

AXA REAL ESTATE INVESTMENT MANAGERS US LLC

711 Third Avenue

Suite 210

New York, NY 10017

(646) 981-1120

March 30, 2020

This brochure ("Brochure") provides information about the qualifications and business practices of AXA Real Estate Investment Managers US LLC ("AXA REIM"). If you have any questions about the contents of this brochure, please contact AXA REIM directly at (646) 981-1120. AXA REIM's website address is <https://www.axa-im.com/en/real-assets>.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

AXA REIM is an investment adviser registered with the SEC. Registration with the SEC does not imply a certain level of skill or training.

Additional information about AXA REIM also is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2: MATERIAL CHANGES

Item 4, Advisory Business: This section was revised to include information relating to support services provided by an affiliate in connection with AXA REIM's real estate related debt portfolio. This section was also revised to highlight the management of commercial mortgage loans as a current service offering as opposed to a prospective future service offering. Please see the "About AXA REIM" subsection for more detailed information.

Item 5, Fees and Compensation: This section was revised to include additional information regarding fees and expenses which may apply to AXA REIM's real estate related debt portfolio. See the "Other Fees and Expenses" subsection for more detailed information. Additionally, the following additional disclosure language was added:

Pursuant to the PAA (as defined and more fully described in Item 10 below), AXA REIM shares a portion of the fees earned from its advisory services pertaining to commercial real estate debt investments with AXA REIM SGP.

Item 6, Performance-Based Fees and Side-by-side Management: This section was revised to include information pertaining to potential conflicts of interest arising from support services provided by an affiliate of AXA REIM, pursuant to a PAA, for AXA REIM's real estate related debt portfolios. Please see the new "Side-by-side Management by a Participating Affiliate" subsection for more detailed information.

Item 8, Methods of Analysis, Investment Strategies and Risk of Loss: This section was revised to include the following:

- Additional information regarding the process utilized to manage debt investments, as set forth in the Debt Investments paragraph as set forth in the "Types of Investments and Investment Process" subsection of this Item; and
- Additional risk factors and disclosures in the "Additional Debt-Related Risks" sub-section of this Item. Please read this sub-section, along with the other risk disclosures included in the Material Risks subsection, carefully for more information about applicable investment risks.

Item 10, Other Financial Industry Activities and Affiliations: This section was revised to include information regarding an agreement between AXA REIM and a Paris-based affiliate relating to support services provided by the affiliate for real estate related debt investments managed by AXA REIM. This section includes the name of the affiliate, its registration status under the Investment Advisers Act of 1940 and certain compliance obligations relating to the services agreement. Please see the "Participating Affiliate Arrangement ("PAA")" subsection for more detailed information.

Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading: This section was revised to include information regarding additional Code of Ethics reporting requirements relating to certain employees of the affiliate providing services to AXA REIM pursuant to a PAA. Please see the last new "Participating Affiliate" subsection for more detailed information.

Item 12, Brokerage Practices: This section was revised to discuss certain provisions in AXA REIM's investment allocation procedures for commercial loans which protect certain pre-existing relationships that clients, potentially including affiliates of AXA REIM, may have with certain borrowers. Please see the second to last paragraph in the "Aggregation and Allocations Policies" subsection for more detailed information.

COVID-19 Notice

Due to the nationwide spread of COVID-19, a number of states have received disaster declarations from the federal government. New York and Georgia, the two states in which AXA REIM maintains office facilities, are among those that have received federal disaster declarations. Additionally, New York has enacted a temporary order requiring businesses, with extremely limited exceptions for those providing certain essential services, to leave their employees at home. While AXA REIM may potentially qualify under the definition of “financial institutions” identified by the New York order as providers of essential services, in the interest of employee safety AXA REIM has transitioned to remote operations for most of its U.S. personnel.

For the duration of this health crisis and until AXA REIM’s management determines that it is safe for employees and contractors to return to its offices, AXA REIM has implemented its business continuity protocols, which provide for remote operations during significant on-site business disruptions. Employees will continue to have access to critical systems and technology and will service accounts as they normally have, subject to any broader infrastructure or systems challenges which may be outside of AXA REIM US’ control.

With respect to telephone communications, there may be varying levels of direct voice accessibility to certain AXA REIM personnel during this period. We encourage anyone who needs to communicate with a particular AXA REIM employee to utilize email as the first contact option. Should you need to speak with someone or if you do not have an employee’s direct email address, please do not hesitate to contact one of the following individuals using the email addresses provided:

<u>Name</u>	<u>Title</u>	<u>Email Address</u>
Stephen McCarthy (New York)	Head of North America	Stephen.McCarthy@axa-im.com
Caryn Lombardi (New York)	US. Head of Operations & Finance	Caryn.LOMBARDI@axa-im.com
Frank Linneen (Georgia)	Head of US CRE Debt	Frank.LINNEEN@axa-im.com
Tom Mattinson (Georgia)	Senior Fund Manager	Thomas.Mattinson@axa-im.com

Thank you for your understanding as we all navigate these uncharted waters. Should any additional issues arise with respect to account servicing or other critical AXA REIM operations, AXA REIM will attempt to issue revised information as soon as practicable. In the meantime, please do not hesitate to reach out to us with any questions or concerns.

This notice temporarily qualifies any normal contact provisions included in this Brochure and shall be removed once AXA REIM US returns to normal on-site operations.

ITEM 3: TABLE OF CONTENTS

1. Cover Page	1
2. Material Changes.....	2
3. Table of Contents	4
4. Advisory Business	5
5. Fees and Compensation	7
6. Performance-Based Fees and Side-by-Side Management	9
7. Types of Clients.....	10
8. Methods of Analysis, Investment Strategies and Risk of Loss.....	10
9. Disciplinary Information	15
10. Other Financial Industry Activities and Affiliations	15
11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	16
12. Brokerage Practices	19
13. Review of Accounts	21
14. Client Referrals and Other Compensation.....	22
15. Custody	22
16. Investment Discretion	22
17. Voting Client Securities.....	22
18. Financial Information.....	23

ITEM 4: ADVISORY BUSINESS

About this Brochure

AXA REIM provides this Brochure to current or prospective clients of AXA REIM. AXA REIM may also provide this Brochure to current or prospective investors in any private fund or other investment vehicle managed by AXA REIM now or in the future (each, an “AXA REIM Fund”), together with any such AXA REIM Fund’s confidential offering memorandum or prospectus, organizational documents and other related documents (collectively, an AXA REIM Fund’s “Governing Documents”), prior to or in connection with such person’s consideration or execution of an investment in an AXA REIM Fund.

About AXA REIM

AXA REIM, also doing business as AXA Investment Managers Real Assets or AXA IM Real Assets, is a limited liability company organized under the laws of the State of Delaware. AXA REIM is based in New York, NY and is an indirect subsidiary of AXA, a Société Anonyme organized under the laws of France (“AXA Group”). Specifically, AXA REIM is a wholly-owned subsidiary of AXA Real Estate Investment Managers S.A., a société anonyme organized under the laws of France (“AXA REIM SA”), which in turn is the wholly-owned subsidiary of AXA Investment Managers, a société anonyme organized under the laws of France (“AXA IM SA”) and a subsidiary of AXA Group.

AXA REIM currently provides advisory services to clients relating to equity real estate investments and commercial mortgage loans. Additionally, as AXA continues to expand its service offerings, AXA REIM intends to provide investment advisory services with respect to a broader range of real estate related investments, including, without limitation, other real estate related debt instruments (real estate related equity and debt investments are sometimes referred to in this Brochure as “RE Investments”). Currently, AXA REIM only provides investment advisory services with respect to RE Investments.

