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This brochure provides information about the qualifications and business practices of DSF Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 781-250-5940. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Registration of an investment adviser does not imply any level of skill or training.

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

THIS BROCHURE DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES. POTENTIAL INVESTORS SHOULD REFER TO THE OFFERING DOCUMENTS OF THE APPLICABLE PRIVATE FUND CLIENTS (AS DEFINED HEREIN) PRIOR TO CONSIDERING AN INVESTMENT IN SUCH PRIVATE FUND CLIENT.

Item 2 – Material Changes

Since the last annual filing, DSF has made the following changes to Form ADV Part 2A:

Item 4: Advisory Business

The dissolution of DSF Capital Partners IV L.P., and DSF Capital Partners IV-A L.P., two of DSF's clients, as of December 16, 2019.

DSF Advisors, LLC will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year. DSF Advisors, LLC may also provide other ongoing disclosure information about material changes as necessary and provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

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Item 4 – Advisory Business

DSF Advisors, LLC (“DSF”) is a private real estate investment company with its principal place of business in Waltham, MA. DSF was founded in 2000 and its founding partners are Arthur Solomon, Joshua Solomon and Thomas Mazza.

DSF primarily provides investment management services to private investment vehicles that are typically structured as Delaware limited partnerships (the “Funds”), each managed by a general partner which is an affiliate of DSF, and are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements, either in private transactions within the United States or in offshore transactions. DSF’s strategy is to pursue multi-family real estate investments and development opportunities in the United States.

DSF tailors its advisory services to the individual needs of its Funds in accordance with each Fund’s governing documents. Since in connection with the Funds, DSF does not provide individualized advice to investors, investors should consider whether the respective Fund’s investment objectives and risk tolerances meet their objectives prior to investing. While DSF currently manages Funds only, it may in the future consider managing separate accounts.

Limited partnership interests in DSF Funds are not registered under the Securities Act of 1933, as amended, and DSF Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), in reliance on the available exceptions to the registration requirements. DSF also manages real estate vehicles that are not securities portfolios.

As of December 31, 2019, DSF managed approximately \$285.1 million of Fund regulatory and non-regulatory assets on a discretionary basis. Non-regulatory assets include real estate funds that are not securities portfolios. DSF does not include non-securities assets under management in its regulatory assets under management for purposes of its SEC registration. DSF does not currently manage any assets on a non-discretionary basis.

Item 5 – Fees and Compensation

Each Fund pays to DSF an annual asset management fee payable in advance in quarterly installments. This fee is typically equal to a percentage of the aggregate capital commitments to a Fund during its applicable investment period and a percentage of the outstanding capital contributions to the Fund invested in assets (subject to certain reductions described in the applicable limited partnership agreement) thereafter. DSF does not include a fee schedule in this brochure because it is delivered only to qualified purchasers as defined in the Investment Company Act. Because asset management fees are paid in advance, they are generally required to be returned to the Funds (and indirectly to the investors in the Funds) if DSF’s asset

management services to the Funds are terminated prior to the end of the period in respect of which the fees have been paid (including, for example, situations in which the final distribution by a Fund occurs prior to the end of a period for which asset management fees have already been paid).

Pursuant to the provisions of the respective limited partnership agreements, DSF Funds make carried interest distributions to the Funds' general partner entities (which are affiliates of DSF and allow certain employees of DSF and its principals to participate in the capital investments in the DSF Funds and to receive carried interest). The carried interest is generally calculated as a percentage of the investment proceeds otherwise allocable to the limited partners of the DSF Funds, after each limited partner has received distributions equal to the capital contributed to the applicable DSF Fund and a preferred return on such amounts, as disclosed in the limited partnership agreement of each DSF Fund.

Fees charged to clients are in accordance with each Fund's respective private placement memorandums and limited partnership agreements.

DSF's fees are deducted from the cash accounts of each Fund. DSF's fees are not paid directly by the investors in any Fund.

Each Fund pays the offering and organizational expenses incurred in the formation of the Fund and the related entities up to a certain maximum limit detailed in each Fund's limited partnership agreement.

Each Fund generally pays all expenses related to its activities (other than DSF's general overhead expenses detailed in each Fund's limited partnership agreement), including without limitation:

- Travel costs, fees and commissions of brokers, transfer taxes and other expenses directly related to the investigation of opportunities (whether or not consummated) or the acquisition, ownership, management, leasing, financing, refinancing, renovation, or sale of any asset of the Fund
- Costs of meetings with the Fund's limited partners and advisory committee
- Expenses associated with the preparation and distribution of reports to the Fund's limited partners
- Federal, state and local taxes and filing fees
- Third party consultants, accountants, auditors and legal counsel
- Insurance
- Litigation expenses

DSF's Funds generally do not purchase publicly traded securities. DSF and its supervised persons are not compensated for the sale of securities or other investment products.

