have no right or power to take part in the management of the Fund. The loss or reduction of service of one or more of the Velocis principals could have an adverse effect on the Fund's ability to realize its investment objectives. In addition, certain changes in the General Partner or circumstances relating to the General Partner may have an adverse effect on the Fund or one or more of its investments, including, without limitation, potential acceleration of indebtedness.

11. *Absence of Operating History.* The Fund has no operating history and will be entirely dependent on the General Partner, the Advisor and the Velocis principals. While the Velocis principals and the Advisor have previous experience making and managing investments similar to those contemplated by the Fund, there can be no assurance that the Fund's investments will achieve results similar to those attained by such previous investments. In addition, the Fund's investments may differ from previous investments made by the Velocis principals in a number of respects.

12. *Projections.* Any financial projections provided by or to the Fund or the General Partner are only estimates of future results that are based upon information and assumptions made at the time the projections are developed. There can be no assurance that the results contemplated by any such projections will be attained, and actual results may be significantly different from such projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

13. *Conflicting Investor Interests.* Limited Partners may have conflicting investment, tax and other interests with respect to their investments in the Fund, including, without limitation, conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts may arise in connection with decisions made by the General Partner regarding an investment that may be more beneficial to one Limited Partner than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the General Partner generally will consider the investment and tax objectives of the Fund and its Partners as a whole, not the investment, tax or other objectives of any Limited Partner individually.

14. *Non-United States Investments.* The Fund may invest in underlying investment vehicles that are organized or otherwise invest outside of the United States. Such investments may be subject to certain additional risk due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation, the application of complex United States and non- United States tax rules to cross-border investments, possible imposition of non-United States taxes on the Fund and/or the Partners with respect to the Fund's income, and possible non-United States tax return filing requirements for the Fund and/or the Partners. Additional risks of non-United

States investments include, without limitation: (a) economic dislocations in the host country; (b) less publicly available information; (c) less well-developed regulatory institutions; (d) greater difficulty of enforcing legal rights in a non-United States jurisdiction; (e) civil disturbances; (f) government instability; and (g) nationalization and expropriation of private assets.

15. *Co-Investment Opportunities.* The Fund may co-invest with certain Limited Partners and/or other third parties through joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement. For example, a third-party co-venturer may experience financial difficulties resulting in a negative impact on such investment or may have economic or business interests or goals that are inconsistent with those of the Fund. In addition, a third-party co-venturer may be in a position to take (or block) action in a manner contrary to the Fund's investment objectives.

16. *Failure to Make Capital Contributions.* If a Limited Partner defaults on its obligations to contribute capital to the Fund when due, and the contributions made by non-defaulting Limited Partners and borrowings by the Fund, if any, are inadequate to cover such defaulted capital contribution, the Fund may be unable to consummate an investment on a timely basis (if at all) or pay its obligations when due, and its ability to execute on its investment strategy or to otherwise continue operations may be impaired. As a result, the Fund may be subjected to significant penalties (or other adverse consequences) that could affect the returns to the Limited Partners (including, without limitation, non-defaulting Limited Partners) in a materially adverse manner. A default by a substantial number of Limited Partners would limit opportunities for investment diversification and would likely negatively affect the Fund's economic results.

17. *Significant Adverse Consequences for Defaulting Limited Partner.* If a Limited Partner defaults on its obligations to contribute capital to the Fund when due, it may be subject to various remedies as provided in the Fund Agreement, including, without limitation, reductions in its capital account balance, expulsion from the Fund, forfeiture of future profits or other portions of its interest and preclusion from further investment in the Fund. The General Partner may require that the remainder of the defaulting Limited Partner's capital commitment be cancelled, and may designate a person or entity to assume the entire unpaid balance of the defaulting Limited Partner's capital commitment (or any portion thereof) and succeed to all (or such portion) of the rights of the defaulting Limited Partner's interest. In addition, the General Partner may pursue any available legal or equitable remedies, with the expenses of collection of the unpaid amount (including, without limitation, attorneys' fees) to be paid by the defaulting Limited Partner.

