



Form ADV Part 2A- Firm Brochure

CIM INVESTMENT ADVISORS, LLC

December, 2015

Address: 4700 Wilshire Boulevard
Los Angeles, CA 90010
Telephone: 323.860.4900
Website: www.cimgroup.com

This brochure provides information about the qualifications and business practices of CIM Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 323.860.4900. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or any state securities authority. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about CIM Investment Advisors, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This is the initial brochure for CIM Investment Advisors, LLC.

Item 3: Table of Contents

Item 1: Cover Page
Item 2: Material Changes
Item 3: Table of Contents
Item 4: Advisory Business
Item 5: Fees and Compensation
Item 6: Performance-Based Fees and Side-by-Side Management
Item 7: Types of Clients
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss
Item 9: Disciplinary Information
Item 10: Other Financial Industry Activities and Affiliations
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading
Item 12: Brokerage Practices
Item 13: Review of Accounts
Item 14: Client Referrals and Other Compensation
Item 15: Custody
Item 16: Investment Discretion
Item 17: Voting Client Securities
Item 18: Financial Information

Item 4: Advisory Business

CIM Investment Advisors, LLC (“*CIM*”) is a limited liability company organized under the laws of the state of Delaware and based in Los Angeles, California. CIM was formed in March, 2015 and will begin its advisory business after becoming registered with the SEC.

CIM is wholly owned by CIM Group, LLC (together with its affiliates, “*CIM Group*”), which has been investing in urban real estate and real estate related assets and infrastructure assets for more than 20 years. The founders and principal owners (“*Founding Principals*”) of CIM Group are Richard Ressler, Avi Shemesh and Shaul Kuba.

CIM will not have any direct employees, but will have access to CIM Group’s more than 500 employees. The 14 officers of CIM are comprised of CIM Group’s 13 principals, including its three Founding Principals, plus CIM Group’s senior valuation officer. CIM Group’s 13 principals will comprise CIM’s investment committee (“*Investment Committee*”). Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss” for more information regarding CIM Group.

CIM will be a process and research driven investment adviser that seeks to mitigate investor risk through the fundamental analysis of the long-term drivers of investment value. CIM will also seek relative value opportunities by targeting investments that are priced below their long-term intrinsic value. Finally, CIM will seek to deliver strong risk-adjusted returns by utilizing CIM Group’s vertically-integrated team, community qualification methodology and investment discipline.

CIM’s investment advisory business will encompass various strategies, including its five currently projected strategies: opportunistic real estate (“*Opportunistic Strategy*”), core/stabilized real estate, (“*Core/Stabilized Strategy*”), value-add real estate (“*Value-Add Strategy*”), debt (“*Debt Strategy*”) and infrastructure (“*Infrastructure Strategy*”).

CIM expects to provide investment advisory services primarily to investment funds, including commingled funds and single investor funds (all such funds are collectively referred to herein as “*Funds*”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “*Investment Company Act*”) pursuant to Sections 3(c)(5)(C), 3(c)(7) or 3(c)(1) thereof. In addition, CIM may provide advisory services directly to non-Fund institutional investors, high net worth individuals and family offices. CIM does not anticipate providing investment advisory services directly to retail investors or to registered investment companies. CIM refers to each of the Funds, together with other advisory clients, individually as a “*Client*” or collectively as “*Clients*.” CIM Group expects to continue to invest in real estate and real estate related assets and may invest in infrastructure assets for its own account.

CIM expects to generally have discretionary authority to manage accounts on behalf of its Clients in accordance with such Client’s investment objectives, strategies and limitations and pursuant to the terms of an investment management agreement with each such Client. In the case of Fund Clients, the investment management agreement will be entered into on behalf of the Fund by the Fund’s general partner or managing member, who is expected to be a member of CIM Group. Additional investment objectives, strategies and limitations for Fund Clients may also be set forth

in the Fund’s organizational and offering documents (such documents, together with investment management agreements, “*Governing Documents*”). CIM expects to tailor its advisory services to the needs of each Client. Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss” for more information regarding CIM’s investment methodology.

CIM expects to advise multiple Clients that are actively investing in the same strategy at a given time. CIM Group expects to invest in some, but not necessarily all, Funds managed by CIM. CIM does not expect to engage in principal transactions with Clients. CIM Clients may engage in cross-transactions with other Clients. CIM expects Clients will invest side-by-side in particular investments with other CIM Clients. Please see “Item 6: Performance-Based Fees and Side-by-Side Management—Side-by-Side Management” for information on CIM’s proposed side-by-side management and investment and “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Material Risks” for information on potential conflicts of interest and other risks.

Real Estate and Real Estate Related Assets Investment Strategies

CIM’s real estate and real estate related assets investment strategies will generally, but not exclusively, focus on assets located in traditional downtowns of cities and main streets of densely populated communities that CIM has qualified for investment (“*Qualified Communities*”). Qualified Communities are either well-established, thriving urban areas where CIM believes it has an opportunity to acquire assets for prices below long-term, normalized values or transitional urban districts that have dedicated resources to becoming vibrant urban communities. In either case, CIM seeks to identify urban communities that merit the extensive efforts CIM will undertake in making investments. For transitional urban districts, the qualification criteria include the following:

- improving demographics;
- broad public support for CIM’s investment approach;
- private investment;
- underserved niches in the community’s real estate infrastructure; and
- potential to invest a minimum of \$100 million of opportunistic equity within five years.

For well-established, thriving urban areas, the qualification criteria include the following:

- positive demographics;
- public support for investment;
- opportunities below intrinsic value; and
- potential to invest a minimum of \$100 million of opportunistic equity within five years.

Once a community is qualified, CIM expects to proactively identify and evaluate specific investment opportunities through its own market analysis and due diligence. In addition, CIM will actively seek opportunities from CIM Group’s relationships, including CIM Group’s broad network of real estate brokers, property owners, municipalities, redevelopment agencies, consultants, architects, national and regional retail tenants, builders, and prospective partners.

Opportunistic Strategy

CIM's Opportunistic Strategy will generally, but not exclusively, focus on equity and debt investments in real estate and real estate related assets such as retail, residential, office, hotel and other asset types (including entertainment, parking and signage) that are located in Qualified Communities and that require significant development or repositioning efforts, possible entitlement changes, new construction, substantial development or adaptive reuse, and/or full lease-up.

Core/Stabilized Strategy

CIM's Core/Stabilized Strategy will generally, but not exclusively, focus on equity and debt investments in stabilized real estate and real estate related assets such as retail, residential, office and other asset types (including hotel, entertainment, parking and signage) located in Qualified Communities. CIM will seek to make Core/Stabilized investments that may benefit from CIM's opportunistic investments in the same Qualified Community.

Value-Add Strategy

CIM's Value-Add Strategy will generally, but not exclusively, focus on equity and debt investments in real estate and real estate related assets such as retail, residential, office, hotel and other asset types (including entertainment, parking and signage) located in Qualified Communities that require lease-up, capital or tenant improvements, limited redevelopment or limited repositioning efforts.

