

**ITEM 1 – COVER PAGE**

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

**TRYPERION PARTNERS, LLC**

**MARCH 18, 2019**

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**This Brochure provides information about the qualifications and business practices of Tryperion Partners, LLC (“Tryperion”). If you have any questions about the contents of this Brochure, please contact us at 310-421-1030. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority, and references in this Brochure to Tryperion as a “registered investment adviser” are not intended to imply a certain level of skill or training and no inference to the contrary should be made.**

**Additional information about Tryperion also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM 2 – MATERIAL CHANGES**

Please note that there were no material changes since Tryperion’s last updated version of the Brochure dated March 28, 2018. Tryperion may have revised the language in certain sections but has not materially altered any of its other responses in this Brochure.

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## ITEM 4 – ADVISORY BUSINESS

### A. Description of Advisory Firm

Tryperion Partners, LLC (“**Tryperion**”) was founded in 2013 and is headquartered in Los Angeles, California. Tryperion provides discretionary investment advisory and asset management services to pooled private investment vehicles (“**Funds**”), special purpose vehicles (“**SPVs**”), and entities that facilitate co-investment relationships (“**Co-Investment Entities**”). The Co-Investment Entities, the Funds, and the SPVs are collectively referred to herein as (“**Advisory Clients**”). Tryperion is owned in equal shares by Jeffrey Karsh, Joseph Kessel, and Eliot Bencuya.

The Funds are organized principally to acquire, develop and sell a portfolio of commercial and residential real estate assets and related investments in the United States. The Funds invest through equity, equity related or debt investments (directly or through a joint venture).

Tryperion may create Co-Investment Entities that are special purpose entities typically structured as parallel funds or joint ventures formed to enable one or more third parties to invest alongside a Fund on a project-based or programmatic basis. Co-investment opportunities may be offered to investors in the Funds or to outside third parties, as detailed in each Fund’s operating agreement, limited partnership agreement or other offering document, pursuant to each Advisory Client’s Governing Documents, as defined below.

Certain affiliates of Tryperion may serve as the managing members or general partners of the Funds, the Co-Investment Entities, and Management Companies (“**Affiliated Managers**”). Each of the Affiliated Managers is a related person of Tryperion and is under common control with Tryperion. Each Affiliated Manager has full and exclusive management authority over the investment decisions, asset dispositions, distributions and other activities of its respective Fund or Co-Investment Entity.

Each Affiliated Manager that serves as a managing member or general partner is registered under the Investment Advisers Act of 1940, as amended (“**Advisers Act**”), pursuant to Tryperion’s registration in accordance with SEC guidance, and subject to all of Tryperion’s compliance policies and procedures and will be subject to SEC examination. As such, references to Tryperion in this Brochure should also be considered references to the Affiliated Managers in the appropriate context.

Tryperion sponsors or manages certain Real Estate Investment Trusts (“**REITs**”), however these REITs will not be investing in securities and therefore neither the REITs nor REIT managers are required to register and will not be covered by Tryperion’s registration as a registered investment adviser with the SEC.

## **B. Types of Advisory Services**

Tryperion offers real estate investment advisory and management services. Tryperion's advisory business is primarily limited to commercial and residential real estate and related investments. Tryperion's investment strategy includes investing capital in the form of equity and/or debt in commercial and residential real estate and land projects located in the United States. The investments are privately negotiated with sellers, operators or developers and generally structured as a direct investment, joint venture, common or preferred equity or debt. Tryperion, with its operator partner or third party manager (in cases where there is not an operator partner), manages, supervises, entitles, repositions, develops and sells its investments. Tryperion also engages in such other activities incidental or ancillary thereto as Tryperion deems necessary or advisable, including operating subsidiary Management Companies.

See Item 8 for a description of Tryperion's investment strategies and their associated risks.

## **C. Client Objectives and Restrictions**

Tryperion does not tailor its advisory services to the individual needs of underlying investors in the Advisory Clients.

The investment advice Tryperion provides to Advisory Clients is determined by the investment objectives, strategies and restrictions set forth in the governing documents (i.e., operating agreement, limited partnership agreement, articles of incorporation, bylaws, or other offering document, joint venture agreement) applicable to each Advisory Client ("**Governing Documents**").

## **D. Wrap-Fee Programs**

Not applicable. Tryperion does not participate in wrap fee programs.

## **E. Assets Under Management**

As of December 31, 2018, Tryperion manages \$130,685,177 of Advisory Client assets on a discretionary basis. Tryperion does not currently manage any assets on a non-discretionary basis.