With respect to real estate related debt, AXA REIM relies upon certain resources and capabilities, including certain personnel, of AXA Real Estate Investment Managers SGP (“AXA REIM SGP”). Support is provided by AXA REIM SGP pursuant to a PAA as defined and described in item 10 below. In the future it is possible that additional services may be provided by AXA REIM SGP or other advisory affiliates.

AXA REIM manages approximately \$10.6 billion in discretionary and non-discretionary assets under management as calculated using December 31, 2019, valuations.

AXA REIM’s Advisory Services

A Note on the AXA REIM Funds. Investors and other recipients should be aware that while the Brochure may include information about the AXA REIM Funds, as necessary or appropriate, the Brochure should not be considered to represent a complete discussion of the features, risks or conflicts associated with any AXA REIM Fund. More complete information about each AXA REIM Fund is included in the AXA REIM Fund’s Governing Documents, which may be provided to current and eligible prospective investors only by AXA REIM or another authorized party. In no event should this Brochure be considered to be an offer of interests in an AXA REIM Fund or relied upon in determining to invest. It is also not an offer of, or agreement to provide, advisory services directly to any recipient.

Rather, this Brochure is designed to provide information about AXA REIM for the purpose of compliance with AXA REIM’s obligations under the Investment Advisers Act of 1940, as amended (the “Advisers Act”).

Accordingly, the Brochure responds to relevant regulatory requirements under the Advisers Act, which may differ from the information provided in an AXA REIM Fund's Governing Documents. To the extent that there is any conflict between discussions herein and similar or related discussions in any Governing Document, the Governing Document shall govern.

AXA REIM Funds and Accounts. As noted above, AXA REIM provides investment advisory services to one or more AXA REIM Funds. In addition, AXA REIM manages separate accounts on a discretionary or non-discretionary basis for domestic and non-U.S. institutional clients. In this Brochure, AXA REIM Funds and separately managed accounts advised by AXA REIM are generally referred to individually as an "Account" or collectively as "Accounts".

Each AXA REIM Fund is managed in accordance with the AXA REIM Fund's particular investment objectives, strategies and guidelines (as set forth in any such AXA REIM Fund's Governing Documents) and is not tailored to the individualized needs of any particular investor, though certain AXA REIM Funds may take into consideration the general characteristics (e.g., tax status) of its target investors. An investment in an AXA REIM Fund does not, in and of itself, create an advisory relationship between the investor and AXA REIM. Therefore, each investor must consider for itself whether any AXA REIM Fund meets the investor's investment objectives and risk tolerance before investing in an AXA REIM Fund. Information about any AXA REIM Fund is expected to be set forth in its Governing Documents, which will be available to eligible prospective investors only through AXA REIM or another authorized party.

In contrast, when managing an Account for an institutional client, AXA REIM tailors its investment advisory services based on the particular requirements of such client and, accordingly, the services provided to the client may differ from those provided to other clients. For example, certain clients may impose restrictions or limitations on how AXA REIM manages their accounts according to its investment strategies. Additionally, AXA REIM may work with an institutional client to develop bespoke investment structures for an Account taking into account the regulatory, tax and other considerations applicable to the client. Further, as noted above, AXA REIM may manage an Account on a discretionary or non-discretionary basis. In the case of an Account subject to investment restrictions, or in the case of an Account managed on a non-discretionary basis, the Account may be at a disadvantage as compared to an Account managed by AXA REIM on a discretionary basis with no restrictions in that the restricted and/or non-discretionary Account may be restricted from participating in, or the applicable non-discretionary client may not act in a timely manner with respect to investing in, certain investment opportunities.

Organization. AXA REIM Funds may be organized under the laws of a U.S. jurisdiction or under the laws of jurisdictions outside of the U.S. Generally, an affiliate of AXA REIM will control each AXA REIM Fund, for example in its capacity as general partner, managing manager or other similar capacity ("Manager"). Each Manager and AXA REIM, or their personnel or affiliates, provide certain services to AXA REIM Funds that may include, in addition to investment advice, organizing and managing the AXA REIM Fund's business affairs, executing and reconciling transactions, preparing financial statements and providing audit support, preparing tax-related schedules and documents, sales support and investor relations.

Additionally, AXA REIM and its affiliates use special purpose entities ("Client Vehicles"), including limited liability companies, limited partnerships or other similar vehicles both in the U.S. and outside the U.S., in order to facilitate the investment in RE Investments for one or more particular client Accounts (i.e., non-AXA REIM Fund Accounts). As is the case with the AXA REIM Funds, an affiliate of AXA REIM may act as the Manager of a Client Vehicle.

Terms. As a general matter, each AXA REIM Fund imposes certain terms and conditions on investments which may include, without limitation, management fees, carried interest, minimum contribution and account maintenance requirements; limitations on redemptions and/or liquidity; and transparency or information rights. The applicable Manager and/or AXA REIM, as applicable, may determine, in its discretion, to waive, reduce or modify these terms and conditions for any investor without offering such waivers, reductions or modifications to any other investor, except as otherwise may be required. As a result, some investors may have more favorable investment terms, including those relating to information, than others. If AXA REIM provides an investor with enhanced information about an AXA REIM Fund's operations or investments (often referred to as "transparency rights"), other investors may be disadvantaged.

ITEM 5: FEES AND COMPENSATION

Management Fees

AXA REIM receives management fees with respect to each Account based on negotiated fee rates with each client. Accordingly, the discussion herein is general in nature and the amounts, timing and other terms relating to compensation may vary significantly from Account to Account. The management fees received by AXA REIM with respect to an AXA REIM Fund will be set forth in the relevant Governing Documents.

Generally, management fees applicable to Accounts are based on a percentage of either the net asset value of an Account, the gross asset value of an Account, the capital committed by a client to an Account, the carrying value of loans held by an account, or such other reference amount as negotiated with a client. The amount of the management fee varies depending on the reference amount (*i.e.*, net asset value, loan carrying value, etc.). The management fee applicable to a particular Account may be increased from time to time based on various factors as agreed to with each client or as set forth in an AXA REIM Fund's Governing Documents.

Management fees are generally payable quarterly and, depending on the particular Account, may be payable in arrears or in advance. In addition, depending on the particular Account, management fees may directly be debited by AXA REIM or otherwise payable pursuant to an invoice issued by AXA REIM to a client. Management fees will be pro-rated when AXA REIM provides services for less than the full period for which such fees are due and, if paid in advance, will be refunded.

Pursuant to the PAA (as defined and more fully described in Item 10 below), AXA REIM shares a portion of the fees earned from its advisory services pertaining to commercial real estate debt investments with AXA REIM SGP.

Performance-Based Fees or Allocations

Accounts generally pay performance-based fees or allocations (sometimes referred to as "carried interest") to AXA REIM (or the relevant Manager in the case of an AXA REIM Fund or Client Vehicle). The amount of carried interest and any related terms, such as any hurdle rate applicable to an Account, are negotiated with each client or are otherwise specified in an AXA REIM Fund's Governing Documents. Carried interest is assessed periodically in accordance with the relevant Governing Documents of an AXA REIM Fund or as otherwise negotiated with a client. Related conflicts of interest are described in more detail in "***Item 6: Performance-Based Fees and Side-by-Side Management***" below.

