

Item 1: Cover Page

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This Form ADV Part 2A or Brochure provides information about the qualifications and business practices of Safanad Inc. ("Safanad", the "Firm", or "we"). If you have any questions about the contents of this Brochure, please contact Sherwin Darius Jannat, our Chief Legal Officer and Chief Compliance Officer at +9 714 312 9708, (212) 468-5600 or by email to djannat@safanad.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. The Firm is an investment adviser registered with the SEC.

Registration of an investment adviser with the SEC or with any state securities authority does not imply a certain level of skill or training.

This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. The securities of the Funds (as defined in Item 4) are offered and sold on a private placement basis under exemptions promulgated under the Securities Act of 1933, as amended, and other exemptions of similar import under U.S. state laws and the laws of other jurisdictions where any offering may be made.

Additional information about Safanad Inc. is also available on the SEC's website at <https://adviserinfo.sec.gov>.

Item 2: Material Changes

This amendment to the Brochure, dated March 30, 2020, contains the following updates to the previous Brochure, which was filed on March 29, 2019:

- ADV 1A, Schedule B, Indirect Owners: Schedule B has been updated to reflect changes to indirect ownership of Safanad, as of February 2020. Abdullah Salem Bahamdan transferred his ownership interests in Bahamdan Investment Group to MB Holdings Limited and KB Group Holdings Limited. Mohannad Abdullah Bahamdan is the sole shareholder of MB Holdings Limited. Kamal Bahamdan continues to be the sole shareholder of KB Group Holdings Limited.
- The list of relying advisers and affiliate general partners has been updated in Item 4.
- Item 4 has been updated to enhance the description of other services provided by Safanad and to disclose reorganization efforts undertaken for certain Funds (as defined below).
- Item 8 has been updated to disclose additional risks related to an investment in the Funds.

Other updates have also been made to this Brochure, some of which enhance prior disclosures, but Safanad does not consider those updates to be material.

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Item 4: Advisory Business

A. General Description of Advisory Firm

Safanad Inc. was incorporated in Delaware on July 22, 2009 and is an indirect wholly owned subsidiary of Safanad Limited. The Firm is wholly owned by Safanad Corporate Holdings Limited, which is wholly owned by Safanad Limited. Safanad Limited is controlled by Bahamdan Investment Group and KB Group Holdings Ltd. The majority beneficial owner of the Firm is Kamal Bahamdan.

The Firm serves as an investment adviser to pooled investment vehicles (the “Funds” or “Clients”) as well as co-investment vehicles in connection with the Funds. The Funds are exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”), pursuant to Section 3(c)(1) and/or 3(c)(7) thereof. Interests in the Funds are privately offered only to qualified investors and these interests are offered under the private placement exemptions provided by Section 4(a)(2) of the Securities Act of 1933, Regulation D and/or Regulation S promulgated thereunder.

Pursuant to this umbrella registration, this Brochure describes advisory services provided by the Firm as the “filing adviser” as well as the following “relying advisers”:

- Safanad Senior Care II Management LLC;
- Safanad Senior Care V Management LLC;
- Safanad SSCIP VI Management LLC;
- Safanad SSCIP VII Management LLC;
- Safanad SSCIP VIII Management LLC;
- SSHDIP I Management, LLC;
- SSOP Management, LLC;
- SSHIP I Management, LLC
- SSHIP II Management, LLC
- Safanad Management Limited;
- Safanad Education Ventures Management Limited;
- Safanad ELA Management Limited; and
- Safanad Goldeneye Management Limited

Additionally, this Brochure describes the advisory services provided by the Funds’ general partners (as listed below), which operate as a single advisory business with the Firm:

- Safanad Senior Care II GP, LLC;
- Safanad Star US Feeder GP LLC;
- FC Skyfall GP Limited;
- Safanad Goldeneye GP Limited;
- Safanad Senior Care V GP, LLC;
- Safanad SSCIP VI GP LLC;
- SSHIP I GP LLC;
- SSHIP II GP, LLC;
- SSHIP II GP Limited;
- SSHDIP I GP, LLC;
- SSOP GP, LLC;

- Safanad Early Learning Academies GP Limited; and
- Safanad Education Ventures GP Limited.

Collectively, Safanad Inc. and those affiliates relying on its SEC registration, and unless specifically noted otherwise or the context so requires, the responses to this Form ADV Part 2A combine information about Safanad Inc. and these affiliates.

Safanad Industry Capital Internet Infrastructure Management, LLC (CRD# 291959) is an advisory affiliate of the Firm and files with the SEC as an exempt reporting advisor.

The Firm is a global principal investment firm that typically invests along with a select group of global partners and co-investors, whom we believe share Safanad's investment philosophy. Affiliates of the Firm generally invest their own capital in each investment opportunity in an amount equal to between 10% and 20% of the total available amount of such opportunity, although such affiliates have the ability to invest more or less than such amount. The Firm seeks to create value for its shareholders through disciplined investing that aligns the objectives of all stakeholders. We seek to generate sound risk-adjusted returns from a portfolio of investments managed internally and by specialized investment teams.

We are a specialist team of experienced professionals who seek to apply rigorous investment and risk management disciplines in a tailored and systematic manner.

Our founding members and executive team bring many years of experience in a range of core disciplines, both traditional and alternative, and experience building organizations in the US, Europe, Middle East and Asia.

The Firm's business model and investment philosophy follows from our belief that traditional capital allocation methods have limited ability to capture key investor concerns regarding real liquidity and actual risk.

The Firm's primary place of business is located at 505 Fifth Avenue, 24th Floor, New York City, New York 10017-4902.

B. Description of Advisory Services

The Firm currently provides investment advisory services as an investment adviser, co-adviser, sub-adviser, manager or general partner with discretionary investment authority to the Funds, which include U.S. limited partnerships, U.S. limited liability companies, U.S. corporations and similar non-US investment vehicles.

The Firm currently manages or co-manages several Fund families comprising investments in senior healthcare related facilities, charter schools and other alternative secondary school and student housing and commercial office real estate properties located in the United States, the United Kingdom, Europe and the Middle East, as applicable. Each Fund is organized in a "master fund/feeder fund" structure in which the feeder funds generally invest the majority of their assets in the relevant master fund. Each master fund/feeder fund structure typically contains special purpose vehicles and other investment entities that have been established for legal, regulatory or similar purposes that are managed or controlled by Safanad or its affiliates.

Safanad, when provided for in a Fund's offering and organizational documents, also provides management, financial, administrative, operational and other non-investment advisory services to certain portfolio companies held by the Funds for a fee.

The Funds' structures currently advised by the Firm are as follows:

The "SSCIP Funds" are real estate funds established to invest in senior healthcare properties in the United States, which consist principally of skilled nursing facilities, assisted living facilities, Alzheimer's care facilities and other similar healthcare related facilities:

- Safanad Senior Care Investment Partnership II CC, LP;
- Safanad Senior Care Investment Partnership V, LP;
- Safanad Senior Care Investment Partnership VI, LP;
- Safanad Specialized Care Investment Partnership VII, LP; and
- Safanad Senior Care Investment Partnership VIII, LP

"Skyfall" is a structure of real estate funds established to invest in and operate senior healthcare properties in the United Kingdom, which consist principally of skilled nursing facilities, assisted living facilities, Alzheimer's care facilities and other similar healthcare related facilities.

"Trident" is a family of private equity funds that had invested in a company that acquired all of the assets of several companies in the United States whose business was to provide outsourced diagnostic healthcare services to post-acute facilities and other customers including skilled nursing facilities, assisted living facilities, hospice providers, home health agencies and correctional facilities. Certain investment entities in the Trident family entered bankruptcy in February 2019, and the Trident-related Funds intend to wind down and liquidate their remaining positions in 2020.

