

Item 1 – Cover Page

Investcorp Investment Advisers LLC
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This Brochure was last updated
November 8, 2016

Real Estate Advisory Services

Form ADV, Part 2A (the “Brochure”) provides information about the qualifications and business practices of Investcorp Investment Advisers LLC (“IIA LLC” or the “Firm”). If you have any questions about the contents of this Brochure, please contact Brian Murphy, Chief Compliance Officer, at 917-332-5719; bmurphy@investcorp.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

IIA LLC is registered with the SEC as an investment adviser. IIA LLC’s registration as an investment adviser does not imply any level of skill or training. The oral and written communications we provide to you, including this Brochure, serve as information for you to use to determine to hire or retain IIA LLC as your adviser.

Additional information about IIA LLC also is available on the SEC’s website at www.adviserinfo.sec.gov (click on the link “Investment Adviser Search,” select “Investment Adviser Firm” and type in IIA LLC’s name). The results will provide you with both Parts 1 and 2 of IIA LLC’s Form ADV.

Item 2 – Material Changes

The following is a summary of material changes to Part 2A of Form ADV since IIA LLC's last annual amendment filed with the SEC on September 27, 2016.

Summary of Material Changes:

- Item 4 (Advisory Business). References to Hedge Funds have been change to Alternative Investment Solutions throughout this Brochure.
- The total assets under management ("AUM") have been amended to reflect adjustments to the Firm's real estate fund assets under management.

In addition to the material amendments to this Brochure outlined above, IIA LLC has prepared separate Brochures for its alternative investment advisory services and its private equity advisory services. Please see the Firm's other Brochures for a discussion of the Firm's business practices in connection with those services.

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	7
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	7
Item 9 – Disciplinary Information	17
Item 10 – Other Financial Industry Activities and Affiliations.....	18
Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading	19
Item 13 – Review of Accounts	22
Item 14 – Client Referrals and Other Compensation	22
Item 15 – Custody	22
Item 16 – Investment Discretion	23
Item 17 – Voting Client Securities	23
Item 18 – Financial Information.....	23

* A NOTE ABOUT THE FORMAT OF THIS BROCHURE: The SEC requires all investment advisers to organize their disclosure documents according to specific categories, some of which may not pertain to a particular adviser's business. Where a required category is not relevant to our business, we list the category and state that it does not apply.

Item 4 – Advisory Business

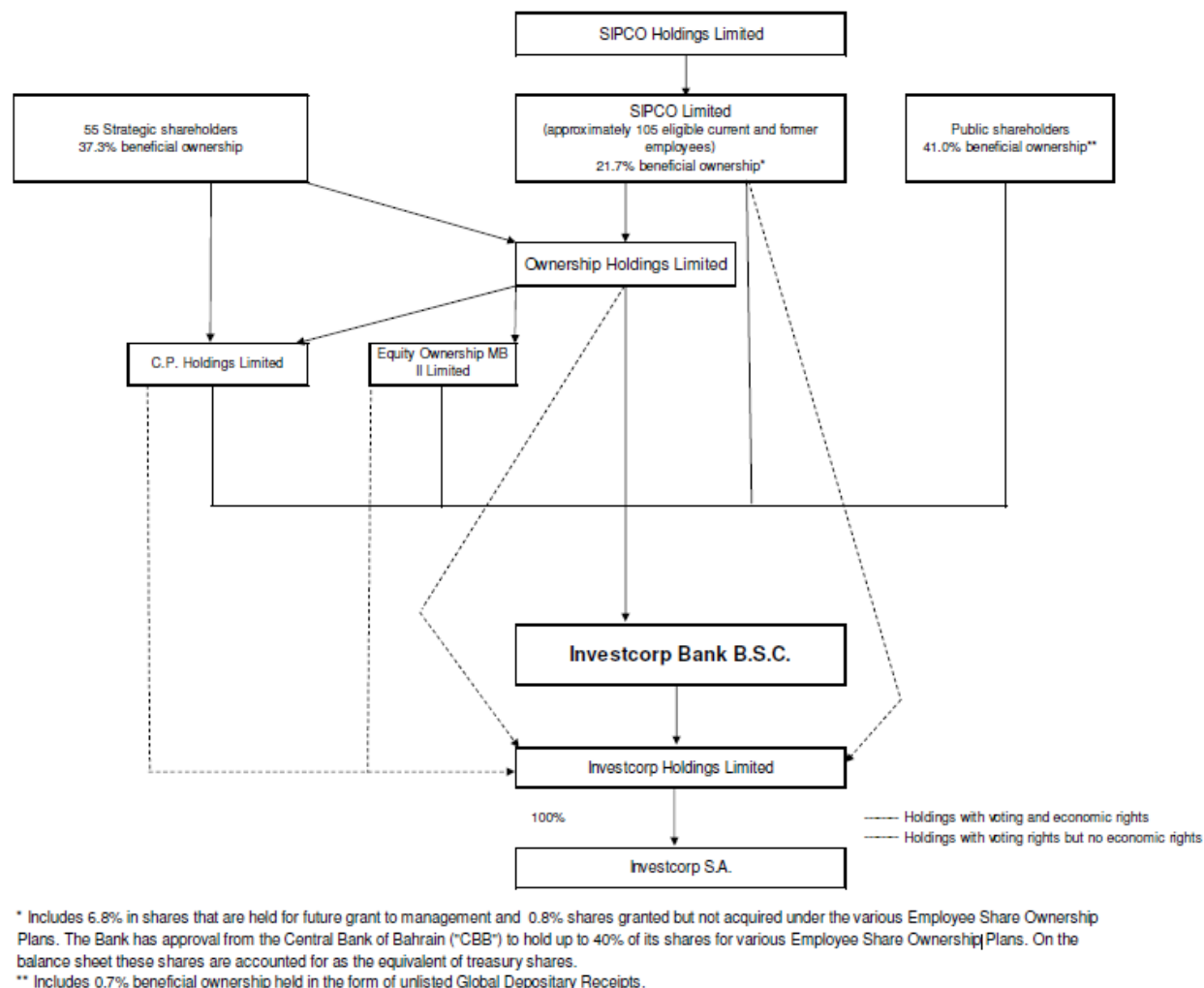
Investcorp Investment Advisers LLC (“IIA LLC” or the “Firm”) was formed in 2005 as part of Investcorp Group, whose primary operating entity is Investcorp Bank B.S.C. (“Investcorp”). Investcorp, founded in 1982, is a leading, global provider of alternative investments products with assets under management across alternative investment solutions¹, private equity, and real estate. Investcorp is the parent company of Investcorp S.A. (“S.A.”), which is the parent company of Investcorp International Holdings Inc. (“IIHI”). IIA LLC is 100% directly owned by IIHI. IIA LLC is a management company for Investcorp hedge funds, private equity funds, and real estate products. This Brochure discusses the business practices of IIA LLC only in connection with its real estate advisory services. Please see the Firm’s other Brochures for a discussion of the Firm’s business practices in connection with its hedge fund advisory services and its private equity advisory services.