18. *Dilution.* Limited Partners admitted to the Fund at subsequent closings generally will participate in the existing investments of the Fund, thereby diluting the interest of existing Limited Partners in such investments. Although any such new Limited Partner will be required to contribute its pro rata share of previously made capital contributions, there can be no assurance that this contribution will reflect the fair value of the Fund's existing investments at the time of such contributions.

19. *Hedging Arrangements.* The General Partner may (but is not obligated to) endeavor to manage the Fund's interest rate exposures, currency exposures or other exposures, using hedging techniques where available and appropriate. The Fund may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("*OTC*") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used. In some cases, particularly in OTC contexts, hedging arrangements will subject the Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose the Fund to additional liquidity risks. Certain hedging arrangements may create for the General Partner and/or one of its affiliates a registration or exemption obligation with the United States Commodity Futures Trading Commission or other regulator.

20. *General Partner's Carried Interest.* The fact that the General Partner's Carried Interest is based on a percentage of net profits may create an incentive for the General Partner to cause the Fund to make riskier or more speculative investments than otherwise would be the case.

21. *Indemnification.* The Fund will be required to indemnify the General Partner, the Advisor, their affiliates and certain other persons pursuant to the Fund Agreement. The indemnification obligations of the Fund would be payable from the assets of the Fund, including, without limitation, the unfunded capital commitments of the Partners, and such liabilities may be material. In addition, if the assets of the Fund are insufficient, the General Partner may recall distributions previously made to the Partners, subject to certain limitations set forth in the Fund Agreement.

22. *Contingent Liabilities on Disposition of Investments.* In connection with the disposition of an investment, the Fund may be required to make representations and warranties about such investment and/or its underlying business or assets. The Fund also may be required to indemnify the purchasers of such investment to the extent that any such representations and warranties are inaccurate. These arrangements may result in contingent liabilities for which the General Partner may need to establish reserves or escrows. Limited Partners may be required to return amounts distributed to them to fund such obligations of the Fund, subject to certain limitations set forth in the Fund Agreement. Furthermore, under the Delaware Revised Uniform Limited Partnership Act, each Limited Partner that receives a distribution in violation of such Act will, under certain circumstances, be obligated to recontribute such distribution to the Fund.

23. *Market Conditions.* Any material change in the economic environment, including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates, could have a negative impact on the performance and/or valuation of the Fund's investments. The Fund's performance can be affected by deterioration in public markets and by market events. The impact of market and other economic events may also affect the Fund's ability to raise

funding to support its investment objectives and the level of profitability achieved on realizations of investments.

24. *Public Health Risks.* Countries have been susceptible to epidemics, such as severe acute respiratory syndrome, avian flu, H1N1/09 flu, Ebola and most recently, the COVID-19 coronavirus pandemic. Any continued or additional public health emergency, including any further outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Fund and could adversely affect the Fund's ability to fulfill its investment objectives. The extent of the impact of any public health emergency on the Fund's operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency may materially and adversely impact the value and performance of the portfolio investments, the Fund's ability to source, manage and divest investments and the Fund's ability to achieve its investment objectives, all of which could result in significant losses to the Fund. In addition, the operations of the Fund and the Advisor may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of any such entity or the personnel of any such entity's key service providers.

25. *Conflicts of Interest; Successor Funds; Other Accounts.* Until such time as the General Partner is permitted to raise a successor investment fund, the General Partner, the Advisor, the Velocis principals and their affiliates (collectively, the "**Conflict Parties**") will generally pursue appropriate investment opportunities through the Fund, subject to certain important exceptions set forth in the Fund Agreement, including certain exceptions that permit the Conflict Parties to direct investment opportunities (including those of the type contemplated to be pursued on behalf of the Fund) to the Conflict Parties and other investment funds and accounts sponsored or managed by the Conflict Parties ("**Other Accounts**"). In addition, members of the General Partner's team will spend a portion of their business time and attention other than on behalf of the Fund, including, without limitation, managing Other Accounts and pursuing and monitoring investments on behalf of Other Accounts, some of which may fall within the investment objectives of the Fund. As a result, such Other Accounts and investments may compete with the Fund or its investments. Any investment opportunity that the General Partner determines to be appropriate for the Fund and any Other Account(s) will be allocated among the Fund, on the one hand, and such Other Account(s), on the other hand, on a basis that the General Partner believes in good faith to be fair and equitable in light of facts and circumstances deemed relevant by the General Partner. In making such allocation decisions, the General Partner will take into account a number of factors including, without limitation: the investment objectives and constraints of the Fund and Other Accounts; the

