
WestRiver Associates LLC

**Form ADV Part 2A
Disclosure Brochure
February 14, 2012**

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New York, NY 10022

www.whg.com

This Brochure provides information about the qualifications and business practices of WestRiver Associates LLC. If you have any questions about the contents of this Brochure, please contact us at (212) 247-7090.

WestRiver Associates LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. Our oral and written communications are intended to provide you with information which you may use to determine to hire or retain us to provide investment advice.

Additional information about WestRiver Associates LLC is available on the SEC's website at www.adviserinfo.sec.gov

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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.

Item 2: Material Changes

We are a newly registered adviser. We have not previously delivered a Brochure.

We will deliver an updated Brochure annually to clients, together with a summary of material changes, within 120 days of the close of our fiscal year. We may provide other ongoing disclosure information about material changes as necessary. Based on changes in our operations or new information, we will deliver a revised Brochure as necessary.

You may request a copy of our Brochure by contacting us at (212) 247-7090.

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	2
ITEM 6:	PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	3
ITEM 7:	TYPES OF CLIENTS	4
ITEM 8:	METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS....	4
	A. Methods of Analysis	4
	B. Investment Strategies	5
	C. Material Risks	6
ITEM 9:	DISCIPLINARY INFORMATION	8
ITEM 10:	OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	8
	A. Registration as a Broker-Dealer or Registered Representative	8
	B. Registration as a Futures Commission Merchant, Commodity Pool Operator,, Commodity Trading Advisor or Associated Person	8
	C. Material Relationships	8
	D. Selection of Other Investment Advisers	9
ITEM 11:	CODE OF ETHICS	10
	A. Code of Ethics	10
	B. Recommendations Involving Material Financial Interests	10
	C. Personal Trading	10
	D. Other Conflicts of Interest	11
ITEM 12:	BROKERAGE PRACTICES	13
	A. Criteria for Selection of Broker-Dealers	13
	B. Aggregation of Orders/Allocation of Trades	13
ITEM 13:	REVIEW OF ACCOUNTS	13
	A. Periodic Reviews	13
	B. Non-Periodic Reviews	13

C.	Client Reports.....	14
ITEM 14:	CLIENT REFERRALS AND OTHER COMPENSATION.....	14
A.	Compensation by Non-Clients	14
B.	Compensation for Client Referrals.....	14
ITEM 15:	CUSTODY.....	15
ITEM 16:	INVESTMENT DISCRETION	15
ITEM 17:	VOTING CLIENT SECURITIES.....	16
ITEM 18:	FINANCIAL INFORMATION	16

Item 4: Advisory Business

WestRiver Associates LLC (“**we**” or “**us**” or “**our**” or “**WestRiver**”), a Delaware limited liability company, was founded in 2009. We have organized and control the following entities which serve as the administrative managers, managing members or general partners to the Private Fund (as defined below) (collectively, the “**WestRiver Managers**”):

1. WestRiver Capital, LLC
2. WestRiver Capital Management, LLC
3. WestRiver RE Finance Fund (MM) GP, LLC
4. WestRiver RE Capital SLP (MM), LLC

As supervised persons of WestRiver, the WestRiver Managers intend to conduct their activities in accordance with the Investment Advisers Act of 1940, as amended, and the rules thereunder (the “**Advisers Act**”). Any employee of the WestRiver Managers, and any other person acting on their behalf, are and shall be subject to the supervision and control of WestRiver. The WestRiver Managers are relying on WestRiver’s registration under the Advisers Act and are not registering themselves. The WestRiver Managers shall be included in all references to “we”, “us” or “WestRiver” herein.

We provide investment advisory services to WestRiver RE Finance Fund (MM), LP, a private pooled investment vehicle (the “**Fund**”). The Fund is a U.S. limited partnership not registered or required to be registered under the Investment Company Act of 1940, as amended (the “**Investment Company Act**”), or the Securities Act of 1933, as amended (the “**Securities Act**”) and is instead sold to qualified investors on a private placement basis.