"SSHIP I" and "SSHIP II" are real estate funds established to invest in post-secondary, off-campus, student housing in the United States, located near major US universities.

"SSHDIP I" is a structure of real estate funds established to invest in the development of post-secondary, off-campus, student housing in the United States, located near major US universities.

"SSOP" is a series of real estate funds established to invest in existing commercial office parks located in suburban locations in the United States.

"Safanad Education Ventures" is a private equity fund that invested in a company that offers "private and chartered schools" or "pre-schools" and other alternative secondary educational schools in the United States, Africa, Europe and the Middle East. As part of a strategic investment transaction, in May 2019, investors consented to Safanad Early Learning Academies LP contributing its assets to Safanad Education Ventures Limited, which resulted in both private funds coming under common ownership and generally sharing in the same pool of assets and obligations under a new master-feeder structure.

The Firm in the future could advise other types of Funds, including Funds with different investment strategies than those currently advised.

With respect to the SSCIP Funds, Skyfall and Trident, the Firm partners with Formation Capital LLC ("Formation Capital") (CRD# 160400), a private investment management firm that predominately focuses

on senior housing and care, post-acute and health care real estate investments. Formation Capital's services generally include the sourcing and structuring of transactions, day-to-day management of the portfolio company assets and determination of exit strategies. Some of the senior managers of the Firm and Formation Capital have worked together since 2003.

The Firm also partners with other firms with respect to the management of funds or investment vehicles.

The Firm does not participate in wrap fee programs.

While much of this Brochure applies to all such Funds and affiliates, certain information included herein only applies to a specific Fund or affiliate (as the context requires).

Because the Firm generally does not provide individual advice to investors within a Fund, investors should consider whether a particular Fund meets their investment objectives and risk tolerance prior to investing. Information about a particular Fund can be found in its offering documents including its private placement memorandum and other governing documents (e.g. articles of association, limited partnership agreement, limited liability company agreement and other similar documents, as applicable to a particular Fund) (collectively with the private placement memorandum, the "organizational documents").

C. Client Assets Under Management

As of December 31, 2019, the Firm had \$ 1,449,219,193 in regulatory assets under management, all managed on a fully discretionary basis.

Item 5 Fees and Compensation

A. Adviser Fees and Compensation

Private Funds

The Firm's fee and compensation arrangements vary depending on the particular Fund. The specific arrangement for each Fund is described in its organizational documents. The Firm will generally reduce or waive the management fees and performance-based compensation payable by employees of the Firm or its affiliates, family members, managing members to the Funds, or vehicles formed for the benefit of such persons or certain other investors as determined by the general partner or the managing member of the applicable Fund, as the case may be, in the sole discretion of such general partner or managing member, and in accordance with the Fund's organizational documents. As previously mentioned, Safanad, when provided for in a Fund's offering and organizational documents, also provides management, financial, administrative, operational and other non-investment advisory services to certain portfolio companies held by the Funds for a fee.

Asset Management Fees

Safanad receives a base management fee for its services, which, with respect to certain funds, is shared with a Fund's joint-venture partner or co-adviser or is in addition to the fee collected by the joint venture partner or co-adviser, depending on the circumstances of each investment.

Management fees for Safanad's real estate Funds are generally based on the capital contributions deployed by the Fund in the underlying investment vehicle or on the gross investment value of the applicable Fund's portfolio of underlying investments (e.g. based on the initial purchase of price of underlying investments or on the total amount paid for the Fund's underlying assets inclusive of the amounts acquired through leverage, closing costs, and capital expenditures incurred in the acquisition plus any additional equity later provided to the Fund with respect to an investment or, in certain cases, based on the fair value of the underlying real estate held by the Fund).

If the management fee is based on gross investment value, the annual management fee is typically between 50 to 65 basis points.

If the management fee is based on net asset value, the annual management fee rate is typically 1.5%.

Management fees based on gross investment value with a fee rate of 50 to 65 basis points can result in a management fee considerably higher than a fee based on other common valuation methods such as net asset value, which approximates the capital an investor has in a Fund inclusive of liabilities, even at higher fee rates.

For example, if a fund has three dollars of leverage for each dollar of capital invested in the fund and the management fee rate specified in the organizational documents for the fund is 0.50% per annum on the gross investment value, then the equivalent fee for a fund where the fee is based on net asset value would be 2.0% per annum.

Management fees for Safanad's private equity Funds are generally based on aggregate capital committed by an investor or on net invested capital and provide for an annual management fee rate of between 1.5% and 2%.

Investors should refer to the organizational documents for a Fund for specific terms of the management fees for that Fund.

Performance-Based Compensation

The terms of each Fund generally provide for the allocation of a portion of its net investment profits in the form of carried interest to a special purpose entity affiliated with the Firm, after Fund investors have received a return of capital (either with respect to a particular investment or all of the Fund's investments) and a preferred return to investors, in accordance with the Fund's organizational documents or the organizational documents of an entity in which the Fund invests. The balance of net investment profits is generally allocated 20% to the special purpose entity and 80% to the investors.

Depending on the investment, the carried interest with certain Funds is shared with the Fund's joint-venture partner or co-adviser. The carried interest is, in certain instances, determined at the level of a

subsidiary of the Fund and calculated based on the net investment profits to the Fund (rather than the net investment profits to the investors in the Fund).

The terms for carried interest for the Funds vary. Investors should refer to the organizational documents for a specific Fund for specific terms of the carried interest for that Fund.

B. Payment of Fees

Advisory fees or management fees are payable either on (a) monthly or a quarterly basis in arrears; (b) quarterly basis in advance; or (c) upon the disposition of an investment.

The carried interest will generally be paid when distributions to a Fund or to investors in the Fund (including current income, proceeds from a disposition or proceeds from a refinancing of the underlying Fund assets) exceed the relevant threshold stipulated in the Fund's organizational documents.

C. Other Fees and Expenses

In addition to paying advisory or management fees and being subject to carried interest, the Funds incur other expenses, including costs relating to an individual Fund's own operations. These include organizational expenses, principal, interest, fees, expenses and other amounts payable in respect of financings, costs of third-party services including legal, accounting, tax preparation fees, compliance and other professional costs, costs relating to custody of assets of the Fund and its subsidiaries (including any related audits required under regulatory guidelines), any insurance, indemnity or litigation expenses, all costs of administration, including preparation of financial statements and reports to the Fund's investors, costs of meeting of investors, and any taxes, fees or other governmental charges levied against the Fund.

Each upper-tier Fund in a Fund family (each, a "Feeder Fund") will generally bear its allocable portion of the fees, costs and expenses (i) incurred by, (ii) incurred in connection with the organization (or reorganization, as applicable) of or (iii) incurred in connection with, the offering of interests held indirectly in (but, in the case of any investment entity, excluding any placement fees) the entities in which the Feeder Fund invests indirectly (including the "master" fund or other investment holding vehicles established for legal, tax or regulatory purposes), generally pro rata based on such Feeder Fund's indirect interest in the applicable entity.

Fund expenses relating to portfolio holding companies, a master fund and any related special purpose vehicles and any subsidiaries of the foregoing include (i) fees, costs and expenses in connection with the investment by the master fund in a portfolio holding company and the investments held directly or indirectly by the portfolio company and (ii) transaction costs, including reasonable out of-pocket expenses, the costs of transaction structuring, due diligence expenses (whether or not the transaction or investment is consummated) and other costs associated with the transaction consummation.

