

**INVESTMENT ADVISER BROCHURE
PART 2A OF FORM ADV**

SOUND MARK PARTNERS, LLC

**80 Winthrop Drive
Riverside, CT 06878**

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Sound Mark Partners, LLC (the “Management Company”). If you have any questions about the contents of this Brochure, please contact us at compliance@soundmarkpartners.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

The Management Company is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information regarding the Management Company is also available on the SEC’s website at www.adviserinfo.sec.gov.

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ADVISORY BUSINESS

Sound Mark Partners, LLC (the “Management Company,” and together with its affiliated entities, “Sound Mark”), the registered investment adviser, is a Delaware limited liability company that commenced operations in September 2013.

Any general partner of a Private Investment Fund (defined below) (each, a “General Partner” and together with the Management Company, the “Advisers”) is registered under the Advisers Act pursuant to the Management Company’s registration in accordance with SEC guidance. This Brochure describes the business practices of the Management Company and each General Partner, which together operate as a single advisory business. No General Partner has personnel other than those persons associated with the Management Company. The Advisers have not yet begun investment activities; therefore, all descriptions of the Advisers’ investment advisory services describe the Advisers’ expected investment advisory services.

Sound Mark provides real estate and real estate related investment and asset management services to (i) private investment funds that Sound Mark sponsors, manages or controls (the “Private Investment Funds”), (ii) separately managed accounts (the “Managed Accounts”) and (iii) third-party funds or accounts for which it has been appointed sub-advisor (the “Sub-Advised Funds” and together with the Private Investment Funds and the Managed Accounts, “Clients”). Sound Mark’s investment management and advisory services primarily relate to debt-related investments in commercial real estate. Private Investment Funds may include co-investment vehicles that the Advisers make available to one or more limited partners of a Private Investment Fund (each, a “Co-Invest Fund”). The Advisers’ investment advisory services to Clients consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and, when applicable, achieving dispositions for such investments.

Typically, pursuant to a Private Investment Fund’s agreement of limited partnership (or similar governing document) (each, a “Partnership Agreement”), the applicable General Partner has the authority to manage the business and affairs of such Private Investment Fund, which authority such General Partner delegates to the Management Company as the Private Investment Fund’s management company pursuant to an investment management agreement (each, an “Investment Management Agreement”). The advisory services provided to each Fund are detailed in the applicable offering memorandum (each, a “Memorandum”). For Managed Accounts, the scope of the Management Company’s discretionary and non-discretionary advisory services and any applicable investment guidelines and restrictions are set forth in managed account agreements (each, a “Managed Account Agreement” and together with the Partnership Agreements, Memoranda and Investment Management Agreements, the “Governing Documents”). Similarly, the services provided to Sub-Advised Funds are provided in accordance with the applicable sub-advisory investment management agreement (each, a “Sub-Advisory Agreement”).

Investors in Private Investment Funds participate in the overall investment program for the applicable Fund, but they may be excused from a particular investment due to legal, regulatory or other applicable constraints. The Advisers may enter into side letters or similar agreements with certain investors that have the effect of establishing rights under, or altering or supplementing, a Private Investment Fund’s Governing Documents, including provisions related

to fees and distributions. Managed Account Clients' assets are managed in accordance with the investment objectives and restrictions agreed upon between Sound Mark and the Managed Account Client as set forth in the applicable Managed Account Agreement. Accordingly, an existing or prospective investor should review the applicable Governing Documents for further details regarding the advisory services provided by the Advisers to the relevant Managed Account or Private Investment Fund. Each Sub-Advisory Agreement generally requires Sound Mark to advise the applicable Sub-Advised Fund in accordance with its underlying governing documents and the Sub-Advisory Agreements (collectively, the "Sub-Advised Fund Documents") so investors in any such Sub-Advised Funds should review the Sub-Advised Fund Documents for information regarding investment guidelines or restrictions.

As of the date hereof, Sound Mark does not have any assets under management, but it expects to have more than \$100 million in assets under management within 120 days of its registration being approved. Sound Mark's managing member is Sound Mark Holdings, LLC, which is principally owned and controlled by Jenna Gerstenlauer.

FEES AND COMPENSATION

The Advisers do not have a set fee schedule for the services provided to Clients as fees and compensation are negotiated with the applicable Client. In general, Sound Mark receives a management fee ("Management Fee") and a performance-based fee in connection with advisory services provided to Clients. Sound Mark may also in certain circumstances receive additional compensation in connection with certain services performed in connection with a Client's investments. Clients also bear certain investment-related expenses, as set forth in the applicable Governing Documents (or Sub-Advised Fund Documents).

Management Fees

For each Private Investment Fund, Management Fees are negotiated between the General Partner and the prospective investors and are set forth in the applicable Private Investment Fund's Governing Documents. Typically, a Private Investment Fund's Management Fees are a percentage of the value of the assets under management or invested capital. Management Fees are payable for so long as an investor is invested (*i.e.*, until an investor is fully redeemed from any open end Private Investment Fund) in a Private Investment Fund, as described in the applicable Governing Documents. Private Investment Fund Management Fees are generally payable quarterly in arrears and installments payable for any period other than a full quarterly period are typically adjusted on a *pro rata* basis according to the actual number of days in such period.