As investment adviser to the Fund, we identify investment opportunities and participate in the acquisition, management, monitoring and disposition of investments for the Fund. We manage the Fund based on the investment objectives and investment restrictions set forth in the governing documents or confidential offering memorandum of the Fund (the “**Governing Documents**”). We primarily provide investment advisory services related to investments in high yield debt and preferred equity interests backed primarily by commercial real estate-related assets or real estate operating companies located in the United States, including mortgage loans, subordinate debt, mezzanine interests and preferred equity.

Investment advice is provided directly to the Fund, and not individually to the investors of the Fund. We provide investment advisory services to the Fund pursuant to an investment management agreement with the Fund and/or the Governing Documents of the Fund. The investments of the Fund may be subject to certain diversification limitations as set forth in the investment management agreement with the Fund and/or the Governing Documents of the Fund.

In addition to the foregoing, we serve as the investment manager to a special purpose vehicle through which the Fund has invested. We generally form special purpose vehicles to facilitate portfolio investments by the Fund for tax, regulatory, or economic purposes.

The services we provide to the Fund, in the capacity as the investment manager and/or general partner, may include: organizing and managing the Fund's business affairs; acquiring, financing and disposing of investments; preparing financial statements; preparing tax related schedules; and providing investor relations functions such as drafting, printing and distributing correspondence to investors and prospective investors.

We may also provide property management, leasing and development services to the Fund and its investments and receive fees from the Fund in exchange for providing such services.

We provide investment advice directly to the Fund and not individually to the investors in the Fund. We are principally owned and controlled by Westmont Investments, LLC.

As of December 31, 2011, we manage \$188,000,000 on a discretionary basis.

Item 5: Fees and Compensation

As investment adviser to the Fund, we receive an annual management fee equal to 1.25% of the invested capital of the Fund.

The management fee is paid by the Fund quarterly in advance. The investment management agreement of the Fund may be terminated upon the dissolution of the Fund. Upon termination, management fees that have been prepaid are returned on a pro rata basis.

Under the Fund's governing agreement, a WestRiver Manager is entitled to receive a carried interest distribution. The carried interest distribution is an amount equal to a percentage of the profits from each portfolio investment made by the Fund after the return of invested capital and a preferred return to investors.

The amount of, and the manner and calculation of, the management fees and carried interest distribution for the Fund is set forth in the Governing Documents.

We do not and will not receive sales commissions in connection with sales of interests in the Fund.

The Fund bears all legal, accounting and other fees, costs and expenses of and incidental to organizing and funding the Fund and the general partner and manager of the Fund up to a certain amount as set forth in the Governing Documents of the Fund. The Fund will also bear the operational costs and expenses of the Fund. Such costs and expenses include, but are not limited to: (i) legal, auditing, custodial, consulting, financing and accounting fees and expenses of the Fund; (ii) expenses associated with preparation of the Fund's financial statements, reports to Fund investors and tax returns; (iii) out-of-pocket expenses and other expenses incurred in connection with the operation of the Fund under the laws of the jurisdiction in which it is organized; (iv) out-of-pocket expenses of transactions not consummated; (v) expenses of appraisers and consultants; (vi) expenses of litigation and indemnification; (vii) insurance premiums; (viii) expenses of advisory committee meetings and meetings of the Fund

investors; (ix) other expenses associated with the acquisition, holding and disposition of the Fund's portfolio investments including extraordinary expenses; (x) any taxes, fees or other governmental charges levied against the Fund; and (xi) costs of dissolving and winding up the Fund.

Fund investors may also bear a portion of any fees or expenses charged by any special purpose vehicles that have been formed to facilitate portfolio investments by the Fund or its investors for tax, regulatory or economic purposes.

From time to time, we or our affiliates may provide property management, servicing or other services to the Fund and its investments. We and/or our affiliates will be compensated therefor on the terms described in the Governing Documents.

In addition, the Fund may engage us or an affiliate to provide financial advisory, placement, underwriting, investment banking, loan servicing, insurance, real estate, brokerage, due diligence or other services to the Fund. Any fees or other amounts earned in respect of the rendition of such services will not be less favorable to the Fund than those generally available from experienced and unaffiliated parties.

The existence of acquisition and disposition fees, if any, create an incentive to acquire or dispose of assets based on compensation received versus a Fund's needs; however, the other components of our fee schedules substantially reduce that risk. Furthermore, no employee is compensated on a transactional basis.