Investcorp Investment Advisers Limited (“IIAL”), an SEC registered investment adviser, is an affiliate of IIA LLC and carries out some functions related to the management of the Investcorp real estate products. N.A. Investcorp LLC (“NAI LLC”) and Investcorp act as placement agents for real estate products. Please see Item 10, “Other Financial Industry Activities and Affiliations” for additional information on IIA LLC’s arrangements with its affiliates.

Ownership Structure

IIA LLC is a member of the Investcorp group of companies. It is 100% directly owned by Investcorp International Holdings Inc. (“IIHI”). The parent company of IIHI is Investcorp S.A. The following chart shows the ownership structure for Investcorp S.A.

¹ The name ‘Hedge Funds’ is no longer representative of the scope of products that the Firm currently offers. As a result, the name of the business unit has been changed from ‘Hedge Funds’ to ‘Alternative Investment Solutions (‘AIS’). ‘Fund of Funds’ has been changed to ‘Multi-Manager Solutions’ as both the flagship products and customized accounts are offered to clients. ‘Single Managers’ has been changed to ‘Hedge Fund Partnerships’ as this will convey the nature of the product offering to the marketplace. ‘Alternative Beta’ has been changed to ‘Alternative Risk Premia’ since this is the standard industry term for this investment strategy.



IIA LLC serves as adviser to Investcorp's real estate products ("RE Products"), which include funds formed primarily to acquire mezzanine and other high-yielding debt and other real estate products that make equity or debt investments in commercial and residential real properties.

Real Estate Advisory Services

With respect to RE Products, IIA LLC typically:

- Investigates and evaluates potential investment opportunities;
- Negotiates potential investments;
- Monitors investments post-acquisition; and
- Manages and determines the disposition of investments.

Affiliates of IIA LLC and/or other third parties may agree to perform some of the investment advisory services to be provided to the RE Products. The specific advisory services provided to a RE Product are individually negotiated between IIA LLC and such affiliates and third parties, and each RE Product, and may include without limitation some or all of the advisory services generally described above.

Certain RE Products may invest in, or provide financing to, real estate investments in which IIA LLC's affiliates and clients of IIA LLC's affiliates have invested. IIA LLC provides investment advisory services to its affiliates as well as the RE Products in connection with these investments.

Certain RE Products may also coinvest with unaffiliated third parties. IIA LLC's affiliates may also invest directly in the RE Products.

IIA LLC's advisory services for the RE Products are further described in the confidential information memoranda and organizational documents of the RE Products, as well as below under Item 8, "Methods of Analysis, Investment Strategies and Risk of Loss."

IIA LLC's assets under management ("AUM") in RE Products were \$49,519,222 as of June 30, 2016, all of which were managed on a discretionary basis. IIA LLC's total AUM in the RE Products, alternative investment solutions, and private equity funds that it manages was \$2.4 billion as of June 30, 2016, all of which were managed on a discretionary basis.

Item 5 – Fees and Compensation

IIA LLC and its affiliates provide investment advisory and management services in connection with real estate investments and receive fees for such services. Depending on the particular client, these fees typically include a management fee up to 1.7% per year of a client's committed or contributed capital or assets under management. Depending on the particular client, IIA LLC receives its fee quarterly or semi-annually in advance or in arrears during the term of the RE Product. Any fees charged in advance will be refunded pro-rata in the event of termination of an advisory relationship.

IIA LLC and/or its affiliates may also receive transaction fees and other similar fees, placement agent fees, and/or administration and sponsorship fees. A percentage of the transaction and other similar fees, net of any related expenses, earned in respect of investments made by certain subsidiary investment vehicles of a RE Product that qualify as real estate investment trusts ("REITs") may be paid by IIA LLC's affiliates to taxable subsidiaries of such REITs. A percentage of such fees, net of any related expenses, earned

in respect of investments made by other subsidiary investment vehicles may be applied to reduce the management fee. Any amount unapplied may be carried forward for application against future installments of the management fee until such fees are fully utilized in reducing the management fee.

Placement agent fees and certain organizational expenses of the RE Products may also be applied to reduce, but not below zero, the management fee and any amount unapplied may be carried forward for application against future installments of the management fee until such fees are fully utilized in reducing the management fee.

IIA LLC or its affiliates may receive performance compensation of up to 20% of total gains.

Specifics on IIA LLC's and its affiliates' management fees and compensation in connection with a RE Product are set forth in the offering and/or organizational documents for each RE Product.

Each RE Product generally bears the legal, accounting, travel and other expenses incurred in connection with the organization and operation of the RE Product, including all fees and expenses incurred in connection with the offering of interests in the RE Product; the investigation of investment opportunities (whether or not consummated); the acquisition, ownership, financing, hedging or sale of investments (including any hedging costs); the maintenance of a RE Product's books and records; the preparation and distribution of reports to investors; the costs associated with investor meetings; insurance; and taxes. IIA LLC generally bears all of its ordinary general office overhead relating to the management of the RE Products, including rent, telecommunications and salaries of its employees. As discussed in Item 8, "Methods of Analysis, Investment Strategies, and Risk of Loss," the investment and certain other decisions of certain RE Products must be unanimously approved by an Investment Committee. Members of the Investment Committee may be entitled to reimbursement of their out-of-pocket expenses (but not to other remuneration for their services).

For certain RE Products that coinvest with other IIA LLC affiliated funds, the RE Product generally will bear its pro rata share of all fees, costs and expenses relating to such coinvestment.