# **ITEM 5 – FEES AND COMPENSATION**

## **A. Advisory Fees and Compensation**

Tryperion or an Affiliated Manager is generally compensated for advisory services through a management fee ("**Management Fee**") and performance-based compensation ("**Carried Interest**") (as described in Item 6).

The Management Fee payable by the Funds is generally based on a percentage of (i) committed capital; (ii) invested capital (on the first day of the applicable quarter); and/or (iii) total revenues of the projects, as applicable, and is payable quarterly or monthly, in advance or in arrears.

Pursuant to the terms of the applicable Governing Documents, certain investors in the Funds may be exempt from payment of all or a portion of Management Fees and/or Carried Interest. Any such exemption from Fees and/or Carried Interest may be made by a direct exemption, by a rebate by Tryperion (or an Affiliated Manager), or through other Funds which co-invest with a Fund.

#### *Other fees*

All origination, acquisition, disposition, financing, break-up and similar transaction fees which are directly related to the activities or operations of the Advisory Client ("**Transaction Fees**") received by Tryperion (or an Affiliated Manager) are first applied towards reimbursing Tryperion for any Operating Expenses borne by the Advisory Client and then to pay or prepay Management Fees.

The fees and payment terms applicable to each Advisory Client are governed by the Governing Documents.

*Tryperion will only deliver this Brochure to Accredited Investors as defined in Regulation D under the Securities Act of 1933. Investors should refer to the Governing Documents for each Advisory Client for a complete understanding of how fees are paid to Tryperion and/or the Affiliated Managers. The information contained herein is a summary only and is qualified in its entirety by such documents.*

### **B. Payment of Fees**

The Management Fee and other applicable fees are generally paid directly from the assets of the relevant Advisory Client. On occasion, Tryperion (or an Affiliated Manager) may call capital from investors to pay certain expenses, including fees, payable by the Advisory Clients.

### **C. Other Advisory Client Fees and Expenses**

The Advisory Clients will typically be responsible for all fees, costs, expenses, liabilities and obligations relating to such Advisory Client's and/or its subsidiaries' activities, investments and business (to the extent not borne or reimbursed by a portfolio company), including (i) all fees, costs, expenses, liabilities and obligations attributable to structuring, organizing, acquiring, entering into, managing, operating, holding, valuing, winding-up, liquidating, dissolving and disposing of investments, (ii) legal, accounting, compliance, printing, administration, custodian, depository, auditing, insurance, litigation and indemnification costs and expenses, judgments and settlements, consulting, finders' fee, financing, refinancing, appraisal, filing and other fees and expenses, (iii) the costs of obtaining financial assistance, or arranging for financing or refinancing and repayment of, any financing or refinancing for any assets, (iv) all fees, costs and expenses of

the applicable advisory board, (v) broken deal fees, (vi) all out-of-pocket fees, costs and expenses associated with annual and other periodic (if any) meetings of investors, (vii) the Management Fee, (viii) any taxes, fees and other governmental charges levied against the Advisory Client (except as noted in the Governing Documents), affiliated entities and Affiliated Managers, (ix) costs and expenses that are classified as extraordinary expenses under GAAP, (x) all fees, costs and expenses incurred in connection with the organization, management, operation and dissolution, liquidation and final winding-up of any alternative investment vehicles, and (xi) certain organizational expenses including printing, legal (other than legal fees and expenses associated with establishing the general partner), accounting and marketing expenses up to a maximum as set forth specifically in the applicable Governing Documents.

To the extent permitted by the Governing Documents, Tryperion (or an Affiliated Manager) permits certain investors to co-invest in portfolio investments alongside one or more Funds. If a Co-Investment Entity is formed, such entity will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned (including a transaction for which a Co-Investment Entity was believed necessary in order to consummate such transaction) ultimately is not consummated, all or certain broken deal fees relating to such unconsummated transaction are borne by the Fund(s), and not by any prospective co-investors that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a Co-Investment Entity or other vehicle in connection with such transaction, such vehicle bears its share of such broken deal fees in proportion to the cost of the investment.

Please refer to Item 12 of this Brochure for information regarding Tryperion's brokerage practices.