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

"Performance-Based Fees" are fees that are based on a share of the capital gains or capital appreciation of the assets of an account. A WestRiver Manager receives performance-based compensation in the form of carried interest distribution from the Fund. For a discussion of our carried interest, please refer to Item 5A above. Fees based on performance will only be charged in accordance with the provisions of Rule 205-3 under the Advisers Act.

Performance-based compensation may create an incentive for us to cause the Fund to make investments that are riskier or more speculative than those which would be recommended under a different fee arrangement. To manage this potential conflict, we have adopted a number of compliance policies and procedures which are designed to ensure that the Fund is managed in a manner consistent with our fiduciary obligations, as well as the Fund's investment objectives, investment strategies and restrictions.

Since we only advise the Fund, we do not have conflicts of interest related to the side-by-side management of accounts with different fee structures.

Item 7: Types of Clients

We generally require investors in the Fund to make a minimum capital commitment although the minimum investment requirement may be waived by us in our sole discretion. Investors must be “accredited investors” under Regulation D under the Securities Act and “qualified purchasers” under Section 2(a)(51)(A) of the Investment Company Act. The Fund charges performance fees only with respect to those investors in the Fund who are “qualified clients” eligible to pay performance fees under the Advisers Act.

We require investors to make representations concerning their financial sophistication and ability to bear the risk of loss of their entire investment in the Fund.

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

A. Methods of Analyses

The investment process for the Fund is divided into the following stages:

Preliminary Process

- *Origination Structuring*--Utilize extensive network of client and dealer relationships, including equity managers and experienced local operators.
- *Preliminary Underwriting*--Optimize to align interests, protect downside, retain control and review REIT eligibility.
- *Relative Value/Pricing*--Conduct borrower due diligence, site inspection and cash flow reviews and market due diligence.
- *Conditional Approval*--Relative value analysis, implied ratings and market pricing comparisons, conditional term sheet and approval

Final Process

- *Underwriting and Due Diligence*--Review third party reports, environmental, appraisal and engineering. Complete cash flow sensitivity analysis and all market, property and tenant reviews.
- *Documentation*--Conduct legal and document due diligence, intercreditor agreement and preliminary financing analysis.

- *Investment Committee Approval*--Finalize Investment Committee approval memorandum and sign-off upon approval.
- *Funding and Close*--Execute trade authorization and finalize draws.
- *Asset Management*--Post asset on accounting system and with primary servicing, commence surveillance process and weekly real estate operating committee review
- *Exit*--Sale and refinancing analysis evaluated on every position. Approval required for all capital events

B. Investment Strategies

Investment Strategies

The investment strategy of the Fund is to originate and acquire investments in high yield debt and preferred equity interests backed primarily by commercial real estate-related assets or real estate operating companies located in the United States, including:

- Senior mortgages
- Subordinate interests
- Mezzanine interests
- Preferred equity interests
- Special situations

The Fund may make investments through the formation of subsidiaries formed as real estate investment trusts, limited liability companies or other entities. We may also, in our sole discretion, establish parallel and/or feeder partnerships, real estate investment trusts, group trusts or other investment vehicles to address the tax, regulatory or other concerns of certain prospective investors. In order to insulate the assets of the Fund against liabilities arising from particular investments, to facilitate any financing to be incurred in order to acquire investments and to provide flexibility in disposing of investments, we may use domestic and foreign special purpose vehicles to make Fund investments.

The investment strategy for the Fund is more particularly described in the Fund's Governing Documents.

C. Material Risks

Investments in securities involve risk of loss that investors must be prepared to bear.

Investment Strategy Risks:

Acquiring interests in the Fund is intended for sophisticated investors who can accept a high degree of risk in their portfolio, do not need regular current income from their investment with us and can accept a potential loss of their entire investment. Investment risks specific to the investment strategy of the Fund is described in the Fund's Governing Documents. Such risks may include (but are not limited to):

Portfolio Concentration. The Fund may hold a relatively small number of real estate investments. Losses incurred in such investments could have a disproportionate effect on the Fund's overall financial condition.