With respect to some RE Products, parallel funds may be formed to accommodate the needs of certain investors. Such parallel funds generally will share proportionately the RE Product's investment expenses.

Specifics on the costs and expenses charged in connection with a RE Product are set forth

in the offering and/or organizational documents of the RE Product.

Side Letters

IIA LLC or its affiliates may enter into an agreement with an investor in a RE Product, in consideration for investing in the RE Product, commonly known as a “side letter.” Pursuant to the side letter the investor may receive, among other benefits, “most favored nation” terms and/or a waiver, in whole or in part, of applicable fees. These benefits may not be available to all investors.

Negotiation of Fees; Waivers

The fees payable by the RE Products may be negotiated on a case-by case basis. The management fee, carried interest, and other fees may be waived, in whole or in part, with respect to any capital committed by IIA LLC’s affiliates, employees of IIA LLC or its affiliates, any consultants to or family members of such persons, or certain significant or strategic investors. In certain circumstances investors may invest in a RE Product through a feeder fund. Investors in the feeder funds generally will have the same rights and obligations as investors in the RE Product, although Investcorp affiliated investors in the feeder funds may receive a rebate of, or may not be charged, fees, while feeder fund investors that are not affiliated with Investcorp may be charged higher fees.

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

As stated in Item 5, “Fees and Compensation” above, IIA LLC or its affiliates may receive performance compensation for advisory services they provide to the RE Products. In addition, employees of IIA LLC and its affiliates may participate in executive compensation programs that are linked to the performance of certain RE Product investments. IIA LLC’s supervised persons may also receive incentive compensation in connection with the advisory services IIA LLC provides to its affiliates with respect to real estate investments. IIA LLC will structure any performance fee arrangement that is subject to Section 205(a)(1) of the Investment Advisers Act of 1940 (the Advisers Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3.

Performance-based fee arrangements may create an incentive for IIA LLC or its affiliates or employees to make investments or other management decisions which may be riskier or more speculative than those which would be made under a different fee arrangement. Such compensation also may create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities.

As stated in Item 8, “Methods of Analysis, Investment Strategies and Risk of Loss,” a RE Product may have similar investment objectives and strategies as other RE Products. As a result, IIA LLC may face conflicts of interest in allocating investment opportunities.

Certain RE Products may invest in, or provide financing to, real estate investments in which IIA LLC’s affiliates or clients of IIA LLC’s affiliates have invested. IIA LLC provides investment advisory services both to its affiliates and to the RE Products in connection with these investments. Certain RE Products may also coinvest with unaffiliated third parties. As a result of these competing interests and arrangements, IIA LLC and its affiliates may face conflicts of interest when making decisions regarding the timing, structure, financing and disposition of investments. For example,

- In making decisions about the making, management, financing and disposition of investments, IIA LLC may need to consider the interests of its affiliates and/or certain unaffiliated coinvestors and such interests may differ from the interests of the RE Products with regard to, for example, strategic objectives, risk tolerance, liquidity needs or other matters.
- The fees paid by IIA LLC’s affiliates for IIA LLC’s advisory services may be different from the fees paid by a RE Product. For example, the fees charged to IIA LLC’s affiliates may be more or less than the fees charged to the RE Products.
- As noted above in this Item 6, IIA LLC’s supervised persons may receive incentive compensation in connection with the advisory services IIA LLC provides to its affiliates, which may create an incentive for such supervised persons to favor the accounts of IIA LLC’s affiliates.
- The coinvestors may include persons and entities organized in different jurisdictions that have conflicting tax interests. As a result, certain investments may be structured in the most tax efficient manner for one or more of the coinvestors, which may have adverse tax consequences for the RE Product.

IIA LLC has procedures designed and implemented to ensure that all RE Products are treated fairly and equally, and to prevent the conflicts raised by performance fees and side-by-side management from influencing the allocation of investment opportunities among RE Products. IIA LLC will seek to act in a manner it believes in good faith to be fair to the applicable accounts, including the RE Products, under the circumstances, although there can be no assurance that any conflict will be resolved in favor of a RE Product or its investors.

Item 7 – Types of Clients

We provide investment advice to pooled investment vehicles formed under foreign or domestic laws and which may operate as exempt investment pools under the Investment Company Act of 1940. Persons or entities that are solicited to participate in onshore private investment vehicles, and U.S. persons solicited to invest in offshore private investment vehicles, are “qualified purchasers” and generally are not themselves our clients. Solicitation of non-U.S. persons or entities will be conducted pursuant to applicable law, as further described in the RE Products’ offering or subscription documents.

IIA LLC also provides investment advice to its affiliates in connection with certain U.S. real estate investment transactions.

Requirements for Opening or Maintaining Accounts

Depending on the particular RE Product, the typical minimum required investment commitment may be \$500,000 or higher, although in certain circumstances the minimum investment requirement may be waived.

The offering documents for each specific RE Product contain detailed information concerning the relevant minimum investment requirements.

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

Investment Strategies

IIA LLC’s investment strategies may vary among the RE Products. With respect to certain RE Products, IIA LLC generally aims to invest in and hold a variety of mezzanine and other high-yielding real estate debt and preferred equity products. These RE Products may also invest in secured senior loans, bridge loans, distressed or defaulted debt, commercial mortgage backed securities, and other debt. IIA LLC’s targeted investments for these RE Products typically include existing properties, development projects, land holdings, and asset-based real estate operating companies that IIA LLC believes will provide attractive risk-adjusted return opportunities

With respect to other RE Products, IIA LLC typically aims to invest primarily in the equity ownership interests of commercial and residential real properties. IIA LLC will target

transactions for these RE Products based on various criteria, including but not limited to the real properties' locations, tenant profile, income stream, leasing structure, trade area demographics, property condition, quality of the sponsors and property managers, and upfront and supplemental reserves.

Methods of Analysis

IIA LLC applies a highly-disciplined and structured review, approval and management process to RE Product investments, including, as examples, market evaluation, due diligence, asset management, and disposition/refinancing.

RE Product investments and certain other decisions generally must be pre-approved by an Investment Committee. With respect to certain RE Products, such Investment Committee may be comprised of representatives from IIA LLC and its affiliates, other advisers to the RE Product, and certain RE Product investors.