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

Pursuant to the provisions of the applicable Fund limited partnership agreement, the general partner of each DSF Fund, which is an affiliate of DSF, is entitled to a carried interest distribution to the extent returns to the limited partners exceed certain thresholds. The calculation of these carried interest distributions is generally calculated as a percentage of the investment proceeds otherwise allocable to the limited partners of the DSF Funds, after each limited partner has received distributions equal to the capital contributed to the applicable DSF Fund and a preferred return on such amounts, as disclosed in the limited partnership agreement of each DSF Fund.

These carried interest distributions may create an incentive for DSF to make investments which may be riskier or more speculative than those which would be recommended under a different arrangement. However, DSF manages the Funds in accordance with the investment strategy disclosed in the respective Funds' limited partnership agreement and adheres to a Code of Ethics that requires it, as a fiduciary, to place interests of its clients before its own.

Item 7 – Types of Clients

DSF serves as the investment adviser to the Funds. Investors in these Funds consist primarily of institutional investors and other eligible investors, all of which are qualified purchasers as defined in the Investment Company Act. Investors in the DSF Funds are also "accredited investors" under Regulation D of the Securities Act of 1933, as amended. DSF requires Fund investors to make representations concerning their financial sophistication and ability to bear the risk of loss of their entire investment.

In general, the minimum capital commitment for the Funds is set forth in the limited partnership agreement of each Fund.

While DSF currently manages Funds only, it may in the future consider managing separate accounts.

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

Investment Strategy

The predominant investment strategy for each of the Funds is to make investments in multi-family housing located in markets within the United States (with the ability to invest in other products or markets to the extent permitted by the applicable Fund's limited partnership agreement) that share certain characteristics, such as one or more of the following:

- Strong employment / Population growth potential

- Multiple demand drivers
- Significant barriers to entry
- Transportation-oriented locations
- Continuous liquidity as evidenced by consistent investor demand for real estate investments within a market

Depending on the applicable Fund, DSF will pursue a variety of strategies, including one or more of the following:

- Buy and upgrade/reposition existing underperforming properties at a significant discount to replacement cost
- Acquire and oversee the redevelopment of selective transportation-oriented urban infill projects
- Target close-in ring communities to take advantage of the widening rental spread between the central city and these communities
- Enhance tenant appeal by supervising the introduction of first in-class amenities, technology, and resident services to the properties through our in-house design expertise

These strategies allow DSF to apply its asset management initiatives including portfolio management and value add strategies to its investments, which include one or more of the following:

- Decision to improve and enhance the amenities
- Decision to selectively upgrade the physical attributes of a particular property, and the selection and supervision of service providers for upgrades
- Active expense management including through utility contract negotiation, annual real estate tax appeals, and competitively bidding insurance programs to improve the operating efficiency of the assets
- Improving the rent rolls (through more aggressive and creative leasing, eliminating monthly rentals, etc.)
- Aggressive renewal management and technology initiatives to provide for higher lease closing ratios and tenant retention rates

Method of Analysis

Every prospective investment undergoes an extensive due diligence effort in which DSF examines local market conditions, competitive properties, planned developments in the pipeline, access to transportation / employment / shopping, physical and environmental conditions, legal considerations, and detailed financial modeling so that different assumptions can be tested to verify that the investment will meet a Fund's investment guidelines. Due diligence findings are presented to DSF's investment committee, which comprises DSF's three principals. Each investment requires a unanimous vote of the investment committee members present to vote.

Once an investment is made, DSF continuously assesses the merits of holding or selling that investment.

Risks

Real property investments are subject to varying degrees of risk. An investment in a Fund is speculative and involves risk, including the risk that the entire amount invested may be lost. The following does not purport to be a complete list of the risks associated with investments; rather it focuses upon those risks that are generally associated with DSF's investment strategy and philosophy. For a more detailed discussion of the risks associated with DSF's investment strategy, investors should review the discussion of risks provided in the relevant Fund's private placement memorandum.