Competition for Portfolio Investments. Identifying, completing and realizing attractive real estate investments is highly competitive, and involves a high degree of uncertainty. There can be no assurance that we will be able to locate, consummate and exit investments that satisfy the Fund's investment objectives or realize upon their values or be able to invest fully the Fund's committed capital.

Illiquid Investments. Return of capital and the realization of gains, if any, from the investments of the Fund generally will occur only upon the partial or complete disposition of an investment which may not occur for a number of years after the investment is made. It is unlikely that there will be a public market for the investments held by the Fund at the time of their acquisition. Such illiquidity may limit the ability of the Fund to vary its portfolio of investments in response to changes in economic and other conditions. Illiquidity may result from the absence of an established market for investments as well as the legal or contractual restrictions on their resale.

Portfolio Management. The performance of the Fund depends on the management team's skill in making appropriate investment decisions and their ability to structure, consummate, leverage, manage and realize returns on attractive investments.

Diversity. Although diversification will be a factor in the Fund's investment decisions, originating and maintaining a diverse portfolio will not be the Fund's primary focus. There is no assurance as to the degree of diversification by asset, property type, or other metrics that will actually be achieved in the Fund's investments.

Non-Controlling Interests. Although we will seek appropriate rights to protect the Fund's interests, the Fund may hold a non-controlling interest in an investment and, therefore, may have a limited ability to protect its position in such assets and control the management and disposition of such assets.

Targeted Rate of Return on Investments. The Fund will make investments based on our estimates or projections of internal rates of return and current returns, which in turn are based on, among other considerations, assumptions regarding the performance of the Fund's investments, the amount and terms of available financing and the manner and timing of dispositions, including possible asset recovery and remediation strategies, all of which are subject to significant uncertainty. In addition, events or conditions that have not been anticipated may occur and may have a significant effect on the actual rate of return on the Fund's investments.

Unknown Risks. Our due diligence may not reveal all of the factors affecting an investment and may not reveal weaknesses in such investments. There can be no assurance that our due diligence processes will uncover all relevant facts that would be material to an investment decision.

Leverage. We will utilize leverage on behalf of the Fund with the goal of enhancing the returns of the Fund. The Fund's failure to obtain leverage at the contemplated levels, or to obtain leverage on attractive terms, could have a material adverse effect on the Fund. Use of leverage will subject the Fund to risks normally associated with debt financing, including the risk that the Fund's cash flow will be insufficient to meet required payments of principal and interest, the risk that indebtedness on the investments will not be able to be refinanced or the risk that the terms of such refinancing will not be as favorable as the terms of the existing indebtedness.

Subordinated Positions. Subordinate loans such as junior participations in mortgages, mezzanine loans (and participations therein) have a risk of credit loss that is significantly enhanced due to the subordinate nature of such investments. In the event of default, the net proceeds from a foreclosure or restructuring may not be sufficient to cover the expenses of foreclosure and payment in full of the debt.

Fluctuations and Cycles in the Real Estate Market. The Fund is subject to the risks inherent in the real estate market. Real estate historically has experienced significant fluctuations and cycles in performance, that may result in reductions in the value of the Fund's real estate-related investments.

U.S. and Global Economies. The Fund and its investments may be negatively affected by continued downturns in the U.S. and global economies and real estate markets.

Delinquency Risks. The commercial mortgage and mezzanine loans the Fund may originate or acquire are subject to delinquency, foreclosure and loss which could result in losses to the Fund.

Real Estate Development. The Fund may be affected by risks associated with real estate development. The Fund may acquire direct and indirect interests in real estate development projects. To the extent that the Fund invests in such development activities, it will be subject to the risks normally associated with such activities.

Environmental and other liability. The Fund and its investments may be exposed to substantial risk of loss arising from investments involving undisclosed or unknown environmental, health or occupational safety matters, or inadequate reserves, insurance or insurance proceeds for

such matters that have been previously identified. The Fund and its investments may be subject to a wide range of environmental, health and safety laws, ordinances and regulations, including without limitation, those relating to the investigation, removal, and remediation of past or present releases of hazardous or toxic substances. Such laws may impose joint and several liability, which can result in a party being obligated to pay for greater than its share, or even all, of the liability involved.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or potential client's evaluation of the firm or the integrity of the firm's management in this item.