Real Estate Related Fees

In addition to management fees and carried interest, AXA REIM or its affiliates, from time to time, receives fees in connection with the direct or indirect acquisition of real estate on behalf of an Account ("acquisition fees") and/or the direct or indirect disposition of certain real estate on behalf of an Account ("disposition fees"). Any such fees are separately negotiated with each client and, in the case of an AXA REIM Fund, will generally be set forth in the applicable Governing Documents.

Other Fees and Expenses

Loan Origination and Disposition Fees. During the course of originating loans, AXA REIM assesses loan origination fees in order to compensate AXA REIM for its efforts in conducting borrower and collateral due diligence and for the additional processing efforts that must be completed in order to successfully close each loan. AXA REIM may also assess a loan disposition fee for its efforts in locating one or more buyers for part or all of a loan and in negotiating the terms of the disposition. These fees are individually negotiated with each client and are typically charged as a percentage of final loan totals.

Loan Processing Fees/Loan Modification Fees. During the course of managing commercial mortgage loans on behalf of clients, the client contract may specify that AXA REIM may receive additional fees from borrowers for underwriting, servicing accommodations and/or modifications to the loan agreement(s). Depending on the level of work required to make such accommodations/modifications, AXA REIM may receive fees from the borrowers in the approximate range of \$250 to \$150,000 which may vary depending on the type of request.

Servicing/Administration Fees Relating to Loans. For any Account holding loans, AXA REIM may outsource certain functions, such as loan servicing and/or accounting and reporting services. Such functions are outsourced to an unrelated third party and the cost of such services are normally borne by the client.

Other Fees. As negotiated with each client, AXA REIM and/or its affiliates may receive additional fees with respect to the services it or they provide to an Account. These fees could include fees for set-up fees (potentially applicable to new Accounts holding loans), consulting, property development or other similar services. For example, in certain cases, an affiliate of AXA REIM may be appointed by an Account, Client Vehicle or AXA REIM Fund to provide development, redevelopment or refurbishment services with respect to an RE Investment. Any fees applicable to an Account that are in addition to the management fee or performance-based fees are separately negotiated and agreed with clients. In the case of an AXA REIM Fund, such additional fees are disclosed in the relevant Governing Documents.

Expenses. In addition, Accounts (particularly AXA REIM Funds and Client Vehicles) are responsible for any costs and expenses associated with their own organization. Accounts may also be responsible for additional operating expenses, including without limitation costs and expenses related to investigation and review of investments; service provider fees in connection with the conduct of due diligence and credit assessment services related to acquisition and retention of investments; taxes, duties and other governmental charges; legal fees (such as structuring, documentation, and closing) and litigation costs and expenses (such as debt collection, foreclosure and/or other activities relating to the enforcement of lender rights); transfer fees, registration fees and other expenses and charges associated with the purchase, holding or sale of assets; costs associated with foreign exchange transactions; costs and expenses of certain investment or portfolio management services (such as due diligence, debt workout and other real estate services); and accounting, audit, administrative and other expenses necessary or appropriate to the Account's regulatory or tax compliance, business or investment operations. Some of

these additional fees and expenses may be charged by and payable to affiliates of AXA REIM in accordance with terms or approval requirements as outlined in each Account's Governing Documents, as applicable.

Valuation

The management fees, performance-based fees or allocations and certain other fees discussed above may be based on the market value and/or performance of the Accounts (and in particular, certain Accounts may be subject to performance-based fees that are based on unrealized appreciation in their market value). A significant percentage of the assets in which Accounts invest may, at any time or from time to time, be illiquid, thinly traded or otherwise difficult to value. Accordingly, to the extent AXA REIM or a related entity values an asset higher than its current market value (or where such market values are unreliable), AXA REIM may benefit by receiving a management fee or performance fee or allocation that is increased by the impact (if any) of such valuation discrepancy. In this respect, it should be noted that the valuation of RE Investments that are not publicly-traded generally involves greater judgment and reliance upon internal valuation methodologies than valuation of publicly-traded RE Investments.

AXA REIM employs various valuation policies and procedures to mitigate the conflicts and potential for material pricing discrepancies in respect of Account assets and to assure that assets are valued in good faith and as accurately as is reasonably practicable. For example, AXA REIM may from time to time utilize a third party valuation agent to value the assets of an Account if so negotiated with a client or, in the case of an AXA REIM Fund, if provided by the Governing Documents.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

AXA REIM has entered into arrangements with an AXA REIM Fund, and may enter into arrangements with other Accounts, which provide for performance-based compensation based on, for example, a share of net income and net realized and/or unrealized gains in lieu of, or in addition to, management fees. Such arrangements are individually negotiated and will in all cases be in compliance with Rule 205-3 under the Advisers Act. In some cases, the payment of performance-based compensation may be conditioned on an Account achieving a specified "hurdle" rate.

Investors should be aware that performance-based compensation may be deemed to create a conflict of interest for an adviser, as there could be an incentive for the adviser to (i) value assets held in an Account in a manner that increases the adviser's remuneration and (ii) make investments that are riskier or more speculative than would be the case in the absence of performance-based compensation. In addition, if some Accounts pay a performance-based fee or allocation while others do not, or if different Accounts pay different levels of asset- or performance-based fees or allocations, this may give rise to potential conflicts of interest. For example, AXA REIM has an incentive to favor those Accounts for which it receives a higher performance-based fee because, for example, AXA REIM may receive a higher fee if such Accounts' performance exceeds applicable benchmarks over accounts paying lower (or no) performance fees. Similarly, AXA REIM has an incentive to favor those Accounts that pay a greater management fee over those Accounts that pay a lesser management fee because AXA REIM will receive greater compensation by doing so.

AXA Group Investments

AXA REIM or its affiliates may have pecuniary interests in AXA REIM Funds either as a result of a direct investment or as a result of carried interest provisions applicable to such funds. Additionally, AXA REIM manages separate account and other commingled investments for various affiliates. Investors and clients

should be aware that AXA Group investments may be deemed to create a conflict of interest for AXA REIM, as there could be an incentive for AXA REIM to allocate investment opportunities to Accounts in which AXA REIM and/or its affiliates have pecuniary interests at the expense of other Accounts.

AXA REIM seeks to treat all clients and Accounts in a fair and equitable manner at all times and will act in a manner that it believes to be in the best interests of clients and Accounts. To that end, AXA REIM has established a variety of policies and other controls regarding allocation of investment opportunities, including those seeking to manage the conflicts of interest identified above. Please see “**Item 12: Brokerage Practices**” below for more information.

Side-by-side Management by a Participating Affiliate

In addition to the foregoing conflicts of interest, the affiliate that assists in managing our client accounts through a PAA also manages other client accounts. Such other accounts sometimes pay higher amounts of fees and/or performance fees than the Participating Affiliate (as defined in Item 10 below) receives for providing investment advice to the AXA REIM client accounts. In such cases, the Participating Affiliate has an incentive to direct desirable investment opportunities to accounts that pay such higher fees. AXA REIM addresses this conflict of interest by reviewing the allocation policies of the Participating Affiliate to determine that they are designed to treat all of their clients fairly, including the accounts they assist in managing under the PAA.

ITEM 7: TYPES OF CLIENTS

AXA REIM seeks to provide investment advisory services to U.S. institutional investors (such as private or public pension plans, endowments, foundations, trusts) and foreign investors through separate account arrangements and to private investment funds (i.e., AXA REIM Funds) or joint ventures.