Conflicts of Interest Related to Management of RE Products

Certain employees of IIA LLC and its affiliates who play key roles in managing the RE Products may spend a significant portion of their time on matters other than, or only tangentially related to, the RE Products. Conflicts of interest may arise in allocating management time, services or other resources among the RE Products and such other investments and projects.

IIA LLC and its affiliates and employees may act in a variety of roles with respect to the RE Products. IIA LLC's affiliates may also invest directly in certain special purpose vehicles ("SPVs") through which RE Product investments are acquired or they may own the securities of a RE Product's affiliates. IIA LLC's affiliates may also sell property or lend funds to the RE Products or their portfolio entities. IIA LLC and/or its affiliates may also have the right to perform due diligence, brokerage, placement, investment banking, underwriting, management, leasing, financial advisory, and other services for and receive compensation from the RE Products, their portfolio entities and any counterparties on RE Product investments. As a result, it is possible that the interests of IIA LLC and those of RE Product investors might diverge. In the event of a conflict of interest, IIA LLC will endeavor to conduct itself so as to most fairly reconcile the various interests it serves, including those of investors.

As discussed in Item 6, "Performance-Based Fees and Side-by-Side Management," a RE Product may have investment objectives and strategies that are similar to those of other RE Products. In addition, non-RE Product clients of IIA LLC or its affiliates may have

investment objectives that are similar to one or more of the RE Products. As a result, IIA LLC and its affiliates may face conflicts of interest in allocating investment opportunities. In such cases, IIA LLC and its affiliates will seek to act in a manner they believe in good faith to be fair to the applicable accounts under the circumstances.

IIA LLC and its employees may learn material, non-public information about public portfolio entities in which the RE Products invest. Knowledge of such material, non-public information creates a potential opportunity for insider trading. As discussed in Item 11, “Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading,” IIA LLC has developed and implemented policies and procedures which it believes are reasonably designed to detect and prevent insider trading violations. RE Products may be restricted from investment opportunities to the extent that IIA LLC and its affiliates possess material, non-public information about a potential portfolio entity or serve on creditor or equity committees of a potential portfolio entity in distress.

As discussed in Item 5, “Fees and Compensation” and Item 6, “Performance-Based Fees and Side-By-Side Management,” IIA LLC and its affiliates may receive performance fees from the RE Products and employees of IIA LLC and its affiliates may participate in executive compensation programs that are linked to the performance of certain RE Product investments. IIA LLC’s supervised persons may also receive incentive compensation in connection with the advisory services IIA LLC provides to its affiliates. The existence of performance-based compensation may create an incentive for IIA LLC or its affiliates or employees to make investments or other management decisions that are more speculative than they would otherwise have made in the absence of such compensation, or to favor accounts which pay higher performance-based compensation.

In certain circumstances, IIA LLC’s affiliates may be responsible for determining the value of certain assets of or the interests in the RE Products. IIA LLC’s affiliates will conduct such valuations in good faith considering all factors, information and data deemed to be pertinent.

General Risks

Managing a RE Product involves a number of risks, some of which are summarized below. This document does not purport to be a complete disclosure of all risks that may be relevant to a decision to invest in the RE Products. Prospective investors must rely upon their own examination of, and ability to understand, the nature of their investment, including the risks involved, in making a decision to invest. There can be no assurance that the RE Products will be able to achieve their investment objective or that investors will receive a return of their capital. In addition, IIA LLC and its affiliates may encounter

potential conflicts of interest, some of which are summarized above.

No Assurance of Investment Return. The success of the RE Products largely depends on the ability of IIA LLC and its affiliates to identify suitable investments and to negotiate advantageous terms relating to such investments. IIA LLC may not be able to execute the RE Products' investment objectives or generate returns to investors commensurate with the risks of investing in the types of transactions described herein. An investment in the RE Products should only be considered by persons who can afford a loss of their entire investment. Past performance of IIA LLC is not necessarily indicative of future results, and there can be no assurance that the RE Products will achieve attractive returns.

Limited Operating History. Some of the RE Products are newly formed entities with no operating histories or performance track records. IIA LLC and its affiliates have historically focused on equity and not mortgage, mezzanine or other debt investments. A significant portion of IIA LLC and its affiliates' experience in originating debt has been originating debt to borrowers related to Investcorp. There can be no assurance that IIA LLC and its affiliates will be able to successfully invest in targeted investments.

General Economic Conditions, Political and Regulatory Risks and Catastrophic Events. General economic conditions, including interest rate risks and the price and value of securities, may affect the value of a RE Product's investments. In addition, a RE Product's investments may be adversely affected by political developments and catastrophic and other force majeure events such as fire, earthquake, terrorist attacks and other similar events. Legal, tax, environmental and other regulatory changes also may adversely affect the RE Products.

Targeted Returns. IIA LLC and its affiliates may use projections developed internally or by a portfolio entity concerning such entity's future performance and cash flow. Projections are inherently uncertain and subject to factors beyond the control of the developer of the projections. IIA LLC and its affiliates believe the assumptions upon which a RE Product's targeted returns are based are reasonable. However, if one or more of such assumptions are incorrect, or if IIA LLC and its affiliates have failed to take into account all relevant factors in making assumptions, actual returns may be significantly lower than targeted returns. Because actual performance may vary from the assumptions upon which targeted returns are based, targeted returns are not necessarily a valid guide to the future performance of a RE Product. Returns for individual investors may also be lower than the overall target.

Reliance on Key Personnel. Except for certain investors that may have a role on an Investment Committee of certain RE Products, as discussed in this Item 8 above, investors

will have no opportunity to participate in the day-to-day operations, including investment and disposition decisions, of the RE Products. The success of the RE Products will significantly depend upon the skill and expertise of IIA LLC's and its affiliates' investment professionals. Such professionals may not continue to be associated with IIA LLC or its affiliates throughout the term of a RE Product, and any departure or resignation of any key professionals could have an adverse impact on the performance of a RE Product.

