

Item 1 – Cover Page

PART 2A OF FORM ADV: FIRM BROCHURE

Pretium Single-Family Rental Manager III, LLC

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Pretium Single-Family Rental Manager III, LLC. If you have any questions about the contents of this Brochure, please contact us at (212) 257-5757. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Copies of this Brochure may be requested by contacting Brian McCawley at (212) 257-5873 or compliance@pretium.com. Additional information about Pretium Single-Family Rental Manager III, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure dated January 4, 2021 is the initial ADV Part 2A for Pretium Single-Family Rental Manager III, LLC (“PSFRM” or “the Firm”) and therefore there are no material changes to report in this Item. This Brochure discusses certain investment advisory activities that the Firm expects to engage in and therefore make it eligible for SEC registration within 120 days of the SEC’s approval of the Firm’s registration application. It is anticipated that this Brochure will be amended within 120 days of the SEC’s approval of the Firm’s application for registration.

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Item 4 – Advisory Business

Pretium Single-Family Rental Manager III, LLC (“PSFRM” or the “Firm”), a Delaware limited liability company, is a real estate adviser founded in 2019. PSFRM provides discretionary investment management services to pooled investment vehicles (each pooled investment vehicle, a “Client” and, collectively, the “Clients”). References to the Firm or PSFRM in this Brochure also include reference to its affiliate, the general partner (the “General Partner”) of the Fund. References to “Partner” mean the General Partner or any of the Limited Partners (defined below), and references to “Partners” mean the General Partner and all of the Limited Partners. The Firm is primarily owned by Donald R. Mullen Jr.

PSFRM currently provides discretionary investment management services to Pretium Single-Family Rental Fund III, L.P. (together with its parallel funds, the “Fund”), a residential housing investment vehicle.

The Fund invests principally in residential real estate and real estate-related assets within the core-plus investment space exclusively in the United States, focusing on U.S. single-family residential homes. The Fund participates in the current market opportunity in residential housing by seeking (i) to earn capital gains by acquiring single-family homes at discounted prices and executing strategies to enhance their value, and (ii) to generate rental income. The Fund seeks to purchase single-family homes at depressed prices and attempts to maximize the market and rental value of the asset by conducting repairs and renovations. The Fund is not registered or required to be registered under the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”) or the U.S. Securities Act of 1933, as amended (the “Securities Act”), and is privately placed to qualified investors in the United States and elsewhere. The Fund is an open-ended investment vehicle and continues to accept new Limited Partners in accordance with applicable laws.

PSFRM advises the Fund in an attempt to achieve the Fund’s investment objectives (consistent with any relevant guidelines or restrictions) and does not tailor its advice to the individual needs of any Limited Partner in the Fund. Limited Partners generally may not impose any restrictions on the way in which PSFRM provides management services to the Fund. PSFRM’s management of the Fund is subject to, and the terms of any Limited Partner’s investment in the Fund and all other terms of the Fund are governed by, the terms of the Fund’s offering memorandum, limited partnership agreement, investment management agreement and subscription agreement, as each may be amended, supplemented or modified from time to time (collectively, “Governing Documents”). PSFRM has entered into side letters or other writings with individual Limited Partners, which have had the effect of establishing rights under, or altering or supplementing the terms of, the limited partnership agreement.

Investors and other recipients should be aware that, while this Brochure includes information about the Fund, it is not a complete description of the terms, risks or conflicts associated with an investment in the Fund. More complete information about the Fund is included in the Fund’s Governing Documents, which has been provided to eligible prospective investors by PSFRM or another authorized party. The information contained in this Brochure is qualified in its entirety by reference to disclosures made in the Fund’s Governing Documents, which should be carefully reviewed prior to making an investment decision. In no event should this Brochure be considered an offer to sell or a solicitation of an offer to buy interests in the Fund or relied upon in determining to invest in the Fund. This Brochure is designed solely to provide information about PSFRM for purposes of complying with certain obligations under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and, as such, responds to relevant regulatory requirements under the Advisers Act that may differ from the information required to be provided in the

Fund's Governing Documents. In the event of any inconsistency between the Governing Documents and this Brochure, the Governing Documents shall control.

Item 5 – Fees and Compensation**The Fund**

PSFRM charges an annual management fee (“Management Fee”), payable quarterly in arrears, based on the net asset value of the Fund pursuant to the Fund’s Governing Documents, and will be due to PSFRM even if the net asset value of the Fund is below cost. The General Partner generally will reduce the number of Units at the end of each quarter held by the Limited Partners for the amount of Management Fees payable by the General Partner to PSFRM with respect to such Limited Partners and then pay such amounts received from the Limited Partners to PSFRM in the form of cash or Units, consistent with the Fund’s Governing Documents. In some cases, Management Fees due to PSFRM may be deducted from proceeds otherwise distributable to Limited Partners in the Fund. In the unlikely event PSFRM does not provide services for a full period, the Management Fee will be prorated, based on the number of days remaining in the applicable period.

An affiliate of PSFRM shall be entitled to a performance-based profits allocation (the “Profits Interest Distribution”) with respect to the Fund based on distributions in excess of the Limited Partners’ invested capital, allocable fees and expenses (including Management Fees paid), a preferred return and catch-up allocations, as specified in the Fund’s Governing Documents. The General Partner generally will reduce the number of Units at the end of each quarter by Limited Partners for the amount of the Profits Interest Distribution payable to an affiliate of PSFRM with respect to Limited Partners and then pay such amounts received from the Limited Partners to an affiliate of PSFRM in the form of cash or Units, consistent with the Fund’s Governing Documents.

The Fund (and therefore Limited Partners in the Fund) will bear and be charged with all costs and expenses relating to the activities and operations of the Fund and the General Partner, including, but not limited to: (A) the Fund’s share of any organizational expenses, including, to avoid any doubt, expenses incurred in connection with the organization of the Fund, the General Partner, PSFRM and other related entities of the foregoing, including all legal (including in-house counsel), accounting, consulting, tax advice, filing and other expenses incurred in connection with organizing and establishing the Fund, the General Partner, PSFRM and other related entities of the foregoing, and all out-of-pocket expenses or legal, accounting, consulting, tax advice, filing and other expenses incurred in connection with the marketing and offering of Units (including the expenses of negotiating with Limited Partners, travel and accommodation expenses of employees of PSFRM and its affiliates incurred in marketing the Fund, filing fees and expenses (including the fees, costs and expenses of initial filings, notifications and registrations contemplated by the AIFMD), printing costs, and other similar amounts) (B) any taxes, fees or other governmental charges levied against or payable by the Fund and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Fund, (C) fees, costs and expenses for and/or relating to attorneys, accountants, advisers, consultants, administrators, custodians, depositaries and paying agents, domiciliation agents, other agents, valuation experts (including the valuation agent), data providers (including related systems and services from such data providers and data management software as well as any information technology, hardware and other technology incorporated into the cost of obtaining such data) and other advisers and professionals (including audit and certification fees, the costs of preparing, printing and distributing reports to Limited Partners, maintaining accounts, calculating net asset values, processing subscriptions and redemptions and Limited Partner communications and expenses incurred in connection with negotiating and complying with the provisions of any side letter, including administering “most favored nations” provisions therein), (D) all out-of-pocket fees, costs and expenses, if any, incurred in developing, bidding on, evaluating, negotiating, structuring, obtaining

regulatory approvals for, purchasing, trading, clearing, settling, monitoring, maintaining custody of, holding and disposing of actual investments, including without limitation any valuation, financing, legal, accounting, advisory, property management and consulting expenses in connection therewith (to the extent not subject to any reimbursement of such costs and expenses by entities in which the Fund invests or other third parties), any costs and expenses arising from any foreign exchange or other currency transactions, any insurance, indemnity, litigation, investigation or similar expense, (E) valuation costs (including fees and expenses of valuation agents), (F) brokerage commissions, prime brokerage fees, custodial expenses, other bank service fees and other investment costs, fees and expenses, (G) expenses associated with withdrawals, redemptions, admissions, marketing, issuances and transfers (including preparation of any form transfer agreements) of Units on an ongoing basis, (H) expenses of PSFRM and its affiliates specifically relating to compliance-related matters and regulatory filings with respect to the Fund and its activities (including, without limitation, regulatory filings of PSFRM, the General Partner and their affiliates relating to the Fund and its activities, including reporting with respect to the Fund and its activities on any reports to be filed with the Securities and Exchange Commission (including Form PF and Form ADV, if applicable) or the U.S. Commodity Futures Trading Commission, expenses relating to real estate investment trust ("REIT") qualification and compliance, reports, disclosures, filings and notifications contemplated by or prepared in accordance with the AIFMD (including those in connection with the offering of Units and costs associated with the marketing passport provided for in accordance with the AIFMD and any related regulations) and/or other regulatory filings (or filings with any applicable self-regulatory organization) of PSFRM, the General Partner and their affiliates relating to the Fund's activities, (I) expenses and fees charged or specifically attributed or allocated by PSFRM or its affiliates to provide in-house administrative, accounting and legal services (including, but not limited to, the negotiation of confidentiality agreements) to the Fund and/or its Investments, and expenses, charges and/or related costs incurred by the Fund, PSFRM or its affiliates in connection with such provision of in-house administrative, accounting, and legal services to the Fund and/or its investments including, without limitation, compensation and other overhead allocable to such services (such allocation being made based on a variety of factors which may change over time (e.g., upon fee-earning assets under management of the Fund as compared to aggregate fee-earning assets under management of all investment vehicles managed by the General Partner and its affiliates with respect to which such professionals have responsibilities) and methods that the General Partner believes are fair and reasonable); provided, that the General Partner determines in good faith that any such expenses, charges or related costs are not greater than what would be paid to an unaffiliated third party for substantially similar services, (J) Property Management or Other Fees (as detailed below), (K) fees, costs and expenses related to the organization, maintenance and operation of any intermediate vehicle used to acquire, hold or dispose of any investments or otherwise facilitating the Fund's investment activities, including without limitation any travel and accommodation expenses related to such entity, the salary and benefits of any personnel reasonably necessary for the maintenance of such entity, or overhead and other expenses in connection therewith, (L) expenses associated with auditing, (M) expenses associated with Limited Partner communications and reporting (including Limited Partner annual information sessions or meetings), (N) research and technology expenses, (O) the costs of any directors and officers liability or other insurance (including any premiums for insurances maintained by Pretium), (P) interest, and other expenses incurred in respect of Fund borrowings, guarantees and other financing, including, but not limited to, the arranging thereof, (Q) costs and expenses of any lenders, investment banks and other financing sources, (R) fees, costs and expenses related to the organization, maintenance and operation of other entities (including, to avoid any doubt, entities formed to hold properties in specific metropolitan statistical areas) established for the Fund's investments, (including the salary and compensation of personnel of any Luxembourg entities formed in connection with the Fund's activities and meetings of officers or directors of such entities or their general partners), including without limitation any travel and accommodation

expenses related to such entity, the salary and benefits of any personnel reasonably necessary for the maintenance of such entity, or overhead and other expenses in connection therewith, (S) all out-of-pocket fees, costs and expenses, if any, incurred in connection with the Fund's legal, tax and regulatory compliance with U.S. federal, state, local, non-U.S. or other law or regulation (including REIT qualification and compliance) and the compliance with the rules of any self-regulatory organization, (T) expenses of the LP advisory committee and holding meetings thereof, (U) other expenses associated with the acquisition, holding, monitoring, and disposition of Investments (including, without limitation, any brokerage, trading, custody or hedging costs, expenses or commissions), (V) expenses of reorganizing (including, without limitation, an initial public offering or a merger or acquisition), winding up and liquidating the Fund or any other entity established for the Fund's investments or any broken deal costs associated with the same, and (W) any other extraordinary expenses (including indemnification costs and expenses, the costs and expenses of any litigation involving the Fund or entities in which it has an Investment and the amount of any judgments or settlements paid in connection therewith) and any Broken Deal Expenses (as defined in the Governing Documents); and any placement fees payable to a placement agent in respect of the subscription by Limited Partners.

PSFRM and the General Partner will bear their own overhead associated with the Fund's activities (including compensation of officers and employees of PSFRM and the General Partner and general office overhead), except to the extent such expenses and compensation are Partnership Expenses (as defined in the Governing Documents).

Property Management or Other Fees

PSFRM and its affiliates (including the Property Manager) have been or will be retained by the Fund or entities through which investments are held by the Fund to provide bona fide property management, brokerage and other services, as well as other services ancillary to the acquisition, ownership, management, operation and disposition of real property (such as brokerage, title and closing services) to the Fund, or any Lower Fund, REIT Subsidiary or any of their respective affiliates, which engagement shall provide for fees or other amounts to be earned in respect of such services ("Property Management or Other Fees"). Property management and brokerage services will be conducted, and other services ancillary to the ownership, management and operation of real property (such as brokerage, title and closing services) may be conducted, at the local level utilizing the services of Pretium's Real Estate Platform (as defined below) or another affiliate of PSFRM (as well as local third-party service providers in certain markets), supervised by the Real Estate Platform's regional operating teams.

In connection with such property management and brokerage services, the Real Estate Platform or any other affiliate of PSFRM will receive (i) fees relating to the Investments for any property management and other services ancillary to the acquisition, ownership, management, operation and disposition of real property (such as brokerage and title services) and other similar operational matters performed by PSFRM and its affiliates, (ii) fees for advisory services provided to entities (or with respect to assets) in which the Fund, directly or indirectly, has an interest and (iii) fees for any other services for the Fund or the person representing any investment, in the case of each of (i)-(iii), on such terms or in accordance with such policies and procedures as are in accordance with applicable laws and regulations and the Fund's Governing Documents and that the General Partner determines in good faith are not greater than what would be paid to a similarly qualified, unaffiliated third party for substantially similar services. PSFRM and its affiliates shall have no obligation to reduce the Management Fee in respect of such fees or share such fees in any way with the Fund or the Limited Partners. With respect to providing brokerage services to the Fund, such compensation may include interests (including warrants and/or equity interests) in third

parties that assist Pretium in providing such services (which amounts shall not offset or otherwise reduce the fees paid by Limited Partners), and Pretium may be incentivized to use third-parties that will compensate Pretium (including with such interests in such third-parties), and potential conflicts of interest may arise in connection with decisions made by Pretium with respect to which third-parties Pretium engages to provide services to the Fund. Any Property Management or Other Fees approved in accordance with the Fund's Governing Documents, including those charged in accordance with the Fund's fee template, shall be conclusively presumed to satisfy such standard, although, to avoid any doubt, the absence of such approval does not create any alternative presumption. Such compensation will not offset or otherwise reduce the fees paid by Limited Partners in the Fund. The Real Estate Platform's property management team oversees rent collection, accounting, and field level property management, including ongoing maintenance and preparation for re-leasing. Regional and local construction managers supervise renovation budgeting and execution.

Pretium or its affiliates is expected to receive warrants or other equity securities in consideration for the performance of services (such as assistance in arranging for financing or consulting as to the establishment and operation of administrative or back office functions) to or for the benefit of parties that may originate loans or other Investments acquired by the Fund, and any warrants or other equity securities granted to Pretium in consideration for such services (and not expressly in consideration for the Fund acquiring loans or other Investments) shall be retained by PSFRM and its affiliates and shall not offset or otherwise reduce the Management Fee. Any warrants or other equity securities granted to Pretium or its affiliates expressly in consideration for the Fund acquiring loans or other Investments shall typically be retained by the Fund. To the extent that any such warrants or other equity securities described in the immediately preceding sentence are not retained by the Fund, then the value of any such warrants or other equity securities shall be used 100% to offset the Management Fee. Pretium has an incentive to cause the Fund to buy originated loans and other Investments from such parties.