Management Fees that Sound Mark receives with respect to advisory services it provides to Sub-Advised Funds are generally structured similarly to the Private Investment Funds' Management Fees. Terms of such fee arrangements are set forth in the applicable Sub-Advisory Agreement, which is generally terminable by the Sub-Advised Fund upon the occurrence of certain events specified therein. In the event of termination, Sound Mark generally will receive payment of any accrued but unpaid fees.

For Managed Accounts, Management Fees are negotiated with the Managed Account Client and will vary depending upon such Client's investment objectives. Typically, such Client's fees are based on the value of assets under management or invested capital. The terms of payment are set forth in the Managed Account Agreement, but such fees are generally accrued and paid monthly or quarterly and are payable until the Managed Account Agreement is terminated. In the event a Managed Account Agreement is terminated and fees have been paid in advance, the Client may receive a pro rata refund of such fees based on the number of days for which services were provided during the period in question as set forth in the Client's Managed Account Agreement.

Performance-Based Fees

The Advisers may receive performance-based fees with respect to the performance of a Client's investments. Such fees generally are a percentage of the Client's (or Private Investment Fund investor's) net profit each year or the net appreciation of each Client's (or Private Investment Fund investor's) capital account and are typically subject to a high water mark such that the Advisers do not receive a performance fee or allocation unless the Client (or Private Investment Fund investor) has received its high water mark, calculated on an annual basis, subject in each case to the applicable Governing Documents. Performance-based fees may also be contingent upon a Client receiving a specified return. Any performance fees or allocations charged to Clients comply with the requirements of Section 205 of the Advisers Act and the rules thereunder, to the extent applicable. Investors in Private Investment Funds or Sub-Advised Funds and Managed Account Clients should review any applicable Governing Documents for a full description of any such performance-based fees.

Other Fees

Sound Mark may also in certain circumstances receive additional compensation in connection with certain services performed in connection with a Client's investments. For example, a Managed Account or Co-Invest Fund might have a fee structure pursuant to which the Advisers are paid a one-time acquisition fee.

Other Information

Sound Mark may exempt certain Clients and/or investors in Private Investment Funds (including the Advisers, their affiliates or any other person designated by Sound Mark) from payment of all or a portion of Management Fees and/or performance-based fees. For investors in a Private Investment Fund, any such exemption from fees may be made by a direct exemption, through Co-Invest Funds or as otherwise set forth in the applicable Governing Documents.

Managed Account fees are generally billed to the Client or, at the Client's direction, to the Client's custodian and may be paid directly by the Client or deducted from the Client's account. For Private Investment Funds and Sub-Advised Funds, the applicable fund generally pays fees to Sound Mark on such fund's behalf. Investors in such Funds are expected to pay their portion of any applicable fees for so long as they remain invested in the Fund (e.g., until they redeem their interests).

Principals or other employees of Sound Mark may receive a portion of the Management Fee, performance-based fee or other compensation received by Sound Mark.

In addition to the fees described above, Clients bear certain expenses as set forth in the applicable Governing Documents (or Sub-Advised Fund Documents). Private Investment Fund and Managed Account Client expenses may include, but are not necessarily limited to, the following categories of expenses: (i) any expenses associated with the evaluation and making of investments or potential investments, regardless of whether the investment is consummated; (ii) all fees, costs and expenses related to the holding, development, management, monitoring, administering, servicing, foreclosing and enforcing or otherwise exercising remedies related to, and sale or other disposition of investments (including any third party asset management fees, legal, audit, appraisal, structural review, environmental review, insurance, consulting, brokerage, underwriting and indemnification costs and expenses and fees in connection with the provision of financial accounting and reporting services to the Client); (iii) all costs and expenses relating in any way to any offerings of Private Investment Fund interests; (iv) all quotation and valuation costs and expenses; (v) reasonable and necessary expenses of any advisory committee members; (vi) all insurance costs; (vii) all fees and expenses associated with licensing and insuring the activities of the Private Investment Fund; (viii) all litigation and indemnification expenses; (ix) all costs and expenses related to any financing, hedging, ratings, securitization or capitalization; (x) all expenses related to making temporary investments and any interest expenses; (xi) all expenses associated with software licensing fees necessary to conduct Client related activities; (xii) extraordinary expenses; and (xiii) amounts to be contributed or advanced to any person for the purpose of such person paying any cost of the type described in the foregoing clauses. Generally, a Private Investment Fund also bears organizational expenses, subject to any limitations in the applicable Governing Documents. Sound Mark generally allocates costs and expenses to Clients on a pro rata basis if such costs and expenses are attributable to more than one Client.

Sound Mark is generally responsible, without reimbursement from Clients, for the costs and expenses of its operations, including the cost of office space, supplies, salaries or other compensation of its employees and all other general, administrative or overhead items, except as provided in the Governing Documents. Investors in Private Investment Funds and Managed Account Clients should refer to the applicable Governing Documents for specific expense information. Sound Mark may incur similar expenses, for which it will be reimbursed, in connection with advisory services provided to any Sub-Advised Fund, and Sub-Advised Fund investors should refer to the applicable Sub-Advised Fund Documents for specific expense information.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under “Fees and Compensation,” the Advisers typically receive performance-based fees from Clients. The Advisers currently advise only Clients subject to a performance-based fee, although the Advisers have the right to do so in the future, including, without limitation, by waiving or modifying performance-based fees with respect to certain persons invested in a Private Investment Fund, as described under “Fees and Compensation.” Advising both Clients charged a performance-based fee and not charged a performance-based fee could present certain conflicts of interest for the Advisers in allocating investment opportunities

among Clients. The Advisers maintain an allocation policy in order to allocate investment opportunities in a manner that they believe is fair and equitable and mitigates potential conflicts of interest that could arise if, for example, certain Clients were not charged a performance-based fee.

