

Item 1 – Cover Page

PRIDEROCK FUND MANAGEMENT PARTNERS, LLC

Form ADV Part 2A: Firm Brochure

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This Brochure provides information about the qualifications and business practices of Priderock Fund Management Partners, LLC (“Priderock”). If you have any questions about the contents of this Brochure, please contact Priderock at the address listed above. 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.

Priderock Fund Management Partners, LLC is a registered investment adviser with the SEC. Registration of an investment adviser does not imply any certain level of skill or training.

Additional information about Priderock is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure was prepared for Priderock’s registration with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes.

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Item 4 – Advisory Business

Priderock Fund Management Partners, LLC (“Priderock”), is a Delaware limited liability company with its principal place of business in West Palm Beach, Florida. Priderock MDOF GP, LLC, a Delaware limited liability under common control with Priderock Fund Management Partners, LLC, which serves as the general partner (the “General Partner”) of the Fund (as defined below). The General Partner is managed and controlled by George Banks, David Khoury and David Worley (collectively, the “Principals”), who also comprise the Investment Committee (the “Investment Committee”).

For the purposes of this brochure and where the context permits, “Priderock” shall also refer to the General Partner and other affiliates of Priderock Fund Management Partners, LLC that provide services to clients.

Priderock provides advisory services to Priderock Multifamily Debt Opportunity Fund, L.P., a private investment vehicle organized as a Delaware limited partnership (the “Fund” or “MDOF”). The Fund is exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). Priderock also provided advisory services to the following parallel funds of the Fund: Priderock MDOF (PSQ), LLC, Priderock Multifamily Debt Opportunity Fund (Offshore), L.P. and Priderock MDOF (SR), LLC. Priderock may decide in the future to provide advisory services to additional private investment vehicles (collectively, the “Funds”) or to other institutional clients in separately managed accounts (collectively with the Fund(s), “clients”).

Priderock tailors its advisory services to meet the investment objectives, guidelines, and other terms of the Funds, in accordance with the limited partnership agreement, confidential offering memorandum and other governing documents, as applicable (the “Offering Documents”). Investment advice is provided directly to the Funds, subject to the discretion and control of the General Partner, and not individually to the investors (“Investors”) in the Funds. Investors have no authority to change the Funds’ investment objectives or limitations.

The Funds purchases and actively manages controlling class subordinated certificates (“Controlling Class”) issued under the Freddie Mac K-Series Multifamily Mortgage Securitization Program (“K-Deals”). The Funds’ investment strategy, and the risks associated therewith, are further discussed below in *Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss*.

Priderock does not participate in wrap fee programs.

As of July 19, 2018, Priderock has \$197,914,822 in regulatory assets under management, all of which are managed on a discretionary basis.

Item 5 – Fees and Compensation

MANAGEMENT FEE

For services provided to the Funds, Priderock receives an annual asset-based management fee (the “Management Fee”), payable quarterly in advance. The Management Fee structure is as follows:

- 1.50% of the aggregate capital contributions up to \$9,999,999;
- 1.25% of the aggregate capital contributions from \$10,000,000 to \$24,999,999; and
- 1.15% of the aggregate capital contributions from \$25,000,000 and up.

The Management Fee may vary at the manager's discretion. Priderock deducts the Management Fee from the Fund's assets on the last business day of each fiscal quarter. The Management Fee may be paid out of current income and the disposition proceeds of the Funds and, to the extent necessary, from drawdowns.

Priderock, at its sole discretion, may waive or reduce the management fee for one or more Investors.

ADDITIONAL FEES AND EXPENSES

The Funds will be responsible for all legal, accounting, filing and placement fees and other organizational expenses including the out-of-pocket expenses of Priderock incurred in connection with registration as an investment advisor under the Advisers Act, or in connection with the formation of the Funds up to \$2.0 million. Organizational expenses in excess of \$2.0 million, if any, will be borne by the Investment Manager.

The Funds bear all expenses incurred in connection with the Funds' activities, including, without limitation, (i) fees, costs and expenses related to the Funds' investments in Controlling Class certificates (to the extent not reimbursed), including without limitation, diligence, underwriting, purchase, holding, restructuring and/or sale thereof, and any payments required under any guarantee or other credit support with respect to the obligations of any obligor under a Controlling Class certificate; (ii) legal, auditing, consulting and accounting expenses (including expenses associated with the preparation of Funds financial statements, tax returns and Schedules K-1); (iii) costs, expenses and liabilities of the Funds including, without limitation, extraordinary expenses such as litigation and indemnification costs and expenses, judgments and settlements; (iv) all out of pocket fees and expenses incurred by the Funds or Priderock relating to holding Controlling Class certificates and investment and disposition opportunities for the Funds consummated but not reimbursed by a third party (including, without limitation, legal, accounting, auditing, consulting and other fees and expenses, financing commitment fees, real estate title and appraisal costs, and printing), including underwriting costs and expenses of up to \$200,000 per investment in Controlling Class certificates, (v) all out of pocket fees and expenses incurred by the Funds or Priderock relating to investment and disposition opportunities for the Funds not consummated (including, without limitation, legal, accounting, auditing, consulting and other fees and expenses, financing commitment fees, and printing), (vi) costs associated with any meetings of partners, if any, (vii) insurance expenses, including those associated with obtaining or maintaining director's and officers' liability insurance (to the extent not borne by one or more third parties), (viii) all out of pocket fees and expenses incurred by the Funds or Priderock relating to independent pricing services or the monitoring of Controlling Class certificates, (ix) any taxes, fees and other governmental charges levied against the Funds, and (x) any costs associated with the ongoing maintenance and compliance of Priderock's registration as an investment advisor pursuant to the Advisers Act.

Additionally, please see *Item 6 – Performance-Based Fees and Side-By-Side Management* regarding "Carried Interest" paid to the General Partner.

The foregoing discussion in Items 5 represents Priderock's basic compensation arrangements. Fees and other compensation are negotiable in certain circumstances and arrangements with any particular Investor may vary. Although Priderock believes its fees are competitive, lower fees for comparable services may be available from other investment advisers.

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

A portion of the profits of the Funds are allocated to the capital account of the General Partner as "carried interest" (the "Carried Interest"). Priderock will evaluate investments in a manner that it considers to be in the best interest of the Funds.

Priderock currently does not have any other clients other than the Funds, and therefore, does not currently have any conflicts of interest with respect to side-by-side management. If, in the future, Priderock provides advisory services to additional clients, the payment of Carried Interest and/or incentive fees at varying rates may create an incentive for Priderock to disproportionately allocate time, services, or functions to clients paying Carried Interest or incentive fees at a higher rate, or to allocate investment opportunities to such clients. With respect to the Funds, this conflict is mitigated by provisions restricting Priderock from establishing a new investment fund with objectives substantially similar to those of the applicable Funds until the earlier of (i) the end of the Funds' Commitment Period or (ii) such time as the applicable Funds is invested or committed beyond a percentage set forth in the Offering Documents (including amounts reserved for follow-on investments and reasonably anticipated expenses and liabilities or reserves of the applicable Funds).

Item 7 – Types of Clients

Priderock currently provides investment advisory services to the Funds. Investment advice is provided directly to the Funds (subject to the direction and control of the General Partner) and not individually to Investors in the Funds. In the future, one or more parallel partnerships may be organized for legal, regulatory, tax or other reasons, and will invest on a pro rata basis in all Funds transactions. In addition, Priderock may, in the future, provide advisory services to additional private investment funds and/or separately managed client accounts.