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

As noted in Item 5 above, an affiliate of PSFRM will be entitled to a Profits Interest Distribution based on the performance of Fund investments. Affiliates of PSFRM also may be entitled to performance-based compensation in connection with managed account clients that may compete with the Fund for investment opportunities. Such performance-based compensation creates an incentive for PSFRM to recommend investments that may be riskier or more speculative than would be the case if such arrangement were not in effect. In addition, performance-based arrangements create an incentive to favor higher fee-paying clients in the allocation of investment opportunities. PSFRM believes that it has reasonable controls in place to mitigate such potential conflicts of interest. These controls include trade allocation procedures that generally require accounts with similar investment strategies to be managed in a similar fashion, subject to a variety of exceptions, such as particular investment restrictions or policies applicable only to certain accounts, differences in cash flows, exposure guidelines, account sizes and similar factors.

Item 7 – Types of Clients

PSFRM provides investment management services on a discretionary basis to the Fund. Investors in the Fund and managed account clients may include pension plans, foundations, funds of funds, charitable organizations, trusts, estates, corporations, sovereign wealth funds, other institutional investors, and high net worth individuals. Investors in the Fund must be “accredited investors” as determined under Regulation D under the Securities Act of 1933, as amended, “qualified clients” as defined for purposes of Rule 205-3 under the Advisers Act, and “qualified purchasers” or “knowledgeable employees” as defined and interpreted for purposes of Section 3(c)(7) of the Investment Company Act. The minimum capital commitment for investing in the Fund is \$10 million, which minimum may be waived by the Fund’s General Partner. The amount of each subscription by a Partner that is accepted by the General Partner is referred to herein as such Partner’s “Commitment.”

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

PSFRM generally seeks to purchase, hold for investment, lease, manage, and dispose of residential real estate properties (principally single-family residences) or portfolios of such properties in target U.S. real estate markets identified by the General Partner. PSFRM may also directly or indirectly invest in real estate assets of any type, real estate companies, or real estate related companies and businesses that are consistent with the investment strategy of the Fund.

By applying the operational expertise of the management team on a home-by-home basis and directing management decisions on a case-by-case basis, PSFRM believes it will be better able to achieve the Clients' objectives. PSFRM collaborates with its affiliate property manager, Progress Residential Management Services, LLC (the "Property Manager"), Property Manager to formulate asset-level management strategies that take into account the methodical approach used to evaluate each home when considered for acquisition.

Potential investors should be aware that an investment in the Fund is speculative, involves a significant degree of risk and is suitable only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment in the Fund and for which the Fund does not represent a complete investment program. There can be no assurance that the Fund's investment objective will be achieved, or that a purchaser of limited partnership interests in the Fund (such interests "Units" and such purchaser a "Limited Partner") will receive a return of its capital or that the Fund will otherwise be able to carry out its investment program. In addition, there will be occasions when the General Partner and its affiliates encounter potential conflicts of interest in connection with the Fund. The following considerations, which set forth some, but not all, of the risks and potential conflicts of interest, should be carefully evaluated before making an investment in the Fund. The following list of risk factors does not purport to be a complete analysis or explanation of the risks associated with PSFRM's investment strategies and, as applicable, with an investment in the Fund. Investors should consult the Fund's Governing Documents for a more complete discussion of the risks associated with an investment the Fund.

Risk Factors Relating to Real Estate and Residential Properties

The following is a brief summary of certain of the more significant risks associated with PSFRM's investment strategies. The risks inherent to the strategies employed by PSFRM, including those listed below, are described in further detail in the Fund's Governing Documents.

Real Estate Risks Generally. The Fund may invest, directly or indirectly, in any equity, debt or other interests (or options related thereto) in, or relating to (a) real estate assets (including pools thereof) of any type or (b) real estate companies and real estate related companies and businesses (including publicly traded securities thereof as permitted herein) that are consistent with the investment strategy of the Fund described in the Fund's Governing Documents, subject to the limitations Fund's Governing Documents. The General Partner will determine in its discretion what constitutes an "Investment". The Investments will be subject to the risks inherent in the ownership and operation of real estate and real estate-related businesses and assets. Deterioration of real estate fundamentals generally, and in the United States in particular, may negatively impact the amount of income generated by the Investments and therefore performance of the Fund. These risks include, but are not limited to, the burdens of ownership of real property, general and local economic conditions, the supply and demand for properties and/or real estate values generally, changes in environmental and zoning laws and other regulations, casualty or condemnation losses, regulatory limitations on rents, decreases in property values, changes

in the appeal of neighborhoods as well as particular properties to residents or potential purchasers of such properties, changes in supply of and demand for competing properties in an area (as a result, for instance, of overbuilding), energy and supply shortages, fluctuations in real estate fundamentals, the financial resources of residents, changes in interest rates and the availability of debt financing or mortgage funds which may render the sale or refinancing of properties difficult or impracticable, changes in building, changes in real property tax rates and operating expenses, increase in borrowing rates, negative developments in the economy that depress leasing activity, environmental liabilities, contingent liabilities on disposition of assets, various uninsured or uninsurable risks, natural disasters, changes in government regulations (such as rent control), casualties, acts of God, terrorist attacks and war and other factors which are beyond the control of the General Partner or PSFRM. There can be no assurance that there will be a ready market for resale of real estate and real estate-related businesses and assets because they are not liquid.

In addition, the Investments will be subject to various risks which may cause fluctuations in occupancy, leasing activity, rental rates, rental income and operating expenses or which may render the sale or financing of its properties difficult or unattractive. For example, following the termination or expiration of a resident's lease there may be a period of time before the Fund will begin receiving rental payments under a replacement lease. During that period, the Fund will continue to bear fixed expenses such as interest, real estate taxes, maintenance, security, repairs and other operating expenses. In addition, declining economic conditions may impair the Fund's ability to attract replacement residents and achieve rental rates equal to or greater than the rents paid under previous leases. Increased competition for residents may require the Fund to make capital improvements to properties which would not have otherwise been planned. Any unbudgeted capital improvements that the Fund undertakes may divert cash that would otherwise be available for distribution to Limited Partners or for satisfying redemption requests. Ultimately, to the extent that the Fund is unable to renew leases or re-let space as leases expire, decreased cash flow from residents will result, which could adversely impact the Fund's operating results.

The Fund may be required to expend funds to correct defects or to make improvements before a resident can be found for a property at an attractive lease rate or an investment in a property can be sold. No assurance can be given that the Fund will have funds available to correct those defects or to make those improvements. In acquiring a property, the Fund may agree to restrictions such as a limitation on the amount of debt that can be placed on that property. These factors and others that could impede the Fund's ability to respond to adverse changes in the performance of its properties could significantly affect the Fund's financial condition and operating results.

Further, because the Fund is expected to hold a portion of its investments directly or indirectly through (i) one or more subsidiaries (each, a "REIT Subsidiary") that have elected to be taxed as REITs under the applicable provisions of the Internal Revenue Code of 1986 (the "Code"), the Fund may also be subject to certain risks associated with direct investments in REITs. REITs may be affected by changes in the value of their underlying properties and by defaults by borrowers or residents. Furthermore, REITs are dependent upon specialized management skills, have limited diversification and are, therefore, subject to risks inherent in financing a limited number of projects. REITs depend generally on their ability to generate cash flow to make distributions to shareholders, and certain REITs have self-liquidation provisions by which mortgages held may be paid in full and distributions of capital returns may be made at any time. In addition, the performance of a REIT may be affected by changes in the tax laws or by its failure to qualify for tax-free pass-through of income.

Real estate investments are relatively illiquid and, therefore, PSFRM's ability to vary the Fund's portfolio promptly in response to changes in economic or other conditions may be limited. In addition, adverse changes in the operation of any property, or the financial condition of any resident, could have an adverse effect on the Fund's ability to collect rent payments and, accordingly, on its ability to make distributions to Limited Partners or to satisfy redemption requests.

Risks in Investing in Residential Properties. The Fund intends to invest in single-family or small multifamily residential properties. A large number of risk factors affect the value and successful operation of such properties, including: the physical attributes of the property, such as its age, condition, design, appearance, access to transportation and construction quality; the location of the property; the ability of the Property Manager to provide adequate maintenance and insurance; the property's reputation; the level of mortgage interest rates and availability of government incentives, which may encourage residents to ultimately purchase rather than lease the homes, if possible; the presence of competing properties; the resident mix, such as the resident population being predominantly students or being heavily dependent on workers from a particular business or personnel from a local industrial unit; adverse local or national economic conditions, which may limit the amount of rent that may be charged and may result in a reduction of timely rent payments or a reduction in occupancy or leasing activity; state and local regulations, which may affect the Fund's ability to increase rent to the level of market rents for an equivalent home; government assistance/rent subsidy programs available in competing homes; and the inventory of unsold homes in the local market that are being rented until economic conditions in the single-family residential market improve. If any of such risk factors are heightened or the conditions associated with such risk factors deteriorate, the Investments in its targeted residential properties may incur losses.

In addition, certain jurisdictions regulate the relationship between an owner and its residents. Commonly, these laws require a written lease, good cause for eviction, disclosure of fees and notification to residents of changed land use, while prohibiting unreasonable rules and retaliatory evictions. The Fund may incur additional expenses and spend extended periods of time complying with such regulations, which may negatively impact the performance of the Fund.

Renters. Renters impose additional risks to owning real property. Renters do not have the same interest as an owner in maintaining a property and its contents and generally do not participate in any appreciation of the property. Accordingly, renters may damage a property and its contents, and may not be forthright in reporting damages or amenable to repairing them completely or at all. A rental property may need repairs and/or improvements after each resident vacates the premises, the costs of which may exceed any security deposit when the rental property was originally leased. Accordingly, the cost of maintaining rental properties can be higher than the cost of maintaining owner-occupied homes, which will affect the Fund's costs of operations and may adversely impact the Fund's ability to make distributions to the Limited Partners.

Rent Control Legislation and Other Proposed Legislation. In addition to U.S. federal, state and/or local regulation of the landlord-tenant relationship, some counties and/or municipalities may impose rent control or similar regulatory requirements on single-family homes or multifamily dwellings. These ordinances may limit rent increases to fixed percentages, to percentages of increases in the consumer price index, to increases set or approved by a governmental agency or to increases determined through mediation or binding arbitration and may also limit the Fund's ability to recover increases in operating expenses and the costs of capital improvements. Enactment of such laws has been considered from time to time in other jurisdictions. Certain properties may be located, and the Fund may purchase additional

properties, in markets that are either subject to rent control or in which rent-limiting legislation exists or may be enacted.

Fixed Costs and Expenses. Many of the expenses associated with the Investments, such as real estate taxes, HOA fees, personal and property taxes, insurance, utilities, acquisition, renovation and maintenance costs, and other general corporate expenses are relatively inflexible and will not necessarily decrease with a reduction in revenue from such Investments. Some components of fixed assets depreciate more rapidly and require ongoing capital expenditures. Some expenses and ongoing capital expenditures are also affected by inflationary increases and certain of the cost increases may exceed the rate of inflation in any given period or market. By contrast, rental income is affected by many factors beyond the Fund's control, such as the availability of alternative rental housing and economic conditions. In addition, state and local regulations may require the Fund to maintain properties that it owns, even if the cost of maintenance is greater than the value of the property or any potential benefit from renting the property, or pass regulations that limit the Fund's ability to increase rental rates. As a result, the Fund may not be able to fully offset rising costs and capital spending by increasing rental rates, which could have a material adverse effect on the results of operations of the Investments and cash available for distribution.

Increasing Property Taxes and Insurance Costs. The cost of property taxes and insurance is a significant component of the Fund's expenses. Potential properties are subject to real and personal property taxes that may increase as tax rates change and as the real properties are assessed or reassessed by taxing authorities. As owner of such properties, the Fund is ultimately responsible for payment of the taxes to the applicable government authorities. If real property taxes increase, the Fund's expenses will increase. If the Fund fails to pay any such taxes, the applicable taxing authority may place a lien on the real property and the real property may be subject to a tax sale.

Dependence Upon Third-Party Service Providers May Harm the Fund's Financial Results or Reputation if the Third Parties Fail to Perform. Although the Fund has retained entities affiliated with Pretium Partners, LLC, a Delaware limited liability company, together with its affiliates ("Pretium"), including the Property Manager, with respect to asset management, development, disposition or other similar services, PSFRM expects to also use third-party vendors and service providers. If PSFRM does not select, manage and supervise appropriate third parties to provide these services, the Fund's reputation and financial results may suffer. Notwithstanding PSFRM's efforts to implement and enforce strong policies and practices regarding service providers, PSFRM may not successfully detect and prevent fraud, incompetence or theft by such third-party service providers. In addition, any removal or termination of third-party service providers would require PSFRM to seek new vendors or providers, which would create delays and adversely affect the Fund's operations. In the event of fraud or misconduct by a third party, the Fund could also be exposed to material liability and be held responsible for damages, fines and/or penalties.

Renovation and Maintenance of Properties. Many of the properties are expected to require some level of renovation either immediately upon their acquisition or in the future following expiration of a lease or otherwise. The Fund may also acquire properties that will need to be extensively renovated or that are initially expected to be in good condition but later reveal unforeseen defects and problems that require extensive renovation and capital expenditures. To the extent properties are leased to existing residents, renovations may be postponed until the resident vacates the premises, and the Fund will bear the costs of renovating. In addition, from time to time, certain properties will require ongoing maintenance or ongoing capital improvements and replacements and significant renovations and repairs that resident deposits and insurance may not cover. Properties under renovation may also generate little or no cash

flow through the date of completion of renovation and may experience operating deficits after the date of completion. There may be substantial unanticipated delays or expenses in connection with any renovation and, under certain circumstances, could even prevent completion of renovation, potentially having an adverse effect on the Fund and on the amount of funds available for distribution to the Limited Partners.

Bulk Portfolio Acquisitions and Dispositions. The Fund may acquire and dispose of properties that it acquires or sells in bulk from or to other owners of single-family homes, banks and loan servicers. In such instances of bulk portfolio purchases, the Fund often will not have the opportunity to conduct interior inspections or conduct more than cursory exterior inspections on a portion of the properties. Such inspection processes may fail to reveal major defects associated with such properties, which may cause the amount of time and cost required to renovate and/or maintain such properties to substantially exceed estimates. Bulk portfolio acquisitions are also more complex than single-family home acquisitions, and the Fund may not be able to implement this strategy successfully. The costs involved in locating and performing due diligence (when feasible) on portfolios of homes as well as negotiating and entering into transactions with potential portfolio sellers could be significant, and there is a risk that either the seller may withdraw from the entire transaction for failure to come to an agreement or the seller may not be willing to sell the bulk portfolio on terms that the Fund views as favorable. In addition, a seller may require that a group of homes be purchased as a package even though the Fund may not want to purchase certain individual assets in the bulk portfolio.

Moreover, to the extent the management and leasing of such properties has not been consistent with the Fund's property management and leasing standards, the Fund may be subject to a variety of risks, including risks relating to the condition of the properties, the credit quality and employment stability of the residents and compliance with applicable laws, among others. In addition, financial and other information provided regarding such portfolios during the due diligence process may be inaccurate and the Fund may not discover such inaccuracies until it is too late to seek remedies against such sellers. To the extent the Fund pursues such remedies, it may not be able to successfully prevail against the seller in an action seeking damages for such inaccuracies. If the Fund concludes that certain individual properties purchased in bulk portfolio sales do not fit the Fund's target investment criteria, the Fund may decide to sell, rather than renovate and rent, such properties, which could take an extended period of time and may not result in a sale at an attractive price.

