



Aegon USA Realty Advisors, LLC


Part 2A Brochure

June 20, 2017

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This Brochure provides information about the qualifications and business practices of Aegon USA Realty Advisors, LLC ("AURA"). If you have any questions about the contents of this Brochure, please contact us at (877) 234-6862 or at www.aegonrealty@aegonusa.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

AURA is a registered investment adviser. Registration does not imply any level of skill or training. Additional information about AURA is also available on the SEC's website at www.adviserinfo.sec.gov.



Item 2 – Material Changes

In June 2017, AURA filed its application to register as an investment adviser with the SEC. In the future, this Item will identify and discuss the material changes since the last annual update to highlight material changes since the prior year's Brochure.

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

If you would like a current copy of AURA's Brochure, please contact us at (877) 234-6862 or aegonrealty@aegonusa.com. The Brochure is also available free of charge on our web site www.aegonrealty@aegonusa.com and via the SEC's web site www.adviserinfo.sec.gov.



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Item 4 – Advisory Business

A. Overview

Aegon USA Realty Advisors, LLC (“AURA”) is a U.S.-based investment adviser registered with the Securities and Exchange Commission (“SEC”).

AURA is a limited liability company formed in 2009 by converting from a corporation to a limited liability company under the laws of the State of Iowa. AURA’s predecessor corporation, Aegon USA Realty Advisors, Inc. (“AURA, Inc.”), was incorporated on January 30, 1989. AURA, Inc.’s predecessor was RealAmerica Investors Inc. (“RAI”), which was incorporated on April 12, 1983. AURA, Inc. assumed management of the assets previously managed by RAI in 1989. AURA assumed management of the assets previously managed by AURA, Inc. in 2009.

AURA is a wholly owned subsidiary of Aegon USA Asset Management Holding, LLC (“AUAM Holding”) an indirect wholly owned subsidiary of Aegon N.V. For additional information regarding AURA’s legal and operational structures, refer to Item 10, “Other Financial Industry Activities and Affiliations.”

AURA is part of Aegon Asset Management, a group of asset managers affiliated with Aegon N.V. that regularly collaborate in various business and operational activities. Through its affiliation with Aegon Asset Management group companies, AURA has access to global resources that augment and complement AURA’s own investment expertise. All Aegon Asset Management companies are subject to a common high-level governance structure, which is discussed further in Item 10, Other Financial Industry Activities and Affiliations.

AURA and other asset managers within in the group utilize “Aegon Asset Management” as a brand name to market their asset management products and services.

In the United States, Aegon Asset Management group companies includes AURA and Aegon USA Investment Management, LLC (“AUIM”), a registered investment adviser (SEC File No. 801-60667) that invests in publicly traded securities.

AURA’s principal office is in Cedar Rapids, Iowa, with branch offices in San Francisco, California; Chicago, Illinois; and Baltimore, Maryland. As of March 31, 2017, the firm has approximately 178 employees, including approximately 27 investment professionals.

B. Advisory Services & Products

AURA provides certain, limited investment management and advisory services to separately managed accounts. AURA also provides discretionary management and investment advisory services to investment vehicles or entities (each a “Fund” and collectively, the “Funds”), which primarily invest in equity and/or debt interests in real estate-related assets, real property, other pooled investment vehicles (e.g., Fund-of-Funds structures).

In providing services to the Funds, AURA formulates each Fund’s investment objectives, directs and manages the investment of each Fund’s assets, and provides reports to Investors. Investment advice is provided directly to the Funds and not individually to the limited partners or shareholders of the Funds (the “Investors” or “Limited Partners”). AURA manages the assets of the Funds in accordance with the terms of each Fund’s applicable confidential offering and/or private placement memorandum, individual limited partnership or shareholder agreements, and other governing documents applicable to each Fund (the “Governing Fund Documents”). Approval is generally required of the respective Fund’s Investors for any action that is beyond the guidelines prescribed in the Governing Fund Documents.

AURA sponsors a “Community Investments” platform that provides institutional Investors with the opportunity to invest in real estate assets that qualify for low-income housing tax credits (LIHTC), or other forms of tax credits, either indirectly through a Fund structure or directly through separately managed account arrangements (typically for affiliated clients). Return on investment occurs through an allocation of tax credits and other tax benefits, and in some cases, cash flow, generated by the underlying real estate assets. Examples of the types of properties that may qualify for tax credits include apartment complexes, historic rehabilitation properties, and renewable energy generation projects (e.g., solar or wind energy developments).

While all pooled investment vehicles within the Community Investment platform are Funds, only certain of those Funds are considered to be investment advisory clients, while other Community Investment Funds are considered

to be investment advisory clients, while other Community Investment Funds are considered to be “non-investment advisory” clients. For purposes of this Brochure, Community Investment Funds means only those Funds that are considered to be investment advisory clients. This determination is made on a facts and circumstances basis as to whether each specific Fund is managing securities within its portfolio. Funds that are deemed to be investment advisory clients are generally managing real estate assets through other member or partnership interests that are considered to be securities.

AURA’s Real Estate Private Equity platform identifies, selects, and allocates capital to private equity real estate, real property, natural resources, and energy investments. These investments may be made through direct investments, joint ventures, and Fund-of-Funds strategies. With respect to Fund-of-Funds strategies, the underlying Funds typically will make direct investments in debt/or and equity investments in real property (examples may include real estate, timberland, oil, and gas investments). Those Fund-of-Funds strategies that pursue real estate alternative investment philosophies, such as timberland, oil and gas investments, are collectively referred to herein as Real Estate Alternatives Portfolios Funds (“REAP Funds”).

AURA’s Real Estate Private Equity platform also provides investment advisory advice on a discretionary basis to separately managed account(s) related to private equity investments in oil and gas related assets.

AURA provides real estate research related services to affiliated clients as discussed in Item 10.B.6, Other Financial Industry Activities and Affiliations – Relationships with Related Persons: Other Investment Advisers.

Additional information about AURA’s investment strategies and services can be found in Item 8, “Methods of Analysis, Investment Strategies and Risk of Loss.”

Funds, along with owners of separately managed accounts that are investment advisory in nature under the Act, are referred to collectively as “Clients.”

C. Non-Investment Advisory Services & Products

AURA also maintains other types of real estate platforms and business units dedicated to providing various real-estate

related products and services. AURA considers those to be “non-investment advisory” as AURA is not providing securities-related investment advice with respect to those activities. As used hereafter, “advisory” and “investment advisory” refers to those investment advisory matters within the scope of the Act and Item 4.B above, unless otherwise noted. Examples of such non-investment advisory services and products include, but are not limited to those described below.

AURA has a debt platform that originates and services (for institutional Investors) real estate loans, including commercial mortgage loans and agricultural loans. The commercial mortgage loans include but are not limited to conventional, participating and mezzanine loans. Examples of the types of assets that AURA originates commercial real estate loans on may include apartment, retail, office buildings, and industrial properties, among others. The agricultural mortgage loans primarily finance land-based and agribusiness operations on a nationwide basis. Examples of agricultural loans may include row crops, ranches, permanent plantings, timberland, processing and storage facilities, and other asset classes.