Debt Strategy

CIM's Debt Strategy will generally, but not exclusively, focus on originating and managing real estate loans on properties located within CIM's Qualified Communities, including limited and/or non-recourse junior loans (b-note or mezzanine) and senior construction loans, bridge loans, acquisition loans, and repositioning loans.

Infrastructure Strategy

CIM's infrastructure strategy is an extension of CIM's urban investment strategy, and will generally, but not exclusively, focus on equity and debt investments in companies and assets constituting or providing public goods and services, including in the following infrastructure sectors: (i) energy and utilities, including renewable energy generation; (ii) water management, including water storage and treatment facilities; (iii) transportation, including parking and urban transportation facilities; (iv) waste management, including recycling and waste-to-energy facilities; and (v) communications and social infrastructure, including healthcare facilities and wireless communications sites.

Management of Client Assets

As of September 30, 2015, CIM manages \$8,099,915,386 of Client assets on a discretionary basis and manages \$100,000,000 of Client assets on a non-discretionary basis.

Item 5: Fees and Compensation

Generally

Management fees (“*Management Fees*”) for Clients will be individually negotiated and may vary between Clients and, for Fund Clients, between investors in a particular Fund. For example, Fund investors may be entitled to a reduction in their pro rata share of the Client’s Management Fee at CIM’s discretion, typically based on the amount of capital committed or the number of investments made by the investor, its affiliates and/or its related investors in that or other Funds, or the timing of the investor’s investment in the Fund. CIM may elect not to charge its own affiliates who are Fund investors their pro rata share of the Client’s Management Fee. Investors in commingled Funds that also invest in co-investment Funds are expected to incur fees in both Funds.

Management Fees are expected to be paid on a periodic basis, generally, but not exclusively, quarterly, either in advance or in arrears. No portion of the Management Fee will be refundable. To the extent that a Management Fee is payable for less than a full payment period, the amount will be appropriately prorated. Fund Clients will be responsible for their organizational and operating expenses in accordance with their Governing Documents. Management Fees may either be billed to Clients (or, in the case of Funds, investors) or deducted from available funds as negotiated with specific Clients and specified in the Governing Documents.

Opportunistic and Infrastructure Strategies

Annual Management Fees for Clients in the Opportunistic and Infrastructure Strategies (“*Opportunistic and Infrastructure Management Fees*”) are generally expected to be based on a percentage of (i) the Client’s aggregate capital commitments during the commitment period and (ii) the Client’s unreturned capital actually invested or committed to investments following the commitment period.

Core/Stabilized Strategy

Annual Management Fees for Clients in the Core/Stabilized Strategy (“*Core/Stabilized Management Fees*”) are generally expected to be based on a percentage of the Client’s asset value, measured on either a gross or net basis depending on the Client.

Valued-Add Strategy

Annual Management Fees for Clients in the Value-Add Strategy (“*Value-Add Management Fees*”) are generally expected to be based on a combination of two components: (1) a percentage of the Client’s net operating income and (2) a percentage of any one or more of the

following: (i) the Client's aggregate capital commitments, (ii) the Client's unreturned capital actually invested or committed to investments or (iii) the Client's asset value, measured on either a gross or net basis depending on the Client.

Debt Strategy

Annual Management Fees for Clients in the Debt Strategy ("*Debt Management Fees*") are generally expected to be based on either (1) a percentage of the Client's net asset value or (2) a combination of two components: (i) a percentage of the Client's aggregate capital commitments and (ii) a percentage of the Client's capital actually invested or committed to investments.

Investment-Level Services Fees

CIM expects that CIM Group will provide investment-level services ("*Investment-Level Services*") that would otherwise be provided by third parties to CIM Clients for additional compensation ("*Investment-Level Services Fees*"). The terms and conditions upon which Investment-Level Services may be provided and the terms and conditions of Investment-Level Services Fees will be individually negotiated with each Client and will be set forth in the Governing Documents. For example, CIM expects to provide property management, development, leasing, and multifamily residential sales services to real estate assets, loan servicing and work-out services to debt investments and operating and administration services to infrastructure portfolio companies. CIM does not generally expect Investment-Level Services Fees to reduce or offset Management Fees.

CIM will engage CIM Group rather than a third-party for Investment-Level Services when doing so is in the interests of the Client. For example, CIM believes that CIM Group's performance-based fee compensation should incentivize CIM Group to provide Investment-Level Services in a manner that will increase the value of Client investments. CIM also believes that CIM Group has superior knowledge and expertise in urban real estate and real estate related assets and infrastructure assets as compared to many competing third-party service providers. Please see "Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Material Risks—Investment-Level Services Fees" for more information regarding these services.

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

Performance-Based Fees

CIM expects that it will generally be entitled to performance-based fees from Clients. For Fund Clients, performance-based fees will generally be earned by the Fund's general partner or managing member or an affiliate, all of whom are expected to be members of CIM Group, rather than CIM itself, on terms specified in the Fund's Governing Documents. The terms of any such fee arrangements will be individually negotiated and will, in all cases, be in compliance with the Investment Advisers Act of 1940, as amended (the "*Advisers Act*").

Performance-Based Fees and Allocation of Investment Opportunities

Performance-based fee arrangements may create an incentive for CIM to recommend investments that may be riskier or more speculative than those that CIM would otherwise recommend under a different fee arrangement. In addition, the manner in which performance-based fees are determined may result in a conflict between CIM's interests and the interests of the Client with respect to the sequence and timing of disposals of investments. Performance-based fee arrangements may also create an incentive for CIM to favor Clients with performance-based fee arrangements over Clients that are not charged a performance-based fee, or even to favor one Client with performance-based fee arrangements over another Client with similar arrangements, depending on the relative likelihood that CIM Group will earn performance-based fees from such Clients, and the likely amounts thereof. CIM has adopted an Investment Allocation Policy and constituted an Investment Allocation Committee as described below to mitigate allocation risks.

Performance-Based Fees and Leverage

Leverage may increase the possibility of earning performance-based compensation, at the risk of greater loss. To the extent CIM Group is entitled to receive performance-based compensation from a Client, CIM may have an incentive to use leverage on behalf of such Client. The amount of leverage that a Client may incur will be specified in the Client's Governing Documents.

Side-by-Side Management

CIM expects to advise multiple Clients that are actively investing in the same strategy at a given time. CIM expects that these Clients may have differing fee arrangements, and some, but not others, may pay performance-based fees. As discussed in "—Performance-Based Fees" above, the existence of such differing fee arrangements may create conflicts of interest for CIM. CIM Group also expects to invest in some, but not necessarily all, Funds managed by CIM. CIM Group also expects to continue to invest in real estate and real estate related assets and may invest in infrastructure assets for its own account. Side-by-side management and CIM Group's own active investment portfolio may create conflicts of interests for CIM in allocating investment opportunities among its Clients and between its Clients and CIM Group. The Investment Allocation Policy and Investment Allocation Committee are intended to mitigate such conflicts.

Side-by-Side Investments

CIM expects to advise Clients that may invest alongside other Clients in particular investments, for example, by investing (including by assignment or participation) in pieces of the same debt facility, or by co-investing in a single real estate or infrastructure asset. CIM will advise Clients to enter into such side-by-side investments when it is in the interest of each participating Client; for example, in order to diversify exposure to a single asset, asset class, or geographic region, or because a Client brings particular knowledge or expertise to bear that is expected to improve the performance of the investment. CIM expects to set forth the terms and conditions under which side-by-side investments may be made in Clients' Governing Documents.