We have no legal or disciplinary events to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker-Dealer or Registered Representative

Neither we nor any management person is registered as a broker-dealer or registered representative.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Advisor or Associated Person

Neither we nor any management person is registered as a Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Advisor or an Associated Person.

C. Material Relationships

We currently have certain relationships or arrangements with related persons that are material to our advisory business or the Fund. Below is a discussion of such relationships/arrangements and any conflicts that arise from them.

1. Broker-dealer, municipal securities dealer, or government securities dealer or broker

None

2. Investment Company or other pooled investment vehicle

See Item 7 above. Investors in the Fund must understand that the Fund was formed as an investment product to be managed by us, and that we do not intend to cause the Fund to terminate its investment management relationship with us absent our liquidation or bankruptcy. In addition, Investors generally are not permitted to withdraw from the Fund prior to its dissolution.

3. Other investment adviser or financial planner

We control all of the Westmont Managers which serve as administrative managers, general partners or managers to the Fund, as discussed in Item 4 above.

4. Futures commission merchant, commodity pool operator, or commodity trading adviser

None

5. Banking or thrift institution

None

6. Accountant or accounting firm

None

7. Lawyer or law firm

None

8. Insurance company or agency

None

10. Real estate broker or dealer

None

11. Sponsor or syndicator of limited partnerships

One of the WestRiver Managers serves as the general partner of the Fund.

D. Selection of Other Investment Advisers

We do not select other advisers to provide services to the Fund.

Item 11: Code of Ethics

A. Code of Ethics

In order to address conflicts of interest, we have adopted a code of ethics (the “**Code**”) which is generally applicable to all of our officers, principals, managers, members, associated persons and employees (collectively, “**Associated Persons**”). The Code generally sets the standard of ethical and professional business conduct that we require of our Associated Persons, requires Associated Persons to comply with applicable federal securities laws and regulations, and sets forth provisions regarding personal securities transactions by Associated Persons. Additionally, the Code sets forth our policies and procedures with respect to material, non-public information and other confidential information, and the fiduciary obligations that we and each of our Associated Persons owes to the Fund.

The Code is circulated at least annually to all Associated Persons, and each Associated Person at least annually must certify in writing that he or she has received and followed the Code and any amendments thereto.

We will provide a copy of the Code to any client or prospective client upon request.

B. Recommendations Involving Material Financial Interests

We and our Associated Persons do not purchase any securities or assets for our own accounts from, or sell any securities or assets for our own accounts to, the Fund.

A WestRiver Manager serves as the general partner, investment manager and/or investment adviser or Special Limited Partner to the Fund. We have a material personal investment in the Fund through the general partner of the Fund and as Special Limited Partner of the Fund. Associated Persons may own interests in the Fund, either directly or indirectly through family members. We do not believe that these investments cause a conflict of interest between us and the Fund but rather function to better align the interests of the investors with our own interests since our own capital is being invested alongside the investors’ capital. By virtue of our capital investment in the Fund, we may be considered to participate, indirectly, in transactions effected for the Fund. The foregoing relationships, fees and any other actual or potential conflicts of interest arising therefrom are disclosed in the Governing Documents.

C. Personal Trading

We generally do not co-invest with the Fund. However, our Associated Persons may have direct and indirect investments of their own capital or other financial interests in the Fund through, for example, direct investments, deferred compensation agreements, performance allocation and carried interest.

Our Code also addresses personal trading by Associated Persons. Included in the personal trading section is the requirement for all Associated Persons to pre-clear personal investments in initial public offerings and private placements and to report their personal securities holdings and transactions on a quarterly basis.

D. Other Conflicts of Interests

Our Code of Ethics has policies and procedures to address the following additional conflicts of interest. While we do not believe that there are any conflicts that pose material risks to the Fund's interests, we wish to note some additional potential conflicts that are inherent in our structure and activities. We also have included brief descriptions of the procedures we use to mitigate their effects.