D. Additional Compensation Information and Conflicts of Interest

The Firm, its affiliates, and/or its partners, when provided for in a Client's offering and organizational documents, may receive certain transaction fees, reimbursements for due diligence and other transaction-related services in connection with investments, re-financings, capital expenditures, real property investments, property management, accounting, tenant service fees, reimbursement for use of office space and equipment and similar fees necessary for the operation of real property, along with

property development, general contractor, construction, redevelopment and asset management, as applicable.

The Firm's affiliates perform certain services for the Funds (or its affiliates) that could otherwise be performed by third parties, including, without limitation, services for real estate brokerage, property management, lease renewals, construction management and similar property management services. The offering documents for the applicable Fund contain additional information regarding these fees.

A Firm employee, the Firm or an affiliate thereof can receive directors and monitoring fees, stock and options associated with a Fund portfolio company where a Firm employee serves on the portfolio company's board. While such compensation is initially received by the Firm, its affiliates or related persons, the Firm transfers the value of such directors and monitoring fees, stock and options to the relevant Funds based on their pro-rata investment in the applicable portfolio company.

In certain cases, some or all of the pro-rata portion of such fees and any other economic benefits received by the Firm and/or its related persons are credited to the relevant Fund via a full or partial offset against such Fund's management fees (except as otherwise set forth in the applicable Fund's organizational documents).

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

The Firm provides investment management services to multiple Funds. The organizational documents for each of the Funds or entities in which they invest provide for the charging of performance fees or allocations by the applicable advisory Client. The Firm will structure any performance or incentive fee or allocation (the "carried interest") arrangements to comply with Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (the "Advisers Act"), to the extent applicable. Clients are charged carried interest on realized gains.

The Funds allocate a portion of their investment profits (e.g., profit allocations) to an affiliated special purpose vehicle as carried interest, and certain of the Firm's personnel are compensated on a basis that takes the carried interest earned by the Firm into account. The carried interest arrangements create an incentive for the Firm's personnel to recommend investments that may be riskier or more speculative than those that would be recommended under a different fee arrangement. The Chief Legal Officer is responsible for identifying and mitigating such conflicts, in cooperation with the investment deal lead, and escalating issues to the Firm's investment committee, audit committee or then Safanad Limited Board of Directors for review, depending on the type of conflict.

The Firm and its affiliates only invest in private equity or real estate investments and the related Funds typically are subject to carried interest upon realization of the Funds underlying investments.

In structuring the Funds, the Firm considers the investment, legal, regulatory and tax objectives of its Clients and not the investment, legal, regulatory or tax objectives of any individual investor.

Item 7: Types of Clients

The entities comprising the Firm serve as advisers and/or general partners of, or managing members of, various Funds.

The Funds qualify for an exception from the definition of “investment company” under the Investment Company Act, pursuant to either Section 3(c)(1) or 3(c)(7) thereof. Interests in the Funds are privately offered only to qualified investors and these interests are offered under the private placement exemptions provided by Section 4(a)(2) of the Securities Act of 1933, Regulation D and/or Regulation S promulgated thereunder.

Each of the Funds imposes minimum investment requirements for admission as a limited partner or member, as the case may be. Minimum investment requirements for the Funds are set forth in each Fund’s organizational documents and are waived with respect to investors who are employees of the Firm or its affiliates, family members, managing members to the Funds, or vehicles formed for the benefit of such persons or certain other investors as determined by the general partner, managing member or the board of directors of the applicable Fund, as the case may be, in their sole discretion and in accordance with each Fund’s organizational documents.

The investors in the Funds include limited partnerships, limited liability companies, insurance companies, foreign pension funds, high net worth individuals and their related family offices and trusts. The investors in the Funds can include other types of investors from time to time.

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

A. Method of Analysis

The Firm’s investment philosophy combines stable earnings and liquidity, with high risk-adjusted return investments. At its core is a risk-reward based investment discipline.

Our approach is founded on the following beliefs:

- Adverse market events occur with increasing regularity and severity.
- A disciplined investment methodology that evolves to reflect changing circumstances is key to mitigating such risks.
- A clear investment plan that contemplates possible courses of action under adverse, albeit unlikely, circumstances, improves risk management throughout an investment lifecycle.
- Maintaining adequate liquidity provides the ability to withstand market shocks, and to take advantage of associated market opportunities.

Key elements of the Firm’s investment process generally include:

- The identification of “under the radar” investment opportunities, utilizing both conventional and proprietary sources of deal flow and emphasizing opportunities where the Firm believes it has an “edge” because of its expertise and due diligence process;
- A “bottom-up” investment decision made with the benefit of a thorough analysis of the prospective investment, with a focus on its intrinsic value and risk-adjusted return profile;
- A “top-down” investment decision to ascertain whether the prospective investment is an appropriate fit for the Client by evaluating whether it adds or mitigates risk in the portfolio;
- The design of optimal structures for the investment;
- The active monitoring of investments; and
- The emphasis on planning for exit strategies at the time of the investment decision.

Due to the dynamic nature of the industries in which the Firm specializes, the acquisition criteria that assist in defining a target investment generally vary depending on a number of factors, including property type, location, market characteristics, industry characteristics and affiliation to the industries within which the Firm has already invested. The holistic appraisal of a potential acquisition generally will include assessment of the following:

- Operator history and experience
- Reputation in the marketplace of the company, facility and/or operator
- Ability to leverage the existing expertise and network of the Firm in the target industry
- The expertise of the senior management teams within a private equity operating company or as an operator of a real estate venture
- Loan-to-value ratios (leverage potential)
- Financial analysis indicators, such as quality of earnings analysis
- Government and individual payment mix, including occupancy level in any acquired facilities
- Direct competition
- Government reimbursement risk and litigation environment (as applicable)
- Environmental and physical condition of any acquired properties
- Due diligence results and underwriting terms

The Firm generally will explore and analyze multiple exit scenarios and corresponding valuations before consummating an investment and will continually refine its exit strategy as investments mature and markets evolve, with a single sale of all a Funds' assets being the preferred exit. The Firm devotes substantial internal and appropriate external resources to the task of realizing Fund investments and seeks to take a proactive approach to understanding and capitalizing on value changes. The Firm will generally seek to refinance assets of a Client in order to monetize valuation increases.

B. Investment Strategies

Our investment strategies are designed to ensure that measured risk is adequately rewarded with appropriate return, that capital loss risks during market shocks are mitigated and that adequate liquidity is maintained to be able to benefit from opportunities. We care about the quality of our investment earnings, which are derived from a stable core portfolio, and we look to a diversification of commitments by asset class, investment style and tenor.

Each of the Firm's investment strategy portfolios is designed with a target return commensurate with the anticipated holding period as well as the associated liquidity and risk objectives. We prioritize capital preservation, while balancing income and growth objectives according to the liquidity and risk inherent in each strategy. We believe that the longer-term time horizons that successful investments in private equity and real estate offer, suit our aim of generating high returns over time.

C. Material Risks (Including Significant or Unusual Risks) Relating to the Firm's Investment Strategy

There can be no assurance that the Firm's investment objectives will be achieved or that its Clients will receive a return on capital. An investment in a Fund involves a high degree of risk. The following list of risk factors do not purport to be a complete list or explanation of the risks involved in an investor making an

investment in a Fund managed by the Firm. These risk factors include only those risks the Firm believes to be material, significant or unusual and relate to particular investment or regulatory and legal risks associated with an investment. The organizational documents of the relevant Fund include a more complete description of the risks of investing in such Fund.