appropriateness of making a particular allocation to the Fund and Other Accounts in light of those investment objectives and constraints; the amount of available capital in the Fund's and each Other Account's portfolio that can be used for such investment; the amount of investment capacity to be allocated; the percentage of a Fund's or Other Account's portfolio, if any, that is currently invested in the same investment or substantially similar investments; and whether an allocation to the Fund or an Other Account will have a material or immaterial impact on its overall portfolio. Application of these considerations may result in different allocation decisions depending on the particular facts and circumstances in existence at the time the allocations are made and may or may not result in a pro rata allocation of limited investment capacity among the Fund and the Other Accounts. Accordingly, there can be no assurances that the Fund will participate in any given investment opportunity in any certain amount or proportion, or at all.

26. Conflicts of Interest Relating to Transactions with Related Parties. One or more Conflict Parties may be the subject of a Portfolio Investment provided that the terms of the transaction are on an arm's-length basis and no less favorable to the Fund than would be obtained in a transaction with an unaffiliated party. Nevertheless, any such Portfolio Investment may still give rise to conflicts of interest, and there can be no assurance that any such conflicts will be resolved in favor of the Fund or the Limited Partners.

27. Fund Counsel. The representation of the General Partner, the Advisor and the Fund by legal counsel is limited to the specific matters as to which it has been retained and consulted by such persons. Other matters may exist that could have a bearing on the Fund and its investments, the General Partner, the Advisor and/or their respective affiliates as to which legal counsel has been neither retained nor consulted. Legal counsel does not undertake to monitor compliance by the General Partner, the Advisor or their affiliates with the investment program and other investment guidelines and procedures set forth in the Fund's governing documents, nor does legal counsel monitor compliance by the Fund, the General Partner, the Advisor and/or their affiliates with applicable laws, unless in each case legal counsel has been specifically retained to do so. Legal counsel does not investigate or verify the accuracy or completeness of information set forth in this document concerning the Fund, the General Partner, the Advisor or any of their respective affiliates, personnel or investments. Furthermore, except for any opinions specifically set forth in a signed opinion letter issued by it, legal counsel is not providing any advice, opinion, representation, warranty or other assurance of any kind as to any matter to any Limited Partner of the Fund.

Risks Relating to Making Secondary Investments in Real Estate Vehicles

1. General Risks of Real Estate Ownership. The investments of the Fund will be subject to the risks generally incident to the ownership of real property, including uncertainty of cash flow to meet fixed and other obligations; adverse changes in local market conditions, population trends, property values, 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 the Fund.

2. *Due Diligence Risk.* There can be no assurance that the General Partner's and the Advisor's due diligence processes will uncover all relevant facts that would be material to an investment decision. Before making an investment, the General Partner and the Advisor will assess the strength of the Underlying Investment Vehicle 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, the General Partner and the Advisor will rely on the resources available to them and, in some cases, investigations by third parties and materials provided by the sponsors of the Underlying Investment Vehicles or the sellers of secondary equity interests therein.

3. *Investments Longer than Fund Term.* The Fund may make investments that may not be advantageously disposed of prior to the date that the Fund will be dissolved, either by expiration of the Fund's term or otherwise. Although the General Partner and Advisor expect that investments will be disposed of prior to dissolution, the Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of the Fund's dissolution.