Recourse to RE Product Assets; Indemnification. A RE Product's assets, including any investment made by the RE Product and any funds held by the RE Product, are available to satisfy all liabilities and other obligations of the RE Product. Such obligations include a RE Product's obligation to indemnify IIA LLC, its affiliates and others for liabilities incurred in connection with the affairs of the RE Product. Recourse to a RE Product's assets could have an adverse impact on the interests of investors. A RE Product's obligation to indemnify IIA LLC and its affiliates may limit investors' rights against such parties.

Hedging Risks; Intermediary Risks. In order to reduce the risk of adverse movements in interest rates and the securities prices of its investments, certain RE Products may employ hedging techniques through the purchase of swaps, derivatives and other similar instruments. There can be no guarantee that suitable hedging instruments will be available at the time when a RE Product wishes to use them. Additionally, in the event of an imperfect correlation between a position in a hedging instrument and the portfolio position that it is intended to protect, the desired protection may not be achieved and the RE Product may be exposed to a risk of loss. Certain of the RE Products' hedging transactions may be undertaken through brokers, banks or other organizations and the RE Products will be subject to risk of default, insolvency or fraud of such organizations. There can be no assurance that any money advanced to such organizations will be repaid or that the RE Products will have any recourse in the event of default. The collection, transfer and deposit of bearer instruments and cash expose the RE Products to a variety of risks including theft, loss and destruction.

Default. As a result of legal, tax, regulatory and other considerations, one or more investors may be restricted from acquiring a direct or indirect interest in a RE Product or in certain RE Product investments that exceed certain amounts. As a result, in the event of default by an investor, certain other investors may not be required to contribute additional capital to satisfy their pro rata share of the shortfall caused by the default, and certain investors may be required to contribute more than their pro rata share of the shortfall amount.

Diverse Investor Base. The RE Products' investors may have conflicting investment, tax, and other interests with respect to investments. In selecting and structuring investments

appropriate for the RE Products, the investment and tax objectives of the RE Products and their respective investors as a whole will be considered, not the investment, tax or other objectives of any particular investor individually.

EU Legislation. The Alternative Investment Fund Managers Directive, 2011/61/EU (“AIFMD”) entered into force on July 21, 2011 and was to be fully implemented by each EU member state no later than July 22, 2013. If RE Products are marketed or managed in the EU, the AIFMD will restrict the RE Products, IIA LLC, and its affiliates from engaging in certain activities and may increase the operating expenses of the RE Products including, without limitation, imposing disclosure and reporting requirements on IIA LLC and its affiliates and restricting IIA LLC’s ability to delegate portfolio and risk management responsibilities.

Side Letters. As discussed in Item 5, “Fees and Compensation,” the RE Products may enter into one or more side letters or similar agreements with certain investors pursuant to which the investor receives specific rights, benefits or privileges that are not made available to investors generally. Such agreements generally will not be disclosed to other actual or potential investors.

Investment Risks Relevant to RE Products

RE Products may invest in the debt and equity associated with real estate projects. Real estate projects historically have experienced significant fluctuations and cycles in performance, and the performance of such projects will depend on many factors beyond the control of the RE Products and the portfolio entities, including but not limited to changes in general or local economic conditions; net operating income; the supply of, or the demand for, competing properties in a geographic area; lease, rental and sales rates; building vacancies due to lease expiries; lease co-tenancy clauses; tenant, buyer and seller creditworthiness and financial performance; property damage and increases in insurance premiums; changes in economic and demographic growth rates; real estate taxes and the cost of insurance, utilities and other operating expenses; the cost of materials and labor for capital improvement projects; delays in project construction; changes in interest rates; the promulgation and enforcement of governmental regulations relating to land-use and zoning restrictions, environmental protection and occupational safety; unavailability of mortgage funds that may render the sale of a property difficult; various uninsured or uninsurable risks; and acts of God, natural disasters and terrorism. Any one or more of these factors, some of which are discussed herein, may affect the results of operations or financial condition of a portfolio entity and its ability to satisfy the obligations to a RE Product.

Restrictions on Transfer and Withdrawal. Interests in the RE Products have not been and are extremely unlikely to be registered under the securities laws of any jurisdiction. No public market for the interests exists, and none is expected to develop. Limitations on transferability may include, but may not be limited to, a requirement that the RE Product approve any sale, pledge or transfer of shares and that a shareholder offer the RE Product or Investcorp the opportunity to repurchase the shares prior to the sale of the shares to a subsequent purchaser. RE Product investors may bear the financial risks of an investment in a RE Product for an indefinite period of time.

Reliance on Investment Committee. As set forth in this Item 8 above, certain RE Product investments must be unanimously approved by an Investment Committee, which may include representatives from certain RE Product investors. Each such investor representative will be acting in the best interests of the applicable investor, and each investor has its own interests, investment perspectives and legal and tax considerations. If the Investment Committee is unable to reach a unanimous decision, the RE Product may be unable to take actions that IIA LLC and its affiliates believe are in the best interests of the RE Product. Thus, the requirement for unanimous Investment Committee approval may materially limit the ability of IIA LLC and its affiliates to execute the investment strategy of the RE Product and may have a material adverse impact on the returns to RE Product investors.

Coinvestments with Third Parties. Third parties may coinvest with the RE Products. Such coinvestments may involve additional risks to the RE Products, including the possibility that a third party may have financial difficulties that have a negative impact on the investment or that a third party may have economic or business interests that are inconsistent with the RE Product. In addition, third parties may take or block an action contrary to the interests of the RE Product with respect to the investment.

Mezzanine Debt; Creditor Risks. Certain RE Products may invest in mezzanine debt. Mezzanine debt is repaid in priority to equity, but after senior debt. This means mezzanine debt is less risky than providing equity to a project but more risky than providing senior debt. Distributions in respect of claims of debt holders such as the RE Products will be available only after satisfaction in full of the claims of senior creditors. The ability of a RE Product to influence a portfolio entity's affairs, especially during periods of financial distress or following an insolvency, is likely to be substantially less than that of senior creditors, and the terms of subordination agreements that the RE Product may enter into may restrict the RE Product's rights. Thus, the RE Products may not be able to take measures to protect their investments in a timely manner or at all. Other creditor risks may also exist, including the possible invalidation of an investment transaction as a fraudulent conveyance under relevant creditors' rights law and lender liability claims by

the issuer of the obligation.