TYPES OF CLIENTS

The Advisers provide investment advice to Clients, including Private Investment Funds. Private Investment Funds may include investment partnerships or other investment entities formed under domestic or non-U.S. laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended (the “Investment Company Act”). The Advisers’ Clients, and the underlying investors participating in Private Investment Funds, typically are institutional investors, such as banks or thrift institutions, insurance companies, corporations, pension and profit-sharing plans, trusts or estates, charitable organizations, or other investment or business entities but may also include high net worth individuals or, directly or indirectly, principals or other employees of Sound Mark.

Sound Mark’s minimum investment requirements vary among Clients, although the required minimum for third-party investors generally is \$5 million. Minimum investment amounts generally may be waived by Sound Mark or the relevant General Partner. In addition, Sound Mark typically provides advisory services only to investors that are qualified purchasers or knowledgeable employees (as defined in the Investment Company Act).

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Strategy

In general, the Advisers’ investment strategy for their Clients is to make controlling investments in commercial real estate debt or debt-related investments, including first mortgages, b-notes, mezzanine loans, participations, preferred equity, non-performing or distressed debt, investment grade and non-investment grade securities and equity. The Advisers intend to focus on investing Client assets primarily in U.S. based commercial real estate debt in geographically diverse areas, although investments may be made outside the U.S., subject to any limitations in the applicable Governing Documents. The Advisers expect to invest Client assets in a mix of property types, including multifamily, office, industrial, retail, hotel and mixed-use properties, although the Advisers do not expect to invest Client assets in senior living properties that have any level of care (i.e., assisted living, skilled nursing) or casinos or other operating businesses that require a high level of specific industry expertise.

For Private Investment Funds, the Advisers’ target investment size is \$25 million, although actual investments may range in size. The Advisers expect Private Investment Funds to use leverage on a limited basis, with an estimated blended loan -to-value ratio of 75-80%. Private Investment Fund debt investments are expected to be held to maturity, which may be as long as 10 years, although the Advisers might exit certain investments earlier on an opportunistic basis.

The Advisers expect to source investment opportunities primarily through their relationships with borrowers, banks, loan sale groups, investment banks, and developers. When

reviewing investment opportunities on behalf of Clients, the Advisers take a credit-centric approach and focus on such credit-related factors as (1) long-term stability of in place cash flows, (2) underlying asset valuation and structural quality, (3) environmental soundness and (4) the experience, financial strength and credit-worthiness of the sponsor. Property and investment due diligence is expected to be completed in house with third parties hired to perform specific functions, including valuations by third party appraisers and environmental and structural assessments by engineers.

If an investment is approved and closed, an asset manager will be assigned (typically the underwriter who worked on the deal) to provide asset surveillance and property performance updates and to prepare quarterly asset management reports for the Advisers' credit committee. While the asset manager will have primary responsibility for all asset management actions, the Advisers' credit committee approves all asset acquisitions and dispositions, as well as any other significant decisions with respect to an investment, including those relating to obtaining financing, modifying investment terms, pursuing additional collateral, or approving major leases, loan assumptions, changes to capital improvement plans or additional capital work.

While the foregoing summary provides a general overview of the Advisers' existing and anticipated investment strategies and process, prospective and existing Private Investment Fund investors and Managed Account Clients are encouraged to review the applicable Governing Documents for more detailed information regarding the investment objectives of and any investment strategies, restrictions or limitations for a given Private Investment Fund or Managed Account. The Advisers may provide investment advisory services to the Sub-Advised Funds subject to the investment restrictions or limitations set forth in the Sub-Advised Fund Documents so Sub-Advised Fund investors should review those documents for investment information specific to those funds.

Risks of Investment

Each Client bears the risk of loss that the Advisers' investment strategy for such Client entails. There can be no assurance that the Advisers will meet a Client's investment objectives or otherwise be able to successfully carry out its investment program or that there will be any return of capital. A prospective investor should only invest in a Private Investment Fund or Managed Account as part of an overall investment strategy and only if such investor is able to withstand a total loss of its investment. Prospective investors should not construe the performance of earlier investments by the Advisers or their affiliates as providing any assurances regarding the future performance of a Private Investment Fund or Managed Account.

Outlined below are real estate investment-related risks typically associated with the Advisers' investment strategy for their Private Investment Funds. Private Investment Fund investors should review the applicable Governing Documents for specific information regarding the risks associated with an investment in a given Private Investment Fund. To the extent a Managed Account Client or Sub-Advised Fund has authorized the Advisers to make the types of investments and use the investment techniques described below, the investment risks described herein are also generally applicable to investments made on behalf of Managed Account Clients and/or Sub-Advised Funds.