AURA has a mortgage loan servicing group that provides a full array of traditional mortgage loan services for a variety of commercial and agricultural mortgage loan types. AURA is a primary servicer that provides tax and insurance analysis, loan surveillance, portfolio management and lease analysis. AURA also provides comprehensive loan-level and portfolio-level accounting and reporting.

AURA has a special servicing group that provides mortgage loan workout and foreclosure services for sub-performing or non-performing commercial mortgage loans. This group also provides special servicing activities for securitized loans in CMBS trusts.

AURA maintains a real estate asset management group that manages equity interests in real estate. These may be acquired direct investments or foreclosed commercial mortgage loans (i.e., “REO”). These real estate assets are held directly by the Client. AURA provides acquisition, asset management and disposition services for these property investments. Examples of these types of assets may include, but are not limited to, investments in land, apartments, office buildings, retail space, industrial properties, and other asset types.

With respect to non-investment advisory services and products, AURA’s clients do not receive the benefit of laws and regulations applicable to our investment advisory business.

D. Assets Under Management

As of March 31, 2017, AURA had regulatory assets under management with respect to its advisory (i.e., securities-related) business (including Community Investment Funds that are advisory in nature) as follows:

Regulatory Assets Under Management	U.S. Dollar Amount
Discretionary regulatory assets under management:	\$741,200,337
Non-Discretionary regulatory assets under management:	\$292,951,686
Total regulatory assets under management:	\$1,034,152,023

Additionally, AURA's non-advisory, non-regulatory (i.e. non-securities related) assets under advisement as of March 31, 2017 was approximately \$15 billion. Such assets include mortgage loans, non-advisory Community Investments assets and direct and indirect interests in physical real estate assets.

Non-Regulatory Assets Under Advisement:	U.S. Dollar Amount
Commercial Mortgage Loans:	\$10,706,248,730
Agricultural Mortgage Loans:	\$2,706,459,693
Real Estate Assets:	\$730,100,291
Community Investments:	\$726,485,153
Other*:	\$235,695,249
Total non-regulatory assets under advisement:	\$15,104,989,116

* Consists of assets such as reverse mortgages, credit tenant mortgage loans, residential mortgage loans and real estate owned in partnership with third parties

Item 5 – Fees and Compensation

A. Advisory Fees

AURA charges advisory fees consistent with applicable statutes and regulations and a Client's investment management agreement or the respective Governing Fund Documents. AURA's Funds generally charge asset management fees, fund management fees, performance based fees, acquisition fees, organizational and offering expense allowances, acquisition expense allowances, and acquisition fees, and disposition fees.

Fee rates and billing periods are negotiable. Various factors affect a Client's fees, including but not limited to the services required by the Client, Client type, asset class, pre-existing relationship, the size of the account (current or anticipated), affiliated accounts or investments in other strategies.

Clients typically are billed for and pay fees prorated for the portion of the billing period, for which AURA has provided investment services. Depending on specific Client circumstances, AURA's fees can be payable and billed in advance or arrears, though other, specific Client arrangements can be negotiated.

Where AURA collects an advisory fee in advance and does not provide investment services for the entire period, AURA may prorate the fee to reflect the portion of the period for which AURA provided investment services in accordance with the governing documents, and if such fees are prorated will return any excess to the Client.

Affiliate Discounts and Affiliated Fees

Fee rates charged to affiliates are generally less than fee rates charged to unaffiliated Clients. In addition, affiliated Clients may not be charged for certain expenses that are typically charged to unaffiliated Clients. For example, in the Community Investments platform, the Governing Fund Documents allow for "Affiliate Discounts" that result in the reduction of the per unit purchase price, selling commissions, and organizational and offering expenses allowances, acquisition expense allowances, management fees, and acquisition fees for affiliated Investors.

When affiliates of AURA invest in Funds or when affiliates of AURA provide credit enhancement for performance results of certain Funds, AURA earns an advisory and management fee from its affiliates in an amount up to 0.50% of the capital invested or credit enhanced by such affiliate.

For certain existing REAP Funds of which the sole investor(s) are affiliated client(s) (Transamerica insurance companies), the affiliated clients may charge overhead expenses such as salaries, employee benefits, rent and other administrative expenses incurred by their employees for services such as financial reporting to the REAP Funds. These expenses are charged and collected by the affiliated client(s). AURA does not receive nor collect these expenses and these expenses would not be charged to a non-affiliated investor in a Fund.

Investors should refer to the respective Governing Fund Documents for information regarding Affiliate Discounts. AURA may also allow for other discretionary discounts that waive or

reduce a portion of organizational and offering expenses and/or acquisition expenses that are based primarily on the amount of the Investor's investment and would result in a reduction in the purchase price by an Investor.

Use of Affiliated Service Providers

AURA and any of its affiliated entities may be retained on behalf of the Funds or other Clients for the purpose of providing asset management services to the Funds. Services performed by AURA will be (a) reasonable and customary for such asset management services; and (b) the fees, terms and conditions of the transactions between the Funds and AURA are as favorable as would be obtainable in an arm's length transaction.

Separately Managed Accounts

Separately managed account Clients may pay fixed asset management fees. In other cases, separately managed account Clients are charged asset management fees up to 2%. AURA also may receive performance based compensation up to 20%. As described above, all fees rates are negotiable.

Real Estate Alternatives Portfolio Funds

1. Management Fees

Investors in REAP Funds pay annual management fees to AURA that are up to 2% of their respective total committed capital amount during the investment period and up to 2% of their respective deployed capital thereafter. Management fees are typically paid quarterly in advance and prorated based on the terms of the Governing Fund Documents.

2. Incentive Fees

AURA also receives incentive compensation (i.e., promote) based on a percentage of the amounts of profits otherwise disburseable to each Investor. There is a distribution waterfall in the respective Governing Fund Documents describing how the payment of each incentive compensation waterfall will be calculated and paid. In general, most Funds charge 10% incentive fees. Investors receive a preferred return up to 10% on their investments plus a full return of invested capital prior to the distribution of any incentive compensation paid to AURA. Incentive fees are paid as earned and subject to clawback provisions based on the terms of the Governing Fund Documents.

3. Fees in a Fund-of-Funds Structure

The management and incentive fees described above are in addition to any other fees charged by the underlying fund managers. As such, Investors will essentially pay a layering of fees in which they pay management fees and other compensation to the third party managers in addition to the fees charged by AURA.

Community Investments Funds

All of the types of fees described below, and their amounts, are variable and are described in further detail in the Governing Fund Documents in Community Investments Funds. The information set forth below is typical of those Funds, but does not necessarily reflect the terms of every such Fund.

1. Fund Management Fees

AURA or its affiliates may receive an annual fund management fee (sometimes referred to as asset management fees in the Governing Fund Documents) in the amount up to 0.60% of the net offering proceeds. The fund management fee may be charged in two parts, the priority fund management fee and a deferred fund management fee.