Limited partnership interests ("Interests") in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Funds must be "accredited investors," as defined in Regulation D promulgated under the Securities Act, and "qualified clients," as defined under the Advisers Act, and may include, among others, pension and profit sharing plans, university endowments, corporations, high net worth individuals, banks, thrift institutions, trusts, estates, charitable organizations, limited partnerships, and limited liability companies or other entities. Priderock may choose to hold the initial closing of the Funds at any time after receiving at least \$100 million in commitments (the "Initial Closing Date"), and additional closings may be held up to 18 months thereafter. Investments may be made by the Funds through the second anniversary of the Initial Closing Date (the "Commitment Period"). The term of the Funds will be seven years from the Initial Closing Date, but may be extended for up to three consecutive one-year periods at the discretion of Priderock.

With certain limited exceptions, an Investor may not sell, assign, transfer or otherwise dispose of any interest in the Funds without the prior written consent of Priderock. Further, an Investor may not withdraw any amount from the Funds with certain limited exceptions.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

The Funds' investment strategy will be to purchase the Controlling Class of newly securitized first lien mortgages of multifamily loans under the Freddie Mac Multifamily K-Deal program. K-Deal transactions are backed by either fixed or floating rate multifamily mortgage loans as collateral. The Funds will target primarily floating rate Controlling Class certificates, but also intends to invest a portion of the Funds' capital in fixed rate Controlling Class certificates.

Key attributes of the Funds' highly disciplined and comprehensive investment process include the following:

- ***Comprehensive Property-Level Underwriting.*** All underlying mortgage loans will be fully underwritten by the Funds, with the benefit of Priderock's national management and development resources. Asset level due diligence will include detailed desktop analysis, property tours, discussions with on-site management and competitive market assessment.
- ***Detailed Market Underwriting.*** The Funds will use third party providers of market data, such as REIS, Costar, Axiometrics, Real Property Analytics and PPR to help underwrite and analyze market conditions for underlying collateral. These groups are routinely used by Priderock on all of its apartment acquisitions and development projects. Priderock owns, manages and develops apartments nationally, and will leverage its resources across the country for asset and market level analysis. Priderock has owned, managed and developed over 8,000 units to date.
- ***Strict Borrower Underwriting.*** The Funds are uniquely qualified to underwrite the actual borrowers of the loans in the collateral pools. In his capacity as Chief Risk Officer at Fannie Mae, Mr. Worley has years of experience lending to many of Freddie Mac's borrowers. His assessment, combined with the other Principals' knowledge of borrowers' reputations as owner/operators in the market provide the Funds with a distinct informational advantage.
- ***Analytical Approach to Selecting Bonds.*** In order to optimize the Funds' current cash on cash yield and total IRR, the Funds will go beyond property-level underwriting when purchasing Controlling Class securities.
- ***Pure Multifamily Focus.*** The Funds are exclusively focused on multifamily rental properties. The Funds' investment professionals collectively have over 100 years of experience as either developers, owners, operators or financiers of multifamily apartments. This unique base of knowledge and experience allows the Funds to not only underwrite and assess risk on the front end, but also to understand and manage risks during the term of the investments. In addition, the Funds' investment professionals are uniquely qualified to understand and navigate the governmental and regulatory complexities associated with Freddie Mac.
- ***Detailed Portfolio Surveillance.*** The Funds will have designated employees whose sole responsibility will be to monitor the ongoing performance of the loan portfolio. Each quarter, borrowers of loans within the collateral pool are required to submit financial information and operating performance information to the servicers. All quarterly operating results will be analyzed and any properties with deviations to the norm will be

placed on a watch list. All watch list loans will receive special scrutiny, including direct conversations with the borrowers and property managers, inspections of the properties and inspections of the books, records, bank statements and rent rolls of the properties.

The Funds may, directly or indirectly, incur indebtedness or obtain leverage (i) for the purpose of financing any investment-related activities of the Funds, including funding all or a portion of the capital necessary for the acquisition of Controlling Class certificates or (ii) for any other purpose of the Funds or its investments; provided that the aggregate principal amount of indebtedness may not, without the prior consent of the Advisory Board, exceed 50% of aggregate Commitments. Any such indebtedness may be secured by the assets of the Funds, and the unfunded Commitments and capital accounts of the Investors may be pledged by the Funds to secure any such borrowings or indebtedness.

FUND RISK FACTORS

Investing in securities involves a substantial degree of risk and Investors must be prepared to bear the risk of a substantial or complete loss of their investments. Material risks relating to the investment strategies and methods of analysis described above, and to the types of securities typically purchased by or for the Funds, are described in detail in the Funds' Offering Documents and summarized below:

Dependence on Management. The success of the Funds will be dependent on the expertise and performance of the investment professionals of the Funds, in particular, the Investment Committee. Investors will not have the opportunity to evaluate fully for themselves the relevant economic, financial, and other information regarding the Funds' assets. All decisions with respect to the acquisition and disposition of the Controlling Class and any decisions relating to the special servicer with respect to the underlying loans obtained through the Funds' ownership of the Controlling Class are made exclusively by the Investment Committee. The loss of one or more of these individuals could have a material adverse effect on the Funds.

Illiquidity of Investments. An investment in the Funds requires a long-term commitment with no certainty of return. The ultimate recognized value of the Controlling Class certificates, the related underlying multifamily loans and the other investments acquired, directly or indirectly, by the Fund will fluctuate with, among other things, changes in market rates of interest, market risk premiums on bonds, general economic conditions, economic conditions in particular multifamily real estate markets, the economic status of Freddie Mac, the condition of financial markets and the financial condition of the borrowers of the underlying multifamily loans underlying the Controlling Class certificates acquired by the Fund. In addition, the lack of an established, liquid secondary market for the Fund's investment in the Controlling Class certificates may have an adverse effect on the market value of such investments and on the ability of the Fund to dispose of them either through sale or securitization. Therefore, no assurance can be given that the Fund will be able to dispose of a particular Controlling Class certificate investment in a timely manner. There is no certainty of distributions to the Investors, as the Funds will not have a source of funds from which to provide distributions to the Investors other than principal and interest payments on the Controlling Class.

Losses. There can be no assurance that the operation of the Funds will be profitable, that the Funds will be able to avoid losses or that cash from its investments will be available for distribution to the Investors. Further, if the Funds are determined to dispose of a particular Controlling Class certificate investment, there is no assurance that it will be able to dispose of such investment at the previously prevailing market price.

General Business Risks. In contrast to the markets for investment grade rated securities, the Controlling Class certificates acquired by the Funds are not investment grade rated or actively traded in the secondary market. Therefore, the Funds expect to retain the Controlling Class certificates acquired by the Funds to maturity. The retention of such securities in whole or in part until maturity will subject the Funds to greater credit risk than would otherwise be the case. In the absence of a significant market for the securities and other assets held directly or indirectly by the Funds, the General Partner will not be able to trade such assets in order to respond to changes in market conditions. Investors may experience greater credit risk and a lower return on their investment as a result.

The Controlling Class certificates in which the Funds may invest are also subject to significant fluctuations, and the market value of the same may be subject to substantial variation. In addition to being relatively illiquid, the Controlling Class certificates are highly speculative. No assurance can be given that the Funds' assets will retain their value or appreciate in value.