Risks Related to Real Estate Investments

General Real Estate Considerations. Real estate investments are subject to varying degrees of risk. Real estate values are affected by a number of factors, including: (i) changes in the general economic climate or in national or international economic conditions; (ii) local conditions (such as an oversupply of space or a reduction in demand for space); (iii) the quality and philosophy of management; (iv) competition based on rental rates; (v) attractiveness and location of the properties and changes in the relative popularity of property types and locations; (vi) financial condition of tenants, buyers and sellers of properties; (vii) quality of maintenance, insurance and management services; (viii) changes in real estate tax rates and other operating costs and expenses; (ix) energy and supply shortages; (x) changes in interest rates and the availability of debt financing; (xi) uninsured losses or delays from casualties or condemnation; (xii) government regulations (including those governing usage, improvements, zoning and taxes) and fiscal policies; (xiii) potential liability under changing environmental and other laws; (xiv) risks and operating problems arising out of the presence of certain construction materials; (xv) structural or property level latent defects; and (xvi) acts of God, acts of war (declared or undeclared), terrorist acts, strikes and other factors beyond the control of Sound Mark. Investments in existing entities (e.g., buying out a distressed partner or acquiring an interest in an entity that owns a real property) could also create risks of successor liability.

Investments in Real Estate Debt. In addition to the risks of borrower default (including loss of principal and nonpayment of interest) and the risks associated with real estate investments generally, real-estate related debt investments are subject to a variety of risks, including the risks of illiquidity, lack of control, mismanagement or decline in value of collateral, contested foreclosures, bankruptcy of the debtor, claims for lender liability, violations of usury laws and the imposition of common law or statutory restrictions on the exercise of contractual remedies for defaults of such investments. Debt investments have special inherent risks relative to collateral value. In certain circumstances, a Client's loans may not be secured by a mortgage, but instead by partnership interests or other collateral that may provide weaker rights than a mortgage. In any case, in the event of default, the source of repayment is limited to the value of the collateral and may be subordinate to other lien holders (and the collateral value of the property may be less than the outstanding amount of the investment). Returns on an investment of this type depend on the borrower's ability to make required payments and, in the event of default, the ability of the loan's servicer to foreclose and liquidate the mortgage loan.

Non-Performing Loans; Foreclosure Process. Real estate loans acquired by a Client may be at the time of their acquisition, or may become after origination, participation or acquisition, non-performing for a wide variety of reasons. Non-performing real estate loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. However, even if a restructuring were successfully accomplished, a risk exists that upon maturity of such real estate loan, replacement "takeout" financing will not be available. Investments in properties operating under the close supervision of a mortgage lender or under bankruptcy or other similar laws are, in certain circumstances, subject to certain additional potential liabilities that may exceed the value of a Client's original investment therein. For example, in certain circumstances, lenders who have inappropriately exercised control of the management and policies of a debtor may have their claims subordinated or disallowed or may

be found liable for damages suffered by parties as a result of such actions. In addition, under certain circumstances, payments may be required to be returned if such payment is later determined to have been a fraudulent conveyance or a preferential payment. To the extent that a Client purchases partial interests in non-performing loans, a Client may not have control over the workout process and the management of the real estate assets. It may be necessary or desirable to foreclose on collateral securing one or more real estate loans purchased by a Client. The foreclosure process can be lengthy and expensive. Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the holder of a real estate loan, including lender liability claims and defenses, even when such assertions may have no basis in fact, in an effort to prolong the foreclosure action. In some states, foreclosure actions can take up to several years or more to conclude. At any time during the foreclosure proceedings, the borrower may file for bankruptcy, staying the foreclosure action and further delaying the foreclosure process. Foreclosure litigation tends to create a negative public image of the collateral property and may result in disrupting ongoing leasing and management of the property.

Nature of Subordinate Debt Investments. To the extent that a Client makes or acquires subordinated or “mezzanine” debt investments, a Client does not anticipate having absolute control over the underlying collateral as a Client will be dependent on third-party borrowers and agents and will have rights that are subordinate to those of senior lenders. A Client’s subordinated or mezzanine debt interests may be in real estate companies and real estate-related companies and properties whose capital structures may have significant leverage ranking ahead of a Client’s investment. While the Advisers may anticipate that a Client’s investments will usually benefit from the same or similar financial and other covenants as those enjoyed by the leverage ranking ahead of a Client’s investments and will usually benefit from cross-default provisions, some or all of such terms may not be part of particular investments. The Advisers anticipate that a Client’s usual security for these types of investments will be pledges of ownership interests, directly and/or indirectly, in a property-owning entity, and in many cases a Client may not have a mortgage or other direct security interest in the underlying real estate assets. Moreover, it is likely that a Client will be restricted in the exercise of its rights in respect of these types of investments by the terms of subordination agreements between it and the leverage ranking ahead of a Client’s capital. Accordingly, a Client may not be able to take the steps necessary to protect its investments in a timely manner or at all and there can be no assurance that the rate of return objectives of a Client or any particular investment will be achieved. To protect its original investment and to gain greater control over the underlying assets, a Client may need to elect to purchase the interest of a senior creditor or take an equity interest in the underlying assets, which may require additional investment by such Client.

Usury Limitations. Interest charged on loans owned by a Client may be subject to state and foreign usury laws imposing maximum interest rates and penalties for violation, including restitution of excess interest and unenforceability of debt.