With respect to any bulk portfolio dispositions of properties, the purchaser may default on payment or otherwise breach the terms of the relevant purchase agreement, and it may be difficult for the Fund to pursue remedies against such purchaser or retain or resume possession of the relevant properties. To the extent such remedies are pursued, the Fund may not be able to successfully prevail against the purchaser.

Investments in Development Assets; Risk of Fraud. The Fund may invest in development projects, and, to the extent that the Fund invests in such assets, it will be subject to the risks associated with such assets and development activities. Such risks include, without limitation, risks relating to the availability and timely receipt of zoning and other regulatory or environmental approvals, the cost and timely completion of construction (including risks beyond the control of the Fund, such as weather or labor conditions or material shortages), the availability of both construction and permanent financing on favorable terms, political or local opposition, environmental issues, labor disputes (such as work stoppages), irregular accounting or other fraudulent practices, risks that the properties will not achieve anticipated leasing activity or sustain anticipated rent levels, counterparty non-performance, project feasibility assessment and dealings with and reliance on third-party consultants. These risks could result in substantial

unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities, any of which could have an adverse effect on the Fund and on the amount of funds available for distribution to the Partners. Properties under development may generate 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 that make such development less attractive than at the time the related investment was acquired.

Furthermore, newly developed or newly renovated properties do not have the operating history that would allow PSFRM to make objective pricing decisions in acquiring these properties, and the purchase prices of these properties are expected to be based upon projections as to the expected operating results of such properties, subjecting the Fund to risks that such properties may not achieve anticipated operating results or may not achieve these results within anticipated time frames. Additionally, development or redevelopment projects can carry an increased risk of litigation with contractors, subcontractors, suppliers, partners and others and may be financed under lines of credit or other forms of secured or unsecured financing.

Litigation, Investigation or Other Governmental Proceedings at the Property Level. The acquisition, ownership and disposition of real properties entail certain litigation and similar risks, the costs of which may ultimately be borne by the Fund. Litigation, investigations or other governmental proceedings may be commenced with respect to a property acquired by the Fund or its subsidiaries in relation to activities that took place after or prior to the Fund's acquisition of such property. Indemnification may be granted to persons involved with such properties or that are the subject of such governmental proceedings. In addition, at the time of disposition of an individual property, a potential buyer may claim that it should have been afforded the opportunity to purchase the asset or alternatively that such buyer should be awarded due diligence expenses incurred or statutory damages for misrepresentation relating to disclosures made, if such buyer is passed over in favor of another as part of the Fund's efforts to maximize sale proceeds. Similarly, buyers of Fund assets may later sue the Fund under various damage theories, including those sounding in tort, for losses associated with latent defects or other problems not uncovered in due diligence. The expense of defending claims against the Fund by governmental authorities, buyers and other third parties and paying any amounts pursuant to settlements or judgments would be borne by the Fund and would reduce net assets and could require the Limited Partners to return distributed capital and earnings to the Fund.

Governmental authorities may also exercise eminent domain to acquire the land on which properties are built in order to build roads and other infrastructure. Any such exercise of eminent domain would allow the Fund to recover only the fair value of the affected properties. In addition, "fair value" could be substantially less than the real market value of the property for a number of years, and the Fund could effectively have no profit potential from properties acquired by the government through eminent domain.

Eviction of Residents. The Fund's investment activities may include activities that will subject it to the risks of becoming involved in litigation by or with residents or other third parties, including the risk of litigation against a resident who has defaulted on his or her rent payment. The expense of defending claims against the Fund by residents and third parties and paying any amounts pursuant to settlements or judgments would be borne by the Fund and would reduce net assets and could require the Limited Partners to return distributed capital and earnings to the Fund. In addition, due to resident-friendly regulations with respect to residential properties in many jurisdictions in which the Fund may purchase properties, it is often a difficult and time-consuming process to evict a resident who has defaulted on his

or her rent payment. In addition, in the event of an eviction, a resident may deliberately damage the rental property during the eviction proceedings, which would increase the Fund's expenses. The General Partner, PSFRM and their affiliates will be indemnified by the Fund in connection with such litigation, subject to certain conditions.

Resident and Consumer Rights Organizations. Numerous resident rights and consumer rights organizations exist throughout the country, and the Fund may attract attention from some of these organizations and become a target of legal demands, litigation and negative publicity. Many such consumer organizations have become more active and better funded in connection with mortgage foreclosure-related issues, and with the increased market for homes arising from displaced homeownership, some of these organizations may shift their litigation, lobbying, fundraising and grass roots organizing activities to focus on landlord-tenant issues. While the Fund intends to conduct its business lawfully and in compliance with applicable landlord-tenant and consumer laws, such organizations might work in conjunction with trial and pro bono lawyers in one or multiple states to attempt to bring claims against the Fund on a class action basis for damages or injunctive relief and to seek to publicize the Fund's activities in a negative light. The Fund cannot anticipate what form such legal actions might take, or what remedies they may seek.

Additionally, such organizations may lobby local county and municipal attorneys or state attorneys general to pursue enforcement or litigation against the Fund, may lobby state and local legislatures to pass new laws and regulations to constrain or limit the Fund's business operations and adversely impact the Fund's business or may generate negative publicity for the Fund's business and harm the Fund's reputation. If they are successful in any such endeavors, they could directly limit and constrain the Fund's operations and may impose on the Fund significant litigation expenses, including settlements to avoid continued litigation or judgments for damages or injunctions.

Single-Family Rental Market. The Fund's investment strategy is premised on assumptions about leasing activity, rental rates, interest rates and other factors, and if those assumptions prove to be inaccurate, cash flows from the Fund's properties and profitability will be reduced. Any strengthening of the United States economy and job growth, coupled with existing and/or future government programs designed to promote home ownership and/or keep homeowners in their homes and/or other factors may contribute to an increase in homeownership rather than renting. A softening of the rental market in the Fund's target markets would reduce rental revenue and profitability.

Seasonal Fluctuations and Other Risks Inherent in the Single-Family Properties Sector. The Fund's investments in real estate assets are and will be concentrated in the single-family properties sector of the real estate industry. A downturn or slowdown in the rental demand for single-family housing caused by adverse economic, regulatory or environmental conditions, or other events may have a greater impact on the value of the properties than if the Fund had more diversified investments. The Firm believes that there are seasonal fluctuations in rental demand, with demand higher in the spring and summer than in the late fall and winter. Such seasonal fluctuations may also impact operating results.

In addition to general, regional, national and international economic conditions, the Investments will be impacted by the economic conditions of the markets where the Fund's properties are and will be located. These markets have experienced substantial economic downturns in the past and could experience similar or worse economic downturns in the future. Neither the General Partner nor PSFRM can provide assurance as to the extent property values and operating fundamentals in these markets will improve, if at all. If an economic downturn in these markets occurs or if the Fund fails to accurately predict the timing

of economic improvement in these markets, the value of the Fund's properties could decline and the Fund's ability to execute its business plan may be adversely affected to a greater extent than if the Fund owned a real estate portfolio that was more geographically diversified, which could adversely affect the Fund's financial condition, operating results and ability to make distributions to the Limited Partners.

Highly Competitive Market for Investment Opportunities. Limited Partners will be dependent upon the judgment and ability of PSFRM in investing and managing the capital of the Fund. No assurance can be given that the Fund will be successful in identifying or capitalizing on suitable investments, or that if such investments are made, that such investments will provide attractive returns or that the objectives of the Fund will be achieved. The activity of identifying, completing and realizing attractive real estate investments is highly competitive, and involves a high degree of uncertainty. The availability of investment opportunities generally will be subject to market conditions, including whether a market for purchasing single-family homes from owner-occupiers for the purpose of turning them into rentals will continue to exist. The Fund will be competing for investments with many other real estate investment vehicles, sovereign wealth funds, domestic and international public pension plans, the public debt and equity markets as well as individuals, financial institutions (such as mortgage banks, pension funds and real estate investment trusts) and other institutional investors investing directly or indirectly through affiliates.

Further, over the past several years, a number of real estate funds and publicly traded REITs have been formed and others have been consolidated (and many such existing funds have grown substantially in size) for the purpose of investing in real estate and/or real estate-related assets. Additional real estate funds, vehicles and REITs with similar investment objectives may be formed in the future by other unrelated parties and further consolidations may occur (resulting in larger funds and vehicles). Real estate remains an attractive sector and firms that have successful track records in exploiting opportunities within that space maintain and continue to raise extraordinary amounts of capital, which further increases the competition for attractively priced real estate assets. It is possible that competition for appropriate investment opportunities may increase, which may cause the Fund to participate in more auctions. The outcome of these auctions cannot be guaranteed, thus potentially adversely affecting the terms, including price, upon which investments can be made. In addition, other forms of residential properties, such as private and federally funded or assisted multifamily housing projects and single-family housing, provide housing alternatives to potential residents. There can be no assurance that the Fund will be able to locate, complete and operate investments which satisfy the Fund's return target objectives or that the Fund will be able to invest fully its available capital.

It is possible that competition for appropriate investment opportunities may increase, thus reducing the number of investment opportunities available to the Fund and adversely affecting the terms upon which investments can be made. The Fund may incur bid, due diligence or other costs on investments which may not be successful. As a result, the Fund may not recover all of its costs, which would adversely affect returns. Moreover, any participation in auction transactions will also increase the pressure on the Fund with respect to pricing of the transaction. Even limited auction investment opportunities entail a degree of competition and, although limited in participants as compared to competitive auctions, limited auctions nonetheless are competitive and such competition affects the price paid for and the terms of the Investments. There can be no assurance that proprietary or limited auction opportunities will be available to the Fund or that the Fund will be able to successfully implement its sourcing strategy. Limited Partners will be dependent upon the judgment and ability of PSFRM in sourcing transactions and investing and managing the capital of the Fund.

There can be no assurance that the Fund will be able to locate, consummate and exit investments that satisfy the Fund's target size range and rate of return objectives or realize upon their values, or that it will be able to invest fully its committed capital. Pretium expects competition among private Fund sponsors and other participants in real estate related businesses to continue to increase. In such an environment, the sourcing and execution of transactions for the Fund, whether on a proprietary basis or otherwise, would become more challenging. To the extent that the Fund encounters competition for investments, returns to Limited Partners may decrease.

Market Conditions. The real estate industry generally and the success of the Fund's investment activities in particular will both be affected by general economic and market conditions in the U.S. economy, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, and to a lesser extent the global economy generally, as well as by changes in applicable laws (including laws relating to taxation of the Investments), trade barriers, currency exchange controls, the rate of inflation and local, national and international political, environmental and socioeconomic circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of real estate prices and the liquidity of the Investments, which could impair the Fund's profitability or result in losses. In addition, general fluctuations in the market prices of securities and interest rates may affect the Fund's investment opportunities and the value of the investments. The Firm's financial condition may be adversely affected by a significant general economic downturn and it may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the Firm's businesses and operations (including those of the Fund).

Moreover, a recession, slowdown and/or a sustained downturn in the U.S. real estate market, and to a lesser extent, the global economy (or any particular segment thereof) will have a pronounced impact on the Fund or weakening of credit markets (including a perceived increase in counterparty default risk) could adversely affect the Fund's profitability, impede the ability of the Fund's assets to perform under or refinance their existing obligations, and impair the Fund's ability to effectively deploy its capital or realize upon Investments on favorable terms and may have an adverse impact on the availability of credit to businesses generally, which in turn may have an adverse impact on the business and operations of the Fund. Any of the foregoing events could result in substantial or total losses to the Fund in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in an Investment's capital structure. Pretium could also be affected by difficult conditions in the capital markets and any overall weakening of the financial services industry. It is possible that a weakening of credit markets could adversely affect Pretium, which could adversely affect the business of the Fund and impede the Fund's ability to effectively achieve its investment objective.

Trends and historical events do not imply, forecast or predict future events and, in any event, past performance is not necessarily indicative of future results. There can be no assurance that the assumptions made or the beliefs and expectations currently held by PSFRM will prove correct and actual events and circumstances may vary significantly.

Local Real Estate Market Conditions. The Fund's strategy in some Investments may be based, in part, upon the premise that real estate assets and businesses in certain cities and elsewhere will be available for purchase by the Fund at prices that PSFRM consider favorable. No assurance can be given that real estate assets and businesses can be acquired or disposed of at favorable prices or that the market for such assets will remain stable, recover or continue to improve, as the case may be, since this will depend, in part, upon events and factors outside the control of PSFRM. In addition, there can be no assurance that current market conditions may not deteriorate during the life of the Fund, which could have a materially

adverse effect on the assets of the Fund. Actual or perceived trends in real estate markets do not guarantee, predict or forecast future events, which may differ significantly from those implied by such trends. The Fund will also purchase property primarily from individual owner-occupiers, and there is no guarantee that such a market where property can be purchased from individual owner-occupiers will continue to exist.

Financial Market Fluctuations. General fluctuations in interest rates and the market prices of securities and other assets may adversely affect the value of the investments. Instability and volatility in interest rates and the securities markets may also increase the risks inherent in the investments. The ability to refinance debt may depend on the ability to sell new securities in the debt and equity markets, to borrow from banks or otherwise, which may not be achievable on favorable terms or at all. A deterioration of the global debt markets (particularly the U.S. debt markets), any possible future failures of financial services companies or a significant rise in market perception of counterparty default risk will likely significantly reduce investor demand and liquidity for investment grade, high-yield and senior bank debt, which in turn is likely to lead some banks and other lenders to be unwilling or significantly less willing to finance new investments or to only offer financing for investments on less favorable terms than had been prevailing in the past. The Fund's ability to generate attractive investment returns may be adversely affected to the extent the Fund is unable to obtain favorable financing terms for its Investments. In the event that the Fund is unable to obtain debt financing for potential acquisitions or can only obtain debt at an increased interest rate or on unfavorable terms, the Fund may have difficulty completing otherwise profitable acquisitions or may generate profits that are lower than would otherwise be the case, either of which could lead to a decrease in the investment income earned.

Risk of Fluctuations in Capitalization Rates. The Fund will acquire assets at negotiated prices that, among other factors, are likely to reflect prevailing market capitalization rates at the time of the acquisition. If market conditions cause capitalization rates at the sale of any Fund asset to be higher than at the acquisition of such asset, the value of such asset would be affected negatively. Even if such asset is not sold, such higher capitalization rate would also have a negative impact on the Fund's net asset value ("NAV"). The Fund's NAV determines the price at which the Fund is permitted to issue additional Units and the price at which the Fund redeems Units from existing Limited Partners that request redemption. As a result, if the Fund's NAV falls below the NAV at which a particular Limited Partner purchased its Units, such Limited Partner's investment in Units could be diluted by the sale of additional Unit at a lower price per Unit, and if such Limited Partner requested a redemption of its Units, such Units would be redeemed at a price that is lower than the price at which such Limited Partner originally purchased its Units.

Foreign Currency and Exchange Rate Risks. The Fund's assets generally will be denominated in U.S. dollars, though share classes in other currencies may be added to the Fund. Consequently, the return realized on any investment by Limited Partners whose functional currency is not the U.S. dollar may be adversely affected by movements in currency exchange rates, costs of conversion and exchange control regulations, in addition to the performance of the Investment itself. Each prospective investor should consult with their own counsel and advisors as to all local tax, financial and related matters concerning an investment in the Units.