4. *Additional Capital Needs.* An Underlying Investment Vehicle in which the Fund invests may require additional capital to fund its activities. There is no assurance that the Limited Partners will be willing or able to fund any subsequent capital needs of the Fund or the Limited Partners will have sufficient uncommitted capital or available cash to provide additional funds as and when needed by the Fund. Any decision by such persons not to make additional investments, or their inability to make such investments, may have a substantial negative impact on the Fund.

5. *Lack of Transparency.* The General Partner will endeavor to monitor the underlying investment vehicles continuously, but the General Partner is unlikely to have access to information about the underlying positions of the underlying investment vehicles on a regular basis. Limited partners in the underlying investment vehicles have no right to demand such information from the sponsors of such underlying investment vehicles. Accordingly, the General Partner will not be in a position to analyze or respond to developments within the underlying investment vehicles unless and until information relating thereto is disseminated by the sponsors of such underlying investment vehicles. Such information may not necessarily be timely or complete.

6. *Lack of Control Over the Underlying Investment Vehicles' Policies.* The management, financing and disposition policies of the underlying investment vehicles are determined by their respective sponsors. These policies may be changed at the discretion of such sponsors without a vote of the limited partners of respective underlying investment vehicles, and any such changes could be detrimental to the value of the underlying investment vehicles. Limited partners of the underlying investment vehicles will have no right to participate in the day-to-day operation of the underlying investment vehicles, including investment and disposition decisions. The Fund will have limited voting rights under the governing documents relating to the underlying investment vehicles. When the Fund does have voting rights, the General Partner will cast a vote on behalf of the Fund in the General Partner's sole discretion, and the General Partner will have no obligation to consult the Limited Partners or any other person

with respect thereto. Limited Partners of the Fund will have no voting rights under the governing documents relating to the underlying investment vehicles.

7. Indemnification of the Underlying Investment Vehicles. As a limited partner in the underlying investment vehicles, the Fund will indemnify the applicable sponsors of such underlying investment vehicles and certain other persons as set forth in the governing documents of such underlying investment vehicles from any liability, damage, cost, or expense arising out of, among other things, certain acts or omissions relating to the offer or sale of interests in the underlying investment vehicles. The sponsors of the underlying investment vehicles have broad indemnification rights and limitations on liability.

8. Multiple Levels of Expense. The underlying investment vehicles impose operating costs, expenses, management fees and carried interest distributions in addition to the operating costs, expenses, management fees and carried interest distributions imposed by the Fund. This will result in greater expense and lesser return on investment than if such items were not charged or if the Limited Partner invested directly in the underlying investment vehicles.

9. Reports. For the Fund to provide reporting to Limited Partners it must receive timely information from the underlying investment vehicles. The underlying Investment vehicles' delay in providing this information could delay the preparation of the Fund's reports to the Limited Partners.

10. Risks Inherent in Secondary Investments. The Fund expects to acquire interests in underlying investment vehicles primarily on the secondary market on an opportunistic basis from existing investors in such underlying investment vehicles. The majority of transactions in the secondary market are executed through very competitive auction processes and are therefore unlikely to produce exceptional returns. There can be no assurance that the Fund will be able to identify investment opportunities on the secondary market or that it will be able to acquire secondary investments on attractive terms. In the cases where the Fund acquires an interest in an underlying investment vehicle in a secondary transaction, the Fund may acquire contingent liabilities of the seller of the interest. More specifically, where the seller has received distributions from the relevant underlying investment vehicle and, subsequently, such underlying investment vehicle recalls one or more of these distributions, the Fund (as the purchaser of the interest to which such distributions are attributable and not the seller) may be obligated to return monies equivalent to such distributions to the underlying investment vehicle. While the Fund may, in turn, make a claim against the seller for any such monies so paid to the underlying investment vehicle, there can be no assurances that the Fund would prevail on such claim or that the Fund would have the right to make such a claim against the seller. Finally, in some instances, the Fund may have the opportunity to acquire a portfolio of underlying investment vehicles from a seller on an "all or nothing" basis. Certain of the prospective underlying investment vehicles in the portfolio may be less attractive than others, and certain of the sponsors of such underlying investment vehicles may be more familiar to the General Partner than others, or may be more experienced or highly regarded than others. In addition, the Fund may have the opportunity to participate in a "stapled secondary" (e.g., a secondary market purchase of an existing limited partner interest and a corresponding commitment to a new fund in formation sponsored by the same