There occurred, beginning in mid-2007, an extreme downturn in the credit markets and other financial markets. This resulted in deterioration in the credit quality of many securities. These conditions, together with other factors, including declining business and consumer confidence and increased unemployment, contributed to a deep economic recession. Economic growth continues to be slow and highly uncertain. It is difficult to predict how long and to what extent these conditions will continue, whether they will deteriorate further and what the full effects will be on the financial and credit markets and the credit quality and performance of businesses and assets. There can be no assurance that economic conditions will improve and they may deteriorate further. The market value and performance of the Funds' Controlling Class certificates may be adversely impacted by current and future economic conditions, including perceptions of potential, current or future conditions, market trading imbalances or technical dislocation.

To the extent that economic and business conditions fail to improve or deteriorate further, the levels of defaults and delinquencies are likely to increase and market values may decrease or not fully recover, which may adversely affect the amount of proceeds that could be obtained upon the sale of the Funds' assets.

General Nature of the Funds' Investments. The Controlling Class certificates will be in investments that by their nature involve real estate, financial, market and legal risks. While the Controlling Class certificates offer the opportunity for gains, they also involve a high degree of risk that may result in losses. There can be no assurance that the Funds will correctly evaluate the nature and magnitude of the various factors that could affect the value of the Controlling Class certificates. Prices of the Controlling Class certificates may be volatile, and a variety of other factors that are inherently difficult to predict, such as domestic or international economic and political developments, may significantly affect the results of the activities of the Funds. As a result, the performance of the Funds over a particular period may not necessarily be indicative of the results that may be expected in future periods.

Reinvestment Risk. Any reinvestment by the Funds with amounts from the pre-payment or disposition of Controlling Class certificates would also expose the Funds to the market conditions prevailing at such time and could result in adverse changes in the characteristics and quality of the Controlling Class certificates held by the Funds. In this respect, the level of returns on amounts reinvested by the Funds during the Commitment Period will depend on the availability of other issuances of Controlling Class certificates determined by the Investment Committee to be an appropriate investment for the Funds and the interest rates thereon at the relevant time.

Prevailing market conditions at such time may result in the purchase of Controlling Class certificates having lower yields than the loans whose proceeds are being reinvested. Furthermore, amounts received by the Funds and invested in temporary investments pending reinvestment or while being held as reserves will have significantly lower yields than the yields on the Controlling Class certificates owned by the Funds.

Participation on Creditors' Committees. The Funds may (through Priderock and ultimately through the special servicer of the applicable Controlling Class certificates (the "Special Servicer")) participate on committees formed by creditors to negotiate the management of financially troubled multifamily projects that may or may not be in bankruptcy or the Funds (through Priderock and ultimately through the Special Servicer) may seek to negotiate directly with such obligors with respect to restructuring issues. If the Funds do join a creditors' committee, the participants of the committee would be interested in obtaining an outcome that is in their respective individual best interests and there can be no assurance of obtaining results most favorable to the Funds in such proceedings. By participating on such committees, the Funds may be deemed to have duties to other creditors represented by the committees, which might expose the Funds to liability to such other creditors who disagree with the Funds' actions. Furthermore, by participating on such committees, the Funds may be contractually obligated to hold the related Funds assets even if it would otherwise be in the best interests of the Funds to sell. In addition, Priderock and its affiliates or other managed funds or accounts may also have or establish relationships with, and participate on credit committees with respect to, obligors (through holding debt obligations issued by such obligors or otherwise) whose loans are held by the Funds, and such debt obligations may have interests different from or adverse to the loans held by the Funds.

Valuation. The Controlling Class certificates held by the Funds are not publicly traded and the fair value of the Controlling Class certificates that are not publicly traded may not be readily determinable. The Funds value the Controlling Class certificates in accordance with U.S. generally accepted accounting principles. Actual amounts realized with respect to Controlling Class certificates or other Fund assets may vary significantly from the value at which the Fund holds such Controlling Class certificates or other Fund assets at any time.

Funds' Use of Leverage. To the extent that Priderock does determine to incorporate leverage in the Funds' investment program, the Funds may borrow money and employ other forms of leverage, if any, when Priderock deems it appropriate for enhancing the Funds' performance. The use of leverage will magnify the volatility of changes in the value of the investments of the Funds in a market that moves adversely to their investments and could result in substantial losses to the Funds, which would be greater than if the Funds were not leveraged. In connection with borrowing, the Funds may use credit facilities for the purchase or implementation of certain investments or for other portfolio management purposes. Should such credit facilities be utilized, the Funds would incur additional interest and other expenses with respect to such facilities. Any such credit facility provider that permits the Funds assets as collateral for such credit facility may require the sale or liquidation of Funds assets held by it as collateral after default by the Funds pursuant to the agreement with such credit facility provider. Events of default under any such credit facility may include, among other things, failure to pay amounts due under such credit facility, failure to inform the credit facility provider of certain events with respect to the Funds, failure to provide the credit facility with certain periodic reports and financial statements, breach by the Funds of other representations and covenants contained in credit facility documentation and other similar terms. In such instances, the credit facility provider may take any such action without notice to the Funds or t Priderock. If any such credit facility provider were to require the Funds to sell or liquidate assets or otherwise act to realize on such collateral, these actions may impair the operational capabilities of the Funds and have adverse tax and economic effects on the

Funds. In connection with any financing or other borrowing transaction, Priderock shall have the right, at its option, to pledge any or all of the assets of the Funds including the Partners' unfunded Commitments as security for any financing incurred directly or indirectly by the Funds. Each Investor shall, upon written request from Priderock, for the benefit of any lender, acknowledge its obligations to make capital contributions pursuant to the Limited Partnership Agreement. In addition, Investors may be required to honor capital calls made by the lender.

Concentration Risks. The Funds' objective is to acquire a portfolio of Controlling Class certificates (and initially will) acquire a limited number of Controlling Class certificates, and the aggregate return of the Funds may be affected by the performance of only a few investments. To the extent that less capital is raised than targeted, the Funds may invest in fewer Controlling Class certificates and thus be less diversified.

Availability of Suitable Investments. Identification of attractive investment opportunities in Controlling Class certificates is difficult and involves a high degree of uncertainty. Furthermore, the availability of investment opportunities generally will be subject to market conditions as well as, in some cases, the prevailing regulatory or political climate. Competition for such opportunities is expected to be substantial. There can be no assurance that the Funds will be able to locate and complete a sufficient number of suitable opportunities to enable it to invest all of the Commitments in opportunities that satisfy its investment objectives or that such investment opportunities in Controlling Class certificates will lead to completed investments by the Funds, nor can there be any assurance as to the timing of investments.

Failure to Fund Commitments; Consequences of Default. If Investors fail to fund their Commitments when due, the ability of the Funds to complete its investment program or otherwise to continue operations may be substantially impaired. A default by a substantial number of Limited Partners or by one or more Investors who have made substantial Commitments would limit opportunities for investment diversification and likely would reduce returns to the Funds. In the event that an Investor fails to fund any of its Commitment when required, such Investor's Interests may be diminished and/or forfeited.

Dilution. Investors admitted to the Funds at subsequent closings will participate in then-existing investments of the Funds, thereby diluting the interest of existing Investors in such investments. Although any such new Investor will be required to contribute its *pro rata* share of previously made capital contributions, there can be no assurance that this contribution will reflect the fair value of the Funds' existing investments at the time of such contributions.