Conditions for Managing Separate Accounts

In connection with establishing a separate account arrangement, AXA REIM requires a minimum initial investment of \$100 million. Accounts may be accepted under \$100 million at the sole discretion of AXA REIM.

Conditions for Subscription to the Private Funds

AXA REIM will normally require a minimum investment for an AXA REIM Fund, as described in each AXA REIM Fund’s Governing Documents, but it (or an affiliate of AXA REIM) reserves the right to waive this minimum requirement. In addition, AXA REIM requires that each investor in an AXA REIM Fund either be a non-United States Person as defined in the applicable Governing Documents or be an “accredited investor” as defined in Regulation D under the 1933 Act and a “qualified purchaser” as defined in the 1940 Act.

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

Types of Investment and Investment Process

When providing non-discretionary or discretionary investment advisory services, AXA REIM advises client Accounts with respect to all phases of the real estate investment process. AXA REIM works with clients

to understand their investment objectives (either as set forth in a client's investment management agreement or an AXA REIM Fund's Governing Documents), risk tolerance, targeted returns, and diversification requirements, and in accordance therewith, develops a portfolio investment strategy for each Account. Depending on the risk tolerance of an Account, AXA REIM may employ leverage when managing an Account.

Based on an Account's portfolio investment strategy, AXA REIM utilizes internal top-down research based views on real estate markets developed using proprietary forecasting and allocation matrices as well as bottom-up intelligence derived from local transactions and industry experts in order to source investment ideas for the Account. Once an investment opportunity has been identified, AXA REIM conducts due diligence on the opportunity and organizes the execution of the investment (e.g., through the creation of a Client Vehicle). AXA REIM also analyzes disposition opportunities for assets held in Accounts using a similar top-down and bottom-up approach.

Each investment decision (or recommendation in the case of non-discretionary accounts) is subject to the approval of the AXA REIM investment committee, which is comprised of several senior professionals within the AXA Group.

Equity Investments. AXA REIM invests in equity RE Investments on behalf of Accounts on different points on the risk spectrum of equity RE Investments. For example, AXA REIM may invest pursuant to a "Core" strategy that emphasizes prime assets (e.g., substantially leased properties located in large markets) and that presents a lower risk profile than the "Value Added" and "Opportunistic" strategies described herein. In this respect, the Core strategy generally seeks to avoid real estate assets that require significant repositioning, refurbishing or reletting in the short term. AXA REIM may also invest in equity RE Investments on behalf of Accounts pursuant to a "Value Added" strategy, which entails the acquisition of non-prime real estate assets or the acquisition of real estate assets from distressed sellers with a view to reposition, refurbish and relet those assets. The Value Added strategy is further along the risk spectrum than the Core strategy. In addition to the Core and Value Added strategies, AXA REIM may manage an Account pursuant to an "Opportunistic" strategy. This strategy is furthest along the risk spectrum when compared to the Core and Value Added strategies as it entails investing in non-traditional real estate sectors, new developments and properties that may require recapitalization. Across the three strategies described above, the amount of leverage utilized is expected to increase from Core to Value Added to Opportunistic in line with the risk profile of each strategy. Real estate assets acquired pursuant to these strategies may be located in the U.S. or Europe.

In connection with equity RE Investments, AXA REIM provides ongoing oversight and management of the real estate assets owned by an Account, including, as applicable, the selection and oversight of property managers; the development and monitoring of annual business plans, operating budgets and capital budgets; preparation of a "hold/sell" analysis; development of a property cash flow model for valuation and other purposes; and development and implementation of a leasing strategy.

Debt Investments. AXA REIM invests in commercial real estate loans and may invest in other debt-related RE Investments on behalf of Accounts pursuant to a commercial real estate strategy. Other debt investments may consist of, but are not necessarily limited to, senior and subordinated (e.g., mezzanine) secured and unsecured loans related to real estate property and real estate debt securities (e.g. CMBS). In connection with debt RE Investments, AXA REIM actively monitors the performance of the underlying collateral and the sponsor's adherence to financing covenants, and, in its capacity (or its affiliate's capacity) as Manager, may participate in credit committees in connection with any workout of a RE

Investment.

Cash Management. In addition to sourcing and executing RE Investments for Accounts, AXA REIM may provide cash management services to Accounts. In connection with such services, Accounts may invest in fixed-term deposits, treasury bills, sovereign debt, and money market funds.

Hedging. Accounts may be hedged using various derivative instruments, including interest rate caps and floors, interest rate swaps, currency swaps, or credit default swaps.

Material Risks

There can be no assurance that AXA REIM will achieve an Account's investment objectives or avoid substantial losses. Investing in real estate involves risk of loss that clients and investors should be prepared to bear. Investors are urged to consult with their independent financial advisers.

The following material risks are generally applicable to equity and debt RE Investments. Additional risks may be applicable to particular Accounts based on their specific investment mandates.

General Risks.

- **General Economic and Market Conditions:** The success of any investment strategy may be affected by general economic and market conditions, such as interest rates, mortgage prepayment rates, availability of credit, inflation rates, economic uncertainty and changes in laws.
- **Targeted Returns.** Investments are made in part based on AXA REIM's estimates or projections of internal rates of return and other similar metrics, which in turn will be based upon various factors, including projections of future growth rates and interest rates of applicable markets, development and redevelopment and/or operating costs, rental and lease-up rates of commercial properties and disposition timing and proceeds, all of which are inherently uncertain. Clients have no assurance that the investments made by AXA REIM will achieve targeted returns on investments.
- **Non-U.S. Investments.** Non-U.S. real estate-related investments involve certain factors not typically associated with investing in real estate-related investments in the U.S., including risks relating to currency exchange matters and certain economic and political risks, including potential exchange-control regulations, potential restrictions on non-U.S. investment and repatriation of capital and the possibility of expropriation or confiscatory taxation.
- **Currency and Exchange Rates.** Because Accounts may make investments in jurisdictions other than those in which they are domiciled, the performance of an Account could be adversely affected by fluctuations in the currency exchange rate between the Account's base currency, on the one hand, and the relevant foreign currencies, on the other hand, costs of conversion and exchange control regulations, in addition to the performance of the RE Investment itself.
- **Interest Rate Risks.** Investments in real estate result in exposure to interest rate risks, meaning that changes in prevailing interest rates could negatively affect the value of investments (e.g., interest rate changes may affect, among other items, the cash flows of an investment directly and the cost of leverage). Additionally, changes in interest rate risks may affect the cost of financing and result in higher overall financing costs with respect to a particular RE Investment including inability of a borrower to generate sufficient property cash flow to pay its obligations under a debt RE Investment.