Nature of Leveraged Investments. RE Products may guarantee loans and employ leverage on a fund-wide basis or as part of structuring specific investments. Any such financial guarantees and borrowings may be secured by a RE Product's investments or a pledge of the undrawn commitments of the investors. The extent to which a RE Product uses leverage may have important consequences to investors. There can be no assurance that a RE Product will have sufficient cash flow to meet its debt obligations.

Difficult Credit Market Conditions. Difficulties in the mortgage and broader credit markets has led to a substantial decrease in the availability of credit, which may materially adversely affect the performance of the RE Products. If the RE Products are unable to obtain financing for potential investments or can only obtain financing at an increased rate or in an amount less than desired, this may reduce the investment return earned by the RE Product. Disruptions in credit and equity markets may make it more difficult for the RE Product to exit and realize value from its investments because potential buyers may not be able to finance acquisitions.

Property Market Conditions. Any change in property market sentiment during the construction of a project or during the holding period of any real estate property may affect the price at which units are sold or rented and the rate of sales or occupation which can be achieved. This could affect the profitability of the project and/or the borrower's ability to repay the loan. There can be no guarantee that the market conditions anticipated at the time of the lending will prevail in the future. Failure of a project and the consequent failure of a borrower to repay the loan, interest on the loan or failure to repay in full the loan and interest may adversely impact the returns projected to be achieved by the RE Product as a whole.

Project Risks. The RE Products may invest in high-yielding debt of real estate projects that involve substantial development, construction, refurbishment and renovation activity. Invariably, the returns on these projects are predicated upon many variables including meeting budgetary constraints, on time construction, plan approvals, success of the design, price pressures due to competitive markets, etc. Returns on these projects can become challenged if any of these variables turn negative. Lower than anticipated returns on the projects can impact a borrower's ability to repay in part or full the loan and any interest thereon, resulting in a negative impact on the RE Product's returns.

Contractual Risks. A RE Product's investments may be subject to early redemption features, refinancing options, prepayment options or similar provisions that, in each case, could result in a portfolio entity repaying the principal on an obligation earlier than

expected. Such early repayments may have a material adverse effect on the performance of the RE Product's investments and returns to investors.

Bankruptcy of Portfolio Investments. RE Products may make investments in connection with restructurings or in entities that are otherwise experiencing, or are expected to experience, severe financial difficulties. These severe financial difficulties may never be overcome and may cause such entities to become subject to bankruptcy proceedings. As such, these investments could subject a RE Product to certain additional potential liabilities that may exceed the value of the RE Product's original investment. Further, various laws enacted for the protection of creditors may operate to the detriment of a RE Product if it is a creditor of a portfolio entity that experiences financial difficulty. The bankruptcy laws in the various jurisdictions in which the RE Products may invest are not uniform, are complicated and may be amended from time to time in ways adverse to a portfolio entity.

Operating and Financial Risks of Portfolio Investments. The portfolio entities in which the RE Products invest are subject to credit risk, which is the risk that an issuer will be unable to generate sufficient cash flow to make regular interest or dividend payments or to return principal or capital invested, and the RE Product may suffer a partial or total loss of invested capital. The underlying real estate assets of the RE Product's portfolio entities could deteriorate. As a result, portfolio entities may require substantial additional capital. The portfolio entities may be highly leveraged, which may create significant consequences for these portfolio entities and/or the RE Products, including but not limited to subjecting the portfolio entities to restrictive financial and operating covenants and impairing their ability to finance their future operations and capital needs. In the event that a portfolio entity is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of a RE Product's investment in a portfolio entity could be significantly reduced or even eliminated.

Interest Rate Risks. General interest rate fluctuations may have a substantial negative effect on a RE Product's investments and investment opportunities and accordingly may have a material adverse effect on the realization of the RE Product's investment objectives and the rate of return on invested capital. Increases in interest rates may adversely impact the cost to the borrower of its senior debt or mortgages and therefore reduce the availability of cash to the borrower to satisfy mezzanine lenders. Changes in interest rates may also impact the profit the real estate project can generate, part of which may be payable to the RE Product under the terms of the loan agreement. Thus, increases in interest rates may adversely impact the returns that can be generated by the RE Products.

Illiquid Investments; Distributions in Kind. The RE Products' investments will

generally be highly illiquid, and there can be no assurance that the RE Products will be able to realize on such investments in a timely manner. Therefore, dispositions of the RE Products' investments may require a lengthy time period or may result in distributions in-kind to investors. There is no assurance that any such investor will be able to dispose of these illiquid investments or that the value of these illiquid investments determined for purposes of distribution will ultimately be realized by such investor.

Investments Longer than Term. Although a RE Product may expect that its investments will either be disposed of prior to the RE Product's dissolution or be suitable for in-kind distribution at dissolution, the RE Product may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

Competition for Investments. The activity of identifying, completing, and realizing attractive investments is highly competitive and involves a high degree of uncertainty. The RE Products compete with other private investment vehicles, as well as the public debt and equity markets, individuals, financial institutions, business development companies, hedge funds and other institutional investors, and IIA LLC may be unable to identify a sufficient number of attractive investment opportunities for the RE Products, in which case it is possible that a RE Product may never become fully invested. In addition, the RE Products may incur significant expenses in connection with identifying and investigating potential investments that ultimately are not consummated.

Environmental Risks. The RE Products may invest in entities engaged in the ownership, operation, management or development of real properties that may contain hazardous or toxic substances and may be potentially liable for certain related costs. The existence of such a material environmental liability could have an adverse effect on the cash flow and operating results of such portfolio entity and, as a result, the RE Product's investment performance could suffer substantially.

Tax Risks. The RE Products may generate taxable income to the investors without a corresponding cash distribution. In certain RE Products, certain subsidiary investment vehicles that are organized as REITs will be subject to complex tax rules and there is a risk that one or more of such vehicles may fail to qualify as a REIT, which likely will result in adverse consequences to investors. To help ensure that certain investment vehicles qualify as REITs, a RE Product may refrain from engaging in certain transactions or investing in certain assets in which it otherwise would engage or invest.

In the selection and financing of RE Product investments, IIA LLC and its affiliates will consider the investment and tax objectives of the RE Products and the investors as a whole, and not the investment, tax or other objectives of individual investors. Prospective investors are urged to consult with their own tax advisors as to the tax consequences of an

investment in the RE Products.

