

TRIGATE CAPITAL, LLC

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This Brochure provides information about the qualifications and business practices of TriGate Capital, LLC. If you have any questions about the contents of this Brochure, please contact us at 214-220-2274 or info@trigatecapital.com. 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.

TriGate Capital, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about TriGate Capital, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

1. SUMMARY OF MATERIAL CHANGES

- TriGate Management LLC, a wholly-owned subsidiary of TriGate Capital, LLC has assumed all management responsibility for the client Funds. See Item 4 for further details.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of TriGate Capital's fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

Additionally, we will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

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4. ADVISORY BUSINESS

TriGate Capital, LLC (“TriGate”) is a real estate investment firm founded in 2007 with the objective of creating a company providing professional real estate investment advice in a variety of business cycles. TriGate was formed by John A. (Jay) Henry IV, Jonathan S. (Jon) Pettee and Jeffrey S. (Jeff) Yarckin (collectively the “Managing Members”), three seasoned real estate executives who, prior to the formation of TriGate, were senior leaders of financial institutions and real estate investment funds. Each of the Managing Members have over 25 years of real estate investment and operating experience, and they collectively have a personal and business relationship that dates back many years. TriGate is organized as a Delaware LLC with six members. Jay Henry (representing ownership of a controlling interest in TriGate through two of the members), Jon Pettee and Jeff Yarckin are Managing Members. Christopher Hashioka and California State Teachers’ Retirement System are passive minority interest members.

In June 2015 TriGate Capital LLC formed a wholly-owned subsidiary, TriGate Management, LLC (“Manager”) to functionally separate the management and capital investment businesses into two distinct entities. All day to day operations of TriGate, including all employees, have been moved to the Manager effective June 16, 2015, and the Manager will be the recipient of management fees from the investment funds it manages.

TriGate typically invests its own cash along-side investor capital into investment funds formed as limited partnerships. It does so through formation of a majority owned subsidiary that is the General Partner (“GP”) of the investment fund. Third party advisors to the TriGate and certain employees of TriGate also invest in the GP. TriGate is currently managing and investing capital committed to TriGate Property Partners II, L.P. (“Fund II”), manages TriGate Property Partners, L.P. (“Fund I”), and TriGate CalSTRS Partnership, L.P. (“TriGate CalSTRS”). TriGate has a minority interest in Fund I, Fund II and TriGate CalSTRS and serves as the GP managing day to day operations.

Fund I, Fund II (collectively “Funds I & II”), TriGate CalSTRS and other future multi-investor funds are individually and collectively referred to herein as the “Fund” or “Funds”. References to “TriGate”

hereafter are to be interpreted to include both TriGate as an investor and as the Manager unless otherwise specified.

In Fund II, TriGate seeks to invest in property, real estate loans, real estate joint ventures and real estate-backed securities with a particular focus on so-called “middle market” opportunities that require equity investments generally between \$5 million and \$30 million. Fund II targets investments that (i) offer opportunities to capitalize on distressed and other opportunities in today’s real estate market, and (ii) have similar characteristics to investments that the Managing Members have executed historically, primarily in commercial real estate.

As of June 30, 2015 TriGate’s regulatory assets under management totaled \$493,755,684 of which \$425,223,695 is managed on a discretionary basis in Funds I & II, and \$68,531,989 of which is managed on a non-discretionary basis in TriGate CalSTRS.

5. FEES and COMPENSATION

TriGate managed investment funds are organized as limited partnerships. Under this structure TriGate is compensated through a combination of management fees and performance based fees (“Carried Interest”). Carried Interest is described in detail in the next section.

Management fees are typically a fixed percentage multiplied by either (i) the total capital commitment of the investor, (ii) the actual unreturned capital contributions of the investor, or a combination of the two. The exact fee percentage is determined on a fund by fund basis by the partnership agreement but typically is in a range of 0.50% to 1.75% per annum, depending on the level of discretion, fund structure and size of investment. Management fees are paid quarterly in arrears from cash sources available to the fund including operating cash, short-term borrowings or contributed equity.