Litigation

Because of the nature of the Firm's investments, the Firm may be subject to claims and litigation alleging negligence, inadequate supervision or other grounds for liability arising from injuries or other harm to the people these portfolio companies serve, including seniors and children on our education and healthcare platforms. The portfolio companies may also be subject to employee claims based on, among other things, discrimination, harassment or wrongful termination. The portfolio companies face the risk that additional lawsuits may be filed which could result in damages and other costs that the portfolio companies' insurance may be inadequate to cover. Such allegations may result in publicity that may materially and adversely affect the portfolio companies, regardless of whether such allegations are valid.

Joint Venture Investments

The Funds co-invest with operating partners through partnerships, joint ventures or other entities. In addition, certain of the Funds, are be co-advised by third parties. In such event, the Firm, on behalf of the applicable Fund family, does not have sole decision-making authority regarding the property, partnership, joint venture or other entity.

The operating partners or co-advisers normally have primary responsibility for the day-to-day management of the underlying investments of the Funds. Investments in partnerships, joint ventures or other entities with operating partners or involving co-advisers, under certain circumstances, involve risks not present were a third party not involved, including the possibility that the third party may become bankrupt or fail to fund their share of required capital contributions.

Such operating partners or co-advisers also may have economic or other business interests or goals that are inconsistent with the applicable Fund's business interests or goals and may be in a position to take actions contrary to such interest or goals.

Disputes between the Firm and an operating partner or a co-adviser may result in litigation or arbitration that would increase a Fund's expenses and prevent the Safanad team from focusing its time and effort exclusively on the business. In addition, a Fund may in some circumstances be liable for the actions of such operating partner or a co-adviser.

Illiquidity of Investments and Restrictions on Transfers

It is unlikely that there will be a public market for the securities of the Funds held indirectly by investors in the Funds.

An investor in a Fund generally will not be able to sell the securities of the Fund publicly unless their sale is registered under applicable U.S. federal and state securities laws, or unless an exemption from such registration requirements is available.

The terms of the definitive agreements for each Fund generally prohibit or restrict the transfer or hypothecation of interests in the Fund.

Risks of Leverage

The use of leverage may increase the return on a Fund's investment, but it will also create greater potential for loss.

The principal form of leverage utilized by the Firm is mortgage indebtedness for its real estate investments.

The Firm employs significant leverage where the Firm believes it will increase a Fund's return on equity. In the majority of cases, leverage is not incurred by the Fund itself, but by the underlying investment entity that owns the assets in which the Fund has an indirect interest. These assets are generally pledged as security to the respective lenders against the leverage provided.

Although the Firm limits the aggregate amount of leverage that may be incurred against each Fund's underlying investments, a Fund's leverage percentage may effectively increase in the event that the value of such Fund's assets declines. Further, there can be no assurance that any Fund will incur leverage with respect to its investments, nor as to the amount of leverage, if any, or as to whether the use of leverage will increase the return on a Fund's equity.

The Firm anticipates that only a small portion of the principal of any mortgage indebtedness, if any, will be repaid prior to its maturity. While, as discussed above, the Firm intends for each Fund to maintain a maximum overall limit on leverage against the Fund's aggregate portfolio value, there remains a risk that the Fund's overall leverage will in fact be higher and that the Fund may not have funds sufficient to repay such indebtedness at maturity and it may be necessary for the Fund to refinance indebtedness through additional debt financing or equity offerings.

If the Funds are unable to refinance this indebtedness on acceptable terms (or at all), then the Fund may be forced to dispose of properties upon disadvantageous terms, which could result in losses to the Fund and adversely affect the returns and the amount of cash available for distribution to the Investors.

If prevailing interest rates or other factors result in higher interest rates at a time when the Fund must refinance such indebtedness, the Fund's interest expense would increase, which would adversely affect the Fund's results of operations and its ability to pay expected distributions to Investors. Further, if a property is mortgaged to secure payment of indebtedness and the Fund is unable to meet mortgage payments, the property could be foreclosed upon by, or otherwise transferred to, the mortgagee with a consequent loss of income and asset value to the Fund.

Even with respect to nonrecourse indebtedness, the lender may have the right to recover deficiencies from the Fund in certain circumstances, including fraud and environmental liabilities.

The use of leverage also commits the Fund or their tenants to certain financial and other covenants which, if breached, may require leverage to be reduced or repaid, or income from the Fund's assets to be required to be paid directly to the relevant lenders.

Interest Rate, Currency Fluctuation and Hedging Risks

A Fund's performance may be adversely affected by a fluctuation in interest rates if it utilizes floating rate financing and fails to employ an effective hedging strategy to mitigate such risks, including engaging in interest rate swaps, caps, floors and other interest rate contracts, and buying and selling interest rate futures and options on such futures.

A Fund's performance may be adversely affected by currency fluctuation risks. It is the Firm's general practice to collect revenues and pay expenses in the local currency of each country in which the Fund's operate.

Conducting business across multiple currencies and having the U.S. dollar as a Fund's functional currency subjects the Fund to exchange rate and currency risks and costs that could materially adversely affect the U.S. Dollar operating results of the Fund. A Fund is under no obligation to hedge its exposure to the operating currencies of the Fund.

Should a Fund's investments elect to employ such a hedging strategy (and it will be under no obligation to do so), the use of these instruments to hedge a portfolio's currency or interest rate exposure carries certain risks, including the risks that losses on a hedge position will reduce the Fund's earnings and funds available for distribution to the Funds Investors and that such losses may exceed the amount invested in such instruments.

Even if used, hedges may not perform their intended purposes of minimizing and offsetting losses on an investment.

Inability to Obtain Debt Financing

Difficult conditions in credit markets may make it difficult for a Fund to obtain favorable financing terms for its investments. Any deterioration of the debt markets, any possible future failures of certain financial services companies and a significant rise in market perception of counterparty default risk, interest rates and/or taxes may adversely affect the Funds' ability to generate attractive risk-adjusted investment returns. In addition, the use of tight underwriting standards by lenders has inhibited refinancing and reduced the number of potential buyers of real estate and other types of assets.

The continued use or further adjustment of these more restrictive loan underwriting standards may adversely affect the availability of credit to execute transactions. The Firm expects that the return on investment of one or more Funds may be dependent upon the applicable Fund's ability to obtain debt financing.

As a result, the Fund's ability to achieve attractive rates of return on investments may depend upon the continued ability of the Fund to access sufficient sources of indebtedness at attractive rates, and it is possible a Fund may not be able to obtain financing on favorable terms or at all.

Use of Valuations

The Firm will value the Funds' assets annually.

Unlike exchange-listed and other readily tradable securities, real estate and private equity assets generally cannot be marked to an established market. Instead, an appraisal or a valuation is only an estimate of value and is not a precise measure of realizable value.

Real estate and private equity valuations are subject to numerous assumptions and limitations. Ultimate realization of the market value of an investment depends to a great extent on economic and other conditions beyond the control of the Fund and the Firm. Further, appraised or otherwise determined values do not necessarily represent the price at which an investment would sell since market prices of an investment can only be determined by negotiation between a willing buyer and seller.

Generally, appraisals will consider the financial aspects of an investment, market transactions and the relative yield for an asset measured against alternative investments. Valuations will generally be based on the discounted cash flows of the Fund's assets.

Valuations of an investment in the real estate or private equity arena should be considered only estimates of value and not measures of realizable value with respect to such assets. As a result, if a Fund were to liquidate a particular investment, the realized value may be more or less than the appraised value or valuation of such asset.

Legal, Tax and Regulatory Risks.

Legal, tax and regulatory changes could occur that adversely affect the Funds or investors.

Certain of the Funds invest in industries that operate in highly regulated environments and are subject to extensive legal and regulatory restrictions and limitations, and to supervision, examination and enforcement by regulatory authorities.