Technological Innovations. Recent technological innovations have disrupted numerous established industries and those with incumbent power in them. As technological innovation continues to advance rapidly, it could impact the Fund. Moreover, given the pace of innovation in recent years, the impact on a particular Investment may not have been foreseeable at the time the Fund made the Investment.

Furthermore, PSFRM could base investment decisions on views about the direction or degree of innovation that prove inaccurate and lead to losses.

Inflation. Inflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on economies and financial markets. For example, wages and prices of inputs increase during periods of inflation, which can negatively impact returns on investments. In an attempt to stabilize inflation, countries may impose wage and price controls or otherwise intervene in the economy. Governmental efforts to curb inflation often have negative effects on the level of economic activity. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on the Fund's returns.

Limited Operating History; Limited Open-Ended Fund Track Record. Although the investment professionals of PSFRM have extensive experience with single-family rental real estate investments, generally, prospective investors should bear in mind that the Fund, the General Partner and PSFRM have limited operating history upon which to evaluate the Fund's likely performance. The Fund will pursue a "core-plus" investment strategy, investing in a combination of core and non-core investments, which is an investment strategy different from opportunistic real estate investing. In addition, there can be no assurance that the Fund will be able to implement its investment strategy and investment approach or achieve its investment objective or that a Limited Partner will receive a return of its capital.

No Assurance of Investment Return; Modification of Investment Objective. Limited Partners will be relying on the ability of PSFRM to select the investments to be made by the Fund. Pretium cannot provide assurance that PSFRM will be able to choose, make and realize investments in any particular property or portfolio of properties. There can be no assurance that PSFRM's estimates or projections of internal rates of return and current returns will be correct. There can be no assurance that the Fund will be able to generate returns for its Limited Partners or that the returns will be commensurate with the risks of investing in the type of properties and transactions described herein. There can be no assurance that any Limited Partner will receive any distribution from the Fund. Partial or complete sales, transfers or other dispositions of investments which may result in a return of capital or the realization of gains, if any, are generally not expected to occur for a number of years after an investment is made. All investments involve the risk of loss of capital. Accordingly, an investment in the Fund should only be considered by persons for whom a speculative, illiquid and long-term investment is an appropriate component of a larger investment program and who can afford a loss of their entire investment.

While the General Partner and PSFRM intend generally to pursue the investment objective as described herein, the General Partner and PSFRM may pursue a wide variety of investment strategies and may modify or depart from their initial investment strategy, investment process and investment techniques as they determine appropriate in seeking to accomplish the Fund's investment objective. Moreover, because PSFRM intends generally to use a dynamic approach to investing in order to position the Fund to capitalize on opportunities that it believes most closely aligns with its investment philosophy, it is likely that risks associated with such investments that the Fund may determine to pursue may be unknown at this time or not otherwise described in or contemplated by the Fund's Governing Documents.

Expedited Transactions. Investment analyses and decisions by PSFRM may in certain cases be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to PSFRM at the time of making an investment decision may be limited, and PSFRM may not have access to detailed information regarding the investment property, such as physical characteristics, environmental matters, zoning regulations or other local conditions affecting an

investment property. Therefore, no assurance can be given that PSFRM will have knowledge of all circumstances that may adversely affect an Investment, and the Fund may make Investments which it would not have made if more extensive due diligence had been undertaken.

Uncertainty of Projected Returns. The Fund will make investments based on Pretium's estimates or projections of internal rates of return and current returns, which in turn are based on, among other considerations, assumptions regarding the performance of Fund assets, the amount and terms of available financing and the manner and timing of dispositions, all of which are subject to significant uncertainty. In addition, events or conditions which have not been anticipated may occur and may have a significant effect on the actual rate of return received upon the Investments. Moreover, other experts may disagree regarding the feasibility of achieving projected returns. The Fund is expected to make Investments which may have different degrees of associated risk.

Lack of Liquidity. Each capital contribution (a "Capital Contribution") made to the Fund by a Limited Partner will generally be subject to a 36-month lock-up period (the "Lock-Up Period"), upon the expiration of which Limited Partners will have the right to request a partial or total redemption of their Units on a quarterly basis. Each Capital Contribution will start a new Lock-Up Period with respect to Units issued in connection with such Capital Contribution. There can, however, be no assurance that any such requests will be satisfied within any particular period of time. The Fund generally will redeem Units at the Fund's then NAV on the day of redemption to the extent that the request was received at least ninety (90) days prior to the end of such calendar quarter and the Fund has sufficient cash available to honor requests, as determined by the General Partner. There can be no assurance that the General Partner will determine that cash will be available at any particular time to Fund a particular redemption request. Similarly, the Fund's Governing Documents do not obligate the Fund to sell any property or assets, borrow funds, cease investment activities, reduce reserves or jeopardize the status of any REIT Subsidiary in order to satisfy any redemption request. If sufficient cash is not available to redeem all requested redemptions, as determined by the General Partner the Fund will redeem the Units of all Limited Partners that have requested a redemption out of available cash on a pro rata basis.

To the extent a Limited Partner's Units submitted for redemption have not been redeemed in full as of such calendar quarter, such Units will be redeemed, to the extent of available cash as determined by the General Partner, in subsequent quarters, in accordance with the Fund's redemption process and such Units generally will be treated *pari passu* with (and will not have priority to) other Units to be redeemed as of subsequent redemption dates, subject to the provisions of the Fund's Governing Documents regarding non-*pari passu* treatment. Moreover, the General Partner will have very broad authority to limit or suspend redemptions and/or payment(s) of redemption proceeds, fully or partially, for any reason at any time with respect to any Limited Partner or Limited Partners generally and to hold back amounts from redemption proceeds to satisfy or create reserves for fees, expenses and liabilities of the Fund. The General Partner may in its discretion redeem Units in respect of its performance fees and management fees and may distribute or dispose of assets and/or use cash on hand to satisfy such amounts. There can be no assurances as to when a Limited Partner may be able to completely withdraw from the Fund any amount included in its redemption request. The General Partner may determine to dissolve and liquidate the Fund at any time.

The Fund's NAV will be determined based on the most recent valuation of the Fund's portfolio, which is not expected to occur more than quarterly. Pretium will have no obligation to update its valuations in connection with any redemption, and the NAV used to determine the amount to be distributed in respect of a redemption may be higher or lower than would have been calculated on updated valuations. Further,

the General Partner may suspend or modify the withdrawal privilege and the valuation of the Fund's NAV if it determines that such suspension or modification is warranted for reasons, including, but not limited to, when one or more redemptions would result in violation of any agreement, law, regulation or policy applicable to the Fund, the General Partner, PSFRM or any of their respective affiliates or adverse tax implications on the Fund.

Effect of Substantial Redemptions. Substantial redemptions could be triggered by a number of events, including, without limitation, unsatisfactory performance, events in the markets, significant change in personnel or management of the General Partner or Firm, legal or regulatory issues that Limited Partners perceive to have a bearing on the Fund or PSFRM, or other events. Actions taken to meet substantial redemption requests from the Fund could result in fund expenses increasing (e.g., transaction costs). The overall value of the Fund also may decrease because the liquidation value of certain assets (if the General Partner determined to sell them in its discretion) may be materially less than their cost or carrying value. Substantial redemptions could also significantly restrict the Fund's ability to obtain financing or transact with derivatives counterparties needed for its investment strategies, which would have a further material adverse effect on the Fund's performance. If the Fund experiences significant redemptions, it may not be able to accomplish its objectives and may in the General Partner's discretion choose to dispose of its Investments at a disadvantageous time (resulting in Limited Partners not having their capital invested and/or deployed in the manner originally contemplated or Investments being sold at a loss). The Fund and the General Partner generally will not disclose to Limited Partners the amount of pending redemptions or redemption requests and are under no obligation to make any such disclosure.

Effect of Substantial Losses or Withdrawal on the Operations of PSFRM and the General Partner. If, due to extraordinary market conditions or other reasons, the Fund and other funds, vehicles or accounts managed by PSFRM or its affiliates were to incur substantial losses or were subject to an unusually high level of withdrawals or redemptions, the revenues of PSFRM and its affiliates may decline substantially. Such losses, withdrawals or redemptions may hamper PSFRM's and its affiliates' ability to (i) retain employees and (ii) provide the same level of service to the Fund as it has in the past.

No Market for Units; Restrictions on Transfers. The Units have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), the securities laws of any state or the securities laws of any other jurisdiction, and, therefore, cannot be sold unless they are subsequently registered under the Securities Act and other applicable securities laws or an exemption from registration is available. It is not contemplated that registration under the Securities Act or other securities laws will ever be effected. There is no public market for the Units and one is not expected to develop. Each Limited Partner will be required to represent that it is a qualified investor under applicable securities laws and that it is acquiring its Units for investment purposes and not with a view to resale or distribution and that it will only sell and transfer Units to a qualified investor under applicable securities laws or in a manner permitted by the Fund's Governing Documents and consistent with such laws. A Limited Partner will not be permitted to assign, sell, exchange or transfer any of its interest (in whole or in part), rights or obligations with respect to its Units, except by operation of law, without the prior written consent of the General Partner, which consent may be withheld in the discretion of the General Partner.

Illiquid and Long-Term Investments. It is unlikely that there will be a public market for the investments held by the Fund at the time of their acquisition. Therefore, no assurance can be given that, if the Fund is determined to dispose of a particular investment held by the Fund, it could dispose of such investment at a prevailing market price, and there is a risk that disposition of such Investments may require a lengthy time period or may result in distributions in-kind to Limited Partners. In addition, in some cases the Fund

will not be able to sell securities owned by it publicly unless their sale is registered under applicable securities laws (or unless an exemption from such registration requirements is available).

In particular, the Investments in real estate properties are relatively illiquid in that there may not be ready buyers available and willing to pay fair value at the time the Fund desires to sell. Over the longer term, if the Fund were required to liquidate parts of its property portfolio for any reason, including in response to changes in economic or real estate market conditions, or as a result of the need to raise funds to support the Fund's operations or to repay outstanding indebtedness, the Fund may not be able to sell any portion of its portfolio on favorable terms or at all.

Distributions In-Kind. Under certain circumstances, distributions in-kind of Investments for which market quotations are not readily available may be made. If distributions are made of property other than cash, the amount of any such distribution will be accounted for at the fair market value of such property. Widespread holding of investments, particularly of private illiquid securities or loans, may entail a significant administrative burden. In addition, the direct holding of certain investments may subject the holder to legal proceedings or taxes in states in which such investments are located.

Mandatory Withdrawal. The General Partner may cause the withdrawal of all or any part of the Units of any Limited Partner from the Fund at any time, including at such time when there is a Loss Recovery Amount, under the terms of the Fund's Governing Documents, attributable to such Limited Partner, thereby possibly causing the Limited Partner to receive a distribution that is less than its respective Capital Contribution to the Fund.

Lack of Diversity; Concentration of Investments in Single Geography. Other than as described herein or in the Fund's Governing Documents, Limited Partners have no assurance as to the degree of diversification in the Investments, either by geographic region, sector or asset type. The Investments will be concentrated in single-family rental real estate. Concentration in a single sector may involve risks greater than those generally associated with more diversified funds, including significant fluctuations in returns. Moreover, PSFRM intends generally to use a dynamic and opportunistic approach to investing, which may, subject to the Fund's investment restrictions described in the Fund's Governing Documents, result in the Investments being concentrated in one or more geographies within the single-family rental real estate sector.

Additionally, from time to time, certain geographic regions of the United States will experience weaker regional economic conditions and housing markets and, consequently, may experience higher rates of loss and delinquency than will be experienced by real estate generally. For example, a region's economic condition and housing market may be directly or indirectly adversely affected by natural disasters or civil disturbances, such as earthquakes, tornadoes, windstorms, sinkholes, hurricanes, floods, eruptions or riots. The economic impact of any of these types of events may also be felt in areas beyond the region immediately affected by the disaster or disturbance. The Investments may be concentrated in these regions. A deterioration in economic conditions in a region where the Investments are concentrated is likely to result in a deterioration of the housing market in such region and lower proceeds upon a downturn or slowdown in the rental demand for single-family housing.

If the Fund participates in a large number of Investments, the transaction, monitoring, borrowing and other cost and expenses of the Fund and the General Partner, as described in the Fund's Governing Documents, may be significantly higher than if a smaller number of Investments were made.

Deployment of Capital. In light of the Fund's investment strategy and the need to be able to deploy capital quickly to capitalize on potential investment opportunities, the Fund is expected to from time to time maintain cash at the Fund level pending deployment into Investments, which may at times be significant. Such cash may be held in an account of the Fund for the benefit of the Limited Partners or may be invested in money market accounts or other similar temporary investments. In the event the Fund were unable to find suitable investments such cash may be maintained at the Fund level for longer periods which would be dilutive to overall investment returns. It is not anticipated that the temporary investment of such cash into money market accounts or other similar temporary investments pending deployment into Investments will generate significant interest, and prospective investors should understand that such low interest payments on the temporarily invested cash may adversely affect overall Fund returns.

Investments with Third Parties; Lack of Control. The Fund is expected to in certain circumstances co-invest with third parties through partnerships, joint ventures or other entities, thereby acquiring jointly-controlled or non-controlling interests in certain Investments in conjunction with participation by one or more third parties in such Investment. Although the Fund may not have control over these Investments and therefore, may have a limited ability to protect its position therein, PSFRM expects that appropriate rights will be negotiated to protect the Fund's interests. There can be no assurance that such rights will be available or that such rights will provide sufficient protection of the Fund's rights. Such Investments may involve risks not present in investments where a third party is not involved, including the possibility that a third party partner or co-venturer may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Fund, or may be in a position to take (or block) action in a manner contrary to the Fund's investment objectives, or the increased possibility of default by, diminished liquidity or insolvency of, the third-party, due to a sustained or general economic downturn. Furthermore, if a co-venturer defaults on its funding obligations, the Fund may be required to make up the shortfall. In addition, the Fund may in certain circumstances be liable for the actions of its third-party partners or co-venturers. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such Investments, including incentive compensation arrangements. While PSFRM will attempt to limit the liability of the Fund by reviewing the qualifications of and previous experience of co-venturers or partners, it does not expect to obtain financial information from, or to undertake private investigations with respect to, prospective co-venturers or partners. The Fund may also invest in residential real estate portfolios in joint ventures with federal government sponsored enterprises ("GSEs"), subjecting the Fund to reporting, property management, economic and other requirements imposed by such partners. In other situations, the Fund may exercise control over an Investment, which can impose additional risks of liability for environmental damage or other types of liability. If these liabilities were to arise, the Fund might suffer a significant loss.