Among the side-by-side investments that may occur are co-investments in Fund investments by investors in that Fund or by other CIM Clients. The terms under which such co-investments may be offered will be set forth in the Fund Client's Governing Documents. Such co-investment opportunities are generally expected to be offered first, on an expedited basis, to the investors in that Fund and second, if the co-investment opportunity is not fully subscribed, at CIM's discretion, broadly to investors in other Funds and other existing or prospective Clients. Co-investments that are oversubscribed by Fund investors in the expedited offering are generally expected to be allocated among such investors pro rata based on each investor's Fund capital commitment, subject to a minimum investment size. However, in allocating co-investment opportunities, CIM may also consider other factors, such as the prospective investor's speed and certainty of execution and whether it brings particular knowledge or expertise to bear that is expected to improve the performance of the investment. Allocations to investors during the second offering will be made at CIM's discretion.

Co-investments are generally expected to occur no later than one year after the date of the Fund Client's initial investment in the asset. Co-investors who invest in an asset after the Fund's investment will generally pay a preferred return to the Fund originally investing in the asset, the amount of which will be determined by CIM in its discretion. The amount of preferred return so payable is generally not expected to vary between Clients in a single co-investment.

Certain Fund investors and Clients may receive favorable terms or priority arrangements with respect to side-by-side investment opportunities, including reduced or waived management fees and/or performance-based fees. Investing in a Fund or becoming a Client does not entitle an investor to participate in side-by-side investment opportunities generated by other Clients, and such opportunities may, and typically will, be offered selectively to other Fund investors or other existing or prospective Clients. The Investment Allocation Policy and Investment Allocation Committee are intended to mitigate such allocation conflicts.

CIM expects, as part of its investment strategy, to keep its Fund sizes relatively small in order to make co-investment opportunities available, first, to Fund investors, and second, to investors in other Funds and other existing or prospective Clients. CIM expects to receive fees, including performance-based fees, from all Clients participating in side-by-side investments, which could allow CIM to receive fees from both the original Client and the co-investor Client(s) with respect to a particular asset. Such fee arrangements may create an incentive for CIM to offer more side-by-side investment opportunities than it otherwise would in the absence of such fees. There may

also be conflicts of interests between Clients investing in side-by-side investments with regard to the allocation of expenses, the exercise of control rights, and the structuring and/or the timing of the acquisition and/or disposition of the particular investment. Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Material Risks—Side-by-Side Investments,” for more information on the risks and conflicts that may arise from side-by-side investments.

Investment Allocation Policy

CIM has adopted an investment allocation policy (the “*Investment Allocation Policy*”) designed to treat its Clients fairly and equally and prevent conflicts from influencing the allocation of investment opportunities. The Investment Allocation Committee (as defined below) will be responsible for implementing the Investment Allocation Policy.

Pursuant to the Investment Allocation Policy, CIM will determine the allocation of investment opportunities in good faith taking into account relevant facts and circumstances. New investment opportunities will generally first be classified by the applicable investment team according to investment strategy/objective (i.e., whether it is most appropriate for a Client investing in stabilized, opportunistic, value-add, debt or infrastructure strategies, taking into account the risk/return profile for each of these types of investments). If an investment may be suitable for two or more Clients with similar or overlapping investment strategies that have the capacity to make such investment, CIM’s Investment Allocation Committee will determine the allocation by considering, among other things, the following factors with respect to each of the applicable Clients and the relative weight that should be given with respect thereto:

- the investment guidelines and/or restrictions, if any, set forth in the Client’s Governing Documents;
- the Client’s risk and return profile;
- the suitability/priority of a particular investment for the Client;
- the Client’s available capital for investment;
- the aggregate capital committed to the Client; and
- the age/vintage of the Client’s account or Fund, and the remaining term of the Client’s investment period, if any.

In considering the suitability/priority of a particular investment for a Client, CIM’s Investment Allocation Committee may consider, among other factors, whether:

- the investment opportunity is contiguous or proximate to an existing investment;
- the investment opportunity is being made in conjunction with the strategic expansion plans of an existing investment;
- the investment opportunity is being pursued with a sponsor/partner that is also a sponsor/partner in an existing investment;
- there are economic ties/relationships between the investment opportunity and an existing investment; and
- the size and/or product type of the investment opportunity enhances existing diversification within the Client’s portfolio.

Priority will generally be given to Clients that are in their investment period or have undrawn commitments over Clients that are outside their investment period or have no undrawn commitments. However, application of one or more of the factors listed above, or other factors determined by the Investment Allocation Committee to be relevant/appropriate, may result in an allocation to a Client no longer in its investment period over a Client that is still within its investment period.

Investment Allocation Committee

CIM's investment allocation committee ("*Investment Allocation Committee*") will be primarily responsible for implementing the Investment Allocation Policy, including resolving allocation conflicts. The Investment Allocation Committee is comprised of five of CIM Group's principals, including: CIM Group's three Founding Principals, its senior investment principal and its Chief Legal and Compliance Officer. The size, composition, and policies of the Investment Allocation Committee may be changed from time to time.

Item 7: Types of Clients

CIM expects to provide investment advisory services primarily to Funds that are exempt from registration under the Investment Company Act pursuant to Sections 3(c)(5)(C), 3(c)(7) or 3(c)(1) thereof. CIM may also provide investment advisory services directly to non-Fund institutional investors, high net worth individuals and family offices. CIM does not anticipate providing investment advisory services directly to retail investors or to registered investment companies. CIM Group expects to invest in some, but not necessarily all, Fund Clients. CIM does not expect to engage in principal transactions with Clients. CIM Clients may engage in cross-transactions with other Clients. CIM expects to advise Clients that invest side-by-side with other Clients in particular assets.

The minimum capital commitment to invest in a private Fund is expected to range between \$5 and \$25 million depending on the Fund; however the Fund's general partner or managing member will generally have discretion to reduce the minimum capital commitment. All Fund investors will be subject to applicable financial sophistication requirements and CIM expects Fund investors to constitute "qualified purchasers" ("*Qualified Purchasers*") as defined in Section 2(a)(51) of the Investment Company Act. In addition, CIM expects that U.S. Fund investors will constitute "accredited investors" as defined in Regulation D under the Securities Act and that non-U.S. Fund investors will satisfy the requirements of Regulation S under the Securities Act.

There is no currently contemplated minimum account size for non-Fund institutional, high net worth individual or family office Clients. However, CIM expects such Clients to be Qualified Purchasers.

There will be no minimum investment requirements or investor accreditation requirements to invest in the common stock of a publicly traded Fund.

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

Generally

CIM will be a process and research driven investment adviser that seeks to mitigate investor risk through the fundamental analysis of the long-term drivers of investment value. CIM will also seek relative value opportunities by targeting investments that are priced below their long-term intrinsic value. Finally, CIM will seek to deliver strong risk-adjusted returns by utilizing CIM Group's vertically-integrated team, community qualification methodology and investment discipline.