Investments Longer than Term. The Funds may make investments that may not be advantageously disposed of prior to the date that the Funds will be dissolved, either by expiration of the term of each such investment or otherwise. Although Priderock expects that investments will be either disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, the Funds may have to sell, distribute, resecuritize or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

Restrictions on Transfer; No Market for Interests. The Interests will not be registered under the Securities Act or any state or other securities laws and may not be transferred unless registered under applicable federal and state securities laws and in some cases, non-U.S. securities laws or unless an exemption from such laws is available. The Funds have no plans and is under no obligation to register such Interests under the Securities Act. No market exists for the Interests, and none is expected to develop. Further, approval by Priderock of a transfer is required before any transfer may occur, which Priderock may withhold in its sole discretion.

Distributions In-Kind Upon Funds Termination. Upon termination of the Funds, distributions may be made by Priderock consisting of non-cash assets. At the time of such distribution, such assets may have limited liquidity, price volatility or a decline in market value and may have certain investment and transfer restrictions limiting marketability. The ability of Investors to liquidate positions in such securities is subject to these risks, and Investors must be prepared to hold such securities for an extended period of time.

Side Letters. Priderock may enter into arrangements with certain Investors that have the effect of altering or supplementing the terms of the Investor's investments in the Funds, including arrangements with respect to waivers or reductions of the Management Fee and/or carried interest, access to portfolio information and enhanced transparency.

No Right to Control the Funds' Operations. Investors will have no opportunity to control the day-to-day operations of the Funds, including investment and disposition decisions. In order to safeguard their limited liability from the liabilities and obligations of the Funds, Investors must rely entirely on Priderock to conduct and manage the affairs of the Funds.

Projections, Forecasts and Estimates. Any projections, forecasts and estimates contained in this Brochure, the Offering Documents, or any other materials provided by Priderock are forward looking statements and are based upon certain assumptions that the Funds consider reasonable. Projections are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results. Accordingly, the projections are only an estimate. Actual results may vary from the projections, and the variations may be material. The inclusion of projections herein should not be regarded as a representation by the Funds, Priderock, or any of its affiliates or any other person or entity of the results that will actually be achieved by the Funds. None of the Funds, Priderock, or any of its affiliates and any other person has any obligation to update or otherwise revise any projections, including any revisions to reflect changes in economic conditions or other circumstances arising after the date hereof or to reflect the occurrence of unanticipated events, even if the underlying assumptions do not come to fruition.

Force Majeure, Terrorism and Other Acts. In addition to historic market risks, the performance of the Funds may be adversely affected by market fluctuations resulting from certain risks which are unprecedented in nature or magnitude and therefore not amenable to existing risk management techniques which are based on modeling past events and assigning probabilities to the recurrence of those events. Such events include, without limitation, catastrophic acts of terror resulting in mass casualties and associated destruction and subsequent abandonment of large areas in urban locales; imposition or declaration of martial law in any jurisdiction; mass disruption of telecommunications facilities due to terrorist acts; pandemics resulting from bio-terror attacks or outbreaks of fatal disease for which there is no cure or treatment; urban terror using nerve gas or other toxins; terrorist use of nuclear weapons, radiation dispersal weapons or other weapons of mass destruction; cyber-terror and terrorist attacks on financial markets, exchanges and payments systems; and acts of providence. In no case will Priderock or its affiliates be held responsible for such acts or the consequential effects thereof.

RISK FACTORS ASSOCIATED WITH THE FREDDIE MAC CONTROLLING CLASS CERTIFICATE AND UNDERLYING LOANS

The risks and uncertainties described below summarize certain material risks in connection with the purchase by the Funds of Controlling Class certificates under the Freddie Mac K-Deal program. Each such transaction will be sold pursuant to a prospectus and a prospectus

supplement which will provide a detailed analysis of the underlying mortgage loans. Illustrative examples of such prospectuses are available to any prospective investor upon request.

The Controlling Class May Lose its Ability to Direct the Special Servicer. The Funds have certain rights as the holder of the Controlling Class which will be lost if there are losses which exceed seventy five percent of the initial principal balance of the Controlling Class. Such realized losses are recognized by the Controlling Class for losses on the underlying mortgage loans, as well as default-related or other unanticipated issuing entity expenses attributable to the underlying mortgage loans. The rights which the Funds, as the owner of the Controlling Class, would lose with respect to the respective K-Deal transaction and specifically with respect to the underlying mortgage loans include the ability to direct the special servicer when a loan is a default loan, request a recommendation from the servicing consultant relating to a requested waiver of any “due-on-sale” or “due-on-encumbrance” clause as a requested consent to certain modifications, waivers or amendments for certain non-specially serviced mortgage loans, as well as purchase defaulted mortgage loans from the issuing entity.

Failure of the Issuing Entity to Remain a REMIC. As discussed in further detail below, the Funds do not generally have the right to make decisions with respect to the administration of the entity that issues the applicable Controlling Class certificates (the “issuing entity”). Thus, the issuing entity may fail to qualify as a real estate mortgage investment conduit (“REMIC”) due to factors outside of the Funds’ control. If the issuing entity fails to comply with one or more of the ongoing requirements of the Internal Revenue Code for status as a REMIC during any taxable year, the issuing entity would generally not be treated as a REMIC for such year and thereafter; instead, the issuing entity would likely be treated as an association taxable as a corporation for U.S. federal income tax purposes, and the Controlling Class certificates would be treated as equity interests in the issuing entity. If the issuing entity were treated as a corporation it would be subject to regular federal income tax rates applicable to corporations, which could materially reduce the amounts available for distribution to the Funds on the Controlling Class certificates and, thus, the amounts available for distribution from the Funds

to Investors. Moreover, to the extent such distributions constitute dividends for U.S. federal tax purposes, withholding tax may also apply to the distributions to Non-U.S. Investors.

The Controlling Class certificates are Generally Unrated. The Controlling Class certificates generally will be unrated or if rated will have ratings or implied ratings below investment grade. The lower rating of such securities reflects a greater possibility that adverse changes in the underlying loan collateral or in general economic conditions (including, for example, a substantial period of rising interest rates or declining earnings off of the properties) or both may impair the ability of the borrower on the underlying loan to make payment of principal and interest. This will in turn result in the certificate not receiving principal and interest payments. The market for lower-rated and comparable non-rated securities is thinner, often less liquid, and less active than that for higher-rated and comparable securities, which can adversely affect the prices at which the securities can be sold and may even make it impracticable to sell such securities. In addition to the foregoing, such underlying loans may become nonperforming for a variety of reasons. A nonperforming loan may require substantial work-out negotiations or restructuring that may entail, among other things, a substantial reduction in the interest rate and/or a substantial write-down of principal of or accrued interest due on the loan as well as substantial legal and other fees and expenses. Because of the unique and customized nature of mortgage loan documentation, certain loans may not be purchased or sold as easily as publicly traded securities. Other risks associated with floating rate securities and the underlying floating rate loans include the fact that pre-payments may occur at any time without premium or penalty and that the exercise of pre-

payment rights during the term of the security could cause the Funds to return capital sooner than expected.

Limitations on Voting. Except as described herein, investors in the Controlling Class certificates, including the Funds, do not have the right to make decisions with respect to the administration of the entity that issues the applicable Controlling Class certificates (the “issuing entity”). These decisions are generally made, subject to the express terms of the pooling and servicing agreement for the issuing entity, by the master servicer, the special servicer, the certificate administrator and the trustee. Any decision made by any of those parties in respect of the issuing entity in accordance with the terms of the pooling and servicing agreement, even if it determines that decision to be in the Funds’ best interests, may be contrary to the decision that Funds would have made and may negatively affect the Funds’ interests. However, the directing certificate holder and Freddie Mac or its designee have the right to exercise various rights and powers in respect of the issuing entity. In addition, in certain limited circumstances, certificate holders have the right to vote on matters affecting the issuing entity. In some cases, these votes are by certificate holders taken as a whole and in others the vote is by class. The Funds’ interests as a holder of the Controlling Class certificates may not be aligned with the interests of holders of one or more other classes. In all cases, voting is based on the outstanding certificate balance, which is reduced by losses on or with respect to the underlying mortgage loans arising from the inability of the master servicer and/or the special servicer to collect all amounts due and owing under those mortgage loans. These limitations on voting could adversely affect the Funds’ ability to protect its interests with respect to matters voted on by certificate holders.