Debt Financing; Leverage. A Client may expect to leverage its investments with debt financing at the property or operating company level. Although the use of leverage may enhance returns and increase the number of investments that can be made, it increases the exposure of a Client’s investments to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of the investments and substantially increases the risk of loss of principal. Debt service requirements may deplete cash flows and relatively small

changes in the overall value of investments will have a magnified impact on the value of the equity of a Client. While the use of leverage by a Client has the potential to enhance overall returns that exceed a Client's cost of funds, it will further diminish returns (or increase losses on capital) to the extent overall returns are less than such Client's cost of funds.

Principal and interest payments on indebtedness (including mortgages having "balloon" payments) may be required regardless of the sufficiency of cash flow from the properties. Mortgages requiring "balloon" payments may involve greater risks than mortgages where the principal amount is fully amortized over the term of the loan, since the ability to repay the outstanding principal amount of a "balloon" loan may be dependent upon the ability to obtain adequate replacement financing, which will, in turn, be dependent upon interest rates and lenders' policies at the time of refinancing, economic conditions in general and the value of the underlying property in particular. There is no assurance that replacement financing will be available to make "balloon" payments or that any replacement financing available will be on favorable terms. In situations in which a Client has used leverage, such Client's investment may be impaired by a smaller decline in the value of the properties than is the case where properties are owned with a proportionately smaller amount of leverage. Depending on the level of leverage and decline in value, if mortgage payments are not made when due, one or more of the properties may be lost (and a Client's investment therein rendered valueless) as a result of foreclosure by the mortgagee(s). A foreclosure may also have substantial adverse tax consequences for a Client, including a Private Investment Fund's investors.

Lenders or other holders of senior positions will be entitled to cash flow prior to a Client receiving a return on leveraged investments, and, in the event a Client investment is unable to generate sufficient cash flow to meet the principal and interest payments on its indebtedness, the value of such Client's investment in such investment will be significantly reduced or even eliminated. In addition, debt financing may restrict the amount of funds available for distribution. Certain tax-exempt investors may be subject to unrelated business income taxation because of the use of leverage. In order to limit a Client's indebtedness, the Advisers (or the Client itself, in the case of a Managed Account) may limit such Client's ability to incur any indebtedness for borrowed money secured by the Client's investments (or incurred to acquire mezzanine loans) if such incurrence would cause the Client's total indebtedness for borrowed money secured by the Client's investments (or incurred to acquire mezzanine loans) to exceed a specified ratio. In addition, borrowings by a Client under a credit facility may be secured by the Client's assets, as well as, in the case of the Private Investment Funds, investors' commitments to make capital contributions.

Interest Rate Risks and Hedging. A Client will have exposure to interest rate risks, meaning that changes in prevailing interest rates could negatively affect the value of the Client's investments. Changes in the general level of interest rates can affect a Client's income by affecting the spread between the income on its assets and the expense of its interest-bearing liabilities, as well as, among other things, the value of its interest-earning assets, the capitalization rate at which its assets are valued in the market and its ability to realize gains from the sale of investments. Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the control of the Advisers. A Client may finance its investment activities with

both fixed and floating rate leverage. With respect to its floating rate leverage, a Client's performance may be affected adversely if such Client fails to limit the effects of changes in interest rates on its operations by employing an effective hedging strategy, including engaging in interest rate swaps, caps, floors or other interest rate contracts, or buying and selling interest rate futures or options on such futures. Should a Client so elect (and it will be under no obligation to do so), the use of these instruments to hedge a portfolio carries certain risks, including the risk that losses on a hedge position will reduce a Client's earnings and funds available for distribution to its investors and that such losses may exceed the amount invested in such instruments. There is no perfect hedge for any investment, and a hedge may not perform its intended purpose of offsetting losses on an investment and, in certain circumstances, could increase such losses. A Client may also be exposed to the risk that the counterparties with which such Client trades may cease making markets and quoting prices in such instruments, which may render such Client unable to enter into an offsetting transaction with respect to an open position.

Market Dislocation. An extended or worsening economic downturn could adversely affect the financial resources of a Client and its investments, and their ability to make principal and interest payments on, or refinance, outstanding debt when due. In the event of such circumstances, a Client could lose both invested capital in, and anticipated profits from, the affected investments. The recent financial crisis has led to a marked decrease in the availability of financing (and, in many cases, an increase in the interest cost) for leveraged transactions, which may impair a Client's ability to consummate certain transactions or cause such Client to enter into such transactions on less attractive terms.

Potential Restrictive Covenants. A Client may enter into a credit facility with one or more lenders in order to finance its operations (including the acquisition of a Client's investments). Any such credit facility may contain a number of common covenants that, among other things, might restrict the ability of such Client to: (i) acquire or dispose of assets or businesses; (ii) incur additional indebtedness; (iii) make capital expenditures; (iv) make cash distributions; (v) create liens on assets; (vi) enter into leases, investments or acquisitions; (vii) engage in mergers or consolidations; (viii) in the case of a Private Investment Fund, make capital calls to the partners or permit partners to transfer their interests in such Private Investment Fund; or (ix) engage in certain transactions with affiliates, and otherwise restrict corporate activities of such Client (including its ability to acquire additional investments, businesses or assets, certain changes of control and asset sale transactions) without the consent of the lenders. In addition, such a credit facility would likely require a Client to maintain specified financial ratios and comply with tests, including minimum interest coverage ratios, maximum leverage ratios, minimum net worth and minimum equity capitalization requirements. A Client may incur indebtedness under such credit facility that bears interest at a variable rate. Economic conditions could result in higher interest rates, which could increase debt service requirements on variable rate debt and could reduce the amount of cash available for various Client purposes.