- Real property investments are subject to varying degrees of risk. The yields available from equity investments in real estate depend on the amount of income earned and capital appreciation generated by the related properties as well as the expenses incurred in connection therewith. If any of a Fund's properties does not generate income sufficient to meet operating expenses, including debt service and capital expenditures, the Fund's ownership interest could be adversely affected. Income from, and the value of, a Fund's properties may be adversely affected by a number of factors, including the general economic climate, local conditions such as oversupply of properties or a reduction in demand for properties in the areas in which they are located, the attractiveness of the properties to potential tenants, competition from other properties, the Fund's ability to provide adequate maintenance and insurance, increases in operating costs (including insurance premiums, utilities and real estate taxes), the ability of the Fund to operate the properties in a manner sufficient to maintain or increase revenues in excess of operating expenses and debt service and, in the case of real property leased to one or more lessees, the ability of the lessees to make rent payments. Because real estate investments are relatively illiquid, a Fund's ability to vary its portfolio promptly in response to economic or other conditions is limited. The relative illiquidity of its holdings could impede a Fund's ability to respond to adverse changes in the performance of its investments. No assurances can be given that the fair market value of any assets acquired by a Fund will not decrease in the future. Investors have no right to withdraw from a Fund or require a Fund to redeem or repurchase their Interests and the transferability of Interests is limited. Accordingly, investors should be prepared to hold their Interests until a Fund is dissolved and its assets are liquidated.
- Competition exists for investment opportunities in most sectors of the real estate industry, including all sectors in which DSF's Funds intend to operate. There are numerous housing alternatives that compete with multi-family rental properties, including condominiums and single family homes. A Fund may be competing for assets with entities that have substantially greater economic and personnel resources than the

Fund or better relationships with sellers of assets, lenders and others. These entities may also generally be able to accept more risk than a Fund prudently can manage. Competition may generally reduce the number of suitable prospective assets offered to a Fund and increase the bargaining power of property owners seeking to sell, thereby increasing prices.

- Different Funds may invest in assets that compete with one another. DSF does not take into account the objectives or strategies of one Fund when it is managing the assets of another. DSF endeavors to run the assets separately and has established controls reasonably designed to ensure that in these scenarios the assets are run competitively.
- There can be no assurance that a Fund will be able to identify assets that meet its investment criteria, that the Fund will be successful in acquiring any assets that may be identified or that any such assets will produce a return on the Fund's investment. A Fund will have broad authority to invest in any assets consistent with its investment strategy. No assurance can be made that a Fund's decisions in this regard will result in a profit for the Fund.
- If, as intended, a Fund uses leverage, the Fund will be subject to risks normally associated with debt financing, including the risk that existing indebtedness on the properties (which in all cases likely will not have been fully amortized at maturity) will not be able to be refinanced and the risk that the terms of available refinancing will not be as favorable as the terms of existing indebtedness. If principal payments due at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new debt or equity capital, it is possible that a Fund's cash flow may not be sufficient in all years to repay all such maturing debt. Furthermore, if prevailing interest rates or other factors at the time of refinancing (such as the reluctance of lenders to make commercial real estate loans) result in higher interest rates upon refinancing, the interest expense relating to such refinanced indebtedness would increase. If a property is mortgaged to secure payment of indebtedness and a Fund is unable to meet mortgage payments, the property could be foreclosed upon or otherwise transferred to the mortgagee, with a consequent loss of income and asset value to the Fund.
- Many laws and governmental regulations are applicable to properties of the type to be acquired by DSF's Funds, and changes in these laws and regulations, or their interpretation by agencies and the courts, occur frequently. In particular, governmental authorities are actively involved in the promulgation and enforcement of regulations relating to land use, zoning restrictions and environmental protection. A portion of a Fund's properties may undergo some level of renovation, which could trigger the operation of such regulations. Such regulations may inhibit or prevent planned renovation, thus reducing or eliminating the potential returns from renovation of particular properties. Regulations may be promulgated which would have the effect of

restricting or curtailing certain usages of existing structures, or requiring that such structures be renovated or altered in some fashion. The institution of such regulations could have the effect of increasing the expenses, and of lowering the profitability, of any of the properties affected thereby.