CIM's underwriting approach is based on adherence to stringent investment guidelines regardless of market conditions. CIM expects to employ multiple underwriting scenarios, including a "long-term average" underwriting scenario and a "current market case" underwriting scenario and to underwrite all of its investments on both a leveraged and unleveraged basis. CIM's long-term average underwriting is based on CIM's belief that, over the life of any given investment, a Client should be able to exit its investment at long-term historical averages.

CIM will also seek to provide capital preservation and downside protection through extensive diligence into asset collateral value. For example, CIM will attempt to invest in assets where it can invest at a meaningful discount to: (i) historic trading and transaction multiples and/or (ii) replacement cost.

CIM will draw upon the resources of CIM Group to execute its investment strategy. Since 1994, CIM Group has managed various investment vehicles investing in urban real estate and real estate related assets and infrastructure assets on behalf of itself and institutional investors. Beginning with its three Founding Principals, CIM Group has grown into a cohesive national organization with over 500 employees located throughout the U.S. CIM Group's primary corporate offices are located in Los Angeles, CA (headquarters), Oakland, CA, Bethesda, MD, Dallas, TX and New York, NY.

Investment Committee

CIM's Investment Committee will be responsible for making the investment decisions for each discretionary Client and recommending investments to non-discretionary Clients, pursuant in each case to the terms of the Client's Governing Documents. The Investment Committee is comprised of all 13 of CIM Group's principals. Unanimous approval of CIM Group's three Founding Principals and the majority vote of all principals is required for the acquisition or disposition of an investment. The size, composition, and policies of the Investment Committee may be changed from time to time.

Asset Management Committee

CIM's asset management committee ("*Asset Management Committee*") will be responsible for overseeing the management of each Client's investments, pursuant to the terms of the Client's Governing Documents. Among other things, the Asset Management Committee is expected to review and approve each investment's strategic plan and annual business plan. The Asset Management Committee is comprised of CIM Group's three Founding Principals and its senior

investment principal. The size, composition, and policies of the Asset Management Committee may be changed from time to time.

Investment Allocation Committee

Please see “Item 6: Performance-Based Fees and Side-by-Side Management—Side-by-Side Management—Investment Allocation Committee” for a description of the Investment Allocation Committee.

Discipline

Real Estate and Real Estate Related Assets Investment Strategies

CIM’s investment discipline for its real estate and real estate related assets investment strategies places a top priority on addressing the short-and long-term needs of a community. It relies upon rigorous quantitative investment analysis as well as a qualitative understanding of the inherent risks and opportunities within communities.

CIM’s urban investing discipline is based on the premise that the best way to create or enhance value is to focus on a community as a whole, by investing in varied assets or asset classes within that community. This philosophy is intended to enable CIM to more efficiently realize the benefits of a community’s development across each of CIM’s investment strategies through their distinct risk/reward profiles. CIM’s investment philosophy is non-product specific and driven by the principle that every investment should correlate with the opportunities in the community in both the near- and long-term.

CIM’s investment strategy is process oriented in its origination and diligence capabilities. CIM expects to draw upon CIM Group’s 20 plus year history of investing in communities across North America, which has enabled CIM Group to develop an understanding of the complex nature of urban investing as well as how best to leverage its extensive real estate development and operation expertise. All of CIM’s investment strategies will invest based on the belief that the appropriate consideration of the needs and opportunities within a community will lead to the most successful investments.

Before making an investment in a particular asset or community, CIM will undertake a rigorous quantitative and qualitative diligence process. The combination of quantitative expertise, underwriting, capital markets, and historical analysis, with a qualitative understanding of the needs and potential of a given community, are expected to enable each of CIM’s investment strategies to deliver strong results when compared to peer and asset-class benchmarks through all phases of the market cycle.

CIM will seek to be a hands-on, catalytic, and transformational investor. CIM believes this approach will allow it to leverage its perspective, expertise, relationships, and operational experience to increase investment value.

CIM will draw upon CIM Group’s in-house teams, which have experience in all areas of real estate operations, including investment management, development, capital markets, property

management, leasing, multifamily residential sales, hotel management and financial controls and reporting.

Infrastructure Strategy

CIM's infrastructure strategy is a natural extension of CIM's real estate and real estate related assets investment strategies, with all strategies sharing similar underlying investment fundamentals and targeted assets (tangible assets serving community residents, businesses, and stakeholders). Through public and private transactions, the Infrastructure Strategy will seek to provide infrastructure solutions to urban communities. CIM expects to capitalize on CIM Group's expertise across operational functions, industries, and geographies, including in development, permitting and construction, "local" market knowledge and experience, relationships with public and private agencies and consistent underwriting discipline, in its infrastructure investments.

Through interactions with various public and private agencies and industry groups, CIM has identified certain infrastructure sectors in North America where it intends to focus, most notably: (i) energy and utilities, including renewable energy generation; (ii) water management, including water storage and treatment facilities; (iii) transportation, including parking and urban transportation facilities; (iv) waste management, including recycling and waste-to-energy facilities; and (v) communications and social infrastructure, including healthcare facilities and wireless communications sites that support urban communities.

By leveraging CIM Group's community-focused real estate and real estate related assets investment strategies, CIM will aim to source and secure proprietary investment opportunities that provide infrastructure essential to the everyday lives of urban residents. CIM believes that its community-focused approach will enable CIM to create superior infrastructure solutions for public and private stakeholders, establish a strong alignment of interest among project counterparties and identify investment opportunities in attractive urban markets across North America.

Risk of Loss

Investing involves a risk of loss that investors should be prepared to bear.

Material Risks

Illiquidity of Investors' Interests

CIM expects to focus its investment advisory business primarily on Funds. Limited partnership and membership interests in Funds will not be registered for public sale under the Securities Act or any other securities law and may not be publicly resold unless they are subsequently registered or an exemption from such registration is available. There is generally no liquid market for interests in non-public Funds, and it is highly unlikely that one will develop. Investors' interests in Funds may thus be highly illiquid and should be acquired only by investors able to commit their funds for an indefinite period of time.

Fund investors will likely not be permitted to sell, assign, transfer, pledge, hypothecate or participate out any Fund interest except as required by law or with the prior written consent of the

relevant general partner or managing member, which consent may be withheld in a general partner or managing member's sole discretion, and the satisfaction of certain other conditions.

Tax Considerations

CIM expects that Fund investors may incur different tax consequences depending on the type of Fund in which they invest. Some Funds are expected to be treated as partnerships for federal income tax purposes. In such cases, these Funds will not be subject to federal income tax, and each investor in the Fund will be required to include its allocable share of all items of income, gain, loss, and deduction of the Fund in calculating such investor's federal income tax liability, regardless of whether any distributions have been made by the Fund to that investor. An investor's taxable income or tax liability in a particular year could substantially exceed amounts distributed by a Fund to such investor and a significant portion (or all) of that income may be taxed at ordinary rates. In addition to U.S. federal income tax filing obligations, certain Funds and the investors therein may be subject to taxation (including withholding taxes), and the Funds may be subject to tax filing obligations, in the U.S. state, local and non-U.S. jurisdictions in which the Fund makes investments.