Leverage; Risk of Borrowing by the Fund. The acquisition and development of investment properties may be financed in substantial part by borrowing, which increases the exposure to loss. The use of leverage involves a high degree of financial risk and will increase the exposure of the investments to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the investments. Principal and interest payments on indebtedness will have to be made regardless of the sufficiency of cash flow from the properties. There is no assurance that replacement financing will be available or that any replacement financing available will be on favorable terms. The Investment may be impaired by a smaller decline in the value of the properties than is the case where properties are owned with a proportionately smaller amount of debt. Depending on the level of leverage and decline in value, if mortgage payments are not made when due, one or more of the properties may be lost (and the Investment therein rendered valueless) as a result of foreclosure by the mortgagee(s). A

foreclosure may also have substantial adverse tax consequences for the Fund and its Limited Partners. Many of these same issues also apply to fund-level credit facilities which are expected to be in place at various times as well. For example, the loan documents for such facilities may include various coverage ratios, the continued compliance with which may not be completely within the control of the Fund. If such coverage ratios are not met, the lenders under such fund-level credit facilities may declare any unfunded Commitments to be terminated and declare any amounts outstanding to be due and payable. Although borrowings by the Fund have the potential to enhance overall returns that exceed the Fund's costs of funds, they will further diminish returns (or increase losses on capital) to the extent overall returns are less than the Fund's costs of funds. As a result, the possibilities of profit and loss are increased. Borrowing money provides the Fund with the advantages of leverage, but exposes it to greater market risks and higher current expenses. In connection with one or more credit facilities entered into by the Fund, distributions to the Limited Partners may be subordinated to payments required in connection with any indebtedness contemplated thereby. In addition, borrowings by the Fund are expected to be secured by the Fund's assets. If the Fund defaults on secured indebtedness, the lender may foreclose and the Fund could lose its entire investment in the security for such loan. The Fund's leverage limitation is tested on a portfolio-wide basis, and the amount of investment leverage with respect to any Investment, group of Investments or metropolitan statistical areas may be in excess of such leverage limitation, which shall not require the consent of the advisory committee comprised of representatives of one or more direct or indirect Limited Partners who are not affiliated with the General Partner or PSFRM, which are selected by the General Partner (the "LP Advisory Committee"), or a majority in interest of the Limited Partners of the Fund.

Required repayments of debt and related interest can adversely affect the Fund's operating performance. Increases in interest rates on the Fund's existing floating-rate indebtedness would increase its interest expense, which could harm the Fund's cash flow and ability to pay distributions. The Fund is expected to also incur additional debt in connection with future acquisitions of real estate. The Fund, in some instances, is expected to borrow under its existing credit facilities or borrow new funds to acquire properties. In addition, the Fund may incur or increase its mortgage debt by obtaining loans secured by a portfolio of some or all of the real estate properties acquired.

The Fund is expected to make certain representations, warranties and affirmative and negative covenants in credit agreements that may restrict the Fund's ability to operate while still utilizing those sources of credit. Such representations, warranties and covenants may include but are not limited to restrictions on guarantees, the maintenance of certain financial ratios (including the Fund's ratio of debt to equity capital and its debt service coverage ratio), the maintenance of a minimum net worth, restrictions against a change of control of the Fund and limitations on alternative sources of capital. Any breach of such representations, warranties and covenants may adversely affect returns of the Fund.

Tax-exempt investors should note that the use of leverage by the Fund or by one or more limited liability companies or limited partnerships used to make Investments (each such company or limited partnership, a "Lower Fund") may create "unrelated business taxable income".

The Fund may Guarantee Certain Leverage and Contingent Obligations. The Fund is expected to guarantee the performance of some of its subsidiaries' obligations, including but not limited to unsecured indebtedness. Non-performance on such obligations may cause losses to the Fund in excess of the capital the Fund initially may have invested/committed under such obligations and there is no assurance that the Fund will have sufficient capital to cover any such losses.

Role of PSFRM and Its Professionals. The day-to-day operations of each Investment are the responsibility of PSFRM. Although PSFRM is responsible for monitoring the performance of each Investment, there can be no assurance that the Property Manager, or any successor, will be able to operate the properties in accordance with the Fund's plans. Additionally, the Property Manager may need to attract, retain and develop executives and members of its teams. The market for executive talent can be, notwithstanding general unemployment levels or developments within a particular industry, extremely competitive. There can be no assurance that the Property Manager will be able to attract, develop, integrate and retain suitable members of its teams and, as a result, the Fund may be adversely affected thereby. PSFRM, subject to the oversight of the General Partner, has exclusive responsibility for the Fund's activities, and, other than as may be set forth herein and in the Fund's Governing Documents, Limited Partners are placing their entire Commitment in the discretion of, and are dependent upon the skill and experience of, PSFRM. Limited Partners will be relying on the ability of PSFRM to select the Investments to be made using the capital available to the Fund. The success of the Fund will depend in part upon the skill and expertise of PSFRM's professionals and/or the skill and performance of the Property Manager and joint venture partners. There can be no assurance that such professionals and other persons will continue to be associated with PSFRM or the Investments throughout the life of the Fund and a loss of the services of key personnel could impair PSFRM's or such other persons' ability to provide services to the Fund and its Investments. There is ever-increasing competition among alternative asset firms, financial institutions, private equity firms, real estate-related firms, investment managers and other industry participants for hiring and retaining qualified investment professionals. There can be no assurance that personnel will not be solicited by and join competitors or other firms and/or that qualified new professionals will be hired and retained. In addition, the Fund will share personnel and will not have a separate team of investment professionals dedicated solely to the Fund, and members of PSFRM will work on other projects for Pretium. Conflicts of interest are expected to arise in allocating management time, services or functions, and PSFRM and its affiliates' ability to access other professionals and resources within Pretium for the benefit of the Fund as described in the Fund's Governing Documents may be limited. Such access may also be limited by the internal compliance policies of Pretium or other legal or business considerations, including those constraints generally discussed herein. In addition, investment professionals and committee members may be replaced or added at any time and the Fund's management, investment structure, investment process, internal approval and monitoring processes may be modified on a case-by-case basis by PSFRM as it determines in good faith is appropriate.

Third-Party Valuation of Properties. Particularly in the case of portfolio acquisitions made in bulk (e.g., pools of properties auctioned by GSEs, banks or other bulk sellers), the Fund may not be provided physical access to any units or properties prior to the closing date of the transaction. As a result, the Fund may be reliant on valuation reports of third-party companies for each property. Such third-party reports made available to the Fund are generally for informational purposes only, and the seller of the properties will often disclaim any representation and/or warranty, expressed or implied, with respect to the accuracy or completeness thereof. Accordingly, there is a risk that the property valuations may be inaccurate or that rehabilitation costs may be significantly higher than forecast, reducing the capital gain to the Limited Partners. For example, there may be defects or damage to the property inaccurately reported or not reported at all which reduces its value, reducing the total return to Limited Partners below the forecast return.

Benchmarks. In the context of transactions with any affiliates, the General Partner will make determinations of market rates based on its consideration of a number of factors, which are generally expected to include the General Partner's experience with non-affiliated service providers as well as benchmarking data and other methodologies determined by the General Partner to be appropriate under

the circumstances. While Pretium generally intends to obtain benchmarking data regarding the rates charged or quoted by third parties for similar services, relevant comparisons may not be available for a number of reasons, including, without limitation, as a result of a lack of a substantial market of providers or users of such services or the confidential and/or bespoke nature of such services. Therefore, such market comparisons may not result in precise market terms for comparable services.

Operational Risk. Operational risks arising from transactions not being properly booked, evaluated or accounted for or other similar disruption in the Fund's operations may cause the Fund to suffer financial losses, the disruption of its business, liability to third parties, regulatory intervention or damage to its reputation. The Fund depends on PSFRM and the SS&C Technologies, Inc. to maintain appropriate systems and procedures to control operational risk, and the Fund will rely heavily on their financial, accounting and other data processing systems. Generally, neither the General Partner nor PSFRM will be liable to the Fund for losses incurred due to the occurrence of any such errors.

Failure of Risk Management Procedures and Methods. The risk management techniques and strategies used by PSFRM (or other persons, where applicable) may not be effective in mitigating the Fund's risk exposure in all economic market environments or against all types of risk, including risks that PSFRM fails to identify or anticipate or does not have access to information about. Some of the qualitative tools and metrics for managing risk may fail to predict future risk exposures. These risk exposures could, for example, arise from factors PSFRM (or other persons, where applicable) did not anticipate or correctly evaluate in its models. In addition, any quantified modeling performed does not take all risks into account and could prove insufficient, exposing the Fund to material unanticipated losses. Other risk management methods depend upon evaluation of information that is publicly available or otherwise accessible by PSFRM (or other persons, where applicable). This information may not in all cases be accurate, complete, up-to-date or properly evaluated.

Nature of Debt and Other Real Estate Related Securities. In accordance with the investment objectives of the Fund and the Fund's Governing Documents, the Fund may invest in debt securities (including, without limitation, debt issued by affiliates of the Fund or other SFR owner/operators) and other real-estate related securities, and, to the extent that the Fund invests in such securities, it may be subject to the risks associated with such securities. The debt securities and other real-estate related securities in which the Fund may invest include secured or unsecured debt, which would be subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured. The ability of the Fund to influence an issuer's affairs related to such debt or other securities is likely to be substantially less than that of senior creditors. In addition, such securities in which the Fund may invest may not be protected by financial covenants or limitations upon additional indebtedness, may have limited liquidity, and may not be rated by a credit rating agency. Debt securities are also subject to other creditor risks, including (i) the possible invalidation of an investment transaction as a "fraudulent conveyance" under relevant creditors' rights laws, (ii) so-called lender liability claims by the issuer of the obligations and (iii) environmental liabilities that may arise with respect to collateral securing the obligations. The Investments may be subject to early redemption features, refinancing options, prepayment options, or similar provisions which, in each case, could result in the issuer repaying the principal on an obligation held by the Fund earlier than expected. In addition, depending on fluctuations of the equity markets and other factors, warrants and other equity securities may become worthless.

Mezzanine Investments. The Fund may invest in debt securities and other real-estate related securities, some of which may be subordinated to substantial amounts of senior indebtedness. Under typical subordination terms, senior creditors are able to block the acceleration of the mezzanine debt or the

exercise by mezzanine debt holders of other rights they may have as creditors. Accordingly, the Fund may not be able to take the steps necessary to protect its Investments in a timely manner or at all. In the United States, at least one bankruptcy case has held that a secondary loan market participant can be denied recovery from the debtor in a bankruptcy if a prior holder of the loans either received and did not return a preference or fraudulent conveyance or engaged in conduct that would qualify for equitable subordination. In many cases, the Fund's management of its Investments and its remedies with respect thereto, including the ability to foreclose on any collateral securing such Investments, will be subject to the rights of the senior lenders and contractual inter-creditor provisions. Accordingly, there can be no assurance that the Fund's rate of return objectives will be realized.

Availability of Insurance against Certain Catastrophic Losses. With respect to properties acquired by the Fund, liability, fire, flood, extended coverage and rental loss insurance with insured limits and policy specifications that PSFRM believes are customary for similar properties will be maintained. However, certain losses of a catastrophic nature, such as wars, natural disasters, terrorist attacks, or other similar events, may be either uninsurable or, insurable at such high rates that to maintain such coverage would cause an adverse impact on the related investments. In general, losses related to terrorism are becoming harder and more expensive to insure against. Most insurers are excluding terrorism coverage from their all-risk policies. In some cases, the insurers are offering significantly limited coverage against terrorist acts for additional premiums, which can greatly increase the total costs of casualty insurance for a property. As a result, not all Investments may be insured against terrorism or certain other risks. If a major uninsured loss occurs, the Fund could lose both invested capital in and anticipated profits from the affected Investments.

Environmental Liabilities. The Fund may be exposed to substantial risk of loss from environmental claims arising out of Investments made with undisclosed or unknown environmental, health or occupational safety matters, or problems with inadequate reserves, insurance or insurance proceeds for such matters that have been previously identified, as well as from occupational safety issues and concerns. Under the laws, rules and regulations of various jurisdictions, an owner of real property may be liable for the costs of removal or remediation of certain hazardous or toxic substances, including asbestos and lead-containing paint, on or in such property. Such laws and regulations may impose joint and several liability, which can result in a party being obligated to pay for greater than its share, or even all, of the liability involved. Such liability may also be imposed without regard to whether the owner knew of, or was responsible for, the presence of such hazardous or toxic substances and the person bearing liability may incur substantive costs in defending claims of liability. The cost of any required remediation and the owner's liability therefor as to any property are generally not limited under such laws and regulations and could exceed the value of the property and/or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate contamination from such substances, may adversely affect the owner's ability to sell, lease, or otherwise realize income from the real estate or to borrow funds using such property as collateral, which could have an adverse effect on the Fund's return from such investment. Environmental claims with respect to a specific investment may exceed the value of such Investment, and under certain circumstances, subject the other assets of the Fund to such liabilities. In addition, even in cases where the Fund is indemnified by the seller with respect to an Investment against liabilities arising out of violations of environmental laws and regulations, there can be no assurance as to the financial viability of the seller to satisfy such indemnities or the ability of the Fund to achieve enforcement of such indemnities. Furthermore, some environmental laws create a lien on contaminated property in favor of governments or government agencies for costs they may incur in connection with the contamination.

The ongoing presence of environmental contamination, pollutants or other hazardous materials on or emanating from a property (whether known at the time of acquisition or not) could also result in personal injury (and associated liability) to persons on or in the vicinity of the property and persons removing such materials, future or continuing property damage (which may adversely affect property value) or claims by third parties, including as a result of exposure to or damage from such materials through the spread of contaminants. For example, there has been litigation and concern about indoor exposure to certain types of toxic mold, and it is impossible to eliminate all mold and mold spores in the indoor environment. The continued presence of certain types of toxic mold could materially decrease property values, cause the Fund to incur substantial remediation costs and lead to an increased risk of lawsuits by affected persons.

In addition, the Fund's operating costs and performance may be adversely affected by compliance obligations under environmental protection laws and regulations relating to Investments of the Fund, including additional compliance obligations arising from any change to such laws and regulations. Laws and regulations may also restrict development of, and use of, property. Certain clean-up actions brought by federal, state, country and local agencies and private parties may also impose obligations in relation to investments and result in additional costs to the Fund.

Lack of Management Rights. Limited Partners will generally have no opportunity to control the day-to-day operation, including investment and disposition decisions, of the Fund. PSFRM will generally have discretion in structuring, negotiating and purchasing, financing and eventually divesting Investments on behalf of the Fund. Consequently, the Limited Partners will generally not be able to evaluate for themselves the merits of particular Investments prior to the Fund's making such Investments.

Enhanced Scrutiny and Potential Regulation of the Private Investment Fund Industry and the Financial Services Industry. There have been significant legislative developments affecting the private investment fund industry and there continues to be discussion regarding enhancing governmental scrutiny and/or increasing the regulation of the private investment Fund industry. For example, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), among other things imposes new reporting and recordkeeping obligations on certain private Fund advisors with respect to the private funds they advise. In addition, included in the Dodd-Frank Act is the so-called "Volcker Rule," which, among other things, prohibits any "banking entity" (generally defined as any insured depository institution, subject to certain exceptions including for depository institutions that do not have, and are not controlled by a company that has, more than \$10 billion in total consolidated assets and significant trading assets and liabilities, any company that controls such an institution, a non-U.S. banking organization that is treated as a bank holding company for purposes of U.S. banking law, and any affiliate or subsidiary of the foregoing entities) from sponsoring or acquiring or retaining an ownership interest in a private equity fund or hedge fund that is not subject to the provisions of the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act") in reliance upon either Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act. There can be no assurance that the enactment of these reforms, as well as future related legislation, and increased regulation or scrutiny of the private investment Fund industry will not have an adverse impact on Pretium, PSFRM and/or the Fund or otherwise impede the Fund's activities. An Limited Partner that is a banking entity may need to evaluate whether its continued retention of an ownership interest in the Fund would be prohibited under the Volcker Rule and/or whether an exemption under the Volcker Rule would be available to it with respect to its investment in the Fund. Prospective investors in the Fund that are banking entities should consult their bank regulatory counsel prior to making an investment.