For a specific time period described in each respective Governing Fund Document, the priority fund management fee is paid in advance from the capital contributions provided by the Investors. If there is inadequate capital to pay the management fees, the unpaid portion may or may not accrue interest until paid from subsequent capital contributions pursuant to applicable Governing Fund Documents.

The deferred fund management fee accrues and is payable from available cash flow and/or sale or refinancing proceeds. If there is insufficient cash flow and/or sale or refinancing proceeds available to pay the deferred fund management fees in full in a particular year, the unpaid portion accrues to be paid in later fiscal years when there is adequate cash flow and/or sale or refinancing proceeds available. These fees are paid annually and as assets are acquired. They are not refundable and the initial payment may be prorated per the terms of the Governing Fund Documents.

2. Acquisition Fees

In consideration for providing real estate investment advice and services to a Community Investments Fund (or its manager or general partner) in connection with locating, evaluating, negotiating, structuring, and documenting the Fund's investment in assets, AURA or its affiliates may receive an Acquisition Fee in an amount up to 6.0% of the net offering

proceeds. The acquisition fee shall be paid at the time the Fund acquires the asset. These fees are not refundable nor are they prorated.

3. Organizational and Offering Expense Allowance

In consideration for paying the organizational and offering expenses of the Fund in connection with paying for legal, accounting, escrow, printing, travel, registration, qualification, distribution, filing and other expenses, and salaries and expenses of employees of AURA, paid by the Fund directly, or by the manager and its affiliates, in connection with the organization of the Fund and the offering of the units in the Fund, including expense allowances, accountable and non-accountable, but does not include selling commissions, AURA or its affiliates may receive an organizational and offering expense allowance in an amount up to 2.0% of the net offering proceeds. The organizational and offering expense allowance is paid at the time the Investors acquire an interest in the Fund and as the Fund acquires assets. These fees are not refundable nor are they prorated.

4. Acquisition Expense Allowance

In consideration for paying the acquisition expenses of the Fund in connection with paying for legal fees, travel and communication expenses, appraisals and market studies, engineering reviews, construction progress reports, title insurance and miscellaneous expenses directly related to the selection, negotiation and acquisition of Fund investments in assets, AURA or its affiliates may receive an acquisition expense allowance in an amount up to 2.0% of the net offering proceeds. The acquisition expense allowance is paid at the time the Investors acquire an interest in the Fund and as the Fund acquires assets. These fees are not refundable nor are they prorated.

5. Disposition Fees

In consideration for its services to a Community Investment Fund (or its manager or general partner) related to selling or refinancing an asset, AURA or its affiliated entities typically receives an asset disposition fee up to 1% of the gross sales price (including any debt assumed by the purchaser) that is included in the sales price that is paid in connection with such sale or refinancing subject to available cash flow from the particular Community Investment Fund. These fees are paid as assets are disposed and these fees are not refundable nor are they prorated.

6. Credit Enhancement Fee

If provided in the Governing Fund Documents, Investors in certain of the Community Investment Funds may receive a credit enhancement of the tax credit benefits. An affiliate of AURA (e.g. a Transamerica insurance company affiliate) may provide the credit enhancement in exchange for a nonrefundable credit enhancement fee that is paid by the Fund to the affiliated entity. The credit enhancement fee in the amount up to 25% of the net offering proceeds paid by the Fund and each Investor is allocated their pro-rata portion of the fee. The total amount of the credit enhancement fee is disclosed in the respective Governing Fund Documents for each vehicle. This fee is typically paid as assets are acquired and are not refundable nor are they prorated.

7. Selling Commissions

The Funds in the Community Investment platform generally charge a selling commission of up to 1.25% that is payable to a placement agent by all Investors who do not qualify for the Affiliate Discount. This is further discussed in Item 14, "Client Referrals and Other Compensation." This fee is typically paid as transactions are closed. Selling commissions are not refundable or prorated.

8. Other Fees Paid by Partnership or Property Level Accounts

In consideration for its services rendered to the underlying properties in the Community Investment Funds, AURA or its affiliates may receive construction monitoring fees, asset management fees, disposition fees, late reporting fees, tenant file review reimbursement, compliance audit fees and other fees from, or on behalf of, the properties in the Funds. These fees are paid per the terms of the asset level partnership/operating agreements. They are not refundable or prorated.

9. Affiliate Loans

Affiliates of AURA may, but are not required to, at any time, elect to make a loan to a Community Investments Fund for any purpose which AURA or its affiliates deems reasonably necessary to conduct the business of the Fund, including strengthening the financial stability of an underlying real estate asset or paying due but unpaid Fund Management Fees if an investor has failed to fund a deferred capital contribution. Each loan shall be unsecured and will bear interest in accordance with the terms of the particular Governing Fund Documents. If such loan is made, affiliates of AURA will promptly notify the Investors in writing in a notice that sets for the amount, the purpose, and the material terms of such loan.

Affiliates (Transamerica insurance companies) of AURA may, but are not required to, at any time, make a loan to a developer of a property in which a Community Investments Fund has invested for pre-development, construction, bridge, permanent financing purposes, or for strengthening the financial stability of an underlying real estate asset. If an event of default occurs, the terms of the affiliate loan are not waived and AURA and its affiliates shall give notice of the default to the Investors in the Fund. At the request of the Investors, a competent and qualified individual or firm that is not affiliated with AURA will be selected as special advisor to the Fund. Further restrictions and information regarding affiliate loans is described in the Governing Fund Documents.

Investors may, but are not required to use bridge financing to fund their equity investments in Community Investment Funds. The bridge lender can either be third party lenders or an affiliate of AURA (if such affiliate elects, in its sole discretion, to make such a loan). There is an interest charge paid by the Fund for the bridge facilities but only the Investors who utilize the bridge bear the expense of that bridge financing (through their capital contributions). Affiliates of AURA do not utilize bridge financing and therefore do not pay for this interest expense. Interest expense is paid per the terms of applicable Governing Fund Agreements. These fees are not refundable or prorated.

Research Services

An affiliate pays AURA real estate research services fees up to 0.15% of capital deployed by the affiliate.

B. Additional Fees and Expenses

Expenses charged to each Fund are disclosed in the respective Governing Fund Documents and will vary by Fund. Clients and Investors should review the applicable Governing Fund Documents for further information. In general, the Funds are responsible for paying operating expenses including, but not limited to, the following:

- Costs and expenses incurred in the purchase, holding, sale, lease, or exchange of any direct or indirect property interest acquired by or contributed to the Funds including certain travel expenses, due diligence expenses, brokerage fees and commissions, taxes, dead deal costs and miscellaneous expenses directly related to the selection, negotiation, and acquisition of assets.

- Legal, audit, accounting, escrow, environmental, engineering reviews, appraisals and market studies, escrow, construction progress reports, title insurance, and other fees;

- Printing, registration, qualification, distribution, filing, and other related expenses;

- Expenses incurred in connection with distributions made by the Fund to, and communications, telephone, bookkeeping, administrative, and clerical work necessary in maintaining relations with Investors;

- The cost of preparation and dissemination of all Fund tax returns, reports, and filings as required by law;

- Bank account or custodial fees; and

- Any other reasonable expenses related to the business of the Fund.