- A Fund will make investments based on DSF's estimates or projections of internal rates of return and current returns. Investors have no assurance that a Fund will achieve its targeted total return on its investments. Estimates of the costs of improvements to bring an acquired property up to standards established for the market position intended for that property may prove inaccurate.
- The renovation of existing properties involves significant risks in addition to those involved in the ownership and operation of established properties, including the risks that financing may not be available on favorable terms for renovation projects and that construction may not be completed on schedule or within budget, resulting in increased debt service expense and construction costs and delays in leasing such properties and generating cash flow. Substantial renovation activities are also subject to the risks relating to the inability to obtain, or delays in obtaining, all necessary zoning, land-use, building, occupancy, and other required governmental permits and authorizations. Once completed, such renovated properties may perform below anticipated levels, producing cash flow below budgeted amounts. In addition, substantial renovations, regardless of whether or not they are ultimately successful, typically require a substantial portion of management's time and attention, which could divert management's time from a Fund's day-to-day operations.
- In connection with the disposition of a property, a Fund may make certain representations about the business and financial affairs of the property. The Fund may also indemnify purchasers against losses to the extent that any representations made by the Fund turn out to be inaccurate. These arrangements may result in the incurrence of contingent liabilities, which may require DSF to maintain reserves to meet such a contingency or which ultimately have to be funded by the Fund's investors before the termination of a Fund.
- Because DSF's Fund investments are expected to be in multi-family rental properties, diversification is less than would be possible if the Funds were to invest in different property types. Such reduced diversification may increase the volatility of a Fund's returns, and could reduce the Fund's returns relative to diversified funds to the extent that the multi-family rental property markets do not perform as well as other property markets.
- Instead of acquiring properties directly, Funds may invest as a partner or a co-venturer. Fund or joint venture investments may, under certain circumstances, involve risks not otherwise present, including the possibility that the Fund's partner or co-venturer might

become bankrupt, that such partner or co-venturer might at any time have economic or other business interests or goals which are inconsistent with the business interests or goals of the Fund.

- Subject to the Funds' respective limited partnership agreements, the management, financing, leasing and disposition policies of each Fund and policies with respect to certain other activities, including its distributions and operating policies, are determined by the general partner, an affiliate of DSF. Subject to any restrictions in the Funds' limited partnership agreements, these policies may be changed from time to time at the discretion of DSF without a vote of the limited partners. Any such changes could be detrimental to the operations of a Fund or the value of a Fund's assets.
- DSF's ability to successfully manage the Funds' affairs will depend to a significant extent upon the experience of Arthur Solomon, Josh Solomon, Thomas Mazza and the other members of management team whose continued service is not guaranteed. The loss of the services of one or more such persons could have a material adverse effect on the operations of the Funds because the Funds could have a diminished capacity to obtain real estate investment opportunities, to capitalize upon certain relationships in the real estate industry and to structure and execute its potential investments. The Funds may not be able to successfully recruit additional personnel and any additional personnel that are recruited may not have the requisite skills, knowledge or experience necessary or desirable to enhance the incumbent management.
- Credit market conditions can adversely affect the financial conditions of the DSF Funds' investments and the DSF Funds' ability to make principal and interest payments on, or refinance, outstanding debt when due. In the event of default, the DSF Funds could lose both invested capital in, and anticipated profits from, the affected investments. Such marketplace events may cause a decrease in the availability of financing (and an increase in interest cost) for leveraged transactions, which may impair the DSF Funds' ability to consummate these transactions and may cause the DSF Funds to enter into such transactions on less attractive terms.

Item 9 – Disciplinary Information

DSF is required to disclose all material facts regarding any legal or disciplinary events that would be material to an evaluation of DSF or the integrity of its management. DSF has no information to report.

Item 10 – Other Financial Industry Activities and Affiliations

Neither DSF nor any of its management persons are registered or have an application pending to register as a broker-dealer or registered representative of a broker-dealer.

Neither DSF nor any of its management persons are registered or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Neither DSF nor any of its management persons have a business relationship that is material to DSF's advisory business or its Funds with a related person that is any of the following:

- Broker-dealer, municipal securities dealer, or government securities dealer or broker
- Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
- Other investment adviser or financial planner
- Futures commission merchant, commodity pool operator, or commodity trading advisor
- Banking or thrift institution
- Accountant or accounting firm
- Lawyer or law firm
- Insurance company or agency
- Pension consultant
- Real estate broker or dealer
- Sponsor or syndicator of limited partnerships

DSF does not recommend or select other investment advisers for the Funds.

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

DSF has adopted a Code of Ethics pursuant to SEC Rule 204A-1 (the "Code"), which sets forth the high standard of business conduct expected of employees of DSF. The Code describes methods used to detect and prevent conflicts of interest relating to personal trading by DSF's employees, and to ensure that DSF effects transactions for its Funds in a manner that is consistent with its fiduciary duty to them and in accordance with applicable law. Under the Code, DSF's employees must provide DSF with initial and annual holdings reports and quarterly transaction reports. DSF employees must also obtain preapproval from DSF's Chief Compliance Officer prior to investing in any private placement or participating in any initial public offering. DSF's employees must comply with provisions of the Code with respect to their personal securities transactions, receipt and provision of gifts and entertainment, and political donations. In addition, the Code prohibits

the misuse of material nonpublic information. Under the Code, DSF's employees are required to maintain the confidentiality of all confidential or proprietary information regarding DSF or DSF's Funds, except when disclosure is mandated by law.