*Investors and prospective investors should refer to the relevant Governing Documents for each Advisory Client for a more detailed discussion of the fees and expenses borne by Advisory Clients and investors. The information contained herein is a summary only and is qualified in its entirety by such documents.*

#### **D. Advance Payment of Fees**

As described in Item 5.A. and 5.B., Management Fees paid by Advisory Clients are typically paid quarterly or monthly in advance or arrears. To the extent, Tryperion or an Affiliated Manager receives excess Management Fees, such excess is applied towards the Management Fees payable in the next quarter(s) until recouped. Any excess Management Fee still remaining upon dissolution of the Fund is returned to investors in the form of a rebate or refund.

Carried Interest distributions are typically paid when earned; however, they are subject to final true-ups based on overall performance and, if advanced and later determined to be unearned, they are repaid pursuant to the relevant Governing Documents for each Advisory Client.

## **E. Access Person Compensation for Sale of Securities**

Not applicable to Tryperion.

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

With respect to each Fund, a portion of the profits, if any, of each such Fund generally is distributed to Tryperion (or an Affiliated Manager) as Carried Interest, pursuant to such Fund's Governing Documents.

The fact that the Affiliated Managers are eligible to receive performance-based compensation creates a potential conflict of interest in that it creates an incentive for Tryperion to make investments that are riskier or more speculative than in the absence of such performance-based fees. Pursuant to the terms and conditions of the applicable Governing Documents, in the case of certain Funds, Tryperion may establish an advisory board ("**Advisory Committee**"), which will address conflicts of interest, as needed. Advisory Client accounts are reviewed by the principals to ensure that the investments are in accordance with the relevant offering materials and other Governing Documents. This conflict is mitigated by the fact that the Carried Interest allocation is paid based on the overall performance of the Advisory Client and not on an investment-by-investment basis.

## **ITEM 7 – TYPES OF CLIENTS**

Tryperion or its Affiliated Managers provides discretionary investment advisory services to the Advisory Clients, as described in Item 4 above. Interest in the Funds is offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. In general, investors in the Funds are "accredited investors", and include, among others, high net worth individuals, trusts, charitable organizations, limited partnerships and limited liability companies.

The minimum initial investment by investors is \$500,000 and subject to waiver at the discretion of Tryperion (or an Affiliated Manager).

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **A. Investment Strategies and Methods of Analysis**

There can be no assurance that Tryperion or any of the Advisory Clients will achieve their investment objectives or that the investment strategies employed by Tryperion will be successful.

As noted in Item 4, Tryperion's advisory business is limited to commercial and residential real estate and related investments. Tryperion's investment strategy primarily includes pursuing equity or other investments in commercial, housing and land projects located in the United States. Such investments are privately negotiated with sellers, operators or developers and generally structured as a direct investment, joint venture, common or preferred equity or debt. Tryperion, with its operator partner or third-party manager (in instances where there is no



operator partner), manages, supervises, entitles, repositions, develops and sells its investments. Tryperion also engages in such other activities incidental or ancillary thereto as Tryperion deems necessary or advisable.

In reviewing the strategies employed by Tryperion, it should be noted that an investment in the Advisory Clients may be deemed speculative and is not intended as a complete investment program. Investments in the Advisory Clients are designed for investors who are able to bear the risk of substantial impairment or total loss of their investment. Investing in securities involves risk of loss that investors should be prepared to bear.

*As a general matter, Tryperion utilizes the methods of analysis and investment strategies described in the relevant Governing Documents. The information contained herein is a summary only and investors and prospective investors should refer to the applicable Governing Documents for a complete overview of Tryperion's methods of analysis and investment strategies.*

## **B. Material Risks of Investment Strategies and Methods of Analysis**

Investors should understand that all investments involve risk and there can be no assurance that: (i) the objectives of any Advisory Client will be achieved; (ii) Tryperion (or the Affiliated Manager) will be able to choose, make or realize investments on behalf of the Advisory Clients; or (iii) Tryperion will be able to generate returns for investors or that the returns will be commensurate with the risks of investments undertaken by the Advisory Client.

As with any investment in securities, the value of and return on an investment can decrease as well as increase depending on various factors including, but not limited to, general economic conditions and market factors. The investment decisions and investment strategy of Tryperion and its affiliates may not always be profitable, nor will they always be correct. Tryperion cannot be certain that its investment strategy will be successful or that it will successfully manage risks.

### Concentration of Investments

The Governing Documents of the relevant Advisory Clients limit the amount of capital that may be committed to a single investment. As a result, the aggregate return could be adversely affected by the unfavorable performance of a few holdings. The concentration of investments in a particular geographic region makes those investments more susceptible to fluctuations in value resulting from adverse economic or market conditions affecting such asset class or geographic region.