General Market and Credit Risks Associated with Controlling Class certificates. The securities acquired by the Funds are subject to credit risk and interest rate risk. “Credit risk” refers to the likelihood that the borrower on the underlying loan will default in the payment of principal and/or interest thereon. Financial strength and solvency of a borrower, property level performance and general market conditions are the primary factors influencing credit risk. In addition, inadequacy of collateral on the underlying loan may affect its credit risk. Credit risk may change over the life of a loan or security. “Interest rate risk” refers to the risks associated with market changes in interest rates. Interest rate changes may affect the value of a loan or other debt instrument indirectly (especially in the case of fixed rate securities) and directly (especially in the case of loans whose rates are floating). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Floating rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors). Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules.

All floating rate loans are required to have a LIBOR cap. The cap is purchased from a dealer at a strike price which is several hundred basis points wide of the current market. The term of the cap is typically three years. During that term, the borrower is required to escrow the price of the next LIBOR cap. The underlying loan is underwritten to the all in rate of the strike price for the LIBOR cap agreement that the respective borrower has pledged as collateral for the underlying mortgage loan (the “LIBOR Cap Strike Rate”), plus the applicable margin on the underlying loan. Although the floating rate loans are underwritten to the ultimate LIBOR Cap Strike Rate plus the applicable margin, and the starting rate is much lower, rising rates could impact the cash flow on the underlying property to the extent that it was not sufficient to generate escrow payments for the next LIBOR cap which needs to be purchased. Rising prices of future caps and insufficient

escrow funds to purchase future caps could potentially lead to defaults in the underlying mortgages.

The Source of Repayment on the Controlling Class certificates will be Limited to Payments and Other Collections on the Underlying Mortgage Loans. The Controlling Class certificates will represent interests solely in the issuing entity. The primary assets of the issuing entity will be a segregated pool of multifamily mortgage loans. Accordingly, repayment of the Controlling Class certificates will be limited to payments and other collections on the underlying mortgage loans. The underlying mortgage loans will not be an obligation of, or be insured or guaranteed by: any governmental entity; any private mortgage insurer; the depositor; Freddie Mac; the master servicer; the special servicer; any sub-servicer of the master servicer or the special servicer; the trustee; the certificate administrator; the custodian; or any of their respective affiliates.

The Issuing Entity's Assets May be Insufficient to Allow for Repayment in Full on the Controlling Class Certificates. The Controlling Class certificates do not represent obligations of any person or entity and do not represent a claim against any assets other than those of the issuing entity. No governmental agency or instrumentality will guarantee or insure payment on the Controlling Class certificates. In addition, neither the depositor of any Controlling Class certificates nor its affiliates are responsible for making payments on the Controlling Class certificates if collections on the underlying mortgage loans are insufficient. If the underlying mortgage loans are insufficient to make payments on the Controlling Class certificates no other assets will be available to the Funds for payment of the deficiency, and the Funds will bear the resulting loss. Any advances made by the master servicer or other party with respect to the underlying mortgage loans are intended solely to provide liquidity and not credit support. The party making those advances will have a right to reimbursement, with interest, which is senior to the Funds' right to receive payment on the Controlling Class certificates.

The Controlling Class certificates Have Uncertain Yields to Maturity. The yield on the Controlling Class certificates will depend on, among other things, the price, rate, timing and amount of distributions on the Controlling Class certificates. These factors cannot be predicted with any certainty. Accordingly, the Funds may find it difficult to analyze the effect that these factors might have on the yield to maturity of the Controlling Class certificates.

If the Funds purchase the Controlling Class certificates at a premium, and if payments and other collections of principal on the underlying mortgage loans occur at a rate faster than the Funds anticipated at the time of its purchase, then the Funds' actual yield to maturity may be lower than the Funds assumed at the time of purchase. Conversely, if the Funds purchase the Controlling Class certificates at a discount, and if payments and other collections of principal on the underlying mortgage loans occur at a rate slower than anticipated at the time of the Funds' purchase, then the Funds' actual yield to maturity may be lower than assumed at the time of purchase. Yield to maturity may also be adversely affected by other factors outside of Priderock's control, such as the timing of defaults and liquidations of underlying mortgage loans and termination of the issuing entity.

Optional Early Termination of the Issuing Entity May Result in an Adverse Impact on the Controlling Class certificates. The certificates will be subject to optional early termination by means of the purchase of the underlying mortgage loans and/or any mortgaged real properties acquired by the special servicer for the benefit of the certificate holders through foreclosure, deed-in-lieu of foreclosure or otherwise following a default on the related underlying mortgage loan ("REO Properties") in the issuing entity. No assurance can be made that the proceeds from a sale of the underlying mortgage loans and/or REO Properties will be sufficient to distribute the

outstanding certificate balance plus accrued interest and any undistributed shortfalls in interest accrued on the certificates that are subject to the termination. Accordingly, the holders of certificates affected by such a termination (including the Funds) may suffer an adverse impact on the overall yield on their certificates, may experience repayment of their investment at an unpredictable and inopportune time or may even incur a loss on their investment.

Prepayments on the Underlying Mortgage Loans Will Affect the Average Life of the Controlling Class certificates; and the Rate and Timing of Those Prepayments May Be Highly Unpredictable. Payments of principal and/or interest on the Controlling Class certificates will depend upon, among other things, the rate and timing of payments on the underlying mortgage loans. Prepayments on the underlying mortgage loans may result in a faster rate of principal payments on the Controlling Class certificates; thereby resulting in a shorter average life for the Controlling Class certificates than if those prepayments had not occurred. The rate and timing of principal prepayments on pools of mortgage loans is influenced by a variety of economic, demographic, geographic, social, tax and legal factors. Although many of the underlying mortgage loans may provide for prepayment lockout periods which cover a substantial portion of the loan terms, prepayments may still occur during such periods as a result of a casualty or condemnation event. In addition, prepayments may occur in connection with a permitted partial release of a mortgaged real property. Accordingly, the rate and timing of principal prepayments on the underlying mortgage loans is uncertain. As a result, repayment of the Controlling Class certificates could occur significantly earlier or later, and the average life of the Controlling Class certificates could be significantly shorter or longer, than expected. The extent to which prepayments on the underlying mortgage loans ultimately affect the average life of the Controlling Class certificates depends on the terms and provisions of the Controlling Class certificates.

The Funds' entitlement to receive payments, including prepayments, of principal of the underlying mortgage loans may—

- vary based on the occurrence of specified events, such as the retirement of one or more other classes of certificates; or
- be subject to various contingencies, such as prepayment and default rates with respect to the underlying mortgage loans.