Illiquid Investments. The investments made by a Client may be relatively illiquid. Given the nature of the investments contemplated by a Client, there is a significant risk that such Client will be unable to realize its investment objectives by sale or other disposition at attractive prices or will otherwise be unable to complete any exit strategy within any given period of time. In particular, these risks could arise from changes in the financial condition or prospects of the person or entity in which the investment is made, changes in national or international economic

conditions and changes in laws, regulations or fiscal policies of jurisdictions in which investments are made. Dispositions of investments may be subject to contractual and other limitations on transfer (including prepayment penalties with respect to property-level debt) or other restrictions that would interfere with the subsequent disposition of such investments or adversely affect the terms that could be obtained upon any disposition thereof. In addition, it is unlikely that there will be a public market for the investments held by a Client. A Client generally will not be able to sell its investments publicly unless the sale is registered under applicable U.S. federal and state securities laws, or unless an exemption from such registration requirements is available. Furthermore, in some cases a Client may be prohibited by contract from selling investments for a period of time.

Possibility of Future Terrorist Activity. In the current environment, there is a risk that one or more of a Client's investments will be directly or indirectly affected by terrorist attack. An attack could have a variety of adverse effects on the business and performance results of one or more of a Client's investments or subsequently acquired investments, including risks and costs related to the destruction of property, inability to use one or more properties for their intended uses for an extended period, decline in rents achievable or property value and injury or loss of life, as well as litigation related thereto. Such risks may not be insurable or subject to increased insurance premiums and deductibles that the Advisers deem uneconomic. It is not possible to predict the severity of the effect that any such future events would have on the U.S. financial and insurance markets and economy or a Client's investments. In addition to the potential direct impact of any such future act, future terrorist attacks and the anticipation of any such attacks could have an adverse impact on the U.S. financial and insurance markets and economy, thus harming demand for and the value of a Client's investments.

Market Conditions. A Client's strategy in some investments may be based, in part, upon the premise that real estate businesses and assets will be available for purchase by a Client at prices that Sound Mark considers favorable. Further, a Client's strategy for an investment may rely, in part, upon the continuation of existing market conditions (including, for example, supply and demand characteristics), or, in some circumstances, a local market recovery or improvement in market conditions over the projected holding period for the investments. No assurance can be given that real estate businesses and assets can be acquired or disposed of at favorable prices or that the market for such assets will either remain stable or, as applicable, recover or improve, since this will depend, in part, upon events and factors outside the control of Sound Mark.

Financial Market Fluctuations. General fluctuations in the market prices of securities may affect the value of the investments held by a Client. Instability in the securities markets may also increase the risks inherent in a Client's investments. The ability of companies or businesses in which a Client may invest to refinance debt securities may depend on their ability to sell new securities in the public high yield debt market or otherwise.

Financial Conditions of Tenants. Adverse changes in the operation of any property, or the financial condition of any tenant, could have an adverse effect on a Client's ability to receive required payments or the borrower's ability to collect rent payments and, accordingly, on its ability to make distributions to its investors. At any time, a tenant may seek the protection of applicable bankruptcy or insolvency laws, which could result in the rejection and termination of such tenant's lease or other adverse consequences and thereby cause a reduction in distributions

to a Client, including a Private Investment Fund's investors. No assurance can be given that tenants will not file for bankruptcy protection in the future or, if they do, that their leases will continue in effect.

Risks Related to Investment Terms

In addition to the real-estate related risks described above, Client investments pose certain other risks. For example, a Client may participate in a limited number of investments and, as a consequence, the aggregate return of the Client's investments may be substantially affected by the unfavorable performance of even a single investment. In addition, the success of a Client's investments depends upon the skill of the Advisers in selecting, managing and disposing of such investments on behalf of the Client. The Advisers may be unable to identify suitable investments, and each Client potentially has to compete with other investment products for investment opportunities.

Furthermore, to the extent that a Client invests in securities and instruments that are illiquid, not traded on an exchange or in an established market or for which no value can be readily determined, the Advisers generally will value such securities and financial instruments in good faith at fair value based on various factors, including external pricing sources (if any), recent trading activity (if any) or other information in the Advisers' discretion. While pricing information is generally available for distressed and private securities, there is currently no centralized source for such pricing information and prices quoted by different sources are subject to material variation. The valuation of certain illiquid assets is inherently subjective and subject to increased risk that the information utilized to value the asset or to create the price models may be inaccurate or subject to other error. Reliable pricing information may at times, and for certain Client investments, not be available from any source. Typically, prices for distressed securities become more unreliable when the issuer's financial condition deteriorates. Such valuations may not be indicative of what actual fair market value would be in an active, liquid or established market. In addition, the actual value of the security or other instrument may prove significantly different. Such valuations may vary from similar valuations performed by independent third parties for similar types of securities and financial instruments. Depending on the Client, the Advisers' valuations may or may not be subject to review and revision by independent third parties. Inaccurate valuations may, among other things, prevent or inhibit effective portfolio and risk management, may affect diversification, may affect the net asset values at which Private Investment Fund interests are issued and redeemed, and may affect the determination of Management Fees and the performance-based fees.