Some Funds may elect to be taxed as a real estate investment trust ("REIT"), which is a tax efficient pass-through entity that distributes all earnings. However, if a REIT is not properly managed, it may incur entity level tax, which may be punitive.

It is likely that a substantial portion of the income and gain earned by some Funds will constitute unrelated business taxable income, which may present special risks to certain investors exempt from U.S. federal income tax. CIM expects that Fund offering documents will generally contain a description of tax matters relevant to investors in the Fund.

Risks of Real Estate Investments

Investments in real estate and real estate related assets will be subject to the risks inherent in the ownership of real estate assets. These risks include, but are not limited to: the burdens of ownership of real property, general and local economic conditions, adverse local market conditions, the financial conditions of tenants, buyers and sellers of properties, changes in building, environmental, zoning and other laws, changes in real property tax rates, changes in interest rates and the availability of debt financing, changes in operating costs, negative developments in the local, national or global economy, risks due to dependence on cash flow, environmental liabilities, uninsured casualties, unavailability of or increased cost of certain types of insurance coverage (such as terrorism insurance), acts of God, acts of war (declared or undeclared), hostilities, terrorist acts, strikes, and other factors which are beyond the control of CIM.

Risks of Infrastructure Investments

Investment in infrastructure assets are subject to unique and acute risks. Project revenues can be affected by a number of factors including but not limited to: economic and market conditions, political events, competition, regulation, and the financial position and business strategy of customers. Unanticipated changes in the availability or price of inputs necessary for the operation

of infrastructure assets may adversely affect the overall profitability of the investment or related project. Events outside the control of CIM and/or any project owner/operator, could significantly reduce the revenues generated, significantly increase the expense of constructing, operating, maintaining, and/or restoring infrastructure facilities, or result in termination of an applicable concession or other agreement, any of which could significantly impair the value of the infrastructure investment. These events include, but are not limited to: political action, governmental regulation, demographic changes, economic growth, increasing fuel prices, government macroeconomic policies, toll rates, social stability, competition from untolled or other forms of transportation, natural disasters, changes in weather, changes in demand for products or services, bankruptcy or financial difficulty of a major customer, and/or acts of war or terrorism.

As a general matter, the operation and maintenance of infrastructure assets or businesses involve various risks and is subject to substantial regulation, many of which may not be under the control of CIM or any project owner/operator, including: labor issues, failure of technology to perform as anticipated, structural failures and accidents, and the need to comply with the directives of government authorities. Although CIM on behalf of the Client and/or any project owner/operator may maintain insurance to protect against certain risks, where available on reasonable commercial terms (such as business interruption insurance that is intended to offset loss of revenues during an operational interruption), such insurance is subject to customary deductibles and coverage limits and may not be sufficient to recoup all such losses.

Risks of Real Estate Loans and Participations

Real Estate loans may become non-performing for a wide variety of reasons. Such 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/or a substantial write-down of the principal of such loan. Moreover, it may be necessary or desirable to foreclose on collateral securing one or more real estate loans. The foreclosure process varies jurisdiction by jurisdiction and can be lengthy and expensive.

Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the holder of a loan including without limitation 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 jurisdictions, foreclosure actions can take up to several years or more to conclude. Foreclosure litigation tends to create a negative public image of the collateral property and may result in disrupting ongoing management of the property. During the foreclosure proceedings, a borrower may have the ability to file for bankruptcy, potentially staying the foreclosure action and further delaying the foreclosure process. Bankruptcy laws may delay the lender's ability to realize on collateral for loan positions held by it or may adversely affect the priority of such loans through doctrines such as equitable subordination. Bankruptcy laws may also result in a restructure of the debt without a lender's consent under the "cramdown" provisions of the bankruptcy laws and may also result in a discharge of all or part of the debt without payment to the lender.

Real estate mezzanine financings are generally made to a direct or indirect parent of the property owner in exchange for a direct or indirect pledge of the equity interest in the property owner, rather than to a property owner in exchange for a security interest in the underlying real property. The

parent of the property owner is commonly set up as a single purpose entity intended to be “bankruptcy remote” that owns only the equity interest in the property owner. In such a circumstance, remedies in the event of non-performance would include foreclosure on the equity interests pledged by the parent of such property. While the foreclosure process on such equity interests is generally less cumbersome and quicker than foreclosure on real property, such foreclosure process may nevertheless involve the risks discussed herein. Furthermore, such mezzanine financing may involve multiple levels of mezzanine loans to multiple levels of mezzanine borrowers (each pledging its equity interest in the borrower under the more senior financing as collateral) and therefore the value of the mezzanine loans may be negatively affected by separate levels of mezzanine financing. There can also be no guarantee that in such circumstances favorable intercreditor rights will be negotiated.

Debt Strategy Clients may acquire interests in real estate loans via participation. Holders of participations are subject to additional risks not applicable to holders of direct interests in loans. Participations in a selling institution's portion of a loan typically result in a contractual relationship only with such selling institution, not with the borrower. Holders of a participation in a loan may have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set off against the borrower, and may not directly benefit from the collateral supporting the loan in which it has purchased the participation. As a result, the holder of a participation interest will assume the credit risk of both the borrower and the institution selling the participation, which will remain the legal owner of record of the applicable loan. In the event of the insolvency of the selling institution, holders of participation interests may be treated as general unsecured creditors of the selling institution, and may not benefit from any set off between the selling institution and the borrower.

Illiquidity of Investments

The investments to be made by CIM on behalf of its Clients are likely to be illiquid and may include investments in non-performing, sub-performing, distressed, under-capitalized or other troubled assets. Given the nature of the investments contemplated by CIM, there is a significant risk that Clients will be unable to realize their investment objectives by sale or other disposition at attractive prices or within any given period of time, or will otherwise be unable to complete any exit strategy. Because the terms of Fund Clients will be limited, certain investments may be sold at unfavorable prices or, subject to the consent requirements in the relevant Fund's governing documents, may be distributed in-kind to the Fund's investors at liquidation and those investments may be less liquid than other types of investments or illiquid.

Limited Current Return

The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of an investment. It is expected that most of a Client's investments will not be sold until a number of years after they are made. Although current returns from investments may vary, there may be some cases prior to partial or complete disposition where there will be no current return on an investment, and CIM is not obligated to manage investments to maximize current returns.

Leverage

CIM may use a substantial amount of leverage in connection with its Clients' investments. This leverage may subject such investments to restrictive financial and operating covenants, which may impair such investments' ability to finance their future operations and capital needs or limit their flexibility to respond to changing business and economic conditions. In addition, leverage will increase such investments' exposure to adverse economic factors such as significantly rising interest rates, severe economic downturns or deteriorations in the condition of the real estate investment or its market. The income and net assets of a leveraged investment will tend to increase or decrease at a greater rate than if borrowed money were not used. Lenders or other holders of senior positions will be entitled to a preferred cash flow prior to a Client receiving a return on a leveraged investment, and, in the event an investment is unable to generate sufficient cash flow to meet the principal and interest payments on its indebtedness, the value of the Client's equity in such investment could be significantly reduced or even eliminated.