AURA may invest assets of a Fund in other entities or pooled investment vehicles that specialize in particular private equity or real estate investments. These vehicles charge internal management fees, which are disclosed in their respective Governing Fund Documents. No portion of these fees offset the account-level fees that AURA charges for its services. In certain cases, such entities and other pooled investment vehicles are managed by unaffiliated third party managers, however, typically AURA would also have certain management rights that may include, without limitation, approvals over major decisions.

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

In addition to fees described in Item 5, fee arrangements with certain qualified clients as defined by the Investment Advisers Act of 1940, as amended, (“the Act”) can include a performance-based fee. Performance-based fee structures generally stipulate a base fee, a participation rate, and a maximum fee. The participation rate specifies the percentage of an account’s capital gains or capital appreciation that will be paid as a fee to AURA. AURA will structure a performance or incentive-fee arrangement subject to Section 205(a)(1) of the Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3 under the Act.

There are inherent conflicts of interest in the side-by-side management of performance-fee and non-performance-fee

accounts. Performance-fee arrangements create an incentive for AURA to take risks in managing assets that would not otherwise be taken in the absence of such arrangements. AURA strives to mitigate these potential conflicts through policies and procedures designed to ensure all Clients are treated equitably over time and through employee education. See Item 12.C, Brokerage Practice: Transaction Aggregation and Allocation, for additional information about AURA's practices regarding the allocation of investment opportunities.

Item 7 – Types of Clients

AURA provides management and advisory services to Funds and separately managed accounts (collectively referred to as the Clients), subject to the direction and control of the managing members and general partners. Investors in the Funds include, but are not limited to, insurance companies, pooled investment vehicles, banks, corporations, utility companies, and other investment advisers.

Certain Funds have a minimum investor commitment requirement. The minimum investment amount for REAP Funds is generally \$5 million. In certain circumstances, the minimum amount will be waived. The Community Investment Funds generally do not have stated investment minimums.

Investors will be required to meet certain suitability qualifications. Details concerning applicable Investor suitability criteria are set forth in the respective Governing Fund Documents and subscription materials, which are furnished to each Investor.

AURA or the Fund managers, may enter into side letters or other writings with Investors which have the effect of establishing rights under, or altering or supplementing, the terms of, the Governing Fund Documents. Any rights established, or any terms of the applicable Governing Fund Documents altered or supplemented in a side letter or other writing with an Investor will govern solely with respect to such Investor notwithstanding any other provision of such Governing Fund Document.

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

A. Investment Strategies

AURA offers standard investment strategies as well as customized portfolios. Methods of analysis and investment risks for the firm's marketed investment strategies are presented here. Investment details for non-marketed strategies and

customized portfolios are available upon request at (877) 234-6862 or at aegonrealty@aegonusa.com.

AURA's marketed investment strategies for advisory services can be broadly classified into two groups:

1. *Real Estate Private Equity Platform*

AURA's Real Estate Private Equity Platform uses separate account and Fund strategies to place investments directly into, through joint ventures in, and with third party managers who specialize in, real property, real estate, energy, natural resources, private equity and alternative real estate related investment strategies. The underlying assets may be either debt (e.g., commercial mortgage loans, B Notes, etc.) or equity investments. Examples of real estate assets may include office, industrial, retail, or multifamily sectors. Real property may include timberland, oil, and gas investments.

2. *Community Investments Platform*

AURA's Community Investments Platform is organized to acquire indirect interest in real property that is expected to qualify for state and/or federal US income tax credits (e.g., federal or state low income housing tax credits, federal or state historic tax credits and federal or state energy credits). The investment strategies are to (1) provide capital for the development of affordable housing, historic rehabilitation, and renewable energy facilities; (2) provide tax benefits in the form of federal or state tax credits which Investors may use to reduce their federal or state income tax liabilities, subject to certain limitations; (3) realize tax losses which Investors may use, subject to certain limitations, to reduce their taxable income for federal or state income tax purposes; (4) preserve and protect the respective Fund's capital; (5) provide cash distributions from property operations and or the sale or refinancing of assets; and (6) engage in other activities related or incidental thereto.

B. Methods of Analysis

AURA believes the key success factors to appropriate investment performance are recognition of the risk in the real estate market and strong risk management. The method of analysis for AURA's marketed investment strategies are described below:

1. Real Estate Private Equity Platform

AURA sources its Real Estate Private Equity Platform investments through new and existing project managers and through secondary opportunities. AURA conducts initial due diligence reviews of each manager by completing questionnaires, portfolio modeling and stress testing, conducting onsite property visits or touring of assets. AURA will review the manager's references, visit their offices, and conduct background checks of such managers. Investment Committee approval is required prior to making investments with any managers. AURA also conducts ongoing due diligence reviews of each manager after the investment has been made.

2. Community Investments Platform

The Community Investments Funds source a majority of the investments through relationships with repeat developers. As part of the underwriting process, AURA will review the investment terms, market analysis, deal structure, guarantor analysis, financial projections, and financing terms of a potential investment. AURA will also conduct onsite inspections of the properties. AURA's underwriting process includes an analysis of stress testing the potential investment terms of the investment. AURA engages third party vendors for further due diligence on each property.

Subsequent to acquisition, AURA will continue to manage the assets, such as monitoring the construction or rehabilitation of the properties, monitoring the lease up or conversion of the space, reviewing ongoing operations, providing a risk rating, annual review of tax returns and audits, periodic inspections of the properties, and ensuring compliance with regulatory obligations.

3. Environmental, Social and Governance Considerations

Aegon Asset Management B.V., the governing entity for AURA and other companies in the Aegon Asset Management group, is a signatory of the United Nations' Principles of Responsible Investing (UNPRI).

In keeping with this and to support its responsible investment practices, AURA research analysts analyze environmental, social and governance concerns. AAM is also a member of the Global Real Estate Sustainability Benchmark (GRESB), which ranks real estate fund sustainability. AURA has numerous types of investments with positive environmental and/or social impacts including wind energy, solar energy, sustainable timber, and affordable housing.

AURA frequently reviews client accounts. Portfolio managers who have discretion over a client's portfolio are expected to review the portfolio's performance and account fundamentals, such as portfolio duration, on a daily basis. The portfolio managers also review monthly risk analysis and performance dispersion among client portfolios in the same or similar strategy. The level of review varies, depending on the level of activity, change, and volatility inherent with each account.

C. Risk of Loss

Investing in securities involves risk of loss that Clients should be prepared to bear. AURA cannot give any guarantee it will achieve Client investment objectives or that a Client will receive a return on its investment. All investments include the potential for loss of the principal amount invested and unrealized profits. AURA does not guarantee any performance results or ensure Clients will not incur a financial loss except in certain occasions where affiliates of the firm will provide credit support for performance results for certain Clients as provided in the applicable Governing Funds Documents. Clients should be prepared to bear such losses. Past performance is not an indication or guarantee of future performance.