In light of the heightened regulatory environment in which the Fund and PSFRM operate and the ever-increasing regulations applicable to private investment funds and their investment advisors, it has become increasingly expensive and time-consuming for the Fund, PSFRM and their affiliates to comply with such regulatory reporting and compliance-related obligations. Any further increases in the regulations applicable to private investment funds generally or the Fund and/or PSFRM in particular may result in increased expenses associated with the Fund's activities and additional resources of PSFRM being devoted to such regulatory reporting and compliance-related obligations, which may reduce overall returns for the Limited Partners and/or have an adverse effect on the ability of the Fund to effectively achieve its investment objective. The increased reporting, registration and compliance requirements may furthermore place the Fund at a competitive disadvantage to the extent that Pretium is required to disclose sensitive business information.

Pay-to-Play Laws, Regulations and Policies. In light of controversies and highly publicized incidents involving money managers, a number of states and municipal pension plans have adopted so-called "pay-to-play" laws, regulations or policies which prohibit, restrict or require disclosure of payments to (and/or certain contacts with) state officials by individuals and entities seeking to do business with state entities, including investments by public retirement funds. The SEC also has adopted rules that, among other things, prohibit an investment advisor from providing advisory services for compensation with respect to a government plan investor for two years after the advisor or certain of its executives or employees make a contribution to certain elected officials or candidates. If PSFRM or its employees or affiliates fail to comply with such pay-to-play laws, regulations or policies, such non-compliance could have an adverse effect on the Fund by, for example, providing the basis for the withdrawal of the affected government plan investor.

Hedging Policies/Risks. In connection with the financing of certain investments, PSFRM may engage in hedging transactions designed to reduce the Fund's exposure to, among other risks, interest rate fluctuations, or resident credit deterioration. If PSFRM deems it necessary or advisable, it may, in lieu of the Fund holding an investment in the relevant underlying property or other asset, structure an investment as a total return swap or other derivative contract, instrument or similar arrangement designed to substantially replicate the benefits and risks of holding the investment in the relevant underlying property or other asset. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks. Thus, while the Fund may benefit from the use of these hedging mechanisms, unanticipated changes (including with respect to interest rates) may result in a poorer overall performance for the Fund than if it had not entered into such hedging transactions. PSFRM is not obligated to hedge and may choose not to hedge against a particular risk because, for example, it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence of the risk. The successful utilization of hedging and risk management transactions requires skills that are separate from the skills used in selecting and monitoring investments. There can be no assurance that any risk management procedure will be effective in reducing risks associated with the use of hedging techniques or that the use of such techniques by the Fund will not result in poorer overall performance for the Fund than if it had not utilized such techniques.

Legal, Tax and Regulatory Risks. Legal, tax and regulatory changes could occur during the term of the Fund that may adversely affect the Fund. For example, from time to time the market for private real estate transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, in part in response to regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions.

Additionally, the adoption of new legislation, changes in existing laws, GSE reform or new interpretations of existing laws can have a significant impact on methods of doing business, costs of doing business and amounts of reimbursement from governmental and other agencies. The real estate industry is, and will continue to be, subject to varying degrees of regulation and licensing by federal, state and local regulatory authorities. For instance, on September 7, 2008 the Federal Housing Finance Agency ("FHFA") placed certain GSEs (including Fannie Mae) in conservatorship. In addition, the United States Department of the Treasury ("U.S. Treasury") entered into a Senior Preferred Stock Purchase Agreement with certain GSEs. As a result of these events, any transaction proposed by the Fund to invest in properties auctioned by a GSE may be subject to approval by FHFA and U.S. Treasury, in addition to internal approvals of the GSE related to such proposed transaction.

The outcome of the recent U.S. presidential election also creates uncertainty as the full extent of President-elect Biden's legislative and regulatory agenda is not yet known. It is also difficult to anticipate the legislative initiatives and reforms that will be prioritized and taken up by the next Congress. Any significant changes in, among other things, economic policy (including with respect to interest rates and foreign trade), the regulation of the financial services industry in general and the asset management industry in particular, tax law, immigration policy, public health policy, infrastructure spending, government sponsored enterprises, environmental protection and/or climate change policies or regulations and/or government entitlement programs during the life of the Fund could have a material adverse impact on the Fund and its investments.

Force Majeure Risk. Investments may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, and natural disasters (such as, fire, hurricanes, floods, tornadoes, tsunamis, windstorms, volcanic eruptions, earthquakes and typhoons), acts of war (declared or undeclared), epidemics, endemics or pandemics, terrorist acts, cyber security incidents, riots, work stoppages, shortages of labor, strikes, union relations and contracts, fluctuating prices and supply of labor and/or other labor-related factors. Some force majeure events may adversely affect the ability of a party (including a counterparty to the Fund) to perform its obligations until it is able to remedy the force majeure event. In addition, the cost to an Investment or the Fund of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or specifically in the country in which the Fund invests. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more of the Investments, could result in a loss to the Fund, including if an Investment is canceled, unwound or acquired (which could be without what the Fund considers to be adequate compensation). Any of the foregoing may therefore adversely affect the performance of the Fund and its Investments.

Coronavirus and Public Health Emergencies. As of the date of this Brochure, there is an outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization has declared to constitute a "Public Health Emergency of International Concern." The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity and debt markets. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on transportation, hospitality, tourism,

entertainment and other industries. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Fund and its Investments and could adversely affect the Fund's ability to fulfill its investment objectives.

The extent of the impact of any public health emergency on the Fund's and its Investments' operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency may materially and adversely impact the value and performance of the investments, the Fund's ability to source, manage and divest investments and the Fund's ability to achieve its investment objectives, all of which could result in significant losses to the Fund. In addition, the operations of the Fund, Investments and the General Partner may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel.

Terrorism Risk. Terrorist attacks have caused instability in the world financial markets and may generate global economic instability. The continued threat of terrorism and the impact of military or other action have led to and will likely lead to increased volatility in prices for electricity, ethanol/biodiesel, coal, oil and gas and could affect the Fund's financial results. As a result of such terrorist activities, the Fund may not be able to obtain insurance coverage and other endorsements at commercially reasonable prices or at all. A terrorist attack involving the property of the Fund's portfolio may result in liability far in excess of available insurance coverage and have adverse consequences for all of the Investments.

Cyber Security Breaches and Identity Theft. Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Pretium's and its investments' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. There can be no guarantee that Pretium will be able to prevent or mitigate such incidents, with respect to PSFRM, Property Manager or otherwise. If systems and measures to manage risks relating to these types of events are compromised, become inoperable for extended periods of time or cease to function properly, Pretium and/or the Fund may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Pretium's and/or the Fund's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Limited Partners (and the beneficial owners of Limited Partners) and residents. A cybersecurity incident could have numerous material adverse effects, including on the operations, liquidity and financial condition of the Fund. Cyber threats and/or incidents could cause financial costs from the theft of Fund assets (including proprietary information and intellectual property) as well as numerous unforeseen costs including, but

not limited to: litigation costs, preventative and protective costs, remediation costs and costs associated with reputational damage, any one of which, could be materially adverse to the Fund.

Compliance with the AIFM Directive. Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers (the “AIFMD”), as transposed into national law within the member states of the European Union (the “EU”) applies to (i) alternative investment Fund managers (“AIFM”) established in the EU who manage EU or non-EU alternative investment funds (“AIF”), (ii) non-EU AIFMs who manage EU AIFs, and (iii) non-EU AIFMs (such as PSFRM) which market AIFs to professional investors within the EU.

The AIFMD imposes new transparency, operating and marketing requirements on EU AIFMs, but also, to a lesser extent, non-EU AIFMs seeking to market an AIF within the EU. The AIFMD is likely to affect PSFRM and/or Fund in at least the following ways: (i) there will be restrictions on the extent to which PSFRM can market interests in the Fund to investors who are domiciled or have a registered office in the EU and (ii) additional disclosure and reporting requirements will apply in relation to the Fund and the Investments, compliance with which may involve additional costs.

In parallel, certain member states of the EU have changed their domestic private placement rules, which may also restrict the ability of PSFRM in similar ways and/or impose additional disclosure, reporting and operational requirements in relation to the Fund.

More generally, implementation of the AIFMD could also limit PSFRM’s operating flexibility and the Fund’s investment opportunities, as well as expose PSFRM and/or the Fund to conflicting regulatory requirements in the United States and the EU and its member states. It should be noted that the final scope and requirements of the AIFMD remain uncertain, and are subject to change as a result of the issuance of any further national and/or EU guidance with respect to the AIFMD, the enactment of further EU secondary legislation and/or the introduction of further national implementing legislation in relevant EU member states.

An affiliate of the General Partner may form a parallel fund AIF in Luxembourg primarily to facilitate the participation of investors in the European Economic Area (the “EEA”) (the “Luxembourg Parallel Fund”). The Luxembourg Parallel Fund would be managed in parallel with the Fund. As a result of such parallel management, the impact of the AIFMD on the Luxembourg Parallel Fund may indirectly impact the Fund. The terms and structure of the Luxembourg Parallel Fund or any other parallel funds may differ from those of the Fund for legal, tax, regulatory or other reasons.

The Fund will bear (pro rata with the Luxembourg Parallel Fund based Commitments, invested capital or available capital, as applicable or in a different manner if the General Partner determines in good faith that doing so is more equitable or appropriate under the circumstances) the costs and expenses of compliance with the AIFMD and any related regulations, including costs and expenses of collecting and calculating data and the preparation of regular reports pursuant to the AIFMD, in addition to other matters that relate solely to marketing and regulatory matters which otherwise would apply solely to the Luxembourg Parallel Fund, if formed.

Under certain circumstances, the Limited Partners may invest through the same alternative investment vehicles as the limited partners of the Luxembourg Parallel Fund (the “Luxembourg Limited Partners”), if formed, and the Fund may invest in the same vehicle as the Luxembourg Parallel Fund. The General Partner expects that such alternative investment vehicles may qualify as alternative investment funds

under the AIFMD (although it is possible that certain such alternative investment vehicles may not be so qualified), which could lead to greater regulatory requirements and/or costs than if the Luxembourg Limited Partners or Luxembourg Parallel Fund did not invest through such vehicles alongside the Limited Partners or the Fund.

It is difficult to predict the full extent of the impact of the AIFMD on the Fund, the General Partner and PSFRM. The General Partner and PSFRM will monitor the position and reserve the right to adopt such arrangements as they deem necessary or desirable to comply with any applicable requirements of the AIFMD, including making any relevant filings in order to be able to market interests to professional investors in the EEA. However, for the purposes of the AIFMD, “marketing” does not include marketing at the initiative of the relevant investor.

United Kingdom Withdrawal from the European Union. Under the terms of a withdrawal agreement between the European Union (“EU”) and the United Kingdom (“UK”), the UK ceased to be a member of the EU on January 31, 2020. The withdrawal agreement provided for a transition period lasting until December 31, 2020, during which time the parties could negotiate the terms of a future trading relationship. During the transition period, the UK remained subject to EU law with access to the single market and the customs union, and thus retained privileges to provide financial services within the EU as well as maintaining tariff and quota free access for goods.

In late December 2020, shortly before the expiry of the transition period, the EU and the UK announced an agreement on an EU-UK Trade and Cooperation Agreement (“FTA”). The FTA will govern the trading relationship between the UK and the EU following the transition period. Broadly, the FTA provides for zero tariffs and zero quotas on all goods that comply with the appropriate rules of origin, but is subject to the both parties maintaining a level playing field in areas such as environmental protection, social and labor rights, investment, competition, state aid, and tax transparency. Importantly, upon the expiry of the transition period, the four freedoms which provide the foundation of the EU single market, namely, the free movement of persons, goods, services and capital, will no longer extend to the UK. The UK will regulate its own separate and distinct market from January 1, 2021.

UK regulated firms in the financial sector will be adversely affected following the transition period because the FTA does not provide for continued access by UK firms to the EU single market – although there is the possibility that in the coming months the UK may obtain a recognition of equivalence from the EU in certain financial sectors which would enable varying degrees of access to the EU market. Similarly, notwithstanding zero tariffs and zero quotas, market access for those firms that trade in goods will fall below what the single market previously allowed. Non-tariff barriers, customs declarations, customs checks, restrictions on movements of employees, withdrawal of recognition of previously recognized professional qualifications, etc., and other sources of friction have the potential to impair the profitability of a business, require it to adapt, or, e.g., in the case of firms providing financial services, even relocate or operate through an establishment in the EU.

It will take some time to observe the many and varied effects on UK businesses of the consequences of leaving the single market and customs union (taking into account the flow of goods and services in both directions). Given the size and global significance of the UK’s economy, uncertainty, at least in the near term, about the effect of the FTA on the day-to-day operations of those businesses that either engage in the trade of goods or provision of services within the EU may be a continued source of currency fluctuations or have other adverse effects on international markets, international trade and other cross-border cooperation arrangements. The present uncertainty could therefore adversely affect the Fund, the

Lower Funds, the REIT Subsidiaries and their Investments and their ability to fulfil its investment objectives (especially if their Investments include, or expose it to, businesses that have historically relied on access to the single market or have historically sourced goods, materials or labor from the single market).

GDPR. The Fund, the General Partner, PSFRM, their respective affiliates and/or service providers and certain of the Fund's Investments (each a "Data Controller") may each receive, store, process and use personal data. The European Union General Data Protection Regulation ("GDPR") entered into force on May 25, 2018. It applies to (i) organizations that process the personal data of data subjects (natural persons) located in the EEA in the context of the activities of an establishment in the EEA (and will continue to apply to the activities of such organizations conducted through an establishment in the UK after the UK leaves the EU (see "United Kingdom Withdrawal from the European Union" above) and (ii) organizations outside the EEA that offer goods or services to data subjects in the EEA, or that monitor the behavior of data subjects in the EEA. Personal data is information that can be used to identify a natural person, including a name, a photo, an email address, or a computer IP address. The GDPR provides greater protection for data subjects by requiring, amongst other things, personal data to be processed lawfully in a fair and transparent manner, to be collected for specified, explicit and legitimate purposes, and to be limited to what is adequate or necessary in relation to those purposes. Data controllers must be able to respond to the rights of data subjects, which includes the right of individuals to access their personal data, to seek to rectify inaccurate data, to have personal data erased where processing is no longer required, to seek to restrict the processing of their personal data, and to object to the processing of their personal data. Controllers and processors of personal data must implement appropriate technical and organizational measures to protect the rights of data subjects and ensure a level of security against loss, misuse or unauthorized access. A personal data breach which results in the likelihood of a risk to the rights of a data subject must be notified to an appropriate supervisory authority without undue delay; a breach with a high risk to the rights of a data subject must be notified to the data subject (also without undue delay). Certain violations of the GDPR may result in administrative fines of up to €20 million, or in the case of an undertaking, up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher. Any failure by a Data Controller to comply with its privacy and data protection related obligations may result in significant liability, which could have an adverse effect on the reputation of that party and its business, thereby potentially having an adverse effect on Limited Partners. The costs of compliance with, and other burdens imposed by, the GDPR and other applicable data protection laws will be borne (whether directly or indirectly) by the Fund and may, therefore, affect any returns that would otherwise be available to Limited Partners.