Lender Liability and Equitable Subordination. A number of judicial decisions have upheld judgments of obligors against lenders on the basis of various evolving legal theories, collectively termed “lender liability.” Generally, lender liability is founded on the premise that a lender has violated a duty (whether implied or contractual) of good faith, commercial reasonableness and fair dealing, or a similar duty owed to the obligor or has assumed an excessive degree of control over the obligor resulting in the creation of a fiduciary duty owed to the obligor or its other creditors or shareholders. Because of the nature of the loans collateralizing the securities held by the Funds, and the fact that the Funds through its ownership of the Controlling Class certificates is the controlling class (i.e. the party who can direct the Special Servicer in a loan default scenario) the Funds may be subject to allegations of lender liability.

The Funds' investment activities also subject it to the normal risks of becoming involved in litigation by third parties. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would be borne directly or indirectly by the Funds and would reduce the amounts available for distribution to Investors. Priderock, the Principals and certain others may be indemnified by the Funds in connection with such litigation, subject to certain conditions, further reducing such available amounts.

Nature of Controlling Class Securities and Underlying Loans Generally. Although the Funds expect to invest solely in Controlling Class certificates, the Funds may be exposed to losses resulting from default and foreclosure of the underlying loans or interests in loans. Therefore, the value of underlying collateral, the creditworthiness of borrowers and the priority of liens are each of great importance in determining the value of the Funds' investments. No guarantee can be made regarding the adequacy of the protection of the Funds' security in the loans or other debt instruments in which it invests. Moreover, in the event of foreclosure, the Funds or an affiliate thereof may assume direct ownership of any assets collateralizing such foreclosed mortgage loans. The liquidation proceeds upon the sale of such assets may not satisfy the entire outstanding balance of principal and interest on such foreclosed loans, resulting in a loss to the Funds. This is especially the case if the borrower with respect to a specific multifamily project has been provided mezzanine debt. Any costs or delays involved in the effectuation of loan foreclosures or liquidation of the assets collateralizing such foreclosed mortgage loans will further reduce proceeds associated therewith and consequently, increase possible losses to the Funds. In addition, no assurances can be made that borrowers or third parties will not assert claims in connection with foreclosure proceedings or otherwise, or that such claims will not interfere with the enforcement of the Funds' rights.

The Market Value of the Controlling Class Certificates Will Be Sensitive to Factors Unrelated to the Performance of the Controlling Class Certificates and the Underlying Mortgage Loans. The market value of the Controlling Class certificates can decline even if the Controlling Class certificates and the underlying mortgage loans are performing at or above the Funds' expectations. The market value of the Controlling Class certificates will be sensitive to fluctuations in current interest rates. However, a change in the market value of the Controlling Class certificates as a result of an upward or downward movement in current interest rates may not equal the change in the market value of the Controlling Class certificates as a result of an equal but opposite movement in interest rates. The market value of the Controlling Class certificates will also be influenced by the supply of and demand for CMBS generally. The supply of CMBS will depend on, among other things, the amount of commercial and multifamily mortgage loans, whether newly originated or held in portfolio that is available for securitization. A number of factors will affect investors' demand for CMBS, including—

- the availability of alternative investments that offer high yields or are perceived as being a better credit risk, having a less volatile market value or being more liquid;
- legal and other restrictions that prohibit a particular entity from investing in CMBS or limit the amount or types of CMBS that it may acquire;
- investors' perceptions regarding the commercial and multifamily real estate markets which may be adversely affected by, among other things, a decline in real estate values or an increase in defaults and foreclosures on mortgage loans secured by income-producing properties; and
- investors' perceptions regarding the capital markets in general, which may be adversely affected by political, social and economic events completely unrelated to the commercial and multifamily real estate markets.

If the Funds decide to sell Controlling Class certificates, it may have to sell at a discount from the price paid for reasons unrelated to the performance of the certificates or the related underlying mortgage loans. Pricing information regarding the certificates may not be generally available on an ongoing basis.

The Underlying Mortgage Loans will be Nonrecourse. The underlying mortgage loans relating to the Controlling Class certificates will be nonrecourse loans. This means that, in the event of a

default, recourse will generally be limited to the related real property or properties securing the defaulted loan and other assets that have been pledged to secure that underlying mortgage loan. Consequently, full and timely payment on each underlying mortgage loan will depend on one or more of the following:

- the sufficiency of the net operating income of the applicable mortgaged real property to pay debt service;
- the market value of the applicable mortgaged real property at or prior to maturity; and
- the ability of the related borrower to refinance or sell the applicable mortgaged real property at maturity.

In general, the value of any multifamily property, including any manufactured housing community properties and assisted living, memory care and/or independent living facility properties, will depend on its ability to generate net operating income. The ability of an owner to finance a multifamily property will depend, in large part, on the property's value and ability to generate net operating income.

None of the underlying mortgage loans will be insured or guaranteed by any governmental entity or private mortgage insurer.

Multifamily Specific Risks. All of the underlying mortgage loans are secured by multifamily rental properties, thereby materially exposing the Controlling Class certificate holders to risks associated with the performance of multifamily rental properties, including, but not limited to, the following:

- the successful operation of a multifamily property depends on tenants;
- property value may be adversely affected even when current operating income is not;
- maintaining a property in good condition may be costly;
- competition may adversely affect the profitability and value of an income-producing property; and
- property management is important to the successful operation of the mortgaged real property.

The Conservator May Repudiate Freddie Mac's Contracts, Including Its Guarantee and Other Obligations Related to the Controlling Class certificates. On September 6, 2008, the Federal Housing Finance Agency ("FHFA") was appointed Freddie Mac's conservator by the FHFA director. Freddie Mac is also the mortgage loan seller and as such has certain obligations to repurchase underlying mortgage loans in the event of material breaches of certain representations or warranties. If the conservator were to transfer Freddie Mac's obligations as mortgage loan seller to another party, holders of the certificates would have to rely on that party for satisfaction of the repurchase obligation and would be exposed to credit risk of that party.

Future Legislation and Regulatory Actions Will Likely Affect the Role of Freddie Mac. Future legislation will likely materially affect the role of Freddie Mac, its business model, its structure and future results of operations. Some or all of Freddie Mac's functions could be transferred to other institutions, and it could cease to exist as a stockholder-owned company or at all. On February 11, 2011, the Obama Administration delivered a report to Congress that lays out the Administration's plan to reform the U.S. housing finance market, including options for structuring the government's long-term role in a housing finance system in which the private sector is the dominant provider of mortgage credit. The report recommends winding down Freddie Mac and Fannie Mae, stating that the Administration will work with FHFA to determine

the best way to responsibly reduce the role of Freddie Mac and Fannie Mae in the market and ultimately wind down both institutions. The report recommends using a combination of policy levers to wind down Freddie Mac and Fannie Mae, shrink the government's footprint in housing finance, and help bring private capital back to the mortgage market, including: (i) increasing guarantee fees; (ii) increasing private capital ahead of Freddie Mac and Fannie Mae guarantees and phasing in a 10% down payment requirement; (iii) reducing conforming loan limits; and (iv) winding down Freddie Mac and Fannie Mae's investment portfolios. In addition to legislative actions, FHFA has expansive regulatory authority over Freddie Mac, and the manner in which FHFA will use its authority in the future is unclear. FHFA could take a number of regulatory actions that could materially adversely affect Freddie Mac, such as changing or reinstating current capital requirements, which are not binding during conservatorship.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment with Priderock. Prospective Investors should read the entire Brochure, as well the Offering Documents and other materials that may be provided by Priderock, and consult with their own advisers prior to making an investment in the Funds.

Item 9 – Disciplinary Information

Priderock and its management persons have not been a party to any legal or disciplinary events that would be material to a client's or prospective client's evaluation of its investment advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

OTHER FINANCIAL INDUSTRY AFFILIATIONS

Priderock and its management persons are not registered (and do not have any application pending to register) as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of any of the foregoing entities.