New and existing regulations and burdens of regulatory compliance may directly impact the business and results of the operations of, or otherwise have a material adverse effect on, portfolio companies. Failure to comply with any of these laws, rules and regulations, some of which are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines, which may have a material adverse effect on a Fund.

CFIUS

Certain investments by a Fund may be subject to review by the U.S. Committee on Foreign Investment in the United States ("CFIUS" or the "Committee") or another non-U.S. government regulator with respect to potential national security risks. CFIUS is an inter-agency U.S. federal government group authorized to review the national security risks associated with foreign acquisitions of or investments in U.S. businesses and to block transactions or impose measures to mitigate any threats to U.S. national security. Recent legislation, the 2018 Foreign Investment Risk Review and Modernization Act ("FIRRMA"), expanded the scope of transactions subject to the Committee's review to include certain non-controlling but non-passive foreign investments in U.S. businesses involved in critical technologies, critical infrastructure, or sensitive personal data of U.S. citizens as well as real estate transactions—including leases, sales, and concessions—involving air or maritime ports or in close proximity to sensitive U.S. government facilities. CFIUS has blocked, imposed mitigation upon, or forced the divestiture of numerous foreign investments in U.S. businesses based on potential national security risks, and similar non-U.S. regulators have also increased their scrutiny of foreign direct investment.

In the event that CFIUS or another regulator reviews one or more of a Fund's proposed or existing investments, the Fund may be unable to maintain, or proceed with, such investments on terms acceptable to the Fund. CFIUS or another regulator may also seek to impose limitations on or prohibit one or more of a Fund's investments. Such limitations or restrictions may prevent a Fund from maintaining or pursuing investments, which could limit the number of available investments to a Fund or cause investments to be sold in unfavorable market environments, and in turn adversely affect a Fund's performance. In addition, non-U.S. limited partners investing in the Funds represent, and are expected to continue to represent, a substantial portion of the Funds' aggregate capital commitments. This fact may increase the likelihood that investments by a Fund may be subject to review by CFIUS and the risk that limitations or restrictions will be imposed by CFIUS or other non-U.S. regulators on a Fund's investments.

Real Property Ownership

Certain of the Funds invest in real property investments, which are subject to a degree of risk.

These investments are affected by various factors, including changes in general economic conditions (such as the availability of long-term mortgage funds) and in local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), the attractiveness of the properties to tenants, competition from other available space and various other factors.

Overbuilding in any of the market areas in which a Fund invests could cause the properties in which it invests to experience decreased occupancy or depressed margins, which could adversely affect the business, results of operations and financial condition of the Fund or entities in which it invests. Moreover, certain significant expenditures involved in real property investments, such as real estate taxes, maintenance costs and mortgage payments, represent liabilities that must be met regardless of whether the property is producing any income.

Real property investments are relatively illiquid, thereby limiting the ability of the Fund to vary its portfolio in a timely manner in response to changed economic or investment conditions. There is a risk that the Fund or an entity in which it invests would not be able to sell its assets or that it may realize sale proceeds below the current book value of its properties.

Liability claims may have an adverse effect on the Funds, and their insurance coverage may be inadequate.

The services offered by the entities in which a Fund invests, or the operators of the Fund's real estate holdings involve an inherent risk of professional liability and related substantial damage awards.

The entities in which certain of the Funds invests may employ thousands of nurses, therapists and other direct care personnel driving to and from patients' homes where they deliver medical and other care. Due to the nature of the business, the caregivers who provide services may be the subject of medical malpractice claims. These caregivers could be considered agents, and, as a result, the Funds could be held liable for their medical negligence. The insurance policies of the Funds or the entities in which they invest may be inadequate to cover any resulting losses.

Risks Relating to Regulation of Healthcare Industry

Certain of the Funds invest in the healthcare industry.

The extensive U.S. federal, state and local laws and regulations affecting the healthcare industry include, but are not limited to, laws and regulations relating to licensure, certification as a Medicare and Medicaid provider, conduct of operations, ownership of facilities, addition of facilities and equipment, allowable costs, services, prices for services, quality of care, patient rights, patient abuse and neglect, fraudulent reimbursement practices, and financial and other arrangements which may be entered into by healthcare providers.

U.S. federal and state governments have active enforcement policies, resulting in a significant increase in the number of inspections, citations of regulatory deficiencies and other regulatory sanctions, including terminations from the Medicare and Medicaid programs, bans on Medicare and Medicaid payments for new admissions, civil monetary penalties and even criminal penalties.

The Funds or the third-party operators of the real estate holdings in which the Funds invest could be forced to expend considerable resources responding to an investigation or other enforcement action under applicable laws or regulations.

The Funds or the operators will not be able to predict the future course of federal, state and local regulation or legislation, including the Medicare and Medicaid statutes and regulations. Changes in the regulatory framework could have a material adverse effect on a Fund. There are various federal and state laws (the Federal Anti-Kickback Statue, the Stark Law and similar state laws) prohibiting fraud and abusive business practices by healthcare providers who participate in, receive payments from or are in a position to make referrals in connection with government-sponsored healthcare programs, including the Medicare and Medicaid programs.

These laws include criminal and/or civil penalties for violations that range from punitive sanctions, damage assessments, penalties, imprisonment, denial of Medicare and Medicaid payments and/or exclusion from the Medicare and Medicaid programs. Additionally, certain laws, such as the False Claims Act, allow for individuals to bring whistleblower actions on behalf of the government for violations of fraud and abuse laws.

Imposition of any of these penalties could have a material adverse effect on the profitability of the Funds. Any financial impact incurred by the operators of the Funds healthcare-related holdings could adversely impact the value of those holdings and therefore the returns realized on those holdings.

Risks Relating to Competition in the Healthcare Industry

The Funds that invest in the healthcare industry are subject to additional risks relating to that industry.

The home health, skilled nursing facilities, assisted living facilities, Alzheimer's care facilities and hospice services industry are highly competitive.

The Funds will compete with a variety of other companies in providing services, some of which may have greater financial, marketing and other resources and may be more established in their respective

communities. The Funds or their subsidiaries will compete with other healthcare providers for employees, both clinical associates and management personnel.

Risks Inherent in the Public Education Industry

Certain of the Funds invest in the public education industry and are exposed to risks specific to that industry.

For example, the revenue streams of these Funds depend on per pupil funding amounts and payment formulas. If those funding levels or formulas are materially reduced or modified due to economic conditions or political opposition, new restrictions adopted or payments delayed, the applicable Fund may be adversely affected.

The schools with which subsidiaries of these Funds contracts are financed with government funding. Budget appropriations for education at all levels of government are determined through the political process and declines in public school funding may adversely impact the applicable Funds.

Poor performance or misconduct by the operator of a Fund's property could adversely impact the Fund.

For example, the Fund or its subsidiaries may be subject to lawsuits filed against its schools. Such legal claims could threaten the continuation or expansion of the operator's privately managed public-school business model, which could negatively impact the applicable Fund.

Once authorized by law, privately managed charter schools are generally subject to extensive regulation, as are the school districts served by the operator of the Fund properties. A failure to comply with these regulations could negatively impact the applicable Fund.

Risks Inherent in the Student Housing Industry

Certain of the Funds make investments in the student housing industry and are subject to the risks of that industry.

The entities in which the Funds invest generally lease their properties under 12-month leases, and in certain cases, under nine-month or shorter-term semester leases. As a result, these entities may experience significantly reduced cash flows during the summer months at properties with lease terms shorter than 12 months. Furthermore, all of the properties must be entirely re-leased each year, exposing the Fund to increased leasing risk. Student housing properties are typically leased during a limited leasing season that usually begins in January and ends in August of each year.