Leveraging a Client's assets will involve significant complexity. In the event that the Client is unable to obtain committed debt financing for potential acquisitions or can only obtain debt at an increased interest rate or on other unfavorable terms, the Client may have difficulty completing otherwise profitable acquisitions or may generate profits that are lower than would otherwise be the case, either of which could lead to a decrease in the investment income earned by the Client. There can be no assurance that a Client will be able to obtain financing and, to the extent that it is available, there can be no assurance that such financing will be on terms favorable to the Client, including with respect to interest rates.

Fund Clients may also engage in financings directly rather than at the level of particular investments. The rights of any lenders making loans directly to a Fund to receive payments of interest or repayments of principal will be senior to those of the Fund investors, and the terms of any borrowings may contain provisions that limit distributions to the investors or certain other activities of the Fund.

Fund borrowings under a credit facility may be secured, among other things, by the investors' interests in the Fund and their obligations to make capital contributions to the Fund. Any inability of the Fund to repay such borrowings could enable a lender to call capital from the investors and to take action against the investors and their interests in the Fund to the extent that such investors fail to fund any such capital call.

Performance-Based Fees

Performance-based fee arrangements may create an incentive for CIM to recommend investments that may be riskier or more speculative than those that CIM would otherwise recommend under a different fee arrangement. In addition, the manner in which performance-based fees are determined may result in a conflict between CIM's interests and the interests of the Client with respect to the sequence and timing of disposals of investments. Performance-based fee arrangements may also create an incentive for CIM to favor Clients with performance-based fee arrangements over Clients that are not charged a performance-based fee, or even to favor one Client with performance-based fee arrangements over another Client with similar arrangements, depending on the relative

likelihood that CIM Group will earn performance-based fees from such Clients and the likely amounts thereof.

Allocation of Investment Opportunities

CIM expects to advise multiple Clients that are actively investing in the same strategy at a given time. CIM expects that these Clients may have differing fee arrangements, and some, but not others, may pay performance-based fees. CIM Group also expects to invest in some, but not necessarily all, Funds managed by CIM. CIM Group also expects to continue to invest in real estate and real estate related assets and may invest in infrastructure assets for its own account. Further, as noted above, the type and amount of fees, including performance-based fees, paid to CIM and CIM Group differs among Clients. Side-by-side management and CIM Group's own active investment portfolio may give rise to conflicts of interest when allocating investment opportunities among Clients, and between Clients and CIM Group. To address conflicts of interest and to fulfill CIM's fiduciary duties to each of its Clients, among other things, CIM has adopted an Investment Allocation Policy and constituted an Investment Allocation Committee. Please see "Item 6: Performance-Based Fees and Side-by-Side Management" for a description of CIM's Investment Allocation Policy and Investment Allocation Committee.

Side-by-Side Investments

CIM expects to advise Clients that may invest alongside other Clients in particular investments, for example, by investing (including by assignment or participation) in pieces of the same debt facility, or by co-investing in a single real estate or infrastructure asset. CIM expects, as part of its investment strategy, to keep its Fund sizes relatively small in order to make co-investment opportunities available, first, to Fund investors, and second, to investors in other Funds and other existing or prospective Clients. CIM will advise Clients to enter into such side-by-side investments when it is in the interest of all participating Clients; for example, in order to diversify exposure to a single asset, asset class, or geographic region, or because a Client brings particular knowledge or expertise to bear that is expected to improve the performance of the investment. CIM expects to set forth the terms and conditions under which side-by-side investments may be made in Clients' Governing Documents.

Transaction-specific returns, and a Client's overall return, may be materially affected if the Client's investment in a particular asset is diluted by another Client's side-by-side investment. CIM expects to receive fees, including performance-based fees, from all Client's participating in side-by-side investments, which may create an incentive for CIM to offer more side-by-side investment opportunities than it otherwise would in the absence of such fees. CIM may also have an incentive to offer side-by-side investment opportunities to Clients more likely to pay performance-based fees, such as Client's investing in a single asset (such as co-investment) rather than a pool of assets.

Where two or more Clients invest side-by-side in a particular asset, CIM may be presented with decisions in which the interests of the Clients are in conflict and CIM may have conflicting loyalties between its duties to such Clients. For example, conflicts may arise with respect to the allocation of expenses, the granting of control rights or exercise of control rights, and the

structuring and/or timing of the acquisition and/or disposition of the particular investment. In any such case, actions may be taken that benefit one Client but are adverse to the interests of other Client(s). There can be no assurance that the returns realized by one Client will be equivalent to or better than the returns obtained by other Client(s) participating in the same investment.

Investment-Level Services Fees

As described in “Item 5: Fees and Compensation— Investment-Level Services Fees,” CIM Group is expected to provide Investment-Level Services to CIM Clients in return for Investment-Level Services Fees, which services would otherwise be provided by third parties. For example, CIM expects to provide property management, development, leasing and multifamily residential sales services to real estate assets, loan servicing and work-out services to debt investments and operating and administration services to infrastructure companies. The terms and conditions upon which Investment-Level Services may be provided and the terms and conditions of Investment-Level Services Fees will be individually negotiated with each Client and will be set forth in the Governing Documents. CIM will engage CIM Group rather than a third-party for Investment-Level Services when doing so is in the interest of the Client. CIM does not generally expect Investment-Level Services Fees to reduce or offset Management Fees.

CIM Group may also be reimbursed for certain administrative services provided to Clients, such as internal finance, tax, accounting, legal, compliance, human resources, and information technology. The terms and conditions of any such reimbursements will be set forth in the Client’s Governing Documents and are generally expected to be on terms no less favorable to a Client than the terms on which the Client could obtain comparable services from an unaffiliated third party.

Conflicts Relating to Valuation

CIM’s Management Fee for certain Clients may be based on the value of the Client’s assets. The participation of CIM Group investment professionals in the valuation process, and CIM’s selection of third-party valuation advisors (such as real estate appraisers), could result in a conflict of interest. To mitigate this risk, valuations are subject to the review and approval of a valuation committee (“*Valuation Committee*”) comprised of CIM Group’s senior valuation officer, Chief Financial Officer, one CIM Group Founding Principal, and one CIM Group investment principal. In addition, potential third-party appraisers will be selected through a formalized assessment of multiple factors including cost effectiveness, appraiser expertise, and quality of work product. Appraisers will be required to be in good standing with a Member of the Appraisal Institute. Appraisal firms will typically be rotated out of the selection process regularly to minimize any conflicts of interest that could result from entrenchment; i.e. the risk that an appraiser could provide advantageous appraisals to ensure its continued retention.

Conflicts Relating to Time and Resources of Investment Professionals

As noted in “Item 4: Advisory Business,” CIM will not have any employees, but will have access to CIM Group employees. While these employees, including the officers of CIM, are expected to devote as much of their time to CIM’s Clients as reasonably required to perform CIM’s duties pursuant to its investment management agreements and in accordance with reasonable commercial standards, they will not be exclusive to CIM. For example, CIM Group employees may in the

future serve as senior officers of affiliated investment advisers and/or serve on their investment committees, may manage other investment funds, accounts, or other investment vehicles with investment objectives similar to those of CIM's expected and/or future Clients, and/or may serve as officers, directors, or principals of entities that operate in the same, or a related, line of business as CIM and its Clients. While such persons are performing their respective roles with and for CIM's affiliates, it could create conflicts of interest due to competing priorities and allocation of time and responsibilities.