- *Leverage.* The use of leverage tends to amplify the effect of increases or decreases in the value of assets held in an Account. Accordingly, the use of leverage may cause an Account's value to be more volatile than it would be in the absence of such leverage. In addition, to the extent a strategy employed on behalf of an Account is dependent on leverage, the availability (or lack thereof) and cost of financing may significantly affect the ability of the Account to execute its investment strategy.
- *Litigation.* In the ordinary course of business, owners of real estate may be subject to litigation from time to time. The outcome of such proceedings may adversely affect the value of a RE Investment and may continue without resolution for long periods of time.
- *Risky and Illiquid Investments.* RE Investments are generally risky and illiquid. Illiquidity may result from the absence of an established market for the RE Investments, as well as legal or contractual restrictions on their sale. Dispositions of RE Investment also may be subject to contractual and other limitations on transfer (including prepayment penalties with respect to property-level debt) or other restrictions that would interfere with the subsequent sale of such RE Investments or adversely affect the terms that could be obtained upon any disposition thereof.
- *Counterparty Risks.* Many investments and investment techniques, including debt investments, hedging and the use of leverage, involve varying degrees of financial exposure to contractual counterparties. Accounts for which such investments and investment techniques are employed are thus exposed to the risk that a counterparty may not fulfill its contractual obligations (*e.g.*, the counterparty may not settle a transaction in accordance with its terms due to a dispute or because of a credit or liquidity problem). In such a case, an Account may suffer losses. Typically, such counterparty risk increases with the duration of the contractual arrangement.
- *Operational Risks.* Many investments are subject to operational risks – risks that the internal processes and systems designed to operate a business, property or other entity safely and efficiently are in some fashion inadequate or that the individuals tasked with managing such processes and systems fail to properly carry out their functions.
- *Lack of Diversification.* Accounts may not be diversified among a wide range of financial instruments, industries or asset classes. Therefore, Accounts may be exposed to wider fluctuations in value than otherwise would be the case if the Accounts were required to maintain a high degree of diversification among their investments.

Additional Real Estate-Related Risks.

- *Equity RE Investment Risk.* Equity RE Investments are subject to several risks, any of which could cause a loss to an Account. These risks include, among others: (i) substantial costs to acquire, develop, refurbish, operate, finance, and dispose of real estate; (ii) the possibility that a property may not generate sufficient cash from operations to meet fixed obligations such as financing payments; (iii) changes in real estate tax rates and other operating expenses; (iv) adverse changes in laws, governmental rules (including those governing usage, improvements, zoning and taxes) and fiscal policies; (v) structural or property level latent defects; (vi) local competition from other real estate investors and property managers, including the potential that new and existing construction will compete for a limited pool of tenants; (vii) joint venture or other transaction structuring risks; and (viii) the financial condition of tenants, buyers and sellers of real estate properties. Investments in existing entities could also create risks of successor liability.
- *Environmental Risks.* Under various laws, ordinances and regulations of the jurisdictions in which AXA REIM operates, an owner of real property may be liable for the costs of removal or remediation of

certain hazardous or toxic substances on or in such property. The cost of any required remediation and the owner's liability as to any property are generally not limited under such laws and could exceed the value of the property and/or the aggregate assets of the owner.

- *Casualty Losses; Uninsurable Losses.* AXA REIM expects to maintain (or require its borrowers to maintain in the case of debt investments) comprehensive casualty insurance on Investments, including liability and fire and extended coverage, in amounts sufficient to permit replacement in the event of a total loss, subject to applicable deductibles. There are certain types of losses, however, generally of a catastrophic nature, which may be uninsurable or not economically insurable. For debt investments, if the property owner suffers an uninsured loss then the security for such investments could be impaired and an unsecured debt investment may be at greater risk of default).
- *Financial Condition of Tenants or Borrowers.* An equity RE Investment's results of operations, distributable cash flow and the value of the interests would be adversely affected if a significant number of its tenants are unable to meet their lease obligations. In the event of default by a significant number of tenants, the RE Investments may experience delays and incur substantial costs in enforcing rights as the owner of the properties. Similarly, debt RE Investments would be adversely affected if a borrower is unable to meet its obligations under the loan.

Additional Debt-Related Risks

- *Imperfect Collateralization of Loans.* Accounts may originate, participate in and/or acquire real estate loans that are non-recourse to the borrower, including subordinated or mezzanine loans. Mortgage investments have special inherent risks relative to collateral value. To the extent the client makes or acquires subordinated or mezzanine debt investments, AXA REIM does not anticipate having absolute control over the underlying collateral as the Account will be dependent upon third-party borrowers' payments of debt service and performance of other obligations under the mortgage loan documents. Additionally, with respect to certain loans, Accounts may have rights that are subordinate to those of senior lenders. In the event of default, the client's source of repayment will be limited to the value of the collateral and may be subordinate to other lien holders. The collateral value of the property may be less than the outstanding amount of an Account's investment.
- *Prepayment Risk.* Pre-payment risk is the risk that all or part of the principal of a loan will be paid prior to the scheduled maturity of the principal. Prepayments generally occur when interest rates decline following the loan origination. If a borrower prepays a loan owned by an Account, AXA REIM may be forced to reinvest the proceeds of the prepayment at interest rates lower than those previously achieved on the loan for which prepayment occurred.
- *Additional Interest Rate Risks.* Loans owned in client Accounts are subject to the risk that the loans could lose value because of market interest rate increases. For example, loans tend to decrease in value if interest rates rise. Additionally, loans with longer payment schedules are subject to greater price impacts as a result of interest rate changes than those with shorter time horizons.
- *Repayment Risk.* Risk that general economic or property market conditions could result in a loss due to borrower's inability to meet its obligations under the loan or repay the loan at maturity.
- *Construction Risk.* In construction lending, risk that underlying collateral is not able to be completed within the prescribed timeframe or budget; or upon completion that market conditions have changed such that lease-up is delayed or otherwise impaired such that borrower is unable to meet its obligations

under the loan.

ITEM 9: DISCIPLINARY INFORMATION

Not applicable.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

AXA Group and Other Affiliated Relationships

AXA REIM is an indirect subsidiary of AXA Group, the diversified, global financial services company. AXA REIM is a wholly-owned subsidiary of AXA REIM SA. AXA REIM SA, through its various subsidiaries, is the largest real estate portfolio and asset manager in Europe.

AXA REIM, through its relationship with AXA IM SA and its subsidiaries, may be deemed to be affiliated with other members of AXA Group, including certain registered broker-dealers and investment advisors located in the U.S. and outside. These members may include affiliates and other subsidiaries of AXA Investment Managers, AllianceBernstein and AXA Equitable. These affiliates provide a broad range of financial services including investment management and investment advisory services. In that these affiliates and AXA REIM generally conduct their business independently of one another, AXA REIM does not believe these affiliations give rise to material conflicts of interest.

AXA REIM Funds and Client Vehicles

As noted above, an affiliate of AXA REIM serves as Manager of each AXA REIM Fund. From time to time, an Account may make an investment in an AXA REIM Fund and/or in a Client Vehicle alongside other Accounts. Any additional fees (e.g., fees related to the relevant Client Vehicle or AXA REIM Fund) are disclosed to, and agreed upon, by the applicable client in such cases.

Investors in an AXA REIM Fund may be offered the opportunity in the future to invest in other AXA REIM Funds for which they are eligible; however, AXA REIM is under no obligation to make such investments available, investments may not be appropriate for any particular investor, and persons offered such opportunity recognize that AXA REIM is making such an opportunity available based solely on its knowledge of the investor's eligibility for such an AXA REIM Fund. AXA REIM will not consider whether the investment is appropriate for the investor and is not providing investment advice in making such opportunity available. Such persons should consider all available information about such investments, in light of their particular circumstances, prior to making such an investment and, as a result, not all persons offered this opportunity will choose to invest.

Commodity Pool Operator/Commodity Trading Advisor

In some cases, an AXA REIM Fund may be a commodity pool. Additionally, with respect to certain Accounts, AXA REIM may be a commodity trading advisor. In such cases, AXA REIM is a commodity pool operator or a commodity trading advisor, as applicable, that is exempt from registration and related

requirements pursuant to Rule 4.13(a)(3), or other provisions of or rules under the Commodity Exchange Act.