MATERIAL RELATIONSHIPS

Priderock Fund Management Partners LLC and Priderock MDOF GP, LLC are under common control by/affiliated with Priderock Capital Partners LLC ("Priderock Capital"). Priderock Capital is a strategic owner, operator, and developer of multifamily properties on a national basis, with a focus on distressed assets, value-add, development and management provides an in-depth understanding of the collateral and the ability to maximize value in distressed situations. The Funds will benefit from Priderock Capital's national platform for due diligence, underwriting, asset management, administrative support and hands on experience with respect to maximizing value for underperforming loans and assets in the collateral pools.

Some of the activities of the Funds will be performed by employees of Priderock Capital. The Funds do not have the resources or personnel to perform all of the administrative functions necessary to be performed by the Funds. Certain activities such as underwriting, due diligence, accounting, parts of asset management and surveillance and reporting will be performed by employees of Priderock Capital. Such employees are subject to certain restrictions on information flow and personal investing as a result of providing such services.

POTENTIAL CONFLICTS OF INTEREST

In the ordinary course of conducting its activities, the interests of the Funds may conflict with the interests of Priderock, Priderock Capital, or their affiliates. An advisory board of Investors (the “Advisory Board”) will be established consisting of at least three and no more than five members selected by Priderock. The Advisory Board will meet as requested by Priderock to (i) review any matters involving potential conflicts of interest; (ii) approve any proposed substitute of any Principal who is no longer actively involved in the affairs of the Funds; (iii) discuss other matters as may be raised by Priderock; and (iv) review or approve other matters set forth in the Limited Partnership Agreement.

Time Commitments of Key Individuals. Although the investment professionals of the General Partner and the Investment Manager will commit a significant amount of their time to the Funds, such persons are also actively involved in the other investment activities of Priderock Capital, and the investment activities of the Investment Manager’s other affiliates, and will not be able to devote their full time and attention to the Funds’ business and affairs. Such persons will however devote such portion of their time as they believe is necessary to effectively conduct the investment activities of the Funds. Such persons may assume additional obligations unrelated to the Funds and may resign or be removed from their positions at the Investment Manager at any time. Further, the team of Priderock investment professionals has changed over time, and may continue to do so. There can be no assurance that any successor investment professionals or any successor to the Investment Manager will have the same level of experience as their respective predecessors.

Notwithstanding the foregoing, during the Commitment Period of MDOF, David Worley shall devote substantially all of his business time and attention to the business and affairs of the Funds, and George Banks and David Khoury shall each be required to devote such business time and attention to the affairs of the Funds as the General Partner determines is consistent with the Funds achieving its investment objectives. Further, in the event two or more of the Principals (or substitutes therefor approved by the Advisory Board) cease to be actively involved in the affairs of MDOF during the Commitment Period, and such cessation continues for 90 days following notice thereof to the Investors, the Investors may elect to terminate the Commitment Period by the written consent of Investors holding at least two-thirds of the limited partner interests given no later than 120 days after the sending of such notice.

Allocation of Opportunities. Priderock and its affiliates, and their respective clients may invest in loans and other securities that would be appropriate for the Funds. Such investments may be different from those made in respect of the Funds. The principals and officers of Priderock and its affiliates, may also have ongoing relationships with, render services to or engage in transactions with other investment vehicles which have investment goals similar to those of the Funds. The principals and officers of Priderock or its affiliates, including Priderock and its affiliates, may give advice and recommend securities and other investments to their respective clients, family and friends, which advice or securities may differ from the advice given to, or securities or other investments recommended or bought for, the Funds, even though their investment objectives may be the same or similar. The principals and officers of Priderock and its affiliates, may also have ongoing relationships with, render services to or engage in transactions with the borrowers on the underlying mortgage loans securitized in a K-Deal transaction in which the Funds participates and the issuers of the other securities acquired by the Funds. If Priderock recognizes that conflicts could arise among the Funds and other pooled investment vehicles or clients for which Priderock serves as an investment advisor or sub-advisor and will endeavor to treat the Funds and such other vehicles and clients fairly and equitably and taking into account the price and terms that would be obtained in the market for securities issued in similar transactions.

Priderock and its affiliates, may at certain times be simultaneously seeking to purchase or dispose of investments for its respective accounts, the Funds, any similar entity for which it serves as investment advisor and for its clients or affiliates. Subject to the requirements of the governing instruments pertaining to Priderock or its affiliates, investment opportunities identified and structured by Priderock will generally be allocated between the Funds and its other clients and such affiliates' other clients in a manner that Priderock and such affiliates believe, in their judgment, to be appropriate given factors they believe to be relevant. Such factors may include the investment objectives, liquidity, diversification, lender covenants and other limitations of the Funds and Priderock or such affiliates and the amount of funds each of them has available for such investment. In the event that the Funds and another account managed by Priderock or any of its affiliates should purchase or sell the same securities or loans at the same time, Priderock anticipates that such purchases or sales, respectively, will be aggregated and allocated. Priderock intends to use its best efforts to ensure that such investments are allocated among its accounts in an equitable manner and in accordance with applicable law. However, due to, among other things, their varying risk tolerance, client guidelines, investment objectives, cash availability, tax considerations and other factors, the allocations of investment and disposition opportunities among the Funds and the various other clients of Priderock or any of its affiliates are not expected to be pro rata. Investment decisions made on behalf of other affiliates and clients may differ from those made for the Funds, though they may have similar investment programs, objectives and strategies, and there can be no assurance that a particular investment opportunity that comes to the attention of Priderock will be allocated to the Funds. Accordingly, clients with similar strategies and advised by Priderock or its affiliates may not hold the same loans or other investments or achieve the same performance. It is the intention of Priderock that all investments will be purchased and sold on terms prevailing in the market.

SELECTION OF OTHER ADVISORS OR MANAGERS

Priderock does not utilize nor select other advisors or third party managers.

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

CODE OF ETHICS

Pursuant to Rule 204A-1 of the Advisers Act, Priderock has adopted a Code of Ethics (the “Code of Ethics”) which sets forth policies, guidelines, and procedures designed to promote ethical conduct and prevent violations of the federal securities laws. The Code of Ethics is applicable to all of Priderock’s members, principals, officers, and employees, as well as to certain officers and employees of its affiliates and certain independent contractors (collectively, “Personnel”).

The Code of Ethics consists of several policies primarily designed to address potential conflicts of interest, including:

- the prohibition of trading of securities while in possession of material non-public information;
- pre-clearance and reporting of securities transactions by employees;
- restrictions or prohibitions on acquisitions of certain kinds of securities;
- the monitoring of employee outside business affiliations;
- reporting of the giving and receiving of gifts and entertainment;
- monitoring and restricting political contributions, when and as required; and

- the maintenance of confidentiality of investment, investor, and employee information.

Personnel must annually certify compliance with the Code of Ethics. Personnel who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension, or dismissal. In addition, Personnel are also required to promptly report any violation of the Code of Ethics of which they become aware.

Priderock will provide a copy of the Code of Ethics to any Investor or prospective Investor upon request to: Barbara Gaziano at bgaziano@prcpllc.com

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Conflicts of interest may occur when Priderock, its affiliates, or its 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 Priderock recommends to the Funds. The Code of Ethics contains policies and procedures designed to limit conflicts of interest in such circumstances. Neither Priderock, its affiliates, or its Personnel are to benefit from price movements that may be caused by transactions for client accounts or otherwise. Priderock will always document any transactions that could be construed as conflicts of interest and will always transact client business before the business of its employees and/or affiliates when similar securities are being bought or sold.