JAH REALTY, an affiliate of Managing Member John A. Henry IV, is the property manager and construction advisor for certain retail shopping center assets of the Funds and receives compensation for these services. Please refer to Item 10 for details regarding this compensation arrangement.

Fund investors bear the cost of fees and expenses to acquire, improve, maintain, service and dispose of the Fund investments. These costs vary, and typically include (but are not limited to) legal, audit, tax

preparation, travel, and transaction costs paid to custodians, broker-dealers, agents and other third parties. Also, the Funds pay for routine business insurance costs associated with the operations of the Funds including property casualty, general liability, umbrella liability and professional liability coverage. Fund investors should review all expenses to fully understand the total burden borne by the Funds.

6. PERFORMANCE BASED FEES and SIDE-BY-SIDE MANAGEMENT

If contractually specified Fund level performance objectives are met, the GP will receive incentive cash payments from the Fund in the form of “Carried Interest”. Carried interest is only paid after all of the partner’s original investment has been returned plus a specified minimum return objective (or “hurdle”), typically stated in the form of an Internal Rate of Return (IRR) on invested capital. Carried Interest is calculated by multiplying a specific percentage per the partnership agreement by the distributable cash flow at any post-hurdle distribution date. Remaining cash flow on such distribution dates is distributed pro rata to all investors based on their respective ownership percentages in the partnership agreement. The specific hurdle IRR percentages vary by Fund, as does the Carried Interest percentage. Typically there is more than one return hurdle within a fund, each with a different Carried Interest percentage. It is possible that the various compensation structures among Funds may create an incentive for TriGate to spend more time or resources on one Fund over another.

7. TYPES OF INVESTORS

TriGate’s primary focus is on institutional investors such as pension funds, endowments, foundations and sovereign wealth funds but also includes trusts, estates and high net-worth individuals.

8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES and RISK OF LOSS

TriGate performs an extensive analysis of potential real estate related investments that uses the experience of the Managing Members and staff to evaluate specific market intelligence at the local level and in the broader context of national trends. Characteristics of the target investment such as property condition, environmental factors, tenant credit, borrower issues, existing or available debt financing and potential tenant turnover, among other characteristics, are reviewed to quantify potential physical, financial and operational obstacles that may impact investment performance. Once complete, this

analysis is reviewed by an investment committee comprised of the Managing Members that must unanimously approve each investment prior to committing capital.

TriGate's investment strategy focuses on three primary real estate investment themes in order to create a balanced portfolio with attractive risk-adjusted returns.

- Real Estate Loans - Acquiring real estate loans that offer compelling value focusing on collateral types and locations that TriGate would like to own. Opportunities exist as a result of the overleveraging of real estate. Real estate lenders own loans that are secured by properties that are worth less than the loan balance. The Managing Members' extensive distressed debt work-out experience is an important asset in this business.
- Financial Restructuring - Investing in properties and companies in need of restructuring or recapitalization. Many owners of real estate assets are undercapitalized while the assets they own are high quality, and such owners have the operating capability to manage the assets and maximize their value. These investments generally require investors with the ability to negotiate debt modification with lenders and generally require investors that are willing to invest to improve properties, provide for tenant improvement allowances, and pay brokerage commissions. Many distressed owners have been unable to invest capital which has resulted in poor property performance. TriGate believes that its Managing Members and team have significant experience in financial restructuring transactions and can add value to these situations.
- Real Estate Assets - Acquiring real estate assets, either directly or in conjunction with partners, from distressed and/or motivated sellers. Assets that TriGate targets offer some or all of the following characteristics: (i) attractive basis relative to replacement cost; (ii) attractive stabilized net operating income yields; (iii) attractive growth prospects as a result of location and demand characteristics; and (iv) opportunities for investment in poorly-managed properties where value can be created through strategic capital expenditures, effective management and repositioning in the local market.

TriGate's Managing Members and team have extensive risk management experience, however, all loan and real estate investments are subject to some degree of risk including a complete loss of invested equity.