investment Advisor). In certain instances, the purchase of the interest in the new fund may be less attractive than the secondary market purchase of an existing limited partner interest. In such cases, it may not be possible for the Fund to exclude from such purchases those investments which the General Partner considers (for commercial, tax, legal or other reasons) less attractive.

11. Due Diligence Limitations in Secondary Investments. The type and scope of due diligence performed may be limited by restrictions imposed by the underlying sponsors of the underlying investment vehicles or restrictions as a result of limited time. There may be circumstances where conducting thorough due diligence is not possible, for example, due to time pressures or lack of access to information. In addition, due in part to increased time pressures inherent in the secondary process, the lack of the willingness of Advisors and sponsors of underlying investment vehicles to negotiate the terms of the underlying governing documents with transferees, and the limited availability of information to transferees, the scope of due diligence in connection with a secondary purchase is typically more narrow than in the case of a primary purchase, and may be truncated. Accordingly, the Fund will not have the benefit of extensive due diligence. More information about the Clients' investments and the associated risk factors is available in the Constituent Documents.

Tax Risks

1. General Tax Considerations. The Fund is expected to be classified as a partnership for United States federal income tax purposes. As a partnership, except pursuant to an audit of the Fund, the Fund will not itself be subject to United States federal income tax, and instead each Partner in the Fund will be required to include in computing its United States federal income tax liability its allocable share of the items of income, gain, loss and deduction of the Fund, regardless of whether any distributions are made by the Fund. Investors thus may incur income tax liabilities in excess of any distributions from the Fund. As is generally the case for similar private equity investment vehicles, an investment in the Fund will give rise to a variety of complex United States federal income tax and other tax issues for Limited Partners. Certain of those issues may relate to special rules applicable to certain types of investors, such as tax-exempt entities, foundations, life insurance companies, banks, individuals, dealers in securities and non-United States persons and entities. Prospective investors are urged to consult their own tax advisors with specific reference to their own situations concerning an investment in the Fund.

2. Tax Exempt and Non-United States Investors May Be Subject to United States Tax. It is expected that some investments will (i) constitute interests in United States real property within the meaning of the Foreign Investment in Real Property Tax Act or otherwise generate income that is "effectively connected with a United States trade or business" ("*ECI*"), (ii) generate income that will be taxable to certain tax-exempt investors as "unrelated business taxable income" ("*UBTI*") and/or (iii) generate income that is derived from the conduct of "commercial activity" ("*CAI*"). Such investments would give rise to United States federal income tax reporting and payment obligations for tax-exempt and non-United States investors in the Fund. Non-United States investors who desire to avoid filing United States

tax returns with respect to their interest in the Fund should discuss with the General Partner the possibility of investing through a blocker entity.

3. *Delayed Schedule K-1s.* The Fund may not be able to provide final Schedule K-1s to Limited Partners for any given fiscal year until after April 15 of the following year. Limited Partners may be required to obtain extensions of the filing dates for their United States federal, state and local income tax returns. Each prospective investor should consult with its own adviser as to the advisability and tax consequences of an investment in the Fund.

4. *Tax Audits.* Under the Bipartisan Budget Act of 2015, the Internal Revenue Service will look to the Fund, rather than the individual Partners, to pay any liabilities associated with the underpayment or understatement of income, which may include partnerships in which the Fund owns a direct or indirect interest. In such event, the Fund will generally endeavor to cause such liabilities to be allocated to the Partners on a special return, however in certain instances the Fund may require Partners to pay over to the Fund any amount due or paid by the Fund. Any payments to the Fund by such Partners will not be treated as a capital contribution and will not reduce a Partner's capital commitment.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of every risk involved in an investment with Velocis. Prospective Investors and Clients should read the entire Brochure as well the Constituent Documents, Agreement other materials that may be provided by Velocis and consult with their own advisers prior to engaging Velocis' services.