The descriptions contained below are a brief overview of different risks related to AURA's investment strategies; however, it is not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that will arise in connection with the management and operations of the investment strategies. Additionally, Investors should review the risks listed in the Governing Fund Documents prior to investing. Clients and Investors should be aware of the primary investment risks, including:

Real Estate Ownership Risks: The business of investing in real estate is speculative and subject to numerous risks. The strategies will be subject to all the risks inherent in the ownership of real estate, such as fluctuations in occupancy rates, increases in energy costs and other expenses, variations in rental schedules, local economic conditions, supply and demand for housing, zoning laws and other laws and regulations. Since certain costs of owning and operating real estate are fixed and do not generally decrease with declines in occupancy rates, the cost of operating a property may exceed the income generated therefrom. If a property does not maintain high occupancy levels, it may not generate sufficient revenue to pay all of its expenses and to meet the debt service requirements

of its mortgage. If an operating entity receives government assistance, the applicable government agency may be unable or unwilling to permit rent increases necessary to pay increased operating expenses, or the effectiveness of permitted rent increases may lag behind increases in operating expenses. Moreover, in affordable housing investments increases in rents could result in some tenants and apartment units losing their low-income status and a concomitant reduction in the tax credits of that operating entity and recapture of a portion of the tax credits previously taken.

Construction Risks: The completion of the construction/rehabilitation of each property will be subject to all the risks of construction beyond the control of the respective operating general partners and builders such as strikes, adverse weather and other unknown contingencies which could cause delays. Completion of construction may also be delayed or prevented by environmental, zoning, title or other serious legal proceedings which may arise during construction and/or rehabilitation. Although periodic inspections will be made during this process, there can be no assurance that such property, upon completion, will conform to all of the specifications. In tax credit investments if a property is not completed and placed in service in a timely fashion, a delay in or tax credits could result.

Limited Diversification Risks: To the extent that the Funds are not able to place all of the ownership interests in the Funds that are available for sale, the Funds will invest in fewer operating entities and will be less able to obtain geographic and asset diversification of its investments. Under these circumstances, any single property which experiences poor operating performance or impairment of value would have an increased impact upon the Funds as a whole.

Government Assistance Risks. As to the Community Investments Platform:

1. Lack of Eligible Tenants for the Properties. Government regulations with regard to the eligibility of tenants for the properties and/or other restrictions associated with government assistance applicable to the properties may make it more difficult to rent the apartment units in the properties.

2. Difficulties in Obtaining Rent Increases. Generally, rents in any property receiving government assistance cannot be increased without the prior approval of the applicable government agencies. There can be no assurance that any rent increases that might be approved for any property will be sufficient in time or in amount to offset any increase in operating expenses

or debt service the property may be experiencing or that tenants will be willing or able to pay any authorized rent increases. Moreover, any rent increases exceeding rents prescribed under the rent restriction test would result in loss of future tax credits and recapture of up to one third of previously claimed tax credits.

3. Limitation on Cash Distributions. It is not expected that the Funds will generate a significant amount of cash flow for distribution to the Investors. It should not be anticipated that any significant cash distributions will be made in any year to the Investors.

4. Risk of Losing Government Assistance. Government regulations and agreements may impose various obligations on some or all of the operating entities and the property managers, including nondiscrimination covenants with respect to tenants of each property and equal employment obligations under applicable law. Failure to comply with any of these obligations might result in the loss of government assistance and foreclosure of a property and loss and recapture of the tax credits.

5. Limitations on the Sale, Refinancing or other Disposition of the Properties. The sale, refinancing or other disposition of properties or any interest in the operating entities may be restricted by agreements with government agencies. Because of the foregoing restrictions, there can be no assurance that an operating entity will be able to sell or refinance its property when it is in the best interests of the Investors to do so.

Tax Risks: No responsibility is assumed by the managing member, its affiliates, or tax counsel with respect to the tax consequences to any investor. The tax risks associated with transactions in the Funds are complicated and may not apply in the same manner to all Investors. Each investor should obtain the advice of its own tax advisor concerning the matters discussed in the Governing Fund Documents and the effect of an investment in the Funds on its specific situation. There can be no assurance that any of the tax benefits to be claimed by the Funds or the allocation of items of income, gain, loss, deduction and credit among its investors will not be challenged by the Internal Revenue Service and that such challenge will not be sustained by the courts.

Litigation Risks: The Fund's ability to manage each investment and to operate the properties is dependent upon there being no serious zoning, title, environmental or other serious legal proceedings affecting each property.

Distributions in kind: In a fund-structure, the underlying fund managers may be permitted to redeem their interests in-kind. Thus, a Client may receive securities that are illiquid and/or difficult to value.

Multiple Levels of Fees: Funds utilize a so-called Fund-of-Funds or “multi-manager” investment strategy, pursuant to which assets are generally invested with managers. Investment management fees, which typically include both a fixed percentage of assets under management and a performance or incentive fee or allocation based on the performance of underlying investments, are charged to the Fund by both AURA and each manager utilized. As a result, Clients will bear multiple investment management fees, which includes performance fees or incentive fees, which in the aggregate will exceed the fees which would typically be incurred by an investment with a single manager. Further, such compensation arrangements may create an incentive to make investments that are riskier or more speculative than would be the case if such arrangements were not in effect.

Cybersecurity Risk: The information and technology systems of AURA and of key service providers to AURA may be vulnerable to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although AURA has implemented various measures designed to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, it may be necessary for AURA to make a significant investment to fix or replace them and to seek to remedy the effect of these issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of AURA or the Fund accounts and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information.

Credit Risk: An investor could lose money if the issuer or guarantor of a fixed income security or the counterparty to a derivatives contract, repurchase agreement, or a loan of portfolio securities is unable or unwilling to make timely principal and/or interest payments or to otherwise honor its obligations. A downgrade of the credit of a security will typically also decrease its value.

Issuer Risk: The value of a security can decline for a number of reasons that directly relate to the issuer, such as management performance, financial leverage, and reduced demand for the issuer's goods or services, as well as the historical and prospective earnings of the issuer and the value of its assets.

Legal and Regulatory Risk: Legal and regulatory changes could occur that may adversely affect Funds, their investments, and the ability to pursue investment strategies and/or increase the costs of implementing such strategies. Revised laws or regulations may be imposed by the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, the Internal Revenue Service, the U.S. Federal Reserve or other governmental regulatory authorities or self-regulatory organizations that could adversely affect Funds, AURA's management of Funds or the legal and/or regulatory consequences of transactions effected for the Funds. Funds may also be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by governmental regulatory authorities or self-regulatory organizations.

Liquidity Risk: AURA may make investments that are illiquid or that become illiquid after purchase. Investments may become illiquid due to the lack of an active market, a reduced number of traditional market participants, or reduced capacity of traditional market participants to make a market in securities. The liquidity and value of investments can deteriorate rapidly, and those investments may be difficult or impossible for the Fund to sell, particularly during times of market turmoil. Illiquid investments can be difficult to value. If AURA is forced to sell an illiquid investment to meet redemption requests or other cash needs, AURA may be forced to sell at a loss. AURA may not receive its proceeds from the sale of certain securities for an extended period (i.e. several weeks or even longer).