These risks include, but are not limited to:

Loan Investments:

- Inability to collect debt service or to compel borrowers to properly insure properties, pay taxes, manage tenant issues, sign leases or maintain properties
- Prior liens or encumbrances
- Costs imposed by municipalities or local jurisdictions
- Inability to foreclose on underlying collateral in a timely matter due to borrower defenses, litigation or court delays
- Unknown environmental risks or property structural risks
- Loan servicing errors
- Fraudulent borrowers

Real Estate and Loan Investments:

- Matters relating to international, national, regional and local economic, real estate, social climate or market conditions
- Environmental risks
- The supply and demand for the type of properties and loans in which the Fund will invest
- The financial resources and solvency of tenants and buyers and sellers of properties or loans
- Competition from other properties offering the same or similar services
- The inability to achieve or maintain full occupancy at properties
- Changes in zoning, building, agrarian, environmental, tax or other governmental laws or regulations
- Changes in operating expenses, real estate taxes and interest rates
- Negative developments in the economy that depress travel and economic formation activity
- Uninsured or underinsured casualties

- Changes in the availability, cost or terms of short-term or long-term mortgage indebtedness as well as the risk of market fluctuations of assets that are financed with mortgage indebtedness, which could result in default, foreclosure or lower returns on real estate that is owned subject to mortgage indebtedness
- Interest rate hedging risk
- Fluctuations in energy prices
- Changes in the relative popularity of property or asset types
- The ongoing need for capital improvements
- Cash-flow and construction risks
- Natural catastrophes, acts of war, civil unrest, uninsurable losses and other factors beyond the control of the Fund's management

Investors will find a more thorough description of risks associated with a Fund investment in the Private Placement Memorandum associated with that particular Fund.

9. DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of TriGate or the integrity of TriGate's management. TriGate has no legal or disciplinary events to disclose that would be material to current or prospective investors in their evaluation of TriGate or its capabilities.

10. OTHER FINANCIAL INDUSTRY ACTIVITIES and AFFILIATIONS

- Managing Member Jay Henry is the CEO of John A. Henry & Company, Ltd. ("JAH REALTY"), an owner/operator of retail shopping centers in Oklahoma and Texas. As also mentioned in Item 5 above, JAH REALTY is engaged from time to time to provide property management and related services to the Funds.

The financial terms of this arrangement have been approved by the respective Advisory Boards of the Funds, and consist of market based property management fees, leasing commissions and construction management fees. Non-fee related payments consist of at-cost reimbursement for

field construction personnel, and any JAH REALTY staff fully dedicated to Fund owned properties. Employees of JAH REALTY may receive indirect compensation from Carried Interest earned by TriGate since JAH REALTY owns an interest in TriGate.

The use by the GP of these affiliate services raises the potential for conflicts of interest. As a result, such engagements are subject to the terms of a policy statement approved by the Advisory Boards of Funds I & II. Consistent with this policy, all payment amounts are included in the quarterly report to investors. Mr. Henry spends a minor portion of his professional time handling responsibilities at JAH REALTY.

- Managing Member Jon Pettee and Chief Financial Officer Jim Vetter are Vice Presidents of NCS I, LLC (“NCS”) and officers of various affiliates of NCS which is currently involved in management and servicing of loans, residual interests in securitized loan portfolios and repossessed real estate. NCS is primarily owned by an affiliate of Fortress Investments and an affiliate of Goldman Sachs. TriGate does not have a business relationship with NCS except for sharing a minor amount of office administrative expenses. Mr. Pettee and Mr. Vetter spend a minor portion of their professional time handling responsibilities at NCS.
- TriGate, as a result of its ownership interest in Funds I & II, maintains borrowing relationships with a number of lenders. The relationships are for the benefit of our investors. TriGate, in its role as Manager of the Funds, has in the past provided lenders the right to a portion of the cash flow in a particular investment as an incentive for providing financing.
- TriGate has relationships with brokers, agents, title companies, researchers, attorneys, appraisers, partners and other third party service Providers (“Provider” or “Providers”) each of which may include social activities, acceptance of gifts (subject to TriGate’s gift policy), payment of fees to those Providers, compensation to the Providers in the form of a non-controlling interest in an investment partnership entity and relationship building in an effort to generate transactions or assistance in acquiring, managing and disposing of investments. These relationships could result in activities that could be deemed a conflict of interest. The procedures described in Item 8 concerning methods of investment analysis mitigate this risk through detail evaluation of potential investments, unanimously approved by the Investment Committee to insure they meet the investment objectives of the Fund.