Item 9 – Disciplinary Information

Velocis and its management persons have not been a party to any legal or disciplinary events that would be material to a client's or prospective client's evaluation of its investment advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

The Adviser is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Currently, no employees of the Adviser are registered representatives of a broker-dealer.

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

As discussed in Item 4, and separate from the investment advisory services Velocis provides to its Clients, Velocis provides investment selection, execution, and management services to Real Estate Funds (privately offered partnerships (or similar legal entities) which invest

exclusively in controlled real estate investments). Furthermore, Velocis, or one or more of its affiliates, act as sponsor to the Real Estate Funds. Because the Real Estate Funds only invest in or own real assets, such entities do not invest in securities or receive investment advisory services from Velocis (meaning they are not “clients” for purposes of the Advisers Act) and the value of such Real Estate Funds or their investments are not included in Velocis’ calculation of regulatory assets under management disclosed below.

The Adviser and its management persons do not have material relationships with related persons who are (1) broker-dealers, municipal securities dealers, or government securities dealers or brokers; (2) investment companies or other pooled investment vehicles; (3) investment advisers or financial planners; (4) futures commission merchants, commodity pool operators, or commodity trading advisors; (5) banking or thrift institutions; (6) accountants or accounting firms; (7) lawyers or law firms; (8) insurance companies or agencies; (9) pension consultants; (10) real estate brokers or dealers; or (11) sponsor or syndicators of limited partnerships (other than as disclosed above with respect to the Real Estate Funds).

The Adviser does not recommend or select other investment advisers for its Funds.

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

Code of Ethics. The Adviser has adopted a written Code of Ethics designed to address and avoid potential conflicts of interest as required under Rule 204A-1 of the Advisers Act (**the “Code”**). The Code sets forth a standard of business conduct and compliance with federal securities laws by all of the Adviser’s employees. The Code contains policies and procedures that seek to ensure that all personal securities trading by employees of the Adviser are conducted in such a manner as to avoid actual or potential conflicts of interest, or any abuse of an individual’s position of trust and responsibility. The Adviser prohibits personal trading on certain securities or instruments placed on the Adviser’s restricted list; requires pre-clearance for purchases of an IPO or new private placements; requires periodic reporting of employees’ personal securities transactions and holdings; and requires prompt internal reporting of Code violations.

The Adviser has established procedures to prevent the abuse of material non-public information, which includes procedures for, among other things, the use and maintenance of restricted trading lists. Because the structure of the Adviser would make information barriers impractical, the Adviser has not imposed information barriers to restrict the internal flow of possible material, non-public information. Thus, all professionals are deemed to be in receipt of material non-public information, in all instances where any professional of the Adviser has received material non-public information, and, therefore, may not trade on the basis of that information.

In addition to procedures to prevent the abuse of material non-public information, the Code contains policies and procedures covering standards of conduct, political contributions, potential conflicts of interest (including but not limited to gifts, entertainment, and outside business activities of Adviser personnel) and client confidentiality. All employees of the Adviser must acknowledge the terms of the Code annually or as the Code is amended on an ongoing basis.

The Adviser will provide a copy of the Code to any investor in or prospective investor of any of the Funds or any prospective clients upon request.

In connection with sponsoring some of the Funds, the Adviser and certain affiliates also have an economic interest in the Funds, the Adviser, or both. Additionally, the governing documents of the Funds generally provide that the Adviser has sole discretion to offer co-investment opportunities in a potential investment to any person. When making decisions to offer co-investments, the Adviser will consider, among other factors, the specific provisions of the Funds' offering documents, the remaining investment capacity of the Fund, concentration considerations and the characteristics of the specific investment. In such co-investment situations the Adviser will retain its consistent majority control rights through its management of the Funds.