Prospective investors should note that it is expected that they will provide personal data (which may include special categories of personal data pursuant to Articles 8 and 9 of the GDPR), as part of their subscription to the Fund and in their interactions with the Fund, its affiliates, and/or delegates.

The Fund has prepared a GDPR privacy statement provided concurrently with the Fund's Governing Documents. Before subscribing to the Fund, all Limited Partners and prospective investors resident in the EEA are encouraged to carefully review such privacy statement, which includes detailed information concerning the control and processing of their personal data.

Trade Policy. Political leaders in the U.S. and certain European nations have recently been elected on protectionist platforms, fueling doubts about the future of global free trade. The U.S. government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries, and has made proposals and taken actions related thereto. In addition, the U.S. government

has recently imposed tariffs on certain foreign goods, including steel and aluminum and has indicated a willingness to impose tariffs on imports of other products. Some foreign governments, including China, have instituted retaliatory tariffs on certain U.S. goods and have indicated a willingness to impose additional tariffs on U.S. products. Global trade disruption, significant introductions of trade barriers and bilateral trade frictions, together with any future downturns in the global economy resulting therefrom, could adversely affect the financial performance of the Fund and its Investments. In particular, the U.S. and China have yet to reach a compromise with respect to their ongoing trade dispute, which if it remains unresolved, is expected to be an ongoing source of instability, potentially resulting in significant currency fluctuations and/or have other adverse effects on international markets, international trade agreements and/or other existing cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise). While this dispute has already had negative economic consequences on the U.S. markets, to the extent that this trade dispute escalates into a “trade war” between the U.S. and China, there could be additional significant impacts on the industries in which the Fund participates and other adverse impacts on Fund Investments.

Multi-Tier Fund Structure; Concentration of Investors. The Fund will invest substantially all of its assets through one or more Lower Funds and REIT Subsidiaries. The multi-tier Fund structure presents certain risks to Limited Partners and expenses will be incurred at each level. For example, redemptions by a parallel fund will impact the percentage ownership and potentially portfolio mix held by the Fund.

Registration under the U.S. Commodity Exchange Act. Registration with the U.S. Commodity Futures Trading Commission (the “CFTC”) as a “commodity pool operator” or any change in the Fund’s operations necessary to maintain the General Partner’s or PSFRM’s ability to rely upon an exemption from registration could adversely affect the Fund’s ability to implement its investment program, conduct its operations and/or achieve its objectives and subject the Fund to certain additional costs, expenses and administrative burdens. Furthermore, any determination by the General Partner to cease or to limit holding or investing in interests which may be treated as “commodity interests” in order to comply with the regulations of the CFTC may have a material adverse effect on the Fund’s ability to implement its investment objectives and to hedge risks associated with its operations.

Liability for Return of Distributions. Any Partner’s Commitment is susceptible to risk of loss as a result of any liability of the Fund, irrespective of whether such liability is attributable to an Investment to which such Partner did not contribute any capital or otherwise participate. The Limited Partners (and former limited partners) may, under applicable law and/or the terms of the Fund’s Governing Documents, be obligated to return, with interest, any distributions previously received by them to satisfy liabilities of the Fund or that have been wrongfully paid to them. In addition, a Limited Partner may be liable under applicable federal and state bankruptcy or insolvency laws to return a distribution made during the Fund’s insolvency. The Fund’s Governing Documents will grant the General Partner the right to require Limited Partners to return distributions in certain circumstances, even following the dissolution of the Fund and/or withdrawal and redemption of such Limited Partner’s Units.

ERISA Considerations. PSFRM will use reasonable best efforts to avoid having the assets of the Fund constitute “plan assets” of any plan subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”) or Section 4975 of the Code and, in this regard, PSFRM intends to operate the Fund as a “venture capital operating company” (“VCOC”) investing in a “real estate operating company”, each within the meaning of the regulations promulgated under ERISA. Operating the Fund as a VCOC requires that the Fund obtain rights to substantially participate in, or influence the conduct of the management of, a number of the Fund’s Investments.

As the Fund is intended to operate so that it should qualify as a VCOC in order to avoid holding “plan assets” within the meaning of ERISA, the Fund may be restricted or precluded from making certain investments. In addition, it could be necessary for the General Partner to liquidate the Investments at a disadvantageous time in order to avoid holding ERISA “plan assets,” resulting in lower proceeds to the Fund than might have been the case without the need to qualify as a VCOC.

Public Disclosure. Some of the Units will be held by Limited Partners, such as public pension plans and listed investment vehicles, which are subject to public disclosure requirements. The amount of information about their investments that is required to be disclosed has increased in recent years, and that trend may continue. To the extent that disclosure of confidential information relating to the Fund, or its investments results from Units being held by public Limited Partners, the Fund may be adversely affected. The General Partner may, in order to prevent any such potential disclosure, withhold all the information otherwise to be provided to such public Limited Partners. Conversely, potential future regulatory changes applicable to investment advisors and/or the accounts they advise could result in Pretium and/or the Fund becoming subject to additional disclosure requirements the specific nature of which is as yet uncertain.

Risks Relating to Due Diligence of Investments. Before making Investments, PSFRM will typically conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each potential investment. Due diligence may entail evaluation of important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties are expected to be involved in the due diligence process to varying degrees depending on the type of investment, the costs of which will be borne by the Fund. Such involvement of third party advisors or consultants may present a number of risks primarily relating to Pretium’s reduced control of the functions that are outsourced. In addition, if PSFRM is unable to timely engage third-party providers, their ability to evaluate and make more complex investments could be adversely affected. When conducting due diligence on a potential investment, PSFRM will rely on the resources available to it, including information provided by the seller and, in some circumstances, third-party investigations. The due diligence investigation that PSFRM carries out may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating an investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful. There can be no assurance that attempts to provide downside protection with respect to investments, including pursuant to risk management procedures described in the Fund’s Governing Documents, will achieve their desired effect and potential investors should regard an investment in the Fund as being speculative and having a high degree of risk.

There can be no assurance that where such diligence is performed, the Fund will be able to detect or prevent fraudulent practices during the due diligence phase or during its efforts to monitor the investment. In the event of fraud by any seller of a property or any of its affiliates, the Fund may suffer a partial or total loss of capital invested in that property. An additional concern is the possibility of material misrepresentation or omission on the part of the seller. Such inaccuracy or incompleteness may adversely affect the value of the Fund’s investments in such property. The Fund will rely upon the accuracy and completeness of representations made by the seller in the due diligence process when it makes Investments, but cannot guarantee such accuracy or completeness. Under certain circumstances, payments to the Fund may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Misconduct of Pretium Personnel and Third-Party Service Providers. There have been a number of highly publicized cases involving fraud or other misconduct by employees in the financial services industry in recent years, and there is a risk that employee misconduct could occur with respect to the Fund. Misconduct by employees or by third-party service providers could cause significant losses to the Fund. Employee misconduct could include, among other things, binding the Fund to transactions that exceed authorized limits or present unacceptable risks, engaging in other unauthorized activities or concealing unsuccessful investments (which, in either case, may result in unknown and unmanaged risks or losses), or otherwise charging (or seeking to charge) inappropriate expenses to the Fund or Pretium. In addition, employees and third-party service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting the Fund's business prospects or future activities. It is not always possible to deter misconduct by employees or service providers, and the precautions the General Partner takes to detect and prevent this activity may not be effective in all cases.

Additional Capital Requirements. Certain of the Fund's properties may require additional capital. The amount of such additional capital needed will depend upon the status and objectives of the particular property. If the funds provided are not sufficient, additional capital may be required to be raised at a price unfavorable to the existing Limited Partners, including the Fund. In addition, the Fund may make additional debt and equity investments in order to preserve its proportionate ownership when a subsequent financing is planned, or to protect the Investment when such property's performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of the Fund or the General Partner. There can be no assurance that the Fund or the General Partner will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.

Counterparty Risk. The Fund is exposed to the risk that third parties that may owe the Fund money or other assets will not perform their obligations. These parties include trading counterparties, custodians, administrators and other financial intermediaries. These parties may default on their obligations to the Fund, due to bankruptcy, lack of liquidity, operational failure or other reasons. This risk may arise, for example, from entering into swap or other derivative contracts under which counterparties have long-term obligations to make payments to the Fund, or executing currency trades that fail to settle at the required time due to non-delivery by the counterparty or systems failure by clearing agents, exchanges, clearing houses or other financial intermediaries.

Limited Access to Information. Limited Partners' rights to information regarding the Fund will be specified, and strictly limited, in the Fund's Governing Documents. In particular, it is anticipated that the General Partner and/or PSFRM will obtain certain types of material information from Investments that will not be disclosed to Limited Partners. Decisions by the General Partner and/or PSFRM to withhold information may have adverse consequences for Limited Partners in a variety of circumstances. For example, a Limited Partner that seeks to transfer its Units may have difficulty in determining an appropriate price for such Units. Decisions to withhold information also may make it difficult for Limited Partners to monitor the General Partner and/or PSFRM and the Fund's performance. Additionally, it is expected that Limited Partners who designate representatives to participate on the LP Advisory Committee may, by virtue of such participation, have more information about the Fund and its Investments in certain circumstances than other Limited Partners generally. In certain situations, information may be disseminated to the LP Advisory Committee in lieu of, or in advance of, communication to other Limited Partners generally.

Future Investment Techniques and Instruments. The Fund may employ other investment techniques and invest in other instruments that PSFRM believes will help achieve the Fund's investment objective, whether or not such investment techniques or instruments are specifically described herein. Such Investments may entail risks not described herein. New investment strategies and techniques may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings which could result in unsuccessful investments and, ultimately, losses to the Fund. In addition, any new investment strategy or technique developed by the Fund may be more speculative than earlier investment strategies and techniques and may involve material and as-yet-unanticipated risks that could increase the risk of an investment in the Fund.

Item 9 – Disciplinary Information

No legal or disciplinary events that are material to a Client or prospective Client's evaluation of the Firm's advisory business or the integrity of its management have occurred.

Item 10 – Other Financial Industry Activities and Affiliations

Investors should be aware that there will be occasions when Pretium and its affiliates (including PSFRM) may encounter potential conflicts of interest in connection with the Fund. If any matter arises that PSFRM determines in its good faith judgment constitutes an actual or potential conflict of interest, PSFRM may take such actions as it determines may be necessary or appropriate in its discretion to ameliorate the conflict (and upon taking such actions PSFRM will be relieved of any liability for such conflict to the fullest extent permitted by law and shall be deemed to have satisfied its fiduciary duties related thereto to the fullest extent permitted by law). There can be no assurance that Pretium will resolve all conflicts of interest in a manner that is favorable to the Fund. In addition, prospective investors should note that the Governing Documents of the Fund contain provisions that, subject to applicable law, (i) reduce or eliminate the duties, including fiduciary and other duties, to the Fund and the Limited Partners to which the General Partner and PSFRM would otherwise be subject, (ii) waive duties or consent to the conduct of the General Partner and PSFRM that might not otherwise be permitted pursuant to such duties, and (iii) limit the remedies of Limited Partners with respect to breaches of such duties. Additionally, the Governing Documents of the Fund contain exculpation and indemnification provisions that, subject to the specific exceptions enumerated therein (generally for intentional, wrongful acts), provide that the General Partner and PSFRM and its affiliates will be held harmless and indemnified, respectively, for matters relating to the operation of the Fund, including matters that may involve one or more potential or actual conflicts of interest. By acquiring Units, each Limited Partner will be deemed to have acknowledged and consented to the existence or resolution of any such actual, apparent or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest. The following discussion enumerates certain potential conflicts of interest, which should be carefully evaluated before making an investment in the Fund, but is not intended to be an exclusive list of all such conflicts. Any references to Pretium and PSFRM in this item 10 will be deemed to include their respective affiliates, partners, members, shareholders, officers, directors and employees.

The following description of certain actual or potential conflicts of interest does not purport to be a complete analysis or explanation of the conflicts of interest related to PSFRM's financial industry activities and affiliations. Investors should consult the Fund's Governing Documents for a more complete discussion of conflicts of interest related to PSFRM's financial industry activities and affiliations.

Affiliated Service Providers

Pretium Partners, LLC ("Pretium Partners") or its affiliates, including, without limitation, the Property Manager, Selene Finance LP ("Selene", and together with the Property Manager, the "Affiliated Service Providers") and each of their respective affiliates, have been retained to provide services to the Fund or entities through which investments are held by the Fund that would otherwise be performed for the Fund or such entities by third parties, including asset management, development, disposition, brokerage services, maintenance, lease renewals, collateral document remediation, construction management, real estate tax appeal services and similar property management services and other services of the type typically provided by third parties as determined in good faith by the General Partner. Selene will provide title services to the Fund, through an affiliate of Selene, as well as closing services. In connection with such services, Selene (or other affiliates of Pretium) may receive late fees, payment processing fees and insufficient fund fees from tenants, and such fees shall not be shared with the Fund. The Property Manager provides portfolio construction, renovation, leasing and property management and disposition services in support of Pretium's residential real estate strategy. Property management services will be conducted, and other services ancillary to the ownership, management and operation of real property (such as brokerage, closing and title

and other services for which Pretium may pay fees to an affiliate of the Property Manager) may be conducted, at the local level utilizing the services of the Property Manager (together, the “Real Estate Platform”) or another affiliate of the Property Manager (as well as local third party service providers in certain markets), supervised by the Real Estate Platform’s regional operating teams. The property management team oversees rent collection, accounting, and field level property management, including ongoing maintenance and preparation for re-leasing. Regional and local construction managers supervise renovation budgeting and execution. Pretium may also acquire or invest in additional service providers or other entities (which may or may not become affiliates of Pretium) in the future that provide similar or additional services to (or otherwise transact with) Pretium, the Fund and/or its investments or use other existing affiliates or entities in which Pretium owns an interest to provide the services which are similar or additional to the services described above or otherwise engage in transactions with Pretium, the Fund and/or its investments. Any payments for such services or in connection with such transactions to non-affiliated entities in which Pretium owns an interest will not be shared with the Fund. The provision of such services may cause conflicts of interest, including with respect to the consideration paid in connection therewith and the other terms and conditions of such services. Such services will be performed on terms that are determined by the General Partner to be fair and reasonable to the Fund. Any fees approved by the LP Advisory Committee or a majority in interest of the Limited Partners are conclusively presumed to satisfy such standard. An affiliate of PSFRM and the Property Manager currently services homes for Pretium Residential Real Estate Fund II, LP (“Pretium SFR Fund II”), Pretium Single-Family Rental Fund IV, LP (“Pretium SFR Fund IV,” and formerly known as Progress Residential, LP), and other funds managed by an affiliate of Pretium in markets which are also potential target markets for the Fund.

The Affiliated Service Providers and other affiliates of the General Partner will earn fees for performing the services referenced above, as well as other services (which may include employee costs and related overhead expenses allocable thereto, as reasonably determined by the General Partner based on the time expended by the employees who render such services, number of homes or such other fair and reasonable basis for allocation). PSFRM faces a conflict of interest in retaining these affiliated entities to perform services for Clients because PSFRM’s principals stand to benefit from any profits earned by these affiliates. However, PSFRM has adopted policies and procedures to address these conflicts and to ensure that these affiliated services are provided on an arms’ length basis (e.g., PSFRM compares the services and costs of its affiliated service providers with those of third parties so that Clients receive adequate services at prices comparable to those prevailing in the current market). Pretium may also receive other fees and consideration not specifically referred to in this section, including any warrants or other equity securities received by Pretium in consideration for the performance of services to or for the benefit of parties that may originate loans or other investments acquired by a Client.