Investments in Publicly Traded Securities. In limited circumstances, certain RE Products may hold securities that are publicly traded. When holding public securities a RE Product may be unable to obtain financial covenants or other contractual rights that it might otherwise be able to obtain in making privately negotiated investments. A RE Product may not have the same access to information in connection with investment in public securities as compared to privately negotiated investments. The inability to sell public securities in these circumstances could materially adversely affect the investment results of the RE Product.

Non-Controlling Investments; Reliance on Portfolio Company Management. The RE Products may hold non-controlling interests in their portfolio entities and will not have an active role in the day-to-day management of such entities or the underlying real estate properties. The success or failure of the portfolio entities will depend to a significant extent on their management. Such management may not produce the expected results or may not remain with the companies.

Follow-On Investments. A RE Product may be called upon to provide additional funding for its portfolio entities or have the opportunity to increase its investment in such portfolio entities. There can be no assurance that the RE Product will wish to make follow-on investments or that it will have sufficient funds to do so. Any decision by a RE Product not to make follow-on investments or its inability to make them may have a substantial negative impact on a portfolio entity in need of such an investment or may diminish the RE Product's ability to influence the portfolio entity's future development.

For additional information, investors should carefully review the offering documents for the RE Product in which they wish to invest with particular emphasis on the sections discussing the RE Product's investment strategy, risk factors, and conflicts of interest. Investors should also consult their legal and tax advisers before making an investment decision.

Item 9 – Disciplinary Information

IIA LLC is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of IIA LLC or the integrity of IIA LLC's management. Neither IIA LLC nor any of its supervised persons has been the subject of any legal or disciplinary event required to be disclosed on Form ADV.

Item 10 – Other Financial Industry Activities and Affiliations

IIA LLC and its affiliates manage and control the RE Products. IIA LLC has arrangements that are material to its advisory business or the RE Products with the following related persons:

Investcorp Bank B.S.C. ("Investcorp") is the parent company of Investcorp S.A. ("S.A."), which is the parent company of Investcorp International Holdings Inc. ("IIHI"). IIA LLC is 100% directly owned by IIHI. Investcorp has a wholesale banking license issued by the Central Bank of Bahrain ("CBB") and Investcorp and IIA LLC (by virtue of being an indirect subsidiary of Investcorp) are regulated by the CBB. Investcorp is authorized in Bahrain to advise clients on the relative merits of investing in Investcorp products and to arrange such investments, but is not registered in the U.S. and does not provide investment advice or act as a broker-dealer in the U.S. Employees of Investcorp provide support services to IIA LLC. Investcorp serves as placement agent for one or more of the RE Products.

N.A. Investcorp LLC ("NAILLC") is 100% directly owned by IIHI, the parent company of which is S.A. NAILLC has its offices in New York and is a FINRA member and an SEC registered broker-dealer. Certain management persons of the Firm are registered representatives of NAILLC. NAILLC serves as placement agent for one or more of the RE Products.

Investcorp Credit Manager Limited ("ICML") is 100% directly owned by Investcorp Management Services Limited, the parent company of which is S.A. ICML is a Cayman entity and has its office in Bahrain. ICML serves as an adviser to one or more of the offshore RE Products.

Investcorp Saudi Arabia Financial Investments Co. ("ISAFI") is directly and indirectly owned by Investcorp; Investcorp directly owns 96% of ISAFI, and four Investcorp subsidiaries each own 1%. ISAFI is a Saudi Arabian entity, has its office in the Kingdom of Saudi Arabia, and is licensed by the Saudi Arabian Capital Market Authority. ISAFI serves as placement agent within the Kingdom of Saudi Arabia for one or more of the RE Products.

IIA LLC is affiliated with the following additional entities, which serve as general partners of one or more of the RE Products: Investcorp Real Estate Credit GP Limited; Investcorp Real Estate Credit III GP Limited; and Investcorp Real Estate Credit Fund III Acquisition GP, LLC.

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

Code of Ethics

Pursuant to Rule 204(A)-1 of the Advisers Act, we have adopted a written Code of Ethics (the “Code”) which includes policies and procedures designed to reduce actual and potential conflicts of interest and establish “best practices” standards to ensure that our Supervised Persons, as that term is defined in the Advisers Act, place the interests of our investors above their own personal interests.

The Code includes provisions relating to the following principles:

- As a registered investment adviser, IIA LLC has a fiduciary relationship with its clients. Therefore, all Supervised Persons must carry out their duties solely in the best interests of clients and free from all personal compromising influences and loyalties.
- IIA LLC's operations are governed by the Advisers Act and the rules and regulations that the SEC has promulgated thereunder. All Supervised Persons must comply with the Advisers Act and other applicable Federal securities laws and rules.
- Under no circumstances may Supervised Persons use confidential information about a client, or an actual or potential investment of a client, for the Supervised Person's own benefit. Nor may he/she divulge information about clients or potential or actual investments of clients to any person except as expressly authorized by the client or as necessary to perform his/her duties on behalf of the Firm. Supervised Persons are expected to be knowledgeable about the Firm's privacy policy and to adhere to same.
- To the extent that a Supervised Person advises IIA LLC's clients, the Supervised Person must act with prudence and make sure his/her investment decisions for clients have a reasonable and adequate basis. Prior to taking action on behalf of clients, such Supervised Persons must analyze the investment opportunities in question and only take actions that are consistent with the stated objectives and constraints of the client. Neither IIA LLC nor any Supervised Person may favor the interests of one IIA LLC client over another. Although it may not be possible to treat each client identically in every single transaction, on the whole, no client or group of clients should be disadvantaged to benefit any other client or group of clients.
- No Supervised Person may directly or indirectly agree to share in the profits earned or losses incurred in any client's account.
- No Supervised Person may warrant or guarantee the future value of or return on any

security or investment. Nor may he/she warrant or guarantee the success or profitability of any investment advice the Firm renders or any trading or investment strategy the Firm follows.