### Lack of Sufficient Investment Opportunities

The business of identifying and structuring real estate and real estate-related transactions is highly competitive and involves a high degree of uncertainty. It is likely that the Advisory Clients will never be fully invested if enough sufficiently attractive investments are not identified. However, Management Fees paid during the investment period for certain Funds include a

participation fee on the amount of non-committed capital, potentially decreasing the incentive of Affiliated Managers to research and identify attractive investments. This risk is mitigated by the fact that a portion of the Affiliated Managers' compensation is based on the overall performance of the Funds through Carried Interest, which creates an incentive for the Affiliated Managers to seek attractive investments for the Advisory Client.

### Control over Projects

The Advisory Clients may co-invest with third parties, including the owners of the properties it acquires or their affiliates, through partnerships, joint ventures or other entities. Tryperion or its affiliates will generally have the right to approve major capital and management decisions in any partnership or joint venture in which it participates. Such investments can involve risks not present in investments where (a) a third-party is not involved, including the possibility that the Advisory Client and third-party partner or co-investor may reach an impasse on a major decision that requires the approval of both parties; (b) a third-party partner or co-investor could have financial difficulties or may become bankrupt, which can negatively impact such portfolio Investment; (c) a third-party partner or co-investor may have economic or business interests or goals that are inconsistent with the Advisory Clients'; or (d) a third-party partner or co-investor may be in a position to take action contrary to the Advisory Clients' investment objectives. In addition, the Advisory Clients can, in certain circumstances, be liable for actions of third-party partners or co-investors. Lastly, a third-party partner or co-investor may be able to block a sale of the interest in any such joint venture or partnership.

The Advisory Clients may grant co-investors or third-party partners' joint approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks. A deadlock could delay the execution of the business plan for the investment or require the Advisory Clients to engage in a buy-sell of the venture with the co-investor or third-party partner, or to conduct a forced sale of such investment. As a result of these risks, the Advisory Clients may be unable to fully realize their expected return on any such investment.

### Leverage

The Advisory Clients will likely utilize debt to finance the acquisition and development of certain properties. While the use of leverage will increase the proceeds available for investment by Advisory Clients and thus create an opportunity for a greater yield and increased diversification of Advisory Clients' portfolios, it also increases the exposure to capital risk and risk of loss on a particular leveraged property. In addition, fluctuations in market values may significantly decrease the availability and increase the costs of real estate loans. The ability to obtain financing, and on reasonable terms, is important to Advisory Clients' success.

Advisory Clients can incur obligations to pay interest and to repay principal on leveraged assets. The Advisory Clients may, under some circumstances, be required to liquidate assets to service such interest and principal obligations. If Advisory Clients default on indebtedness secured by a

particular property, the lender may foreclose and the Advisory Client could lose its entire investment in the property. Advisory Clients may also engage in portfolio financing, whereby several properties are cross-collateralized, and multiple properties may be subject to the risk of loss. As a result, Advisory Clients could be divested of performing properties in the event such properties are cross collateralized with poorly performing or non-performing properties.

#### Uncertain Economic, Social and Political Environment

The current global economic and political climate is one of uncertainty. Consumer, corporate and financial confidence can be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence could lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections.

In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn can adversely affect the general economy and the ability of an Advisory Client and its portfolio investments to execute their respective strategies or receive an attractive multiple of earnings on the disposition of businesses. This can slow the rate of future investments and result in longer holding periods for investments.

#### Market Conditions

Any material change in the economic environment, including a slowdown in economic growth and/or changes in interest rates could have a negative impact on the performance and/or valuation of the Advisory Clients' portfolio investments. The Advisory Clients' performance can be affected by deterioration in public markets and by market events, such as the onset of the credit crisis in the summer of 2007 or the downgrading of the credit rating of the United States in 2011. The impact of market and other economic events may also affect an Advisory Client's ability to raise funding to support its investment objective and the level of profitability achieved on realizations of investments.