All employees are required to promptly report any violations of the Code to the CCO or DSF Principals. Nothing in the Code prevents an employee from reporting possible violations of federal law or regulation to any governmental agency or entity, or making other disclosures that are protected under the whistleblower provisions of federal law or regulation. Employees do not need the prior authorization of the CCO or their immediate supervisor to make any such reports or disclosures and are not required to notify DSF that they have made such reports or disclosures.

Each employee has received a copy of the Code. Employees must certify annually that they have been provided a copy of the Code and that they have agreed to be bound by its provisions. An employee may be subject to discipline for violations of the Code.

Affiliates of DSF serve as the general partners and managers of the Funds. Certain employees may make equity investments in the general partner entities under certain conditions. As a fiduciary, DSF must put the interests of the DSF Funds before its own interests. Each DSF Fund has an Advisory Board of voting representatives, and may include non-voting representatives, each of which is a representative of a limited partner. A DSF Fund must obtain approval of its Advisory Board before investing in an opportunity that materially deviates from the DSF Fund's investment restrictions, engaging in a transaction with any affiliate of the DSF Fund or DSF (other than those provided for in the respective Fund's limited partnership agreement), or taking other actions, as set forth in the limited partnership agreement of the applicable DSF Fund. The requirement of obtaining Advisory Board approval and DSF's fiduciary duties seeks to mitigate any potential conflict of interest that may arise from these types of transactions.

Other potential conflicts may include side letter agreements. DSF and/or its Funds may enter into certain side letter agreements with certain investors in a Fund providing such investors with different terms, including but not limited to, different transfer and co-investment rights, reporting obligations, disclosure obligations, and requirements to safeguard confidential information. Fees are not negotiated with individual investors.

A copy of DSF's Code of Ethics will be provided upon written request of any existing or prospective investor of a Fund.

Item 12 – Brokerage Practices

DSF does not usually invest in publicly traded securities and as a result, does not select broker-dealers on a regular basis. If required to select a broker-dealer for transactions in a Fund, DSF will make the selection based on cost, execution capability, and trading expertise consistent with the transaction.

Item 13 – Review of Accounts

DSF's management team meets at least quarterly to discuss and review each Fund's activities, investments, and potential investments. In addition to receiving periodic reports from DSF, such as semi-annual or quarterly reports containing an operational summary of the respective Fund's activity and unaudited financial statements, each investor receives the relevant Fund's audited financial statements within 90 days of such Fund's fiscal year end. Investors in a DSF Fund may also request additional information about the Fund.

Item 14 – Client Referrals and Other Compensation

No person who is not a client of DSF provides an economic benefit to DSF for providing investment advice or other advisory services to DSF's Funds. DSF does not compensate its employees or related persons for client referrals.

Item 15 – Custody

The investments that DSF makes on behalf of its Funds are primarily related to the acquisition and development of interests in real estate. Accordingly, DSF maintains possession of the documentation that demonstrates the Funds' ownership interest in these investments. Cash and other liquid assets of the Funds are held in custodial accounts that are in the name of the specific Fund or one of its subsidiary entities.

Under the terms of the DSF Fund limited partnership agreements, asset management fees and carried interest distributions are paid out of the Fund bank accounts.

For these reasons, DSF is deemed to have custody of Fund assets. In addition, the general partners of the DSF Funds are deemed to have custody of the DSF Fund assets.

To ensure compliance with Rule 206(4)-2 under the Advisers Act, DSF is required to provide all Fund investors with audited financial statements for the Funds in which they are invested within 120 days of such Fund's fiscal year end (although a Fund's limited partnership agreement may specify an earlier date) and promptly upon liquidation. The auditor is an independent public accountant registered with and subject to regular inspection by the Public Accounting Oversight Board. Investors should carefully review the audited financial statements of the Funds.

Item 16 – Investment Discretion

DSF, subject to the discretion and control of the general partner of each Fund, has and accepts the authority to manage the Funds on a discretionary basis, subject to the investment restrictions, covenants, and other terms set forth in the respective Fund limited partnership agreements.

Item 17 – Voting Client Securities

DSF is rarely asked to vote proxies because of the nature of its business. If DSF is asked to vote a proxy or corporate action, it will decide, in its opinion, as to what vote is in the best interest of the Fund. DSF will maintain a written record of any proxy/corporate action on which it votes.

Item 18 – Financial Information

Not applicable.