Reliance on Third Parties

Clients will frequently retain third parties to provide services to its investments. The success or failure of such investments will depend to a significant extent on the performance of such services. Clients may also make investments through partnerships, joint ventures, and/or other entities with third parties. While CIM will review the qualifications and previous experience of such third parties, the selection of a third party co-venturer or partner is inherently based on subjective criteria with the result that the performance and abilities of a particular third party will be difficult to assess. The success or failure of such investments may depend to a significant extent on the performance of such third party.

Risks Associated with Foreign Investments

CIM may invest some Client capital outside of the United States. Investments in foreign countries will be affected favorably or unfavorably by changes in interest rates due to political and economic factors, including inflation. Because non-U.S. companies are not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable with those applicable to U.S. companies, there may be different types of, and lower quality, information available about non-U.S. companies and their assets. This may affect CIM's ability to underwrite and evaluate proposed investments in foreign countries or to obtain appropriate financial reports relating to such investments. In addition, with respect to certain countries, there may be an increased potential for corrupt business practices, or the possibility of expropriation or confiscatory taxation, political or social instability, or diplomatic developments that could affect the Client's investments in those countries. While CIM intends, where deemed appropriate, to manage each Client's investments in a manner that will minimize exposure to the foregoing risks, there can be no assurance that adverse developments with respect to such risks will not adversely affect the assets of Clients that are held in certain countries. Investments in foreign countries may also be subject to currency exchange rate fluctuations, which may adversely affect the returns Clients realize from such investments. While CIM may attempt to hedge such exchange rate exposure, there is no guarantee that any such hedges will be wholly or partially successful.

Item 9: Disciplinary Information

CIM has no material facts to report regarding any legal or disciplinary events that would be material to the evaluation of CIM.

Item 10: Other Financial Industry Activities and Affiliations

Affiliated Investment Vehicles

CIM Group acts as the managing member or general partner of various investment funds that are exempt from registration under the Investment Company Act pursuant to Section 3(c)(5)(C), 3(c)(7) or 3(c)(1) thereof. CIM expects to become the investment adviser to some or all of these investment funds after registration.

Other Investment Advisers

CIM and certain management persons are related to OFS Capital Management, LLC and Orchard First Source Asset Management, LLC, both of which are registered investment advisers focusing on middle-market lending and broadly syndicated loans. CIM does not anticipate a conflict between itself and these entities because they advise on unrelated asset classes. Accordingly, CIM does not expect to compete with these entities with respect to investment opportunities or Clients or for CIM's Clients to engage in transactions (including side-by-side investments) with Clients of these entities.

One of CIM Group's Founding Principals, who serves as chairman of CIM's Investment and Asset Management Committees, and CIM's Chief Legal and Compliance Officer, provide services to OFS Capital Management, LLC and Orchard First Source Asset Management, LLC. A conflict of interest due to competing priorities and allocation of time and responsibilities may arise when these officers are providing these services.

Real Estate Broker

CIM is affiliated with CIM Management, Inc., a real estate broker that provides real estate brokerage services to CIM Group, including, it is expected, CIM and its Clients.

Sponsor, General Partner or Managing Member (or equivalent) of Fund Clients

CIM expects CIM Group to be the sponsor, general partner, or managing member (or equivalent) of Fund Clients.

As the sponsor, general partner, or managing member (or equivalent) of Fund Clients, CIM Group is expected to manage the Client on behalf of the investors therein, including selecting the Client's investment adviser and engaging affiliates to provide Investment-Level Services. To the extent CIM Group shares in the fees earned by its affiliates, including CIM, it may have a conflict of interest in determining whether to engage its affiliates to provide such services.

Conflicts Procedures

CIM has adopted various policies and procedures to address potential conflicts among various Clients and between CIM and its Clients, which CIM refers to as the "*Conflicts Procedures*." These policies and procedures, which may be modified from time to time at CIM's sole discretion, may

require prior review or approval of certain transactions by the Chief Legal and Compliance Officer or members of senior management. Relevant policies and procedures for addressing conflicts with respect to a particular Client may be described in greater detail in the Client's Governing Documents. With respect to affiliate transactions or other matters giving rise to conflicts of interest, the relevant Governing Documents may provide for, among other things, consultation regarding or approval of such transactions by a person or body such as an advisory committee comprised of certain of the underlying investors in a pooled investment vehicle.

For a discussion of additional conflicts of interest and CIM's procedures for addressing those conflicts, please see "Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Material Risks."

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

CIM mandates the highest standards of ethical conduct and care from all of its personnel, including CIM Group employees who provide services to CIM (collectively, “*CIM Personnel*”). CIM Personnel must abide by this basic business standard and must not take inappropriate advantage of their position. CIM Personnel are under a duty to exercise their authority and responsibility for the benefit of the Clients and CIM, and may not have outside interests that inappropriately conflict with the interests of CIM and its Clients. CIM Personnel must avoid circumstances or conduct that adversely affect, or that appear to adversely affect, CIM or its Clients.

Code of Ethics

Pursuant to Rule 204A-1 of the Advisers Act, CIM has adopted a Code of Ethics to establish applicable policies, guidelines, and procedures that promote ethical practices and conduct by all CIM Personnel and that prevent violations of the federal securities laws, including the Advisers Act and the Investment Company Act. The Code of Ethics is predicated on the principle that CIM owes a fiduciary duty to its Clients. It consists of several policies primarily designed to address potential conflicts of interest, including a Personal Investment Policy, an Inside Information Policy, and a Gifts, Entertainment, Political Contributions and Outside Activities Policy.

CIM Personnel must observe the applicable standards of care set forth in the Code of Ethics and may not seek to evade the policies and procedures set forth therein in any way, including through indirect acts by family members or other associates. CIM also maintains various compliance policies to assure compliance with other relevant provisions of the Advisers Act (“*Compliance Policies*”). CIM Personnel must certify at least annually that they have read, understand, are subject to, and have complied with the Code of Ethics and the various Compliance Policies. CIM Personnel must comply with applicable federal securities laws and must report violations of the Code of Ethics to the Chief Legal and Compliance Officer.

CIM will provide a copy of the Code of Ethics, free of charge, to any Client or investor or any prospective Client or prospective investor upon request. The Code of Ethics may be requested by contacting CIM’s Chief Legal and Compliance Officer, Eric P. Rubinfeld, at 332-860-9542 or erubinfeld@cimgroup.com.

Participation or Interest in Client Transactions

Conflicts of interest may occur when CIM, its affiliates or any CIM Personnel invest in the same investments, trade in the same investments at or about the same time, or have a material financial interest in the same investments that CIM recommends to Clients. The Code of Ethics and the policies and procedures set forth therein have been designed to limit conflicts of interest in cases where CIM, its affiliates or any CIM Personnel, buy, sell, or otherwise have a direct or indirect interest in, investments that CIM has recommended to Clients. Because CIM Clients are expected to invest in real estate and real estate related assets and infrastructure assets, it is highly unlikely that CIM, its affiliates or any CIM Personnel will have a direct or indirect interest in such assets.