Each Fund is therefore highly dependent on the effectiveness of marketing and leasing efforts and personnel during this season. Changes in university admission policies (such as a reduction in admissions or increased availability of university-owned housing) could adversely affect the applicable Fund.

Development and Construction Risks

Certain of the Funds, including the Funds that invest in student housing projects, can acquire undeveloped or underdeveloped properties and, in such circumstances, the applicable Fund will be subject to the risks normally associated with such assets and development activities, including risks relating to the cost and

timely completion of construction (including risks beyond the reasonable control of the Firm, such as weather or labor conditions or material shortages), the availability of both construction and permanent financing on favorable terms and risks that the properties will not achieve anticipated sales or occupancy levels or sustain anticipated rent levels.

These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have an adverse effect on the applicable Fund.

There is also the risk that inadequate oversight over local contractors, architects or engineers may result in poor quality construction or the diversion of funds intended for construction. Also, the quality of construction generally may not be commensurate with appropriate standards, resulting in potential difficulties in obtaining all authorizations necessary for operations.

Properties under development tend to receive little or no cash flow from the date of acquisition through the date of completion of development and may experience operating deficits after the date of completion. In addition, market conditions may change during the course of development, which may make such development less attractive than at the time it was commenced.

Real estate assets undergoing new construction may be subject to cost overruns and delays.

Delays may be beyond the control of the applicable Fund and hence cannot always be fully mitigated, so there can be no assurance that the Fund will be successful in mitigating construction risks. Should delays occur, an investment may be subject to a longer holding period, possibly decreasing the return to the applicable Fund and its investors. Any increased construction costs could materially and adversely affect the return on the applicable Fund's investments.

Risks Inherent in Office Properties

Certain of the Funds invest in office properties and office-type properties.

A large number of factors may adversely affect the value of office properties, including:

- The quality of an office building's tenants;
- An economic decline in the business operated by the tenants;
- The physical attributes of the building in relation to competing buildings (e.g., age, condition, design, appearance, location, access to transportation and ability to offer certain amenities, such as sophisticated building systems and/or business wiring requirements);
- The physical attributes of the building with respect to the technological needs of the tenants, including the adaptability of the building to changes in the technological needs of the tenants;
- The diversity of the office building's tenants (or reliance on a single or dominant tenant);
- The desirability of the area as a business location;
- The strength and nature of the local economy, including:
 - Labor costs and quality;
 - Tax environment;
 - Quality of life for employees;
 - Adverse change in population;

- Patterns of telecommuting or sharing of office space; and
- Unemployment growth (which reduces demand for office space).

The inability of a tenant to pay rent for any reason could adversely affect a Fund that invests in office properties because the Fund's revenues are derived indirectly primarily from rental payments and reimbursement of operating expenses under its leases. If tenants, especially significant tenants, fail to make rental payments under their leases, the Fund's financial condition, cash flows, and ability to make distributions to investors could be adversely affected.

Environmental Risks

The Funds that invest in real estate or real estate related assets are subject to environmental risks.

Under various U.S. federal, state and local environmental laws, ordinances and regulations, a current or previous owner or operator of real estate may be required to investigate and clean up any hazardous or toxic substances or petroleum product releases at such property and may be liable to a governmental entity or to third parties for property damage and for investigation and cleanup costs incurred by such parties in connection with contamination.

These laws typically impose clean-up responsibility and liability without regard to whether the owner knew of, or caused the presence of, the contaminants, and the liability under such laws has been interpreted to be joint and several unless the harm is divisible and there is a reasonable basis for allocation of responsibility.

The cost of investigation, remediation or removal of such substances may be substantial, and the presence of such substances or the failure to properly remedy the contamination on such property may adversely affect the owner's ability to sell or rent such property or to borrow using such property as collateral. Persons who arrange for the disposal or treatment of hazardous or toxic substances or petroleum products at a disposal or treatment facility may also be liable for the costs of removal or remediation of a release of hazardous or toxic substances or petroleum products at such disposal or treatment facility, whether or not the facility is owned or operated by such person.

In addition, some environmental laws create a lien on the contaminated site in favor of the government for damages and costs it incurs in connection with contamination. The owner of a site may also be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from a site.

In connection with its operation of real estate, the Funds or the operators of the Fund's real estate holdings may incur liability for such costs.

Certain U.S. federal, state and local laws, regulations and ordinances govern the removal, encapsulation or disturbance of asbestos-containing materials ("ACMs") when such materials are in poor condition or in the event of construction, remodeling, renovation or demolition of a building. These laws may impose liability for release of ACMs and may provide for third parties to seek recovery from owners or operators of real property for personal injury associated with ACMs. In connection with its operation of real estate, the Funds may incur liability directly or indirectly for such costs.

Epidemic Outbreak

An epidemic outbreak, such as the recent outbreak of the COVID-19 global pandemic, and reactions or a failure to contain or effectively manage such an outbreak could materially impact businesses, including Safanad's business, as a result of significant uncertainty, disruption to supply chains, travel restrictions, remote working conditions, closures and other challenges, and may adversely affect the performance of global, national and local economies, which can in turn negatively impact a Fund and its investment performance. In addition, disruptions from an epidemic outbreak could negatively impact the ability of the Firm's personnel to effectively identify, monitor, operate and dispose of investments. The outbreak of COVID-19 has contributed to, and may continue to contribute to, extreme volatility in financial markets. Such market volatility could adversely affect Safanad's ability to raise capital for a Fund, find financing for a Fund's portfolio companies or identify potential purchasers of a Fund's investments, all of which could have a material and adverse impact on a Fund's performance. The impact of an epidemic outbreak such as COVID-19 (or any future public health crisis, pandemic, epidemic or outbreak of a contagious disease) is difficult to predict and presents material uncertainty and risk with respect to a Fund's performance.

Cybersecurity

The Firm and the Funds are potentially susceptible to operational, systems, and financial risks through actual and attempted cybersecurity intrusions. Although the Firm employs a suite of cyber-risk mitigation and control strategies, a successful breach may cause the Firm and/or the Funds to lose proprietary information, suffer data corruption, suffer financial losses, or lose operational capacity. This in turn could cause the Firm and/or a Fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Cybersecurity breaches may involve unauthorized access to digital information systems (e.g., through "hacking" or malicious software coding, or through "business email compromises."), and may also result from outside attacks such as denial-of-service attacks (i.e., efforts to make network services unavailable to intended users). In addition, cybersecurity breaches of third-party service providers or portfolio companies in which a Fund invests can subject a Fund to many of the same risks. Although the Firm has established risk management systems designed to reduce the risks associated with cybersecurity threats, there is no guarantee that such efforts will succeed, especially since the Firm does not directly control the cybersecurity systems of portfolio companies or third-party service providers.

Business Continuity and Disaster Recovery

The Firm's, the Funds' and their portfolio companies' business operations may be vulnerable to disruption in the case of catastrophic events such as fires, natural disaster (e.g., tornadoes, floods, hurricanes and earthquakes), epidemics and pandemics, terrorist attacks or other circumstances resulting in property damage, network interruption and/or prolonged power outages. Although the Firm has implemented various measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. If such business operations are disrupted or suspended for extended periods of time, the Funds may be adversely affected.

The risks above generally apply to the Funds managed by the Firm. Each Fund is subject to additional risks than those set forth above. The private placement memorandum of the relevant Fund also includes additional risks associated with such investment vehicle. This Brochure generally includes information about the Firm and its advisory agreements with Clients. While much of that information applies to all Clients, some information included herein applies to specific Clients only.

Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the Firm or the integrity of its management. The Firm does not have any such legal or disciplinary events to report with respect to the Firm or members of its management team.