#### Cybersecurity

Tryperion, Advisory Clients' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect Advisory Clients and their Investors, despite the efforts of Tryperion and Advisory Clients' service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to Advisory Clients and its Investors. For example, unauthorized third parties may attempt to improperly

access, modify, disrupt the operations of, or prevent access to these systems of Tryperion, Advisory Clients' service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Tryperion systems to disclose sensitive information in order to gain access to Tryperion data or that of the Advisory Clients' Investors. A successful penetration or circumvention of the security of Tryperion's systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Advisory Clients, Tryperion, or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

*Investors and prospective investors are provided a Confidential Offering Memorandum, Subscription Agreement or similar offering materials that contain a detailed description of certain material risks related to the investment. Investors and prospective investors are advised to carefully review all risk factors set forth in the offering materials and Governing Documents.*

## **C. Material Risks of Securities Recommendations**

### **Development and Construction Risks**

The Advisory Clients' investments may include the acquisition of direct or indirect interests in undeveloped land or real property, real estate (re)developments, and/or businesses that engage in real estate (re)development. To the extent that the Advisory Client invests in such assets or developments, it will be subject to the risks normally associated with such activities, including the possibility of development cost overruns and delays due to various factors (including inclement weather, labor or material shortages, the unavailability of construction and permanent financing and timely receipt of zoning and other regulatory approvals), the availability of both construction and permanent financing on favorable terms and market or site deterioration after acquisition. Any unanticipated delays or expenses could have an adverse effect on the results of operations and the financial condition of a Fund. Properties under development or acquired for development may receive little or no cash flow during the development phase and continue to experience operating deficits after the date of completion.

### **Distressed Investments**

Advisory Clients can purchase investments that are experiencing significant financial or business distress, or companies or real estate assets involved in bankruptcy, reorganization or liquidation proceedings. Many of these types of investments generally remain unpaid unless the investment is reorganized and/or emerges from bankruptcy proceedings, and as a result may have to be held for an extended period of time. Value of such investments is affected by a variety of considerations, including the possibility of litigation between the participants in a reorganization or liquidation proceeding or a requirement to obtain mandatory or discretionary consents from

various governmental authorities or others. The uncertainties inherent in evaluating such investments may be increased by legal and practical considerations which limit an Affiliated Manager's access to reliable and timely information concerning material developments affecting a company, or which cause lengthy delays in the completion of the liquidation or reorganization proceedings. There can be no assurance that the Affiliated Manager will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action.

#### Uncertain Nature of Real Estate Investments

Advisory Clients will be subject to the entire risks incident to ownership, development and financing of real estate and interests therein, many of which relate to the general illiquidity of real estate investments, as well as the risks of investments in securities generally. These risks include, but are not limited to: the general volatility of the securities market; changes in general or local economic conditions; changes in interest rates and the availability of financing (which may render the purchase, sale or refinancing of a property difficult or unattractive and make debt service burdensome); changes in applicable laws, government regulations (including those governing usage, improvement and zoning) and fiscal policies; increases in real estate taxes; floods, earthquakes, hurricanes and other acts of God; acts by terrorists; work stoppages, shortages of labor, strikes, union relations and contracts, fluctuating prices, supply of labor and other labor-related factors; and other factors beyond the control of Tryperion or its affiliates. The illiquidity of real estate investments can also impair the ability of Tryperion or its affiliates to respond promptly to changing circumstances.

Tryperion can provide no assurance that any investment or project will be successful. Problems may be encountered after the purchase, including: increased capital costs, and delayed schedules, construction problems or other delays. Despite its due diligence efforts with certain assets Tryperion, may encounter problems with soils; drainage; building construction or other structural issues; title; easements; survey, eminent domain and other issues endemic to acquiring, developing, and owning real estate. In some cases, the Fund may not have complete or accurate information regarding a wide-range of issues with potentially negative impacts on property values. Sellers may not provide all the information required or be unwilling or unable to provide usual representations or warranties. As a general matter, private companies have limited reporting obligations and, as such, there is limited information available to investors or prospective investors regarding a private company's business prospects and results of operations. Furthermore, private companies frequently have less oversight from independent directors, regulatory agencies and others and less seasoned management teams than do public companies. Information or problems subsequently encountered can adversely affect a property's value.

*It is critical that investors refer to the applicable Governing Documents for a complete understanding of the material risks involved in an investment in the Advisory Clients. The information contained herein is a summary only and is qualified in its entirety by such document.*

## **ITEM 9 – DISCIPLINARY INFORMATION**

Tryperion is required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor's evaluation of Tryperion or the integrity of its management. Tryperion has no legal or disciplinary information to disclose at this time.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **A. Management Persons as Registered Broker-Dealers**

Not applicable to Tryperion.

### **B. Management Persons as Commodities Traders**

Not applicable to Tryperion.