- TriGate CalSTRS owns a minority interest in Pacific Coast Capital Partners, LP (“PCCP”), a west coast based institutional real estate advisor. TriGate owns a 1.4% interest in TriGate CalSTRS. Managing Member John A. Henry IV sits on the Executive Committee that controls PCCP. He is a minority of the Executive Committee and does not unilaterally control voting outcomes. It is possible that investments made by the Funds could be competitive with investments made by PCCP, or PCCP might be a seller of a property purchased by the Funds.
- TriGate employees allocate time and effort between the Funds to manage and dispose of investments in those Funds. Should TriGate identify an investment opportunity that it determines is not consistent with the investment objectives of the Fund or does not meet the return hurdles of the Fund, it may refer such opportunity to a third party, including JAH REALTY. If JAH REALTY or any affiliate of TriGate is involved, the advisory committee of the Fund is promptly notified prior to any acquisition.
- Third party advisors to TriGate who are also members of the Fund’s GP (see Item 4) will at times partner with the Fund in a joint venture. These joint venture arrangements typically involve payment of an incentive after achieving certain return objectives with the joint venture to encourage maximizing return on the investment. Incentive payments to third party advisors reduce the amount otherwise payable to the Fund if cash was distributed based strictly on contractual ownership percentages of the joint venture. TriGate is not the beneficiary of these payments.

11. CODE OF ETHICS

TriGate has adopted a Code of Ethics for all employees of the firm describing its high standard of business conduct and fiduciary duty to its investors. The Code of Ethics includes provisions relating to the confidentiality of investor information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of gifts in exchange for financial or intellectual resources and

personal securities trading procedures, among other things. All employees at TriGate must acknowledge the terms of the Code of Ethics, and as it is amended from time to time.

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of TriGate will not interfere with (i) making decisions in the best interest of advisory investors and (ii) implementing such decisions, while at the same time allowing employees to invest for their own accounts. Employee trading is monitored under the Code of Ethics to reasonably prevent conflicts of interest between TriGate and its investors.

TriGate's investors or prospective investors may request a copy of the firm's Code of Ethics by contacting Jim Vetter, CFO.

12. BROKERAGE PRACTICES

As outlined in Item 16 below, TriGate typically has broad discretionary authority in the selection and execution of investment transactions. In the normal course of business TriGate deals with numerous brokers, agents, title companies and other third parties when sourcing and completing investment transactions. In selecting service Providers in connection with client transactions TriGate's policy is to seek best execution on an overall basis which will include factors such as quality of service and certainty of execution in addition to price. As a result TriGate may choose Providers when executing transactions that are not necessarily the low cost Provider for a particular service.

13. REVIEW OF ACCOUNTS

Investor account balances are closely monitored in the normal course of business, reviewed on a quarterly basis and reports are provided identifying changes in their account. The reports also provide detail information regarding asset performance.

14. INVESTOR REFERRALS and OTHER COMPENSATION

TriGate contracted with Park Madison Partners, LLC ("Park Madison") to provide assistance in the solicitation of capital contributions for Fund II. Park Madison was compensated with a retainer, an

additional fee calculated as a percentage of successful investor commitments received and may receive an incentive payment at TriGate's discretion. Compensation to Park Madison was paid by TriGate and not by any Fund.