Affiliated Advisers

AXA REIM may utilize the services of its advisory affiliates in connection with servicing and managing Accounts. Additionally, as discussed above in ***“Item 5: Fees and Compensation”***, AXA REIM or its affiliates may receive additional fees in connection with the management of an Account. To the extent personnel of an affiliate are involved in providing investment advisory services to an Account, such personnel are generally expected to be subject to AXA REIM’s Code of Ethics.

AXA REIM has adopted policies and procedures, such as those described in ***“Item 5: Fees and Compensation”*** above, to mitigate any material conflicts of interest with clients or Accounts created by such arrangements.

Participating Affiliate Arrangement (“PAA”)

In reliance on a series of SEC no-action letters, AXA REIM has entered into a PAA with AXA Real Estate Investment Managers SGP, a Paris-based affiliate (“Participating Affiliate”), in order to utilize the resources and capabilities, including certain personnel, of the Participating Affiliate to provide additional investment research and operational support to U.S. clients invested in real estate debt investments. The Participating Affiliate is not registered, and not required to be registered, with the SEC as an investment adviser. However, the PAA has the practical effect of requiring the Participating Affiliate to comply with the Advisers Act when it provides advice relating to AXA REIM’s U.S. clients. It also subjects the personnel of the Participating Affiliate involved in providing the advice to U.S. compliance obligations similar to those that apply to AXA REIM personnel, including the obligations found in AXA REIM’s code of ethics adopted pursuant to Rule 204A-1 under the Advisers Act. See Item 11.

Real-Estate Broker

AXA REIM is licensed with the State of New York as a real-estate brokerage firm. As discussed above in ***“Item 5: Fees and Compensation”***, AXA REIM or its affiliates may receive fees in connection with the direct or indirect acquisition of certain RE Investments on behalf of an Account (*“acquisition fees”*) and/or the direct or indirect disposition of certain RE Investments on behalf of an Account (*“disposition fees”*). Any such fees are separately negotiated with each client and, in the case of an AXA REIM Fund, will generally be set forth in the applicable Governing Documents.

Broker-Dealers

To the extent securities transactions are effected on behalf of Accounts, AXA REIM does not intend to use affiliated broker-dealers in executing such transactions.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

AXA REIM has adopted a Code of Ethics (the *“Code”*) that applies to all AXA REIM employees. This Code describes the standard of conduct that AXA REIM requires of all of its employees and describes certain

restrictions on activities such as personal trading, receipt of material, non-public information, and engaging in outside business activities. Compliance with the Code is a condition of employment for all of AXA REIM's employees, and a serious violation of the Code or its related policies may result in serious reprimand, up to and including dismissal. Certain key provisions of the Code are summarized below. AXA REIM will provide a copy of the Code to any client or prospective client upon request.

Personal Trading

Employees considered "access persons" within the meaning of Rule 204A-1 under the Advisers Act may purchase and sell for their own accounts the same securities purchased or sold on behalf of Accounts. However, given the nature and size of the RE Investments made on behalf of Accounts, such personal trading activity is not expected to be likely. Notwithstanding the probability of such activity, because the Code permits employees to invest in the same securities as Accounts, there is a possibility that employees might benefit from market activity by an Account in a security or other investment held by an employee. To mitigate this possible conflict of interest and others that may arise, AXA REIM has established policies requiring "access persons" to obtain pre-clearance before investing in certain reportable securities such as private placements. In addition, AXA REIM monitors for conflicts of interest on a periodic basis and will not allow any of its "access persons" to buy or sell securities for their own accounts at or about the same time that AXA REIM buys or sells securities or other investments for Accounts if AXA REIM feels that there is a possibility that the personal trade would benefit from AXA REIM's investment activities.

All of AXA REIM's employees are required to annually certify that they have complied with the Code, and AXA REIM's access persons are required to make annual reports regarding their personal securities account holdings and quarterly reports regarding their personal securities trading activity.

Participation or Interest in Client Transactions

AXA REIM employees are allowed to invest in AXA REIM Funds and joint ventures advised by AXA REIM ("AXA REIM Pools") only upon the prior written permission of the Chief Compliance Officer ("CCO"). Institutional affiliates within AXA Group are allowed to invest in AXA REIM Pools and other products managed by AXA REIM. In addition, AXA REIM may recommend for Accounts investment in an AXA REIM Fund in which, as a result of any applicable performance-based compensation, AXA REIM or its affiliates have a pecuniary interest. Investors and clients should be aware that such investments may be deemed to create a conflict of interest, as there could be an incentive for AXA REIM to allocate Account assets to AXA REIM Pools or to allocate investment opportunities to certain AXA REIM Pools or AXA Group investments at the expense of other Accounts. At all times, AXA REIM seeks to treat all Accounts in a fair and equitable manner and will act in a manner that it believes to be in the Accounts' best interests. Furthermore, it is not expected that in the normal course investments for AXA REIM Pools will overlap with investments for AXA REIM's other strategies. To the extent that investments for AXA REIM Pools overlap with investments for Accounts, AXA REIM has established policies and procedures whose goals are to facilitate the fair allocation of investment opportunities.

Also, as noted in "***Item 5: Fees and Compensation***" above, AXA REIM may receive transaction based fees for certain activities conducted on behalf of clients, including, but not limited to, disposition and acquisition fees on direct real estate investments and disposition, origination and modification fees on debt investments. Investors and clients should be aware that such transaction fees may be deemed to create a conflict of interest, as there could be an incentive for AXA REIM to recommend certain transactions that it may not otherwise recommend to a client.

In addition, as noted in "***Item 6: Performance-Based Fees and Side-by-Side Management***" above, AXA REIM

or its affiliates (and in particular, the Manager entities) may have economic interests in an AXA REIM Fund or Account as result of their rights to carried interest from the AXA REIM Fund or Account.

Please see ***“Item 6: Performance-Based Fees and Side-by-Side Management”*** for more information about conflicts created as a result of carried interest and AXA REIM’s side-by-side management of Accounts, and ***“Item 12: Brokerage Practices”*** for more information about AXA REIM’s allocation policy.

Gifts and Entertainment

AXA REIM has policies in place governing the types and value of gifts and forms of entertainment that its employees may accept from broker-dealers, vendors, current or prospective clients. Employees are prohibited from receiving extravagant gifts or entertainment through AXA REIM’s business relationships.

Cross-Trades and Principal Transactions

From time to time, AXA REIM’s portfolio managers may deem that it is in the best interests of Accounts to transfer a RE Investment from one Account to another Account. In such event, AXA REIM will effect the cross-trade at prevailing market prices as determined pursuant to AXA REIM’s valuation policies and procedures, which require the use of a third party valuation agent in connection with such a transaction, and the Accounts involved may incur transaction costs (including costs related to documentation and structuring) in connection with any such transaction. Investors should be aware that such transactions may be deemed to create a conflict of interest, as there could be an incentive for AXA REIM to favor certain Accounts over others (such as, for example, those Accounts that pay higher performance-based fees or allocations or higher management fees, as discussed in ***“Item 6: Performance-Based Fees and Side-by-Side Management”***). At all times, AXA REIM seeks to treat all Accounts in a fair and equitable manner and will act in a manner that it believes to be in the Accounts’ best interests. To the extent that AXA REIM engages in cross-trades, AXA REIM will do so consistent with applicable laws and regulations, applicable provisions of Governing Documents and established policies and procedures whose goals are to facilitate the fair and equitable treatment of all Accounts. To the extent that AXA REIM or one of its affiliates engages in a cross trade that constitutes a principal transaction subject to Section 206(3) of the Advisers Act, AXA REIM will comply with all applicable laws and regulations relevant to such transaction.