Management Risks: Accounts are subject to operational risks arising from factors such as processing errors; human errors; inadequate or failed internal or external processes; fraud; failure in systems and technology; changes in personnel; and errors caused by third-party service providers. These factors can result in losses to an account.

Valuation Risk: The process of valuing securities, and other financial instruments or assets (“Assets”) for which reliable market quotations are not available is based on inherent uncertainties, and the resulting values may differ from values that would have been determined had readily available market quotations been available for such Assets. As a result, the values placed on such Assets by AURA may differ from values

placed on such Assets by other investors or a Client's custodian and from prices at which such Assets may ultimately be sold. Where appropriate, third-party pricing information, which may be indicative of, or used as an input in determining, fair value may be used, but such information may at times not be available regarding certain Assets or, if available, may not be considered reliable and or not applicable. Even if considered reliable and or applicable, such third-party information might not ultimately reflect the price obtained for that Asset in a market transaction, which could be higher or lower than the third-party pricing information. Disruptions in the credit markets have from time to time resulted in a severe lack of liquidity for many Assets, making them more difficult to value and, in many cases, putting significant downward pressure on prices.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events. AURA has no material legal or disciplinary information to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

Legal and Operational Structure

As mentioned in Item 4.A, Advisory Business – Overview above, AURA is a direct wholly owned subsidiary of AUAM Holding. AUAM Holding, and in turn AURA, are indirect wholly owned subsidiaries of Transamerica Corporation, which in turn is an indirect wholly owned subsidiary of Aegon N.V.

The day-to-day affairs of AURA are managed and overseen by a committee called the Executive Committee ("EC"). The EC is overseen by AURA's Board of Managers. AURA's Board of Managers is appointed and removed by the Board of Managers of AUAM Holding in its sole discretion.

The boards of AURA and AUAM Holding have adopted a governance framework whereby one or more entities within the Aegon N.V. organization generally oversee the Aegon Asset Management group companies. Notwithstanding that AURA and AUAM Holding are subsidiaries of Transamerica Corporation, operational oversight and control of those entities rests largely

with Aegon Asset Management B.V. Within this framework, boards and committees of the Aegon Asset Management group companies and other affiliates within the enterprise interact and hold periodic joint meetings. Further, certain matters related to AURA are escalated and reserved for decision-making within the global enterprise.

A. Registered Representatives

A limited number of employees of AURA are registered representatives of an unaffiliated broker-dealer. These arrangements are not significant to AURA's core advisory services.

B. Relationships with Related Persons

1. AURA and AUIM Employee Sharing and Services Sharing Agreement

Certain AUIM employees perform the following services for AURA: internal audit, information technology support, information security, project management, client services, compliance, human resources, legal, marketing and distribution, operational risk management, portfolio risk management and control, public relations and communications, records management, finance and accounting, and vendor management. Certain AURA employees perform the following services for AUIM: investment research and legal services.

2. Dual Employees and Shared Resources

AURA maintains relationships with certain of its affiliates or persons under common control, including:

- Certain senior managers who work within the Aegon Asset Management group of companies are involved in aspects of AURA's business activities but do not exercise control over setting strategy, policy and investment decision-making for AURA's Clients. Authority and responsibility for investment decision-making rests with AURA's investment teams.
- Certain AURA Supervised Persons (as defined in Item 11.A, Code of Ethics – Standards of Conduct, below) serve as dual employees for various affiliates (e.g. various Transamerica insurance companies). Some Supervised Persons also serve as senior managers, officers, or directors for one or more affiliates (e.g. AUIM).

- AURA shares facilities with affiliates (e.g. AUIM and various Transamerica insurance companies), and relies on, utilizes and receives the benefits of, and shares with affiliates, the broader Aegon organization for centralized business functions such as operations, information technology, information systems, human resources, business continuity, legal, finance, payroll, compliance, enterprise risk management, and internal audit. Many of these activities are performed through global matrix reporting arrangements. Some of the centralized services can have a portion of the process outsourced to a third-party provider.
- Certain Supervised Persons will be involved in investment decision-making, trading processes, or administration for accounts managed on behalf of affiliates (e.g. various Transamerica insurance companies).

AURA has implemented oversight and governance standards and internal controls to address these relationships with related persons, including the supervision of its Supervised Persons serving in dual capacities.

4. Insurance Companies and Other Affiliates

AURA serves as investment adviser to various affiliated insurance companies (e.g. Transamerica) and other affiliates that are part of the Aegon family of companies. These affiliates' combined assets represent the largest portion of AURA's regulatory assets under management. AURA also performs administrative and back-office functions on behalf of these affiliated insurance companies that are not typically performed for unaffiliated Clients.

5. Pooled Investment Vehicles

AURA serves as the managing member of, and/or investment adviser to, affiliated private Funds. Some of AURA's affiliated insurance company Clients are solicited to invest in these Funds.

6. Other Investment Advisers

AURA provides certain real estate related research to affiliates (i.e., AUIM and TKP Investments B.V.).

AURA also serves as an adviser for its affiliate US Peng.

7. Conflicts of Interest

Affiliate relationships, the most significant of which are

insurance companies, represent AURA's largest Clients. A conflict of interest, including but not limited to conflicts of interest when allocating investment opportunities, will arise when AURA is acting on behalf of affiliated and unaffiliated Clients. In each case, AURA recognizes the responsibility to treat all Clients fairly and equitably, over time, and portfolio decisions made, over time, for unaffiliated Clients will be consistent, where applicable, with the decisions made for affiliated Clients. AURA provides certain investment research that it creates for its discretionary investment advisory Clients to a nondiscretionary affiliate Client. Similarly, AURA prepares investment research for a nondiscretionary affiliate Client that could benefit its discretionary Clients.

Item 11 — Code of Ethics

A. Standards of Conduct

AURA has adopted a Code of Ethics ("the Code") for its officers, directors, employees and control persons ("Supervised Persons") that sets forth AURA's standards of conduct and requires compliance with federal securities laws. The Code is based on the principle that Supervised Persons owe a fiduciary duty to AURA's Clients, including the duties of honesty, good faith, and fair dealing.

AURA Supervised Persons who have access to non-public information regarding Clients' purchase or sale of securities, holdings, or research recommendations are deemed to be Access Persons and are subject to enhanced Code requirements specifically related to personal securities transactions. Access Persons must conduct their personal activities in a manner that does not violate federal securities laws, interfere with client accounts, or otherwise take unfair advantage of client relationships. Accordingly, AURA Access Persons may not:

- Profit, or cause others to profit, based on his or her knowledge of completed or contemplated Client transactions;
- Engage in fraudulent conduct in connection with the trading of securities in a Client account; or
- Personally benefit by causing a Client to act, or fail to act, in making investment decisions.