1. *Non Public Material Inside Information/Insider Trading*

We have established policies and procedures reasonably designed to prevent the misuse by us and our Associated Persons of material information regarding issuers of securities that has not been publicly disseminated ("**material non-public information**"). In general, under the procedures, when we are in possession of material non-public information related to a publicly-traded security or the issuer of such security, whether acquired unintentionally or otherwise, neither us nor any Associated Persons are permitted to render investment advice as to, or otherwise trade or recommend a trade in, the securities of such issuer until such time as the information that we have is no longer deemed to be material non-public information.

2. *Gifts/Gratuities*

Our Code sets forth procedures regarding gifts and business entertainment to address the potential conflicts of interest surrounding these practices. In all cases, we monitor not only potential conflicts of interest in individual instances of gifts or business entertainment but also patterns over time. A further explanation of our gift and business entertainment policy can be found in our Code.

3. *Political Contributions*

Due to the potential for conflicts of interest, we have established procedures relating to political contributions which are designed to comply with applicable federal and state law. All Associated Persons are required to seek pre-approval before making any political contribution.

4. *Valuation*

Our Fund may at times hold illiquid or difficult to value investments. We believe our valuation policies and procedures enable us to value Fund assets fairly and in a manner that is consistent with the best interests of the Fund, however since we have the authority to determine the value of the Fund's investments which may be illiquid or difficult to value, we may have an incentive to select the highest potential value for these investments. The risk of this potential conflict of interest is mitigated by the fact that neither our Management Fee nor our Carried Interest is impacted by the valuation of Fund's investments.

5. *Conflicts from our other activities and investments*

We or our affiliates may engage in a broad spectrum of real estate finance and investment activities that are independent from, and may from time to time conflict with, the Fund. In the future, there might arise instances where our interests or the interests of our affiliates conflict with the interests of the Fund and/or Investors.

We or our affiliates may perform property management, leasing and development services to the Fund and its investments and receive fees from the Fund in exchange for providing such services, as described in the Governing Documents. The ability to earn such fees from the Fund may incentivize us to perform more of these services than we might otherwise perform.

Other than the services described above, the Fund may engage us or any of our affiliates to provide financial advisory, placement, underwriting, investment banking, loan servicing, insurance, real estate, brokerage, due diligence or other services to the Fund provided: (i) any fees or other amounts earned in respect of the rendition of such services are not less favorable to the Fund than those generally available from experienced and unaffiliated parties and; and (ii) in general the Fund must obtain the approval of an advisory committee prior to the provision of such services.

6. *Conflicts in general*

Various parts of this brochure discuss potential conflicts of interest that arise from our advisory business. We disclose these conflicts due to the fiduciary relationship we have with the Fund. When acting as a fiduciary, we owe the Fund a duty of loyalty. This includes the duty to address, or at minimum disclose, conflicts of interest that may exist between us and the Fund or between our Associated Persons and the Fund. Where potential conflicts arise from our fiduciary activities, we will take steps to mitigate, or at least disclose, them. Conflicts arising from fiduciary activities that we cannot avoid (or chose not to avoid) are mitigated through written policies that we believe protect the interests of the Fund as a whole. In these cases – which include issues such as personal trading and client entertainment, discussed above – regulators have generally prescribed detailed rules or principles for investment firms to follow. By complying with these rules and following robust compliance practices, we believe that we handle these conflicts appropriately.

Item 12: Brokerage Practices

A. Criteria for Selection of Broker-Dealers

The Fund makes investments in real estate and real estate-related assets and debt investments backed by real estate and real estate-related assets. We do not utilize the services of a securities broker in selecting the investments for the Fund.

Accordingly, we do not select brokers for Fund transactions, engage in soft dollar arrangements, enter into agreements with, or make commitments to any broker-dealer that would bind us to compensate that broker-dealer, directly or indirectly, for the sale of Fund interests, through the placement of brokerage transactions, or have any clients that direct brokerage to certain brokers.

B. Aggregation of Orders/Allocation of Trades

In the event that we determine that any investment opportunity should not be acquired by the Fund, in whole or in part, due to the size of such investment opportunity or other applicable investment considerations, we may (but will not be required to) offer to one or more strategic investors, lenders, investors or other third-parties the right to coinvest in such investment opportunity with the Fund.

We will allocate each such co-investment among the Fund, strategic investors, investors and other third-parties as we may determine in our sole discretion.