Item 10: Other Financial Industry Activities and Affiliations

A. Description of Other Financial Industry Activities and Affiliations

The Firm owns and controls, or is under common control with, various entities, including relying advisers and pooled investment vehicles and their corresponding general partners as well as certain managers or general partners of portfolio companies, all of which are considered affiliates of the Firm.

The Firm's only businesses are:

- Providing real estate investment advisory services;
- Providing real estate-related asset management services; and
- Managing private equity investments through various entities we have established in connection with these lines of business to serve as investment advisors, general partners, managing members and other similar entities.

Certain Safanad and Firm employees (and/or their family members and family investment vehicles) hold ownership interest in and invest in the Funds through special Feeder Funds. Material investments in a Fund by the Firm or affiliated entities or personnel are delineated in the relevant Fund's private placement memorandum.

As noted previously in Item 4, the Firm, where relevant, provides ancillary services to the investment advisory services it provides to Clients. Safanad Limited manages a privately held company that provides services for a fee to various health-care related facilities and a second privately held company that operates chartered schools and other alternative secondary schools and pre-schools in the United States, Europe and the Middle East, including portfolio companies held by the Funds.

The Firm has the authority to make investment decisions on behalf of Clients (whether or not subject to consent rights in favor of underlying investors).

The Firm, in certain circumstances, will ask a foreign affiliate of the Firm to assist in providing investment advice to a Client ("participating affiliate"). Our participating affiliates are subject to compliance oversight from the Firm to the extent required and their employees who participate in investment advisory activities are subject to compliance policies and procedures generally similar to those described in Item 11 of this brochure. In no event does any participating affiliate have independent discretion with respect to the investment or disposition of Client assets.

Although our Clients typically do not have overlapping investment periods and investment targets, certain inherent conflicts of interest may arise from the fact that we provide investment management services to

several Clients. In the relatively unusual circumstance that we have the discretion to allocate an investment opportunity among multiple Clients, we endeavor to treat all Clients in a fair and equitable manner and in any event are bound by the applicable Fund's organizational documents and our fiduciary duty to all Clients.

Additionally, in determining how much time of the Firm and its related persons should be dedicated to the investment and related activities of a particular Fund, the Firm will ensure it does so in a manner consistent with its fiduciary duties and with any contractual obligations set forth in such Fund's organizational documents.

In addition, as described elsewhere in this Brochure, with respect to certain Funds, the Firm is a co-advisor with various third-party operating partners.

These third parties also provide asset management, development, financing and other such services to Clients with respect to their operation of specific real estate and private equity assets. These co-advisors to the Firm's Clients charge additional fees in respect of financial or administrative services that otherwise generally would be payable to a third-party service provider and do not reduce investment management fees. Safanad shares in certain third-party service fees as more fully described in Item 5 above. Such services and fees are disclosed in each Client's organizational documents, as applicable, and are subject to certain contractual limitations that are set forth in the Client's governing agreements.

Certain employees and advisers of the Firm serve on the boards of directors of several public and private companies.

One of the Firm's employees is on the board of directors of an unaffiliated registered foreign investment fund, another of the Firm's employees is on the board of directors of an unaffiliated publicly traded real estate investment company and a family office that invests in multi-family residential housing; and a third employee serves on the loan committee of a commercial real estate lender and on the Board of Managers of a US based family owned holding company that manufactures commercial refrigeration. Neither Safanad nor any of its portfolio companies conducts business with any of these companies

Conflicts may arise in allocating time or serving in the role as a board member and as a Firm employee managing the investment for the Firm's Clients. In such cases, the Firm has internal procedures designed to address these potential or actual conflicts, or in the case of those situations not specifically addressed in such procedures, the Firm's board of directors will be responsible for resolving the potential or actual conflict in accordance with the Firm's fiduciary duties to its Clients.

Managing Potential Conflicts related to Financial Industry Activities and Affiliations

The Firm's board of directors, in consultation with the Chief Legal Officer/ Chief Compliance Officer and the Chief Financial Officer, are responsible for identifying, reviewing, and resolving potential and actual conflicts of interest between the Firm's Clients.

The Chief Executive Officer, Chief Legal Officer/ Chief Compliance Officer and members of the board of directors are responsible for reviewing any proposed board of director positions or financial industry affiliations or activities in which the Firm or any of its related affiliates or their employees participate for potential conflicts of interest and for approving of such affiliations or activities. The Chief Legal Officer/

Chief Compliance Officer is responsible for designing procedures, where applicable, to address potential or actual conflicts.

All of the Firm's or its related affiliate's employees have the duty to report any potential or actual conflicts of interest to their immediate supervisor, the Chief Legal Officer and Chief Compliance Officer or directly to the board of directors.

Item 11: Code of Ethics

The Firm has adopted a Code of Ethics (the "Code") applicable to officers, principals and employees who are involved in the provision of investment advice to Clients and any other persons determined to be "access persons" ("collectively, "Access Persons"), within the meaning of the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act").

The Code is designed to comply with Rule 204A-1 of the Advisers Act and provides, among other things, that each Access Person must:

- Maintain the very highest ethical standards, including:
 - A duty, at all times, to place the interests of clients first;
 - A duty to ensure that all personal securities transactions are conducted in accordance with the Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest; and
 - A duty not to take advantage of his or her position or engage in any fraudulent or manipulative practice with respect to a Client's account;
- Comply, at all times, with applicable federal and state securities laws and regulations;
- Periodically report his or her beneficial interest in any personal securities holdings, accounts and
- Transactions to the Chief Legal Officer and Chief Compliance Officer in accordance with Rule 204A-1 of the Advisers Act;
- Report violations of the Code of Ethics to the Chief Legal Officer and Chief Compliance Officer; and
- Receive a copy of the Code (and any amendments) and provide a written acknowledgment at least annually of his or her compliance with the Code.

A copy of the Code is available for review by Clients and prospective Clients upon request via the address or telephone number listed on the first page of this brochure. In addition to the Code, we have adopted a compliance manual and other policies and procedures (collectively, the "Compliance Manual") with which persons associated with our firm must abide.

The Code and the Compliance Manual are designed to ensure that we meet our fiduciary obligation to Clients and instill a culture of compliance within the firm.

The Compliance Manual:

- Discusses the appropriate treatment of material, non-public information and other confidential information;
- Establishes limitations on, and required reporting of, certain gifts and entertainment;

- Requires pre-clearance of political contributions due to the potential for conflicts of interest and the requirements of so-called pay-to-play laws;
- Requires pre-clearance of outside business activities such as service on boards of directors (other than in connection with our investments); and
- Governs the securities trading and investing activities of Access Persons for their personal accounts (as further described below).

Access Persons who violate the Code or the Compliance Manual can be subject to sanctions including the termination of employment.

Client Transactions in Securities where the Firm has a Material Conflict of Interest

The Firm or its related persons often have a material investment in Clients. We do not believe that such co-investments cause a conflict of interest between us and any Client but rather function to better align the interests of our underlying investors with our own interests since our own capital is being invested alongside theirs.

The Firm generally will reduce or waive the management fees and performance-based compensation payable by related persons with respect to their participation in Client investments. However, such related persons indirectly bear their pro-rata share of expenses with respect to such investments.

In select circumstances, the Firm or its affiliates engage in transactions with Clients or their respective affiliates to purchase or sell securities or other investments. These transactions may give rise to actual or potential conflicts of interest, or the appearance of conflicts of interest, between the Firm and/or its affiliates and/or related persons as lenders or purchasers, on the one hand, and a Client and/or its respective affiliates as the borrowers or sellers, on the other hand. These conflicts may arise in connection with enforcement of contractual terms and determinations regarding extensions, prepayments and, in certain circumstances, interest charges or purchase prices. The Firm and its affiliates obtain consent for any principal transaction from the applicable Client and will only trade as a principal when the Firm believes that the transaction is in the best interest of each of the applicable Clients.