To further mitigate potential conflicts of interest, the Code imposes restrictions on personal securities transactions in

which Access Persons have a beneficial interest, including preclearance and holding-period requirements for certain reportable securities.

Subject to the restrictions imposed on personal securities transactions within the Code, including blackout periods and preclearance requirements, Access Persons are permitted to transact in the same securities for their personal accounts as the firm purchases or sells on behalf of its Clients. Access Persons may also have the opportunity to invest in certain public or private investment vehicles that are advised or subadvised by AURA, or its advisory affiliate, AUM.

AURA Supervised Persons have an ethical and legal obligation to avoid conflict-of-interest situations, disclose potential conflicts, and seek clarification when warranted. To that end, AURA Supervised Persons must comply with restrictions and reporting requirements related to the offering or receipt of gifts and entertainment. Supervised Persons must also obtain pre-approval for outside business activities that could conflict with their duties to AURA or its Clients.

Clients can obtain a copy of AURA's Code of Ethics by calling (877) 234-6862, sending an email request to aegonrealty@aegonusa.com, or sending a written request to:

AEGON USA Realty Advisors, LLC

4333 Edgewood Road NE

Cedar Rapids, IA 52499

Attention: Chief Compliance Officer

B. Principal Trading and Cross Transactions

AURA generally does not conduct "principal transactions" (i.e., those transactions where AURA, acting as principal for its own account or the proprietary account of an affiliate, buys from or sells any security or real estate asset to any unaffiliated advisory Client). When deemed in Clients' best interests, permissible by regulation and Client agreement, AURA will engage in transactions where it acts as principal for an affiliate's account, buying securities or real estate assets from or selling securities or real estate assets to an unrelated Client. AURA will disclose its principal capacity in writing and obtain Client consent to each principal transaction before the settlement of such transaction.

AURA does not generally engage in transactions where the firm or any person controlled by or under common control with the firm acts as a broker between advisory Client accounts. If AURA engages in these agency cross trades, it will obtain the Client's prior written consent in compliance with Rule 206(3)-2 under the Act.

Although not a common practice, when in the best interests of all Funds or Clients involved, AURA will facilitate internal cross trades between two unrelated Client accounts.

AURA does not intend to engage in principal or cross trades involving ERISA accounts.

C. General Investment Advice

AURA serves as investment manager for many Clients. AURA and its Supervised Persons can give advice or take action in performing duties for certain Clients, or for their own accounts, that differs from advice given to or action taken for another Client. AURA is not obligated to buy, sell or recommend for another Client any security or other investment that AURA or its affiliates can buy, sell or recommend for any other Client or for their own accounts. Further, AURA provides investment services or advice on specific securities or other investments that is made available to affiliated Clients only.

Conflicts of interest exist any time AURA manages accounts for more than one Client, especially, when some of its Clients are affiliated Clients (e.g. Transamerica). To address such conflicts, AURA maintains policies and procedures and monitors for equitable trade allocation (see Item 12.C, Brokerage Practices - Transaction Aggregation and Allocation).

Item 12 – Brokerage Practices

A. Selecting Broker-Dealers

The Firm's advisory business generally does not involve the use of securities broker-dealers as it relates to the purchase of underlying investments for or on behalf of Clients (including Funds)

AURA will engage a real estate broker in connection with the disposition of a real estate asset as it may determine

in its discretion or as otherwise required by Governing Fund Documents or AURA's agreements with Clients. AURA selects the particular real estate broker that the firm believes will best represent the interests of the Funds or Clients.

B. Soft Dollar Benefits

AURA receives real estate market data and capital market data research from real estate brokers, other third party service providers, and broker-dealers being used as placement agents for the Funds. For additional information regarding placement agents, refer to Item 14, Client Referrals and Other Compensation. Those same real estate brokers may be used to buy or sell real estate investments for Clients (including Funds), as further described above in Item 12.A, Brokerage Practices – Selecting Broker-Dealers. It is the policy of AURA not to utilize research, research-related products or other brokerage services on a soft dollar commission basis (i.e., using client commissions to pay for research and brokerage services provided by broker-dealers). AURA and its affiliates do not have any formal soft dollar arrangements to compensate the real estate brokers for the research that is provided. AURA and/or its Clients (including the Funds) will bear the expense, if any, for the research obtained from such third parties.

AURA's receipt of research without charge presents a conflict of interest because AURA receives a benefit that it does not have to pay for from its resources. This could incentivize AURA to select real estate brokers based on the receipt of this research rather than receiving the most favorable execution. AURA seeks to eliminate this conflict of interest by directing transactions to those real estate brokers whom it believes provide best execution irrespective of whether such brokers provide research free of charge.

C. Transaction Aggregation and Allocation

Transaction Aggregation

AURA does not typically invest in publicly traded securities on behalf of the Funds or Clients. As such, AURA does not typically aggregate the purchase or sale of securities for the Funds or Clients since they are distinct investments for each Fund or Client.

Allocation of Investment Opportunities

In instances when AURA may be in a position to allocate investment opportunities to more than one Fund or Client at a time, AURA will use reasonable efforts to allocate investment opportunities among Funds and Clients in a manner intended

to result in fair and equitable treatment to all Clients over time. Factors that may influence a decision to allocate investment opportunities among Funds and Client accounts include but are not limited to:

- The type of the investment opportunity;
- Size of the transaction;
- Geographic diversification;
- Risk profile;
- Yield or return requirements; and
- Structure of the loan or real estate transaction.

AURA will determine the allocation of investment opportunities in its good faith and maintain documentation to support its allocation process.

D. Trade Errors

Consistent with its fiduciary duties, AURA's policy is to take the utmost care in making and implementing investment decisions for Client accounts. To the extent that trade errors occur, AURA seeks to ensure that the Client's best interests are served when correcting such errors. AURA makes its determinations regarding trade errors on a case-by-case basis, in its discretion, based on factors it considers reasonable, including regulatory requirements and business practices.

A trade error generally is compensable by AURA to a Fund or a Client when it is a mistake (whether an action or inaction), in AURA's reasonable view, that deviates from the applicable standard of care in managing an account. AURA has adopted trade error policies and procedures to guide the resolution of, and to help prevent the recurrence of, such errors.

AURA will determine the amount to be reimbursed, if any, based on what it considers reasonable in light of all facts and circumstances related to such errors.

Errors made in the implementation of investment decisions, transaction execution, cash movements, portfolio rebalancing, processing instructions, or facilitation of a securities settlement, may not, based on specific facts and circumstances, be considered violations of standards of care and therefore may not be compensable trade errors. Errors or mistakes that are operational in nature, related to areas such as valuation, accounting, trade recording, and trade settlement, may not be compensable unless they deviate from the applicable standards of care.

If it is determined that AURA should reimburse the Client for any losses, AURA will include any related transaction costs. The Client will retain any gains. In general, AURA will net gains and losses across a Client's accounts related to the same trade error.