Item 13: Review of Accounts

A. Periodic Reviews

Members of the asset management team as well as members of the Investment Committee monitor the Fund investments on an ongoing basis. The Investment Committee meets regularly, generally to review portfolio performance, portfolio diversification and investments generally. The Investment Committee also is responsible for approving the acquisition by the Fund of investments meeting established or negotiated investment guidelines.

B. Non-Periodic Reviews

Not applicable.

C. Client Reports

Fund investors receive such reports as are provided for in the Fund's Governing Documents. Fund financial statements will be prepared in accordance with U.S. Generally Accepted Accounting Principals and will be distributed to investors after the end of the Fund's fiscal year.

We may rely on information provided by third parties in preparing reports, and a third party may assist in preparing or distributing reports. To the extent reports include or rely upon information from another source, we attempt to obtain such information from reliable sources; however, the accuracy of such information cannot be guaranteed. Reports may also include or rely upon fair value determinations made by us or a third party. While such valuations are made in good faith, their actual or empirical accuracy cannot be guaranteed.

We, in our discretion, may provide more frequent reports and/or more detailed information to all or any of the investors in the Fund.

Item 14: Client Referrals and Other Compensation

A. Compensation by Non-Clients

In the event that we receive (a) a commitment or similar origination fee, (b) acquisition, disposition, financing, break-up and similar transaction fees or (c) incentive management fees, carried interest distributions or any similar "promote" payments, in each case, with respect to co-investments made by any third party in connection with any transaction in which the Fund has made an investment, such fees, distributions or payments will be for the Fund's account provided that to the extent that any such transaction fee exceeds 1% of the face amount of the applicable transaction, such excess shall be for our account; and provided further, that any such transaction which is expected to generate such a transaction fee in excess of 1% of the face amount of such transaction shall be subject to the prior written approval of the Advisory Committee.

All fee received by us which are not directly related to the business or operations of the Fund shall be for our account.

B. Compensation for Client Referrals

We do not compensate any party for client referrals.

Item 15: Custody

Generally, except for certain privately offered securities, neither we nor any of our affiliates maintain physical possession of the funds or securities of the Fund. Physical custody of the assets of a Private Fund (other than certain privately offered securities) are maintained with a qualified custodian selected by us, in our exclusive discretion, which selection may change from time to time generally without the consent of investors in the Fund.

Although neither we nor our affiliates have physical possession or custody of any Fund assets (other than certain privately offered securities), under Rule 206(4)-2 of the Advisers Act (the “Custody Rule”), an adviser has “constructive” custody if it has the authority to possess client assets by withdrawing funds on a client’s behalf. With respect to the Fund, by virtue of our affiliates acting as general partner of the Fund, we have the authority to withdraw funds or securities from the custodian accounts and bank accounts of the Fund. Accordingly, we are deemed to have “constructive” custody over the assets of the Fund.

In order to comply with the Custody Rule, the Fund undergoes an annual audit performed by an independent accounting firm registered with, and subject to inspection by, the Public Company Accounting Oversight Board (PCAOB). The audited financial statements, prepared in accordance with GAAP, are distributed to all investors in the Fund following the end of the Fund’s fiscal year.

Item 16: Investment Discretion

Subject to any investment restrictions set forth in the Governing Documents for the Fund, we have discretionary authority to make the following determinations without obtaining the consent of any Fund investor before the transactions are effected:

- the investments that are to be bought or sold;
- the total amount of investments to be bought or sold;
- the brokers, investment banks or placement agents, if any, through which investments are to be bought or sold; and
- the acquisition price and associated fees at which investment transactions for the Fund are effected.

Our discretionary authority is derived from the authority of our affiliate as a general partner of the Fund and its authority pursuant to the Governing Documents of the Fund.

Item 17: Voting Client Securities

The Fund invests in real estate related assets. Due to the nature of these investments, we do not anticipate having authority to vote proxies since we do not make direct investments in public securities.

Item 18: Financial Information

A. Prepayment of Fees (Six or more months in advance)

Not Applicable.

B. Impairment of Contractual Commitments

In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this Item. We have no financial commitment that impairs our ability to meet our contractual and fiduciary commitments to the Fund.

C. Bankruptcy Petitions

Not Applicable.