Participating Affiliate

With respect to the PAA, the Participating Affiliate has adopted policies and procedures to meet its compliance obligations under the PAA with respect to the services it provides to AXA REIM. The policies and procedures subject certain personnel of Participating Affiliate to personal transactions reporting requirements equivalent to those of AXA REIM’s access persons. The Participating Affiliate will forward information to AXA REIM about compliance with these reporting requirements no less frequently than on a quarterly basis.

Other Conflicts

As part of their regular business, AXA Group companies may hold, purchase, sell, trade or take other related actions both for their respective accounts and for the accounts of their respective clients (other than Accounts), on a principal or agency basis, with respect to loans, securities and other investments and financial instruments of all types. These companies may have economic interests in or other relationships with borrowers in

whose debt obligations an Account may invest. In particular, AXA Group companies may make and/or hold an investment in borrower's loans that may be *pari passu*, senior or junior in ranking to an investment in such borrower's loans held by an Account. Such investments may be held in different proportions than those held by an Account and may be held in different tranches of the same credit facility in which an Account holds an investment. Accounts may also invest in loans secured by real estate property in which an AXA Group company or a client of any such company has an equity or participation interest. As a consequence, the purchase, holding and sale of such loans by an Account may enhance the profitability of such companies', or its clients', investments in such property. In acting in these multiple capacities, AXA Group companies may have obligations to other persons, the fulfillment of which may not be in the best interests of an Account. Accounts may compete with these other entities and other AXA Group client accounts for available financing and investment opportunities.

Managers and other affiliates of AXA REIM may participate in creditors' committees with respect to the bankruptcy, restructuring or workout of borrowers whose loans are held by Accounts. In such circumstances, a Manager or such other affiliate may take positions on behalf of itself or AXA REIM affiliates (to the extent holding an interest in a different tranche than an Account) that are adverse to the interests of an Account and may obtain material, non-public information that it may be prohibited by applicable law from providing to Accounts.

ITEM 12: BROKERAGE PRACTICES

Transaction Execution and Broker-Dealer Selection

AXA REIM seeks to minimize the cost and expense of transactions in RE Investments effected on behalf of Accounts while also seeking to achieve the most efficient structure of such investments, taking into account, among other things, tax, regulatory and client-specific considerations. These costs and expenses may vary from Account to Account, and transactions may be effected differently for one Account than another, as a result of various factors, including, without limitation, the location of a client, the location and nature of the particular RE Investment involved, and other client-specific considerations.

AXA REIM may occasionally use unaffiliated real estate brokers, which are selected on the basis of: (i) the reasonableness of such real estate brokers' commissions relative to others offering similar services; and (ii) the ability of such real estate brokers to obtain best execution.

AXA REIM's real estate advisory services are not expected to require the services of securities brokers. However, AXA REIM may temporarily allocate uninvested cash in vehicles such as fixed-term deposits, treasury bills, sovereign debt, and money market funds. Such allocations are strictly incidental to AXA REIM's real estate advisory activities. Uninvested cash may arise from (i) Account funds held but not yet invested in real estate, (ii) funds generated from the management of properties, or (iii) sale proceeds of a RE Investment pending distribution to a client or investors. In connection with making such allocations, AXA REIM uses the services of large commercial banks to invest in money market funds that invest primarily in the vehicles described above.

In addition, in connection with hedging Accounts' currency, interest rate or credit exposures, AXA REIM will transact in swaps and other derivatives with large commercial dealers on market standard terms. AXA REIM receives no research or soft dollar benefits from such transactions and believes the commissions, mark-ups and spreads are competitive with those that other brokers, dealers or counterparties charge.

Allocation and Aggregation Policies

AXA REIM has adopted allocation policies which apply to investment opportunities which have limited capacity and/or time availability. These policies direct AXA REIM to allocate investment opportunities among Accounts fairly and provides consistent treatment of Accounts with similar investment objectives and guidelines over time to the extent practicable.

In addition, AXA REIM will aggregate RE Investments for Accounts where possible and when advantageous to Accounts. For example, AXA REIM may aggregate Accounts for the purposes of underwriting a real-estate related loan that a single Account could not, by itself, acquire or originate as a result of the Account's size or restrictions on concentration. By aggregating Accounts participating in such loan, AXA REIM may be able to pursue investment opportunities on behalf of more than one Account that it otherwise would not be able to acquire or originate. Additionally, by aggregating Accounts, AXA REIM may be able to negotiate more advantageous terms with a prospective borrower.

To the extent consistent with AXA REIM's fiduciary obligations and policy to treat all Accounts in a fair and equitable manner over time, certain allocation or aggregation decisions may be more or less advantageous to a given Account or group of Accounts. For example, an investment opportunity may be allocated on a rotation basis, which may result in an Account that has recently been allocated an investment opportunity being unable to participate in such available investment opportunity. Where appropriate, investment opportunities may be allocated to more than one Account based on, among other factors, the expressed interest of those Accounts in an opportunity. Investment opportunities may also be allocated in such other manner as AXA REIM determines is consistent with the foregoing obligations. Allocation decisions involve consideration of Account-specific issues—such as tax issues, legal and regulatory considerations, concentration or other mandate-specific policies—and will be made in what AXA REIM considers the best interests of each Account, consistent with AXA REIM's fiduciary obligations. For example, situations may arise where AXA REIM believes in good faith that an allocation to a particular Account may not be appropriate because of, among other reasons: (i) client guidelines and restrictions, or (ii) insufficient cash in an Account for such investment.

AXA REIM's allocation policy relating to commercial mortgage loans also includes provisions designed to protect pre-existing relationships that Clients, including those that are affiliated with AXA REIM by virtue of common ownership and/or control, may have with certain borrowers. Specifically, Clients with pre-existing lending relationships are provided with first rights to additional financing and re-financing activities relating to current borrowers in their portfolios, other borrowers with whom Clients have engaged in multiple transactions over time (collectively, "relationship borrowers") and affiliates of such relationship borrowers. While the primary purpose of these provisions is to ensure fairness to Clients who have invested significant time and resources in developing these relationships over time, such provisions may also limit AXA REIM's ability to offer certain opportunities to Clients that do not have pre-existing relationships with the prospective borrowers. All commercial loan opportunities that are not sourced from a pre-existing Client lending relationship, or which are not fully allocated through the exercise of Clients' first rights, will be allocated as otherwise described in this sub-section.

AXA REIM has an incentive to allocate, aggregate or sequence transactions in favor of, or to otherwise favor, those Accounts for which AXA REIM receives a performance-based fee or allocation because AXA REIM will receive a higher fee if their performance exceeds the applicable benchmark. To address this and other potential conflicts of interest, AXA REIM has adopted policies and procedures that seek to treat all Accounts fairly and equitably over time. Allocations are documented prior to the closing of the applicable transaction and such documentation along with AXA REIM's allocation policy are available upon request for Clients'

review.

Soft Dollar Benefits

As noted above, due to the nature of AXA REIM's investment strategies, there are generally no soft dollars paid to broker-dealers. However, to the extent soft dollar arrangements are implicated, the following policies shall apply.