- No Supervised Person may make or receive a payment or gift in excess of \$250 per individual per year where the payment or gift relates to the business of the recipient's employer. This prohibition does not apply to gifts to or from persons with whom the Supervised Person has a family or other personal relationship that exists apart from his/her association with the Firm or any other Investcorp affiliated entity. This prohibition also does not apply to ordinary and usual business entertainment hosted by IIA LLC or any other Investcorp affiliated entity, so long as such entertainment is neither so frequent nor so extensive as to raise any question of propriety. Supervised Persons must report to the Firm's Compliance Department all gifts made or received in excess of \$100.
- Supervised Persons must not lend or borrow money, securities or commodities to or from a client.
- Except as expressly authorized by the Firm, no Supervised Person may directly or indirectly authorize or pay any rebate, bonus, fee or other consideration to any person for business sought or procured, or to any official of any governmental or regulatory body.
- Supervised Persons shall maintain and preserve all books, records, and accounts which accurately and fairly reflect financial transactions on behalf of the Firm or a client. No Supervised Person may make or cause to be made any false or misleading entry or record in the books, records or accounts of the Firm or a client.

As with all policies and procedures, our Code is designed to cover a variety of circumstances and conduct. However, no policy or procedure can anticipate every potential conflict of interest that can arise in connection with the Firm's advisory business. Consequently, our Supervised Persons are expected to abide not only by the letter of the Code, but also by the spirit of the Code. Whether or not a specific provision of the Code addresses a particular situation, Supervised Persons must conduct their professional activities in accordance with the general principles contained in the Code and in a manner that is designed to avoid any actual or potential conflicts of interest.

We expect our Supervised Persons to conduct our affairs solely in the best interests of the Firm and not to engage in business or financial activities that may conflict with ours. Decisions regarding our business relationship with any other person or entity must be based solely upon valid business considerations. No Supervised Person may permit a business decision to be influenced by personal or other unrelated interests or factors.

Our Code of Ethics also covers the following topics: insider trading, conflicts of interest,

political activities and contributions, participation in private securities transactions, privacy policy and outside business activities. Our Supervised Persons may from time to time serve as members of the boards of public and non-public companies. Such Supervised Persons must obtain the approval of our Compliance Department prior to accepting such role.

A copy of the Code of Ethics will be furnished upon request to any current or prospective client by contacting Brian Murphy, Chief Compliance Officer, at 917-332-5719; bmurphy@investcorp.com.

Personal Trading

Our Code of Ethics addresses the personal trading activities of our Supervised Persons. Specifically, it requires Supervised Persons to report their personal securities holdings and transactions to the Firm's Compliance Department. Our Supervised Persons must obtain pre-approval from the Compliance Department prior to participating in any private securities transaction (whether external or internal). In the event that a Supervised Person seeks to invest in a U.S. limited offering, the Compliance Department will review the proposal to see if a client is considering a transaction in the same limited offering and if so whether the Supervised Person's proposed transaction interferes with the client's transaction. The Supervised Person's proposed investment is also reviewed to confirm it is not on terms more favorable than the terms of the client's investment.

Participation or Interest in Client Transactions

As discussed in Item 4, "Advisory Business" and Item 8, "Methods of Analysis, Investment Strategies, and Risk of Loss" above, IIA LLC's affiliates may invest in the same real estate investments in which the RE Products invest, although such investments may not be on the same terms or subject to the same fee arrangements. A RE Product may also have investment strategies and objectives that are similar to those of other RE Products, which may result in conflicts of interest for IIA LLC in the allocation of investment opportunities. In accordance with IIA LLC's Code of Ethics, IIA LLC handles these relationships in the manner it believes in good faith to be fair to the applicable accounts under the circumstances.

Item 12 – Brokerage Practices

IIA LLC does not select or recommend broker-dealers for RE Product transactions. The RE Products engage in securities transactions in which the services of a broker-dealer are not

customarily retained.

Item 13 – Review of Accounts

IIA LLC and its affiliates periodically review the performance of RE Product investments. The Head of Real Estate evaluates an investment's operating distributions, business plan, and overall performance on an ongoing basis through monthly, bi-monthly, and annual reviews.

Investors in the RE Products receive reports containing information about the relevant affairs of the RE Products. These reports may include an annual report with audited financial statements, management reports, and tax information necessary to complete income tax returns; semi-annual reports with a summary of the RE Product's portfolio investments and/or unaudited financials; and/or quarterly investment reports with unaudited financial statements and a summary description of investments. In addition, the RE Products may hold an annual meeting for investors.

Item 14 – Client Referrals and Other Compensation

Other than the compensation discussed in Item 5, "Fees and Compensation" above, we do not have any oral or written arrangements where we receive any economic benefits for providing investment advice or other advisory services to our clients.

IIA LLC does not compensate any person that is not one of its supervised persons for client referrals.

Item 15 – Custody

IIA LLC is deemed to have custody of the funds and securities of certain RE Products we provide investment management services to.

We comply with the Advisers Act Custody Rule by undertaking to deliver audited financial statements to the investors/participants in such RE Products within 120 days after the end of the fiscal year of the relevant RE Product. These financial statements are:

- either prepared in accordance with U.S. generally accepted accounting principles

("GAAP") (for U.S. RE Products and certain offshore RE Products) or international accounting standards (for certain offshore RE Products); and

- audited by an independent public accountant.

Investors/participants in the RE Products should carefully review such financial statements.

Item 16 – Investment Discretion

IIA LLC generally has the authority to make investment decisions without obtaining a RE Product's consent, although certain limitations may be placed on IIA LLC's discretionary authority by the terms of a RE Product's organizational documents, related management agreements, and side letters with investors. For example, with respect to some RE Products, certain investment and related management decisions must be unanimously preapproved by an Investment Committee, which may consist of representatives from IIA LLC as well as representatives from other advisers to the RE Products and certain RE Product investors. IIA LLC is granted discretionary authority pursuant to the operating agreement of a RE Product or through a separate agreement. Please see Item 4, "Advisory Business" and Item 8, "Investment Strategies, Methods of Analysis and Risk of Loss" for more information.

Item 17 – Voting Client Securities

IIA LLC does not vote securities held by the RE Products.

Item 18 – Financial Information

IIA LLC is required in this Item to provide you with certain financial information or disclosures about its financial condition. IIA LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to RE Products, and has not been the subject of a bankruptcy proceeding.