Certain of Priderock's employees and/or affiliates may also invest in the Funds, either through the General Partner, as direct investors, or otherwise. The General Partner may reduce all or a portion of Management Fee and/or Carried Interest related to investments held by such persons.

Priderock may, but is under no obligation to, provide co-investment opportunities to certain of its employees or affiliates, existing Investors, and/or third parties. Prior to allocating any such co-investment to any Investor or to Priderock or any of its affiliates, such co-investment opportunity shall first be offered to all Investors (including Priderock and its affiliates) pro rata based on their respective Commitments.

PERSONAL TRADING

When persons covered by the Code of Ethics engage in personal securities transactions, they must adhere to the following general principles as well as to the Code of Ethics' specific provisions: (a) at all times the interests of client must be paramount; (b) personal transactions must be conducted consistent with the Code of Ethics in manner that avoids any actual or potential conflict of interest; and (c) no inappropriate advantage should be taken of any position of trust and responsibility. Personnel are also subject to certain trading restrictions and reporting obligations of their personal securities transactions.

Item 12 – Brokerage Practices

As the Funds invest primarily in private transactions, Priderock anticipates that investments in publicly traded securities will be infrequent occurrences. However, to meet its fiduciary duties to its clients, Priderock has adopted written policies to address issues that might arise with respect to purchasing, holding, and selling publicly traded securities.

FACTORS USED IN SELECTING BROKERS

Priderock will always have discretion as to the placement of brokerage (and accordingly, the commission rates paid). It is Priderock's policy to obtain best execution when effecting transactions on behalf of its clients. In selecting brokers, Priderock considers such factors as price, quality of execution, expertise in particular markets, the ability of the brokers to effect the transactions, the brokers' facilities, reliability, reputation, experience, financial responsibility in particular markets, familiarity both with investment practices generally and techniques employed by clients and certain research services provided by such brokers, and clearing and settlement capabilities, subject at all times to principles of best execution, in accordance with Priderock's policies and procedures. Priderock need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. When possible, Priderock will seek to pre-negotiate preferred terms for its clients, providing clients with the benefits associated with the economy of scale and custodial knowledge of the firm.

Certain brokers utilized by Priderock may provide general assistance to Priderock, including, but not limited to technical support, consulting services, and consulting services related to staffing needs. In selecting a broker, Priderock may consider the broker's general assistance and consulting services. To the extent Priderock would otherwise be obligated to pay for such assistance, it has a conflict of interest in considering those services when selecting a broker.

Priderock does not consider, in selecting or recommending broker-dealers, client referrals from a broker-dealer. Priderock does not currently use soft dollars or direct brokerage.

AGGREGATING OF TRADES

Priderock may combine orders on behalf of one client account with orders for other client accounts for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest. When it does, Priderock will generally allocate the securities or proceeds arising out of those transactions (and the related transaction expenses) on an average price basis among the various participants. Priderock believes combining orders in this way will, over time, be advantageous to all participants. However, the average price could be less advantageous to a client than if that client had been the only account effecting the transaction or had completed its transaction before the other participants. Because of Priderock's relationship to the clients it manages by virtue of its position as an investment manager, there may be circumstances in which transactions for those entities may not, under certain laws, regulations and internal policies, be combined with those of some of Priderock's and its affiliates' other clients, which may result in less advantageous execution for those clients.

Priderock may place orders for the same security for different clients at different times and in different relative amounts due to differences in investment objectives, cash availability, size of order and practicability of participating in "block" transactions. The level of participation by different clients in the same security may also be dependent upon other factors relating to the suitability of the security for the particular client. Where execution opportunities for a particular security are limited, Priderock attempts in good faith to allocate such opportunities among clients in a manner that, over time, is equitable to all clients.

Item 13 – Review of Accounts

PERIODIC REVIEWS

The Investment Committee actively monitors the Funds' investment portfolio to ensure consistency with the Funds' strategy and evaluate whether each investment is delivering the expected results.

REPORTS

Investors in the Funds will generally receive (i) audited financial statements for the Fund annually and unaudited financial statements quarterly and (ii) quarterly reports providing summary information relating to significant developments of the Funds' investments. Investors are also provided with tax information related to the Funds necessary for the completion of any applicable U.S. Federal tax returns.

Item 14 – Client Referrals and Other Compensation

Priderock maintains a Marketing Agreement with Chalice Capital Partners, LLC ("Chalice") to provide introductory and marketing services to the Funds to identify and introduce prospective investors. Chalice is paid a monthly fee for this service in addition to a fee based on the capital contributions made by the introduced investor which can range from 1 to 2% depending on the amount of the contribution made.

Item 15 – Custody

Pursuant to Rule 206(4)-2 of the Advisers Act (the "Custody Rule"), Priderock is deemed to have "custody" of the Funds' assets, even though independent qualified custodians actually hold those assets. As such, Priderock intends to comply with applicable requirements under the Custody Rule.

The Funds will be audited annually by an independent public accountant that is registered with, and subject to regular inspection by the Public Company Accounting Oversight Board and audited financial statements prepared in accordance with U.S. generally accepted accounting principles will be distributed to Investors within 120 days of the Funds' fiscal year. Investors are urged to carefully review such audited financial statements and to compare them to any reports received from Priderock.

Item 16 – Investment Discretion

Priderock has discretionary authority to determine the securities to be bought and sold by the Funds, subject to the investment restrictions (if any) set forth in the Offering Documents. Pursuant to the Funds' limited partnership agreement, each Investor in the Funds designates Priderock as its attorney-in-fact to execute, certify, acknowledge, file, record and swear to all instruments, agreements and documents necessary or advisable to carrying out the Fund's business and affairs.

Item 17 – Voting Client Securities

GENERAL PROXY VOTING POLICIES

Priderock has adopted proxy voting policies and procedures that are designed so that, where Priderock votes proxies regarding portfolio securities, such proxies will be voted in the best interests of the Funds, taking into account the investment horizon, contractual obligations, and all other relevant facts and circumstances at the time of the vote.

It is Priderock's general policy to vote proxies in a prudent and diligent manner intended to enhance the economic value of the assets of the Funds. However, the policies permit Priderock to abstain from voting proxies in the event that the Funds' economic interest in the matter being voted upon is limited relative to the Funds' overall portfolio or the impact of the Funds' vote will not have an effect on its outcome or on the Funds' economic interests.

Priderock will generally vote in accordance with the recommendation of the issuer's management with respect to routine matters—matter that (i) do not measurably change the structure, management, control or operation of the issuer; (ii) do not measurably and directly change the terms of, or fees or expenses associated with investments; and (iii) are consistent with customary industry standards and practices—unless such recommendation is not in the best interest of the Funds.

All non-routine matters will be voted on a case-by-case basis pursuant to the general policy noted above. Where a proxy proposal raises a material conflict between Priderock's interests and the interests of the Funds and/or one or more Investors, Priderock will seek to resolve the conflict in the best interest of the Funds. Generally, the Funds cannot direct Priderock's vote with respect to any matter.

Investors may obtain a copy of Priderock's complete proxy voting policies and procedures, as well as information about how proxies were voted in connection with the Funds, upon written request to: Barbara Gaziano at bgaziano@prcpllc.com.

Item 18 – Financial Information

Priderock does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance. Priderock has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy petition in the last ten years.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to Priderock.