AXA REIM may receive research or other products or services other than execution with respect to brokered trades between Accounts through an unaffiliated broker-dealer ("soft dollar benefits"). At all times, AXA REIM intends to comply with the safe harbor of Section 28(e) of the Securities Exchange Act of 1934, as amended ("Section 28(e)"). Accounts should be aware that a more favorable bid-ask spread may be available from a different broker who offers no research services and minimal securities transaction assistance. When AXA REIM uses Account brokerage commissions or Account funds to pay a greater bid-ask spread to obtain soft dollar benefits from a broker-dealer or third party, AXA REIM receives a benefit because it does not have to produce or pay for the soft dollar benefits itself. As a result, AXA REIM may have an incentive to select or recommend a broker-dealer based on its interest in receiving soft dollar benefits, rather than on Accounts' interest in receiving most favorable execution of trades.

Soft dollar benefits may be useful in serving all Accounts, including Accounts that did not generate any soft dollar credits. Not all soft dollar benefits that AXA REIM receives may be useful for the Account(s) that generated the soft dollar credits used to obtain the soft dollar benefits. AXA REIM does not seek to allocate soft dollar benefits to Accounts proportionately to the soft dollar credits the Accounts generate.

Sometimes, a portion of the brokerage and research products and services AXA REIM uses may be eligible under Section 28(e) and another portion may not be eligible. These are referred to as "mixed use" products and services. Where research services from a broker are not used exclusively by AXA REIM for purposes of making investment decisions, AXA REIM will, based upon its allocation of expected use, bear that portion of the cost of such services not related to making investment decisions. AXA REIM's receipt of these mixed-use products and services and its determination of the appropriate allocation between its cash payments and the use of Account brokerage commissions and funds create a conflict of interest because AXA REIM benefits to the extent that Account brokerage commissions and funds pay for the products and services. AXA REIM makes a good faith allocation between the research and non-research use of services and uses its own funds to pay for the percentage of the service that is used for non-research purposes.

ITEM 13: REVIEW OF ACCOUNTS

Each Account is monitored by an assigned individual or team that is responsible for performance monitoring and reporting, financial risk management and all non-real estate aspects of the Account such as corporate, legal, tax, accounting, financing, hedging and cash distribution. The assigned individual or team also monitors the due diligence process applicable to potential investments for an Account, transaction structuring, acquisition budgets, and transaction documentation.

Client reports (and investor reports in the case of the AXA REIM Funds) are generally prepared quarterly. Reports typically include an investment market update, a performance update, a review of activities undertaken with respect to a particular RE Investment (e.g., purchases, sales, lettings, lease renewals, etc.), portfolio structure and profile, recommendations for future portfolio investment strategy changes, and financial statements. Additional information and/or more frequent reporting may be provided to certain clients as negotiated between AXA REIM and the client.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

While AXA REIM has established relationships with consultants to institutional investors, pension plans and high net worth individuals, AXA REIM does not currently compensate anyone for client referrals. It is possible, however, that AXA REIM may choose to engage placement agents in the future. In addition, AXA REIM does not receive compensation from sources other than its clients, other than the potential receipt of soft dollar benefits described in “*Item 12: Brokerage Practices*” above.

ITEM 15: CUSTODY

As manager of the AXA REIM Funds, AXA REIM may be authorized to act with respect to the assets of the AXA REIM Funds in a manner that causes AXA REIM to be deemed to have custody of the AXA REIM Funds’ funds and securities (if any) under the SEC’s custody rule applicable to registered investment advisers. Similarly, with respect to separate accounts, as a result of the use of Client Vehicles and AXA REIM’s role as Manager with respect thereto, AXA REIM may be deemed to have custody of client assets (including, if applicable, client funds and securities).

In cases where AXA REIM is deemed to have custody of client and/or investor funds and securities, AXA REIM endeavors to comply with the substantive requirements of the SEC’s custody rule. With respect to certain AXA REIM Funds, compliance with the SEC’s custody rule may include distribution, within timeframes set forth by the custody rule, of financial statements audited in accordance with applicable accounting standards (“audit exception”). For AXA REIM Funds that do not rely upon the audit exception and with respect to separate accounts, to the best of AXA REIM’s knowledge, the applicable investors/clients receive periodic statements from the relevant qualified custodians. Clients should carefully review those statements and contact us if statements are not received timely from the qualified custodian. In addition, AXA REIM urges each of its clients to compare the account statements that they receive from their qualified custodians with those that AXA REIM provides to investors/clients. In some cases, clients or investors may appoint an independent representative to receive account statements on their behalf.

ITEM 16: INVESTMENT DISCRETION

Accounts may be managed on a discretionary or non-discretionary basis. With respect to discretionary management, clients will grant discretionary authority to AXA REIM to manage their Accounts by executing an investment management agreement that includes a power of attorney. The client’s investment management agreement and guidelines specify the restrictions, including restrictions on the types of investment, applicable to the Account.

ITEM 17: VOTING CLIENT SECURITIES

AXA REIM invests primarily in private debt and equity RE Investments on behalf of Accounts. Accordingly, AXA REIM does not ordinarily receive proxy voting proposals with respect to listed equity securities. However, AXA REIM may, from time to time, receive amendments, consents or resolutions applicable to other RE Investments held in Accounts (collectively, “proxies”) and is generally granted authority to vote and consent on such matters on behalf of client Accounts.

To the extent that AXA REIM exercises or is deemed to be exercising voting authority over investments held in Accounts, its general policy is to vote proxies in a manner that serves the best interest of the Account, as

determined by AXA REIM in its discretion, taking into account factors described in AXA REIM's proxy policy and in accordance with applicable client guidelines. When conflicts of interest between AXA REIM in its capacity as investment adviser and any Account arise, AXA REIM will disclose the conflict to the applicable client and obtain the consent of the client before voting on the client's behalf or, if that is not possible for any reason, AXA REIM may instead delegate the voting authority to an independent third party. AXA REIM generally does not accept client directed voting requests, but may do, in its sole discretion, on a case-by-case basis. The foregoing summary of AXA REIM's proxy policy is qualified in its entirety by the complete text of such policy. Clients who wish to obtain either a copy of AXA REIM's voting policies and procedures or information as to past or prospective votes relating to investments held in their Accounts should contact the CCO, (646) 981-1120, AXA Real Estate Investment Managers US LLC, 850 Third Avenue – Suite 13F, New York, NY 10022.

Creditors' Committees

AXA REIM or a Manager, on behalf of an Account ("Relevant Account"), may participate on committees formed by creditors to negotiate the management of and workouts of financially troubled borrowers or to coordinate any actions taken with respect to foreclosing on underlying properties. Additionally, AXA REIM or a Manager may seek to negotiate directly with such borrowers with respect to restructuring issues. If AXA REIM or a Manager does 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 Relevant Account(s) in such proceedings. By participating on such committees, AXA REIM or a Manager may be deemed to have duties to other creditors represented by the committees, which might expose AXA REIM or the Manager to liability to such other creditors who disagree with AXA REIM's or the Manager's actions. Furthermore, by participating on such committees, AXA REIM or the Manager may be contractually obligated to hold the Relevant Account assets even if it would otherwise be in the best interests of the Relevant Account to sell.

ITEM 18: FINANCIAL INFORMATION

This item requires disclosure of any financial condition that is reasonably likely to impair AXA REIM's ability to meet contractual commitments to clients. Currently, there is no financial condition that is reasonably likely to impair AXA REIM's ability to meet contractual commitments to clients.