Personal Trading

Although, as a general matter, CIM Personnel would not typically be able to invest in the same real estate and real estate related assets and infrastructure assets as CIM's Clients, CIM nonetheless maintains a rigorous and robust Code of Ethics that, among other things, prohibits CIM Personnel from using their knowledge concerning a trade, pending trade, or contemplated investment by any of the Clients, to profit personally as a result of such transaction, including by purchasing or selling such investments.

As required by Rule 204A-1 of the Advisers Act, the Code of Ethics contains a Personal Investment Policy which mandates that CIM Personnel disclose their personal securities holdings and transactions made in a "Reportable Security," as defined in the Code of Ethics. Further, CIM Personnel are generally prohibited from purchasing or selling, for any personal accounts, securities or other obligations of companies or issuers that, at that time, are listed on CIM's "Restricted List," which contains a list of companies or other issuers: (i) about which CIM may possess material non-public information, (ii) to which CIM may owe a fiduciary obligation, or (iii) in which CIM Clients own or intend to purchase an interest. Additionally, CIM Personnel may not invest in an initial public offering or a private placement without the prior written approval of the Chief Legal and Compliance Officer.

In addition, the Code of Ethics contains policies and procedures to prevent the misuse of material non-public information by CIM Personnel, including the misuse of material non-public information about its investment recommendations and Client investments and transactions. The Code of Ethics describes what constitutes "material" and "non-public" information, and outlines the penalties that CIM Personnel are subject to if they trade on such information.

Moreover, CIM Personnel may not engage in "front running." Front running is an illegal practice in which an investment professional takes a position in an investment in advance of an action he or she knows will predictably affect the price of the investment. The Restricted List and the prohibition on front running are intended to prevent conflicts between CIM and CIM Personnel and CIM's Clients.

Item 12: Brokerage Practices

CIM will primarily transact in real estate and real estate related assets and infrastructure assets for its Clients and does not expect to utilize securities brokers to effect securities transactions for Clients; however, in the event that CIM seeks to employ a securities broker to effect a securities transaction for a Client, CIM will generally consider both qualitative and quantitative factors in selecting such a broker, including, but not limited to, the broker's reliability and execution capabilities for the transaction, the commissions charged by the broker, and the broker's reputation and responsiveness to request for trade data and other financial information.

CIM does not enter into soft dollar arrangements at this time.

Aggregation

CIM does not expect to aggregate trades across Clients.

Item 13: Review of Accounts

Account Review

All Client investment portfolios are generally expected to be illiquid, private and long-term in nature. CIM will closely monitor each investment and maintain ongoing oversight with respect to the performance of each investment. CIM's Asset Management Committee will monitor each Client's investment portfolio. Please see "Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Generally—Asset Management Committee" for more information on the composition and responsibilities of CIM's Asset Management Committee.

Reports

CIM expects investors in Fund Clients will receive annual audited financial statements and quarterly unaudited balance sheets, income statements and summary reports on their respective Fund's investments.

To the extent CIM advises publicly traded Funds, such entities will file with the SEC written periodic, quarterly, and annual reports regarding the composition of its portfolios and fund performance and, if requested, will provide more frequent reports to the board of directors, as it may reasonably request.

Item 14: Client Referrals and Other Compensation

CIM may enter into written agreements to engage solicitors to introduce new investors. Any placement agent agreement entered into by CIM will be in compliance with Rule 206(4)-3 of the Advisers Act, if and to the extent applicable. CIM has adopted written policies and procedures to govern the use of solicitors and placement agents.

Fund Clients may enter into placement agency agreements to sell shares or interest of such Fund to eligible investors, as defined in the Fund's Governing Documents.

Item 15: Custody

Rule 206(4)-2 of the Advisers Act (the “*Custody Rule*”), and certain related rules and regulations under the Advisers Act, impose specific conditions on registered investment advisers who have actual or deemed custody of any funds or securities in which any client has any beneficial interest. An investment adviser is deemed to have custody or possession of client funds or securities if the adviser directly or indirectly holds client funds or securities or has the authority to obtain possession of them (regardless of whether the exercise of that authority or ability would be lawful). Because CIM generally expects to act as a discretionary investment adviser to Clients, and expects CIM Group to act as a general partner or managing member for Funds, CIM expects to be deemed to have custody over such Client’s accounts under the Custody Rule, and must meet the applicable conditions of the rule with respect to such Clients.

In general, the Custody Rule imposes the following conditions on investment advisers with custody of client assets:

- (1) The adviser must maintain client funds and securities with a “qualified custodian” in a separate account for each client and under that client’s name, or in accounts that contain only client funds and securities under the adviser’s name as agent or trustee. “Qualified custodians” include federal banks, broker-dealers, and future commissions merchants, as well as foreign financial institutions that “customarily” hold client assets and hold such assets in segregated accounts. “Privately Offered Securities” are exempted
- (2) The adviser must provide certain notices and information to clients when accounts on their behalf are opened or information regarding the accounts is amended.
- (3) The adviser must have “a reasonable basis, after due inquiry,” to believe that the qualified custodian for each client sends an account statement to that client no less frequently than quarterly, which statement discloses holdings and transaction information for the client’s account(s). For limited partnerships, limited liability companies, or other pooled vehicles, this statement must be sent to each limited partner, member, or other beneficial holder.
- (4) The client funds and securities over which the adviser is deemed to have custody must be subject to “surprise audit” by an independent public accountant no less frequently than annually.

Compliance with conditions (2) and (3) are waived with respect to limited partnership, limited liability company, and other pooled investment vehicle clients that are subject to GAAP audit, provided audit results are sent to all limited partners, members, or other beneficial holders at least annually within 120 days of the client’s fiscal year, and the surprise audit requirement in (4) above is deemed satisfied with respect to such clients.

Although CIM may be deemed to have custody of certain Client assets, all such Clients are expected to be audited no less frequently than annually, and the results of such audits will be distributed to the Clients and investors therein no later than 120 days after the end of each Client’s fiscal year. CIM therefore expects to be exempt from the notice and account statement delivery

requirements of the Custody Rule, and will be deemed to be in compliance with the surprise audit requirement.

Item 16: Investment Discretion

CIM expects to generally have discretionary authority to manage accounts on behalf of its Clients. This authority will be limited by the investment objectives, practices and limitations, if any, set forth in each Client's Governing Documents. CIM will receive such discretionary authority pursuant to the investment management agreement between CIM and each Client, along with a power of attorney in CIM's favor, when necessary.

Item 17: Voting Client Securities

Generally, CIM does not expect Client investments to consist of voting securities. In the unlikely event there were voting securities in a Client's portfolio, any proxy solicitation received by CIM would be forwarded to the Client to vote.

Item 18: Financial Information

CIM is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to its Clients.

Balance Sheet

CIM does not require or solicit any prepayment of fees six months or more in advance and, therefore, is not required to provide a balance sheet for its most recent fiscal year.

Contractual Commitments to our Clients

CIM has no financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to its Clients.

Bankruptcy Petitions

CIM has never been the subject of a bankruptcy petition.