Occasionally, the Firm and/or its relying advisory affiliates and/or its related entities will, where the investment opportunity permits, give certain investors, including unaffiliated third parties, an opportunity to co-invest alongside its Funds. In all cases, conditions of these investments are disclosed to the applicable Client's investors and those investors that participate in these co-investment opportunities.

Investing in Securities Recommended to Clients

As adviser and/or general partner to each Fund, the Firm participates in the investments in Funds and receives an allocation of a portion of its investment profits in the form of profit allocations to its affiliated special limited partner(s) as carried interest after allocating a preferred return to investors, in accordance with the Fund's organizational documents.

Employees and related persons of the Firm or its affiliates must pre-clear any personal trading, through personal accounts in which there is a beneficial ownership interest, where the employees or related persons trading could disadvantage one or more Clients in any manner. The intent of our personal trading policy is to ensure that the best interests of our Clients are always served over those of our own or individual employees and to promote compliance with federal securities laws.

Certain employees of the Firm or its affiliates receive annual compensation which, in part, is based on the performance of the Funds and are also be permitted to invest in the Funds (in some cases through affiliates of the Firm).

Item 12: Brokerage Practices

A. Broker Dealer Selection Criteria/Best Execution

The Firm employs a long-term strategic investment approach in the management of its Funds which are principally invested in real estate or private equity investments and which do not trade in publicly listed securities and as such do not require the services of a securities broker-dealer. To-date, the Funds have neither purchased nor otherwise received any such publicly listed securities. When selecting private placement opportunities, the Firm believes it satisfies its best execution responsibilities through careful negotiations of the terms of the privately negotiated investments it makes on behalf of the Funds.

B. Soft Dollar Practices

The Firm does not trade public securities and therefore does not enter into soft dollar arrangements.

C. Trade Aggregation

The Firm manages Funds that are principally invested in the real estate and private equity sectors on a deal by deal basis. They do not trade public securities and therefore trade aggregation situations do not arise.

D. Directed Brokerage and Client Referrals

The Firm does not allow its Clients to direct brokerage arrangements.

Item 13: Review of Accounts

The Firm's senior investment professionals, in collaboration with our affiliated management teams, regularly review and monitor Client investments to optimize performance and monitor risk.

In reviewing a Client's portfolio, the Firm seeks the potential to add value to investments through active asset management. Therefore, following an acquisition, our investment team creates a detailed investment plan that provides the strategic framework for meeting a Client's investment objectives.

With respect to investments that involve multiple properties, the asset-specific plans are rolled up into an investment-level business plan that addresses, among other items, projected cash flows based on the property-level asset plans, anticipated debt maturities and financing or refinancing activities, projected sales activity, updated property valuations, the anticipated/recommended hold period, major capital projects and key initiatives.

Underlying investors in our Funds receive quarterly reports that typically include a letter from the Firm, an economic overview of the relevant markets, a portfolio overview summarizing investment performance, written commentary on the status of and material developments pertaining to each Fund

investment (excluding short term cash management activity). Underlying investors also receive investor statements independently prepared by the Fund or the Fund's Administrator.

Along with the investor statements, unaudited financial statements prepared by the Firm's internal accounting professionals (including a balance sheet, schedule of investments with estimated fair values determined as of the prior year-end, an income statement, a statement of changes in investor capital/equity and a statement of cash flows) are distributed to investors.

Quarterly investor reports are typically delivered within 90 days of the end of a fiscal quarter and annual investor reports are typically delivered within 120 days of the end of a fiscal year. Each underlying investor also receives a statement of its capital account balance (or the value of its shares, as applicable).

The Firm employs a custodian that sends a separate report to each underlying investor in a Fund, on a quarterly basis that includes a schedule of the fund's cash and securities balances and movements for the reporting period.

Reports are delivered to investors electronically, with hard copies available upon request.

The relevant Fund's private placement memorandum contains additional information about the reports provided.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Received from Non-Clients

The Firm does not receive economic benefits from non-Clients for providing investment advice or advisory services.

B. Referrals by Non-Supervised Persons

The Firm has engaged with a global placement agent in connection with raising capital in private placement of interests in a Fund. Such placement fees will generally take the form of fixed fees or percentages of the aggregate amount of equity capital irrevocably committed to the Fund. As a result, a Fund investor will not bear any additional charges as a result of such placement fees. All such arrangements will be made in compliance with Rule 206-4(3) of the Advisers Act.

Item 15: Custody

The Firm is deemed to have custody of Client cash funds and securities because the Firm or its related entities serve as both adviser and general partner or managing member to such Funds, and where permitted under the relevant Client's organizational documents directly access the Fund's custodial accounts. In all cases, the Firm will comply with the requirements of the Custody Rule.

As required by the Custody Rule, the Firm maintains the cash and any certificated securities in the Funds with a qualified custodian.

With respect to each Client within each family of Funds, we satisfy our obligations under Rule 206(4)-2 of the Advisers Act ("Rule") by causing each Client to undergo an annual surprise independent verification,

by an independent public accountant that is registered with and subject to regular inspection by the Public Company Accounting Oversight Board, of the cash and securities held within the Fund family and to cause the Fund's custodian to issue quarterly reports detailing the cash and securities held by the Fund family along with a report detailing any cash or investment activity engaged in by the Fund during the quarterly period.

Each Client that is considered to be a "master" fund within a Fund family, if required by the applicable Fund's organizational documents, distributes audited financial statements to its ultimate beneficial investors but will not attempt to do so within the 120 days required in order to qualify for the exceptions to the Rule.

In addition, the Firm delivers a quarterly account statement to investors in each of the respective Fund families (as outlined in Item 13 above), as well as unaudited quarterly reports as further delineated in each Fund's offering documents. Investors are urged to carefully compare the information they receive from the Fund's Qualified Custodian with those received from the Firm, where applicable.

Item 16: Investment Discretion

The Firm has and in certain cases where investment advice is shared with third-party operators, the Firm and the third-party operators, together, have, full discretionary authority to select investments to be bought and sold for all of the Clients. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives or investment guidelines for the particular Fund as outlined in the Fund's organizational documents.

The Firm's discretionary authority includes: (i) determining the investments to be purchased and sold for the Client accounts (subject to the investment objectives and/or guidelines discussed above); (ii) the amount of investments to be purchased or sold for a Client account; and (iii) the timing and prices of investment acquisitions and dispositions.

The Firm's specific discretionary authority is set out in the investment advisory, partnership or other operating agreements the Firm enters into with the Funds.

Item 17: Voting Client Securities

While the Firm has (or is deemed to have) the authority to vote securities on behalf of certain Clients, and accordingly maintains a proxy voting policy as required by Advisers Act Rule 206(4)-6, we are rarely if ever involved in proxy voting because Client assets are generally invested in privately owned real estate and operating companies, which do not typically issue proxies. Whenever the Firm is required to exercise a vote for a privately held portfolio company, it will apply the same standards and procedures as set forth in its proxy voting policy.

The Firm will seek to avoid material conflicts of interest between its own interests on the one hand, and the interests of its Clients on the other.

Item 18: Financial Information

The Firm (i) does not require or solicit prepayment of fees six months or more in advance, (ii) is not aware of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to Clients and (iii) has not been the subject of a bankruptcy proceeding at any time since its inception.

Item 19: Requirements for State Registered Investment Advisers

The Firm is not registering with or currently registered with any state securities authority and is not required to do so.