Item 13 – Review of Accounts

AURA's portfolio managers provide ongoing oversight and supervision of investments held by the Funds and Client separately managed accounts. On a quarterly basis, AURA's real estate portfolio managers review updated business plans (if any exist for a particular real estate asset), and discuss significant operations and assumptions related to such business plans. In the case of Funds-of-Funds, AURA's portfolio managers may also conduct ongoing due diligence reviews of the underlying fund managers.

For certain strategies, Client investment guidelines are monitored periodically by the Portfolio Risk Management & Control Team ("PRMC"), an oversight function that is separate from the portfolio management teams. When necessary, portfolio managers are involved to resolve any identified compliance issues related to the investment mandate.

AURA typically provides Clients or Investors with reporting information in accordance with the terms of the applicable Investment Management Agreement or Governing Fund Documents. Examples of such reports include, but are not limited to, the following based upon client type: (i) Fund audited annual financial statements; (ii) Fund unaudited quarterly financial statements together with a comprehensive investment memorandum describing the major events that occurred and an overview of general market conditions; (iii) quarterly and annual capital account statements and (iv) annual tax information necessary to complete any applicable tax returns; (v) periodic reports on investment income trends and gains and losses, market commentary, account summaries (including holdings), performance information, account statistics and investment activity (such as purchases and sales) during the reporting period.

Item 14 – Client Referrals and Other Compensation

A. Client Referrals

AURA has entered into compensation arrangements with certain affiliated (e.g. AUIM and Aegon Asset Management Asia) and non-affiliated persons who act as solicitors. Such arrangements will at all times be maintained in compliance with Rule 206(4)-3 under the Act. AURA compensates solicitors based on a percentage of the management fee it earns from the account a solicitor has introduced; a one-time fee; or a combination of these. Certain Funds are responsible for paying the expenses related to the placement agent fees.

Payment of solicitation compensation can cause a solicitor to recommend AURA over another adviser that does not pay solicitation compensation. When a solicitor receives compensation from AURA, such solicitor will have a conflict in advising Clients with respect to hiring AURA as an investment adviser. Further, solicitors might receive different amounts of compensation with respect to different AURA products and therefore have incentives to favor one or more products over others.

AURA and its affiliates also receive Client referrals from unaffiliated consultants retained by Investors. While AURA does not directly compensate consultants, AURA may from time to time make payments to these consultants to participate in conferences sponsored by the consultants in order to, among other things, obtain information about industry trends and investor investment needs. In addition, AURA and its affiliates have historically purchased products or services from these consultants or their affiliates.

B. Other Compensation

Other than compensation received directly from AURA, employees are not permitted to accept any form of compensation for providing advisory services. AURA maintains written policies and procedures with respect to the giving and receipt of gifts and entertainment. These policies and procedures are reasonably designed to comply with applicable law, including pay-to-play restrictions. The policies and procedures prohibit giving or receiving gifts, entertainment, donations, or contributions that AURA determines are lavish or excessive under the circumstances.

Item 15 – Custody

AURA performs various back-office functions for affiliated Clients and has access to funds or securities in certain advisory Client accounts (i.e., the Funds) since it or an affiliate serves as the manager or general partner of the Funds. As a result of such custody, many Funds are subject to an annual audit performed in accordance with the requirements of SEC Rule 206(4)-2 (the “Custody Rule”). Such audits are conducted by an independent public accountant and the resulting audited financial statements are distributed to each limited partner. The audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within the requisite timeframe specified in the Custody Rule.

Additionally, AURA may also have custody of funds or securities of separately managed account Clients. As a result, such Clients’ accounts will be subject to an annual surprise examination by an independent audit firm. Annual surprise examinations are also conducted with respect to accounts of Funds that are not subjected to the annual audit process described above. The auditors chosen to perform surprise examinations and Fund audits are independent public accountants registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board.

Irrespective of whether the Client is a separately managed account or a Fund, and irrespective of whether the Client’s account is subject to annual audit or surprise exam, if AURA has custody over the Client’s funds or securities, the Client should receive statements at least quarterly from the qualified custodian holding such securities and cash. The custodian’s statements represent the Client’s official account records. To ensure all account transactions are proper, AURA urges Clients to compare statements received from AURA to statements received directly from their custodian. AURA statements can vary from custodial statements due to accounting practices, reporting dates, or valuation methodologies for certain securities.

Item 16 – Investment Discretion

For certain strategies and Clients, AURA has discretionary authority to make and manage investments.

In accordance with the terms and conditions of the Governing Fund Documents, and subject to the direction and control of the general partner or manager of each respective Fund, AURA generally has discretionary authority to determine, without obtaining specific consent from the Funds or its Investors, the securities or transactions to be bought or sold on behalf of the Funds, and to perform the day-to-day investment operations of the Funds. Approval is required of the respective Investors for any action that is beyond the guidelines prescribed in the Governing Fund Documents.

AURA also enters into an investment management agreement with its Clients. In situations where AURA has discretionary authority pursuant to the client agreement, an investment policy statement or investment guidelines may be agreed to by the Client that could limit AURA’s discretionary authority. When exercising discretionary authority, AURA determines, without obtaining specific Client consent, the types and quantities of securities to buy and sell.

Investment authority will be discretionary as long as AURA is authorized to implement its investment recommendations and strategies without first obtaining Client (or Fund) consent, so long as the recommendations and strategies comport with guidelines, if any, established in AURA’s agreement with the Client (or Fund). AURA will also enter into arrangements where it does not exercise investment discretion, such as when a Client imposes conditional authority or material investment strategy restrictions.

Item 17 – Voting Client Securities

AURA has adopted proxy voting policies and procedures to comply with Rule 206(4)-6 of the Investment Advisers Act and with its fiduciary obligations. The general policy is to vote proxy proposals, amendments, consents or resolutions related to securities, including interests in private partnerships, in a manner that serves the best interests of the Funds and Clients, as determined by AURA in its discretion, subject to any specific requirements or limitations set forth in Governing Fund Documents or other Client agreements. Generally, AURA will vote in all matters for which shareholder action is required or solicited.



AURA votes proxies for public stock on a very limited basis because AURA typically does not invest in publicly traded securities on behalf Funds and other Clients. Occasionally, AURA may vote proxies on behalf of Funds managed or advised by AURA where such Funds hold public stock as a result of a distribution from an underlying investment vehicle in which the Fund has invested and such stock has not yet been sold by AURA at the time of the vote.

In addition, AURA also provides investment recommendations with respect to equity and debt interests in real estate related assets which generally do not issue proxies.

AURA will maintain a record of any proxy votes executed on behalf of the Funds or Clients. Clients can obtain a copy of AURA's complete proxy voting policies and procedures upon request. Clients can also obtain information from AURA about how it voted to any applicable proxy votes submitted on securities on behalf of the Client's account(s) by contacting (877) 234-6862 or aegonrealty@aegonusa.com.

Item 18 – Financial Information

A registered investment adviser is required to provide Clients with certain financial information or disclosures about its financial condition. AURA does not have financial commitments that impair its ability to meet contractual and fiduciary commitments, and it has not been the subject of a bankruptcy proceeding.