### **C. Material Relationships with Related Persons**

Unless otherwise noted, Tryperion manages all conflicts noted below through enforcement of its Code of Ethics and Compliance Manual, which contain restrictions on personal trading of Access Persons (as defined herein), gift and benefit notifications, and outside activity disclosures. Further, if an Advisory Committee is in place with respect to certain Funds, the Advisory Committee would be consulted regarding potential conflict of interest transactions involving the applicable Fund. An Advisory Committee may be comprised of investors in the relevant Fund and a representative of Tryperion or its affiliates, pursuant to the applicable Governing Documents. Members of the Advisory Committee may have various business or other relationships with Tryperion and its partners, employees and affiliates. These relationships may influence their decisions as member of an Advisory Committee.

#### Relationships or Arrangements Contemplated by the Above Categories

The Affiliated Managers serve as managing members or general partners to the Advisory Clients and, as a result, hold ownership interests in the Advisory Clients. In addition, employees of Tryperion (or its affiliates) may also invest indirectly in the Advisory Clients through an affiliate. As noted above, the existence of the Carried Interest creates an incentive for the Affiliated Managers to make more speculative investments on behalf of the Fund(s) than it would otherwise make in the absence of such performance based compensation. This conflict is mitigated by the fact that the Carried Interest allocation is paid based on the overall performance of the Advisory Clients and not on an investment by investment basis.

#### Additional Potential Conflicts of Interest

Additionally, a portfolio investment typically will reimburse third-party service providers retained at Tryperion's discretion for expenses (including without limitation travel expenses) incurred by

such service providers in connection with its performance of services for such portfolio investment. Tryperion determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund or other investment vehicle, their effect is reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to such service providers generally is subject to: agreements with sellers, buyers and management teams; and the review of third-party co-investors in its transactions. These factors help to mitigate related conflicts of interest.

Tryperion has entered into side letter arrangements with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures, information rights, co-investment rights, and liquidity or transfer rights.

Certain members of the investment team also advise other affiliated entities such as Affiliated Managers. Further, the principals of Tryperion will allocate such time and attention as is deemed appropriate and necessary to carry out the operations of the Advisory Clients effectively. In addition, certain principals of Tryperion manage designated assets of certain investors, under the direction of, and at the discretion of, such investors.

Since affiliates of Tryperion (including Tryperion partners and employees) work on other projects, conflicts may arise in the allocation of certain personnel and other resources. The significant investment of the principals in the Advisory Clients, as well as the principals' interest in the Carried Interest, operate to align, to some extent, the interest of the principals with the interest of the Advisory Clients' investors, although the principals have economic interests in such other investment funds and investments as well and receive Management Fees and Carried Interests relating to these interests.

Tryperion and its personnel can be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Advisory Clients that will neither be subject to an offset against any Management Fees payable to the Advisory Clients nor will otherwise be shared with Advisory Clients, investors and/or portfolio companies. For example, airline travel or hotel stays incurred as Advisory Client fund or account expenses typically result in cash rebates, "miles," "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to Tryperion and/or such personnel (and not the Advisory Clients, investors and/or portfolio companies) even though the cost of the underlying service is borne by the Advisory Clients, investors and/or portfolio companies.

#### Outside Business Activities of Related Persons

Some of Tryperion management serve on board of directors, executive committees or advisory boards at various unaffiliated companies and organizations. Serving in such a capacity exposes such personnel, and by association Tryperion and the Advisory Clients, to certain conflicts of interest.

Tryperion maintains internal compliance policies that are intended to minimize the negative effects of such conflicts, if they arise. However, there can be no assurance that permitting the board membership of an employee will not result in less favorable results for the Advisory Clients than if the management person was not permitted to serve in such capacity.

#### **D. Selection of Other Advisers**

Not applicable to Tryperion.

### **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

#### **A. Code of Ethics**

Tryperion's Code of Ethics ("**Code**") is designed to meet the requirements of Rule 204A-1 of the Advisers Act.

The Code also applies, generally, to any member, officer or director of Tryperion and any employee or other supervised person of Tryperion (collectively, "**Access Persons**") who (1) has access to non-public information regarding any Advisory Client's purchase or sale of securities, or non-public information regarding the holdings of an Advisory Client, or (2) is involved in making or executing securities recommendations or has access to such recommendations that are non-public. In addition, certain consultants and other individuals may also be deemed to be Access Persons of Tryperion. However, certain employees or contractors, who are not involved in the advisory business of Tryperion and whose role is limited to monitoring certain Tryperion real estate investments, are not deemed Access Persons of Tryperion.