Other than with respect to the Funds' interests and the potential co-investments described above, neither the Adviser nor any of its related persons invest in the same or related securities that either the Adviser or its related person recommends to the Funds.

The Adviser shall not be required to devote all of its time and business efforts to the affairs of the Funds, but the Adviser shall devote so much of its time and attention as is reasonably necessary and advisable to manage the affairs of the Funds to the best advantage of the Funds. Subject to the respective Funds' offering documents, the Adviser and any other related person may engage independently or with others, for its, his, or her own account, and for the accounts of others, in other investments, business ventures, and activities of every nature and description whether such ventures are competitive with the business of the Funds or otherwise. The principals will use their best efforts to ensure that the other investments or business ventures of the Adviser and the principals are consistent with its fiduciary obligations to the Funds.

Item 12 – Brokerage Practices

As a matter of Velocis' investment policy, the Adviser makes investments through private transactions that do not involve the selection, recommendation, or compensation of securities broker-dealers.

Broker-dealers are typically chosen at the discretion of the seller. If the seller's deal aligns with Velocis' investment strategy, these deals may be executed. Broker-dealer fees are payable within the discretion of the deal, whether this shall be the buyer or seller. Broker-dealers also may not be utilized within deals.

Velocis may have an incentive to select or recommend a broker-dealer based on the Advisers' interest in receiving the products or services, rather than on the clients' interest in receiving most favorable execution.

Item 13 – Review of Accounts

The Adviser maintains comprehensive review procedures for the ongoing monitoring of the investments of the Funds. In connection therewith, the Adviser conducts periodic reviews of all investments held by each Fund on a weekly basis to ensure the investments are in conformity with the investment strategy and objectives of the Funds.

After the end of each fiscal year, there is an independent audit of the Funds' financial statements for such year, and a copy of the audited financial statements, which are prepared in accordance with United States generally accepted accounting principles, are delivered to each investor on an annual basis. Additionally, all investors receive unaudited financial information on quarterly basis, written periodic financial reports, and year-end tax information relating to their investments in the Funds that are necessary for U.S. federal income tax purposes.

Item 14 – Client Referrals and Other Compensation

The Adviser does not receive any economic benefit for providing investment advice or other advisory services from anyone other than the Clients. Neither the Adviser nor any related person has directly or indirectly compensated any non-supervised persons for client referrals.

Item 15 – Custody

Under Rule 206(4)-2 of the Advisers Act (the "Custody Rule"), Velocis is deemed to have custody of the assets of the Funds by virtue of its status as the General Partner (through its wholly owned subsidiary) of the Funds.

To comply with the Custody Rule, the Funds will prepare annually, and upon liquidation, financial statements audited by an auditing firm registered with the Public Company Accounting Oversight Board. The Funds will distribute those statements within 120 days of year end (180 days for fund of funds) or promptly upon liquidation.

The Funds maintain custody of cash funds with a qualified custodian. If the Funds make investments that are not covered by an exception for private securities, it will engage a qualified custodian to hold the securities.

Clients should carefully review such statements and compare such official custodial records to any account information provided by Velocis.

Item 16 – Investment Discretion

The Adviser has full discretion with respect to investment decisions for its Funds. The Adviser contractually assumes such discretionary authority with each Fund pursuant to an investment management agreement with the Funds or Fund's limited partnership agreement. The Adviser's authority to manage the Funds is in all cases subject to the specific objectives, guidelines, and limitations set forth in the applicable investment management agreements or limited partnership agreements.

Item 17 – Voting Client Securities

Under Rule 206(4)-6 of the Advisers Act, registered investment advisers that exercise voting authority with respect to client securities are required to have proxy voting policies and procedures. As a matter of their investment policies, the Clients do not hold publicly traded securities; therefore, the Adviser does not expect to receive proxy statements.

Item 18 – Financial Information

The Adviser does not require or solicit prepayment of fees greater than 6 months in advance.

The Adviser does not believe it has any financial condition that is reasonably likely to impair its ability to meet its contractual commitments and provide services to its Funds.

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