Conflicts of Interest

Prospective Clients should be aware that there may be occasions when Sound Mark and its principals and employees will encounter potential conflicts of interest in connection with the activities of Clients. Sound Mark's principals and employees may work on multiple advisory projects and matters, including for Clients with similar investment objectives, and may also work on non-advisory projects, all of which may potentially compete with a Client's investments. In addition to potential conflicts among Client investments, conflicts may arise in the allocation of management time, services, functions and resources. Sound Mark and its principals and employees are only expected to devote so much of their time to the business of each Client as

Sound Mark reasonably determines is necessary for the proper management of such Client's investments. With respect to potential conflicts involving one or more Private Investment Funds, the Advisers may, as necessary, consult and seek consent to conflicts from an advisory committee consisting of limited partners of such Private Investment Fund.

In addition, anytime a Client is composed of more than one investor, such Client's investors may include persons or entities organized in various jurisdictions that may have conflicting investment, tax and other interests with respect to their investments. In selecting and structuring investments appropriate for a Client, a General Partner will consider the investment and tax objectives of such Client as a whole, not the investment, tax or other objectives of any individual investor.

Clients may hold securities and financial instruments that may not have readily available market quotes. In such instances the Advisers generally will value such securities and financial instruments in good faith at fair value based on various factors, including external pricing sources (if any), recent trading activity (if any) or other information aimed at a relative value assessment process that incorporates, among other factors in the General Partner's discretion, current market conditions, position size, trends and prices. Such valuations may vary from similar valuations performed by independent third parties for similar types of securities and financial instruments. Additionally, such valuations will directly correlate to the compensation paid or allocated by a Client to the Advisers and may, therefore, create conflicts of interest.

Furthermore, any performance-based fee may create an incentive for the Advisers to make riskier or more speculative investments on behalf of a Client than would otherwise be the case.

DISCIPLINARY INFORMATION

The Advisers and their management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Management Company is affiliated with one or more General Partners that serve as the general partners of Private Investment Funds. Each General Partner is registered with the SEC under the Advisers Act pursuant to the Management Company's registration in accordance with SEC guidance. The Advisers operate as a single advisory business and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

The Advisers have adopted a Code of Ethics and Securities Trading Policy (the "Code"), which sets forth standards of conduct that are expected of the Advisers' principals and employees and addresses conflicts that arise from personal trading. The Code requires certain personnel to report their personal securities holdings and transactions to and to obtain approval from Sound Mark's Chief Compliance Officer prior to acquiring, directly or indirectly, beneficial

ownership of securities in an initial public offering or in a limited offering. The Code also requires pre-clearance of any acquisition or disposition of a security on the Restricted List. A copy of the Code will be provided to any Client (or prospective Client) upon request to Sound Mark's Chief Compliance Officer at compliance@soundmarkpartners.com. Personal securities transactions by employees who manage Client accounts are required to be conducted in a manner that gives priority to the Client's interests in Client eligible investments.

The Advisers and their affiliated persons may come into possession from time to time of material nonpublic or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, the Advisers and their affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a Client.

Accordingly, should Sound Mark or any of its principals or employees come into possession of material nonpublic or other confidential information with respect to any public company, Sound Mark would be prohibited from communicating such information to Clients, and Sound Mark will have no responsibility or liability for failing to disclose such information to Clients as a result of following its policies and procedures designed to comply with applicable law.

Principals and employees of Sound Mark may directly or indirectly own an interest in a Client, including one or more of the Private Investment Funds. Sound Mark and its principals and employees may carry on investment activities for other investment vehicles, their own accounts and for family members, friends or others who are not Clients or investors in a Private Investment Fund, and may give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, a Client, even though their investment objectives may be the same or similar. As noted above, allocations of investment opportunities are made in accordance with applicable Governing Documents and the Advisers' investment allocation policy.

Subject to any applicable limitations in the relevant Governing Documents, the Advisers may offer co-investment opportunities to Clients, including a Private Investment Fund's investors, through a Co-Invest Fund or otherwise. The Advisers will determine an investor's eligibility to participate in any such co-investment based on applicable law or regulatory requirements and any limitations in the applicable Governing Documents. Such transactions will be on terms that are determined by the Advisers, as applicable, to be fair and reasonable to the applicable Clients, and the Advisers expect that co-investment opportunities will typically be allocated among limited partners of a Private Investment Fund on a pro-rata basis, unless otherwise agreed to by participants or provided in the Governing Documents. Co-Invest Funds are expected to be comprised of investments which the related Private Investment Fund is (i) unable to fund in its entirety due to capital commitment limitations, (ii) unable to acquire due to certain limitations of the Private Investment Fund, (iii) unable to acquire or own due to limitations under applicable law or other legal or regulatory restrictions, or (iv) unable to acquire due to a Private Investment Fund's diversification requirements, in each case as determined by the General Partner. In general, whenever any Client and the Advisers and/or any of their

affiliates co-invest in an investment opportunity, the economic terms and conditions on which such co-investment is made will be required to be substantially the same.