The Code sets forth a standard of business conduct that takes into account Tryperion's obligations to Advisory Clients and requires Access Persons to place the interests of Advisory Clients above their own interests and the interests of Tryperion. The Code requires Access Persons to comply with applicable federal securities laws and promptly bring violations of the Code to the attention of Tryperion's Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on an annual basis thereafter.

The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide Tryperion's Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Tryperion's Access Persons must also provide annual holdings reports and quarterly transaction reports in accordance with Advisers Act Rule 204A-1. The Code also describes Tryperion's and its Access Persons' duty to protect material non-public information about securities/investment recommendations provided to (or made on behalf of) the Advisory Clients.



Investors or prospective investors can obtain a copy of the Code by contacting Tryperion's Chief Compliance Officer at 310-421-1030.

## **B. Conflicts of Interest in Connection with Investment Recommendations or Transactions**

Certain of the principals of Tryperion may sit on the board of directors of other entities (affiliated and unaffiliated) that are involved in non-competitive real estate investments and management. Tryperion manages this conflict through the Code.

Certain transactions involve conflicts of interest among the Advisory Client(s), some or all of which may be addressed by the Advisory Committee (and in certain cases by investors) reviewing and approving such transactions.

As explained in Item 10.C. above, Tryperion or an Affiliated Manager serves as the investment adviser, managing member or general partner to the Advisory Clients. As noted above, Tryperion and/or the Affiliated Manager receives a Management Fee and Carried Interest (if certain conditions are met). The Management Fees are payable without regard to the overall success or income earned by Advisory Clients, therefore creating an incentive on the part of Tryperion to raise or increase assets under management to a higher level than it would otherwise if Tryperion were receiving a lower or no Management Fee.

Carried Interest creates an incentive for Tryperion to make investments that are riskier or more speculative than in the absence of such performance-based compensation arrangements. This conflict is mitigated by the fact that the Carried Interest allocation is paid based on the overall performance of the Advisory Client and not on an investment-by-investment basis.

As noted in Item 10.C., Tryperion or an affiliate manages Co-Investment Entities that invest in similar securities as the Funds.

Access Persons may invest for their personal account in real estate securities or real property that, although not held by Advisory Clients, creates a conflict of interest because it could be deemed to be within the investment program of certain Advisory Clients. Tryperion attempts to mitigate this conflict through enforcement of its personal trading policy under the Code.

The fact that certain principals of Tryperion and Access Persons may have indirect financial ownership interests in Advisory Clients creates a potential conflict in that it could cause Tryperion to make different investment decisions than if such parties did not have such financial ownership interests.

The above potential conflicts are addressed by the personal securities transaction pre-clearance and reporting requirements described in Item 11.A. and 11.C. Tryperion also addresses these potential conflicts through regular monitoring of Advisory Client investments for consistency with objectives, strategies and target capacity.

### **C. Personal Trading By Firm Personnel in Securities Recommended to Clients**

See Item 11.B. Further, Tryperion's Access Persons are permitted to make certain securities transactions in their personal accounts. This presents potential conflicts in that an Access Person could make improper use of information regarding an Advisory Client's holdings or future transactions or research paid for by Advisory Clients. In order to minimize the potential conflict of interest, and the risk of improper transactions, companies in which Tryperion or an Advisory Client has a financial interest or controls one or more board seats, or companies in which a potential conflict of interest currently exists or may exist if an Access Person were to invest in such security, will be placed on a restricted list ("**Restricted List**") by the Chief Compliance Officer (as described below).

Any public company about which an Access Person receives material non-public information and where an Access Person or their spouse sits on the board of a public company will be placed on the Restricted List. Any security or other investment where Tryperion believes there is or could be a potential conflict of interest if an Access Person were to invest in such security will be placed on the Screening List.

Tryperion manages the potential conflicts of interest inherent in Access Persons' personal trading by rigorous enforcement of its Code, which contains pre-clearance and reporting guidelines for Access Persons. Tryperion requires that Access Persons pre-clear transactions in initial public offerings, limited offerings and offerings of any security on the Restricted List (which will generally be denied). Further details are available in the Code, which is available to investors upon request.

As noted above, Tryperion maintains a Restricted List with the names of issuers of public securities about which Tryperion or its affiliates (including Access Persons) have learned material, non-public information. Access Persons are prohibited from transacting in the securities of any issuers on the Restricted List.