15. CUSTODY

TriGate is deemed to have custody of investor funds. Cash and any certificated securities are held by qualified custodians (i.e. banks and brokerage houses). In certain situations involving partnerships formed by TriGate and third parties to hold real estate or loan investments, the third parties will open bank accounts and hold cash on behalf of the partnership and the Fund, which could result in increased cash management risk. To mitigate this risk, TriGate requires all investment managers to provide detailed reporting which includes cash reconciliations. Investors do not receive statements from custodial entities, however, reports are sent to the investor quarterly that outline in detail Fund investment holdings. The investor should carefully review the activity relevant to their ownership interest. The annual audit is provided to the investor as additional assurance regarding asset ownership and values.

16. INVESTMENT DISCRETION

TriGate typically receives discretionary authority from the Fund via a limited partnership agreement at the outset of an advisory relationship to select the identity and the amount of real estate related assets to be bought or sold. In all such cases discretion is exercised in a manner consistent with the stated investment objectives for the particular partnership and TriGate observes the investment policies, limitations and restrictions of the partnership agreement. Allocation of investment opportunities among Funds is not currently an issue inherent in TriGate's business since the acquisition team is dedicated to investing only one Fund at a time. TriGate does manage one limited partnership (TriGate CalSTRS) for which it does not have discretionary authority.

17. VOTING INVESTOR SECURITIES

The limited partnership agreement governing investments typically provides TriGate with sole discretionary authority to vote securities as required. Voting decisions are made on a case by case basis in the best interest of Fund investors, to maximize the value of Fund assets and without regard for

actual or perceived conflicts of interests. Investors may discuss voting directly with one or more of TriGate's Managing Members by calling 214-220-2274.

18. FINANCIAL INFORMATION

Registered investment advisers are required to provide you with financial information or disclosures about TriGate's financial condition. TriGate has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to investors, and has not been the subject of a bankruptcy proceeding.

19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

A. Managing Members:

- John A. (Jay) Henry IV - Mr. Henry is a Managing Member of TriGate since its inception in 2007, and President of JAH & Co, L.P. (JAH REALTY); a family controlled real estate owner/operator. Prior to his current role(s), Mr. Henry was with Morgan Stanley focusing on real estate investment from 1995-2003 holding a variety of positions including Managing Director of Real Estate responsible for Morgan Stanley's Investing Group in Europe from 2000 to 2003. Mr. Henry has an A.B. from Dartmouth College and an M.B.A. from the Amos Tuck School of Business Administration at Dartmouth College.
- Mr. Pettee is a Managing Member of TriGate since its inception in 2007. Prior to his current role with TriGate, from 2001 to 2007, Mr. Pettee directed all operations, asset management and workout activities for NCS I, LLC, a diversified finance and real estate company, for which he has ongoing residual responsibilities. Previous positions also include CFO of Amresco, Inc., President/COO of Amresco Capital Trust, a Real Estate Investment Trust as well as positions with Copley Real Estate Advisors and BBC Investment Advisors. Mr. Pettee has a B.S. in Mechanical Engineering from Cornell University and an MBA from Harvard Business School.
- Mr. Yarckin is a Managing Member of TriGate since its inception in 2007. Prior to his current role with TriGate, he was with ORIX Capital Markets from 2004-2007 where he served as President from 2006-2007. Prior to ORIX, Mr. Yarckin spent ten years with the Lone Star Funds as a founding partner following positions at Colony Advisors and Salomon Brothers. Mr. Yarckin has a B.S. in Economics from the Wharton School at the University of Pennsylvania and an MBA from the Amos Tuck School of Business Administration at Dartmouth College.

B. Other business of TriGate:

- TriGate does not engage in any other business other than providing investment advice.

C. Performance-based Fees

- As explained in Item 5 and 6 above, TriGate may be compensated with income tied to the performance of a particular Fund. Typically the investor will receive a specified return prior to TriGate's participation in the profits. The investor return is computed based on the timing and amount of their capital contributions to the Fund and the subsequent return of their capital plus profit. Once the investor return objective as outlined by the governing documents is achieved a portion of any additional profits will be allocated to TriGate as an incentive. Performance-based fees may create an incentive for TriGate to recommend an investment that may carry a higher degree of risk to the investor.