BROKERAGE PRACTICES

In the event the Advisers engage in transactions involving publicly traded real estate securities, the Advisers will be responsible for directing orders to broker-dealers to effect securities transactions for applicable Clients, and the Advisers expect to follow the brokerage practices described below and any additional policies and procedures they deem necessary in order to comply with applicable rules and regulations. The Advisers will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute Client transactions, the Advisers would expect to consider a variety of factors, including: (i) prompt execution of orders, (ii) the reliability, integrity, financial condition and execution capability of the firm being considered for effecting transactions in light of the size and difficulty of executing the order, (iii) the price/commissions charged and (iv) the capabilities of firms to supply research services.

The Advisers may from time to time purchase or sell securities for several Clients at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce commission rates or other costs. When an aggregated order is filled in its entirety, each participating Client generally will receive the average price obtained on all such purchases or sales made on the applicable trading day. If an order is partially filled, the securities purchased or sold typically will be allocated on a pro rata basis among participating Clients.

When participating in hedging transactions, Sound Mark and the Clients may use a third-party vendor to provide quotes from multiple counterparties.

Clients are responsible for paying any commissions or fees with regard to securities and hedging transactions effected on their behalf.

REVIEW OF ACCOUNTS

While Client investments are generally long-term in nature, the Advisers monitor each Client’s investments on a routine basis, with each asset manager generally reviewing transactions for which such person is responsible on a daily basis and providing monthly and quarterly updates to Sound Mark’s credit committee. Sound Mark’s credit committee periodically checks to confirm that each Private Investment Fund, Managed Account and Sub-Advised Fund is maintained in accordance with its stated objectives and any investment limitations, as set forth in the applicable Governing Documents (or Sub-Advised Fund Documents). Credit committee approval is required for any significant actions to be taken with respect to an investment (e.g., asset acquisitions, dispositions or modifications). The credit committee may also determine that an investment requires additional monitoring, such as when an investment is not performing as expected or there are material changes or concerns with an investment.

The Advisers generally provide Clients and, in the case of the Private Investment Funds, investors with (i) annual audited and quarterly unaudited financial statements and (ii) various other periodic reports as required by the applicable Governing Documents.

CLIENT REFERRALS AND OTHER COMPENSATION

The Advisers do not receive any additional compensation from any third parties for the investment advisory services provided to a Client. The Advisers do not currently compensate any third parties for Client referrals, including any referrals that result in a potential investor investing in a Private Investment Fund, although the Advisers have the right to do so in the future.

CUSTODY

As required by the Advisers Act, Sound Mark has established accounts with one or more qualified custodians to hold funds or securities on behalf of Private Investment Funds for which it is deemed to have custody and, to the extent applicable, Managed Account Clients and/or Sub-Advised Funds. Such accounts are in the Client's name or in Sound Mark's name for the benefit of the Client. Managed Account Clients and Sub-Advised Funds may engage custodians directly to maintain custody of their funds and securities, in which case the Advisers would not generally have custody of such Clients' funds or securities.

INVESTMENT DISCRETION

The Advisers have discretionary authority to manage investments on behalf of Clients. The Advisers assume this discretionary authority pursuant to the terms of the applicable Governing Documents (or Sub-Advisory Agreement in the case of Sub-Advised Funds), as well as any powers of attorney executed by a Client or investors in a Private Investment Fund.

With respect to Private Investment Funds, as a general policy, the Advisers do not allow investors in such funds to place limitations on this authority. Pursuant to the terms of the applicable Governing Documents, however, the Advisers may enter into "side letter" arrangements with certain Private Investment Fund investors whereby the terms applicable to such investor's investment in a Private Investment Fund may be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. With respect to Managed Accounts, any limitations on the Advisers' investment authority are set forth in the applicable Managed Account Agreement. Similarly, with respect to Sub-Advised Funds, any limitations on the Advisers' investment authority are set forth in the applicable Sub-Advised Fund Documents.

VOTING CLIENT SECURITIES

Although the Clients generally do not invest in securities that require voting, the Advisers have adopted Proxy Voting Policies and Procedures (the "Proxy Policy") to address how they will vote proxies, as applicable, for the Clients' portfolio investments. The Advisers generally have proxy voting authority for the Private Investment Funds and may accept such authority on behalf of a Managed Account Client or Sub-Advised Fund if the Client so desires. The Proxy Policy seeks to ensure that the Advisers vote proxies (or similar instruments) in the best interest of the applicable Client, including where there may be material conflicts of interest in voting proxies. With respect to the Private Investment Funds, the Advisers generally believe their interests, as well as the interests of their affiliates, are aligned with those of the Private Investment Funds' investors through the beneficial ownership interests in the Private Investment

Fund by the Advisers and/or their affiliates, including the principals, and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that the Advisers may address the conflict using several alternatives set forth in the Proxy Policy. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by the Advisers when voting proxies on behalf of a Client. Clients, including prospective Clients, that would like a copy of the Advisers' complete Proxy Policy or information regarding how the Advisers voted proxies should contact Sound Mark's Chief Compliance Officer at compliance@soundmarkpartners.com, and such information will be provided at no charge.

FINANCIAL INFORMATION

The Advisers do not require prepayment of Management Fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.