In addition, Tryperion receives transaction and holdings reports from Access Persons in accordance with Rule 204A-1 under the Advisers Act. The Chief Compliance Officer or his designee reviews the personal transaction and holdings reports submitted by Access Persons to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.

### **D. Personal Trading and Contemporaneous Recommendations to Clients**

See responses to Items 11.A, 11.B and 11.C.

## **ITEM 12 – BROKERAGE PRACTICES**

Not applicable to Tryperion. As a general matter, Tryperion invests in private transactions that are not executed on an exchange and does not utilize investment broker-dealers. Tryperion does

not receive soft dollar benefits, utilize capital introduction, permit directed brokerage or aggregate Advisory Client trades. If this were to change in the future, Tryperion would amend this Brochure to explain such practice.

## **ITEM 13 – REVIEW OF ACCOUNTS**

### **A. Review of Client Accounts**

Tryperion's Advisory Client accounts are under continuous review by Tryperion principals and other key employees. Such reviews include (but are not limited to) a review of investment objectives. Tryperion generally holds monthly meetings with operating partners, property/project managers and/or corresponding property-level employees. Tryperion also conducts quarterly asset reviews with the asset managers and executive management. Additionally, Tryperion's senior management meets quarterly for an in-depth analysis of the investments of Advisory Clients. Periodic site visits by senior management are also typically conducted.

In addition to the foregoing, the principals and other key personnel of Tryperion monitor investments on an ongoing basis as needed, based on their evaluation of each investment's particular circumstances.

### **B. Advisory Client Reporting**

Investors receive quarterly and annual financial reports from affiliates of Tryperion, as well as such other information or commentary as Tryperion deems appropriate or an investor's request.

## **ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION**

### **A. Other Compensation for Provision of Investment Advice**

Not applicable to Tryperion.

### **B. Compensation to Unsupervised Persons for Client Referrals**

Not applicable to Tryperion.

## **ITEM 15 – CUSTODY**

Tryperion is deemed to have custody of the assets owned by its Funds and SPVs. To ensure compliance with Rule 206(4)-2 under the Advisers Act ("**Custody Rule**"), Tryperion will ensure that each of its Funds are subject to audits annually and upon liquidation by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board (commonly referred to as the "**PCAOB**") in accordance with its rules. Tryperion will ensure that the audited financial statements of each Fund are prepared in

accordance with U.S. Generally Accepted Accounting Principles (“GAAP”) and that each Fund’s audited financial statements are provided to investors within 120 days of the close of each Fund’s fiscal year (or, in the case of a liquidating audit, promptly after completion of the audit).

The funds and securities owned by Advisory Clients, other than certain uncertificated securities purchased in private transactions, are held with a qualified custodian, as defined in the Custody Rule (i.e. a bank or broker-dealer). Tryperion does not send account statements to Advisory Clients. Investors receive quarterly and annual reports from Tryperion (or its affiliates). These reports should be carefully reviewed. Investors are urged to compare such reports to the information provided in the audited financial statements prepared by the Funds’ auditor and/or the statements received from a qualified custodian, as applicable.

#### **ITEM 16 – INVESTMENT DISCRETION**

Tryperion is retained by the Advisory Clients to render advice on matters relating to the acquisition, management and disposition of investments, in all cases subject to the direction, supervision and review of the Affiliated Managers or Tryperion (as detailed in the Governing Documents). As Tryperion and the Affiliated Managers are under common control, in most instances the Affiliated Managers act upon the recommendations of Tryperion. The Governing Documents detail the investment strategy and the investment limitations applicable to each Advisory Client.

#### **ITEM 17 – VOTING CLIENT SECURITIES**

Tryperion understands and appreciates the importance of proxy voting. Based upon Tryperion’s investment strategy of investing in commercial and residential real estate and related investment (and lack of involvement in publicly traded equities), it does not vote proxies. If in the future, it is contemplated that Tryperion may exercise voting authority with respect to any Advisory Client securities; Tryperion will adopt proxy policies and procedures that are consistent with Rule 206(4)-6 under the Advisers Act. If a material conflict is identified, Tryperion will determine what course of action is in the best interests of the Advisory Client.

#### **ITEM 18 – FINANCIAL INFORMATION**

##### **A. Prepayment of Fees**

Not applicable to Tryperion.

##### **B. Bankruptcy**

Tryperion has not been the subject of any such bankruptcy petition.