Other Relationships

Certain officers and employees of PSFRM also serve as officers and/or employees of two other SEC-registered investment adviser, Pretium Credit Management LLC (“PCM”), and Pretium Residential Credit Management, LLC (“PRCM”) which is an affiliate of PSFRM. PSFRM, PCM, and PRCM have the ability to invest in the same types of assets, and it is therefore possible that a conflict of interest in allocating investment opportunities between Clients of PSFRM and clients of PCM and PRCM will arise. PSFRM is committed to fulfilling its fiduciary duty to its Clients and will implement appropriate internal controls to address potential conflicts of interest should any arise or become foreseeable with respect to PCM, PRCM and/or their clients.

PSFRM, PCM, PRCM and the Affiliated Service Providers are all under the common control of their parent company, Pretium Partners. Certain officers and employees of PSFRM serve as officers and/or employees

of Pretium Partners and/or Pretium Partners' other subsidiaries, which, in each case, have the ability to invest in the same types of assets as PSFRM and present a conflict of interest in allocating investment opportunities between Clients of PSFRM and clients of such other firms. PSFRM will implement appropriate internal controls to address potential conflicts of interest should any arise or become foreseeable with respect to Pretium Partners, its other subsidiaries and/or their respective clients.

It is anticipated that officers and employees of Pretium Partners and/or its subsidiaries, including PSFRM, will provide certain centralized back office support services to all of Pretium Partners' investment adviser and investment management company subsidiaries, including with respect to accounting, human resources, legal and compliance, and may provide support for business development. With respect to reimbursement under PSFRM's existing Client agreements, expenses and overhead associated with the provision of services: (a) to PSFRM by officers and employees of Pretium Partners or its other subsidiaries will be treated the same as those associated with the provision such services to PSFRM by its own personnel; and (b) by PSFRM officers and employees to Pretium Partners or its other subsidiaries will be treated the same as those associated with the provision of such services by such entities' own personnel and will not be borne by PSFRM or its Clients.

Capital Calls and Use of Subscription Lines and Asset-Backed Facilities

PSFRM may fund the making of Investments with proceeds from drawdowns under one or more revolving credit facilities (the collateral for which can be, for example, one or more assets of the Fund (i.e., asset-backed facilities) or the undrawn Commitments of Limited Partners (i.e., subscription lines)) prior to calling Commitments.

Capital calls, including those used to pay interest on subscription lines, asset-back facilities and other indebtedness, may be "batched" together into larger, less frequent capital calls or closings (generally on a quarterly basis, although actual timing and amounts may vary), with the Fund's interim capital needs being satisfied by the Fund borrowing money from such credit facilities. There is no limitation on the amount of time any such borrowing may remain outstanding and the interest expense and other costs of any such borrowings will be Partnership Expenses and, accordingly, decrease net returns of the Fund. It is expected that interest will accrue on any such outstanding borrowings at a rate lower than the preferred return for Limited Partners, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the Fund. In light of the foregoing, PSFRM has an incentive to cause the Fund to permanently fund the acquisition and ongoing capital needs of investments and the Fund with the proceeds of such borrowings in lieu of drawing down Limited Partners' Commitments, and, accordingly, capital contributions to repay such borrowings may be required only at the time of disposing an investment (or never if principal and interest on such borrowings are repaid out of investment proceeds). As a general matter, use of leverage in lieu of drawing down Limited Partners' Commitments (or otherwise delaying the timing of capital contributions (e.g., for reimbursement of expenses)) amplifies internal rate of return (either negative or positive) to Limited Partners. To the extent income received from investments is used to make interest and principal payments on such borrowings, Limited Partners may be allocated income, and therefore tax liability, in excess of cash received by them in distributions.

In the event of a failure to pay or other event of default under any such credit facility, the lenders could require Limited Partners to fund their entire remaining unfunded Commitments. In addition, in the event that the lenders require Limited Partners whose Commitments have been pledged to fund their Commitment to repay indebtedness, the failure of certain of those Limited Partners to honor their Commitments could result in the remaining Limited Partners' repayment obligations exceeding their pro

rata share of the indebtedness. In addition, such borrowings may limit an Limited Partner's ability to use its Units as collateral for other indebtedness and its ability to transfer its Units, assuming the General Partner has permitted an Limited Partner to transfer its Units, which remains within the General Partner's discretion. In addition, the terms of a credit facility may restrict the General Partner's ability to consent to a pledge or transfer by an Limited Partner of its Units. A credit facility may require lender consent for an Limited Partner to transfer its Units, the inclusion of the transferee in the borrowing base, or a repayment of the transferring Limited Partner's pro rata share of the Fund's indebtedness or other similar obligations. Certain amendments to the Governing Documents of the Fund may also require the consent of a lender.

The Fund's ability to obtain leverage on attractive terms may be negatively affected by, among other things, its size and the composition of the Limited Partners. To the extent that the Fund is unable to obtain a subscription line or an asset-backed facility, determines that the terms of such facility would not be appropriate for the Fund or otherwise determines not to use such facility or access to such facility otherwise becomes unavailable, the Fund may draw down Limited Partners' Commitments in advance and hold them in reserve in order to make Investments, satisfy fees and expenses and other capital needs as such needs arise in the future.

Investment Opportunities; No Exclusivity; Investments Away from the Fund

PSFRM, its members and their respective affiliates engage in a broad spectrum of real estate investment activities that are independent from, and may from time to time conflict with, the real estate investment activities of the Fund. In the future there might arise instances where the interests of PSFRM, its members and their respective affiliates conflict with the interests of the Fund and/or the Limited Partners. Certain affiliates of PSFRM engage in transactions with, provide services to, invest in, advise, sponsor and/or act as investment manager to investment vehicles and other persons or entities that have similar structures and investment objectives and policies to those of the Fund, that are expected to compete with the Fund for investment opportunities and that may co-invest with the Fund in certain transactions.

The Fund will not have exclusive access to any investments sourced by Pretium, and, as a general matter, there can be no assurances that all suitable investment opportunities will be made available to the Fund. An affiliate of PSFRM currently advises Pretium SFR Fund II and Pretium SFR Fund IV which each pursue an investment strategy substantially similar to that of the Fund. Furthermore, PSFRM or one or more of its affiliates currently serves, and may in the future serve, as advisor or sub-advisor to one or more separate accounts. REITs, other commingled funds or vehicles formed to pursue an investment strategy substantially similar to the Fund and/or other funds, vehicles and accounts sponsored or managed by Pretium (such accounts, REITs, funds and vehicles, together with Pretium SFR Fund II and Pretium SFR Fund IV, the "Other Pretium Accounts"). Pretium SFR Fund II, Pretium SFR Fund IV and such Other Pretium Accounts are expected to acquire a separate and distinct portfolio of similar assets than the Fund's assets and are expected to not co-invest with the Fund in its Investments. Accordingly, the investment performance of Pretium SFR Fund II, Pretium SFR Fund IV or an Other Pretium Account are expected to differ from that of the Fund.

In addition, in the event that there are limited investment opportunities available, it may take time to conform to PSFRM's investment allocation policy described below, and disproportionate allocations may be made to the Fund, Pretium SFR Fund II, Pretium SFR Fund IV and/or Other Pretium Account.

PSFRM intends to allocate homes in the portfolio that it determines are similar in terms of risk and return opportunity based on a weighted algorithm (in accordance with relative available capital of the Fund,

Pretium SFR Fund II, Pretium SFR Fund IV or any such Other Pretium Accounts, as applicable, to invest) with risk and return assessments based on factors including, but not limited to, (i) geographic location, (ii) housing type (i.e., single family or multifamily), (iii) house size, (iv) price point, (v) cost/sq. foot, (vi) rent/sq. foot, and (vii) age of the home. The PSFRM and its affiliates may in their discretion take into consideration such factors as the fiduciary duties owed by PSFRM and its affiliates to the Fund, Pretium SFR Fund II, Pretium SFR Fund IV and any Other Pretium Accounts, any restrictions on investment based on regulatory, tax or other considerations, the size of the transaction, the amount of potential follow-on investing that may be required for such investment and the other investments of the Fund, Pretium SFR Fund II, Pretium SFR Fund IV and any Other Pretium Accounts, the relation of such opportunity to the investment strategy of the Fund, Pretium SFR Fund II, Pretium SFR Fund IV and any Other Pretium Accounts, reasons of portfolio balance and diversification, or other considerations deemed relevant by PSFRM and its affiliates in good faith. PSFRM may modify its investment allocation policy from time to time in its discretion.

In addition, Pretium SFR Fund II, Pretium SFR Fund IV and Other Pretium Accounts described herein may be seeking to lease or dispose of properties similar to properties owned by the Fund at the same time as the Fund is seeking to do so. PSFRM does not believe it is in a position to influence prospective residents or buyers as to their property selections. Moreover, leasing and disposition services are conducted by the Property Manager or independent real estate brokers retained by PSFRM, who do not regularly make PSFRM aware of particular prospective resident or buyer opportunities in a manner that would present PSFRM the opportunity to influence property selection by prospective residents or buyers.

Other Investments in Real Estate

The members and affiliates of PSFRM, including the Property Manager, may have investments in real estate in which the Fund does not have an ownership interest, including real estate that competes with the Fund's properties. Certain conflicts of interest may result from such Investments. The members and affiliates of PSFRM may also invest in Investments that are senior to or junior to, participations in, or have rights and interests different from or adverse to, the investment opportunities of the Fund for their own accounts or the accounts of other vehicles under their management. The interests of PSFRM's members and affiliates in such Investments may conflict with the interests of the Fund in related Investments at the time of origination or in the event of default or restructuring of the Investment.

Pretium's Other Activities

Pretium has relationships with a significant number of developers, institutions and corporations and provides, and will in the future provide advisory services to its clients. In the course of advising with respect to a particular transaction on behalf of the Fund, PSFRM may consider those relationships and may decline to recommend an investment in view of such relationships, and there may be occasions when, as a result of a conflict of interest, PSFRM has to withdraw from acting on a particular transaction on behalf of the Fund. In providing services to its clients, Pretium may recommend activities that would compete with or otherwise adversely affect the Fund. In connection with the foregoing activities, Pretium may from time to time come into possession of information that limits its ability to make an investment, and the Fund's investment ability may be constrained as a consequence of PSFRM's inability to use such information for advisory purposes. Pretium may also receive information that could preclude PSFRM from taking actions that would be in the best interests of the Fund. In addition, Pretium has in the past sponsored or advised, and in the future is expected to sponsor or advise, other funds or pooled investment vehicles or separate accounts that may acquire interests in, provide financing to or otherwise deal with real estate related assets that may be suitable investments for the Fund. Such actions may compete, perhaps significantly, with those of the Fund. Moreover, in certain circumstances, Pretium may be selling

an investment in circumstances in which the Fund is acquiring, or retaining an investment, or Pretium (or an affiliate) may acquire a different tranche or portion to the investment being acquired by the Fund. Such activities by Pretium may materially and adversely affect the value of the Investments. The terms of the management agreement with PSFRM do not restrict any actions taken by Pretium or its affiliates. Accordingly, no assurance can be given that potentially suitable real estate investments of which Pretium may become aware will be offered to the Fund, nor is there any assurance that suitable assets will not be acquired by Pretium or other Pretium clients. The foregoing is not an exhaustive list of potential conflicts associated with the other activities of Pretium, and there is no assurance that investments made by Pretium or its clients will not adversely affect investments of the Fund.

Other Activities of Management

The Fund does not have a dedicated management team and will share personnel and other resources with Pretium's other funds and operations. The actual number of Pretium employees who will be involved with the Fund and its activities on a day to-day basis will be limited and all of these employees will have other duties and responsibilities within Pretium that are expected to limit the amount of time they have available to devote to Fund activities. Pretium personnel will devote such time as they determine shall be necessary to conduct the business affairs of the Fund in an appropriate manner. However, such personnel will work on and devote substantial time to other projects, including Pretium's existing investment funds and accounts and other businesses and real estate investments, and, therefore, conflicts exist in the allocation of resources, including due to Pretium's internal policies and compliance with applicable law and regulation. The Fund will have no interest in such other investments, funds, vehicles and accounts and it is possible that the investments held by such funds, vehicles and accounts may be in competition with those of the Fund. Conflicts are expected to arise in allocating management time, services or functions among such activities.

Certain of the principals and employees of PSFRM will be subject to a variety of conflicts of interest relating to their responsibilities to the Fund and the management of the Fund's investment portfolio. Such individuals will serve in an advisory capacity to other existing investments or investment vehicles, as members of an investment or advisory committee or a board of directors (or similar such capacity) for one or more investment funds, corporations, foundations or other organizations. Such positions may create a conflict between the services and advice provided to such entities and the responsibilities owed to the Fund. The other existing investments and/or investment funds in which such individuals may become involved may have investment objectives that overlap with the Fund. Furthermore, certain principals and employees of PSFRM may have a greater financial interest in the performance of such other funds or accounts than the performance of the Fund. Such involvement may create conflicts of interest in making investments on behalf of the Fund and Other Pretium Accounts.

Joint Venture Partners

Some of the third-party operators and joint-venture partners with which PSFRM may elect to co-invest the Fund's capital may have pre-existing investments with Pretium. The terms of these preexisting investments may differ from the terms upon which the Fund invests with such operators and partners. To the extent a dispute arises between Pretium and such operators and partners, the Investments relating thereto may be affected. There can be no assurance that Pretium's relationship with any existing joint venture partners will continue or that suitable joint venture partners will be found with respect to the Investments.

Service Providers

Certain advisors and other service providers or their affiliates (including developers, the Property Manager, accountants, administrators, lenders, administrative agents, title agents, brokers, attorneys, consultants and investment banking firms) to the Fund and its investments, or their affiliates also provide goods or services to or have business, personal, financial or other relationships with Pretium. Such advisors and service providers are expected to be Limited Partners in the Fund, affiliates of PSFRM, sources of investment opportunities or co-investors or counterparties or entities in which Pretium has an investment. These relationships may influence PSFRM in deciding whether to select or recommend such a provider to perform services for the Fund and its investments (the cost of which will generally be borne directly or indirectly by the Fund).

Advisors and Operating Partners

Pretium has engaged and retained strategic advisors, consultants, senior advisors and other similar professionals who are not employees or affiliates of Pretium and who have and may, from time to time, receive payments from, or allocations with respect to, Investments (as well as from Pretium or the Fund), and such persons may receive fees for services that overlap with services provided by PSFRM and/or the General Partner. In such circumstances, such payments from, or allocations with respect to Investments and/or the Fund will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by Pretium, be deemed paid to or received by Pretium and such amounts shall not offset or otherwise reduce the management fee. These consultants and/or other professionals may be offered the ability to co-invest alongside the Fund, including in those investments in which they are involved, or otherwise participate in equity plans for management of any such Investments, or invest directly in the Fund subject to reduced or waived management fees, carried interest and/or incentive allocation. The nature of the relationship with each of the consultants and/or other professionals and the amount of time devoted or required to be devoted by them may vary considerably. In certain cases, they may provide PSFRM and/or the General Partner with industry-specific insights and feedback on investment themes, assist in transaction due diligence and make introductions to and provide reference checks on management teams. In other cases, they may take on more extensive roles and serve as executives or directors on the boards of platform companies or contribute to the origination of new investment opportunities. In certain instances Pretium may enter into formal arrangements with these consultants, management teams for operating platforms and/or other professionals (which may or may not be terminable upon notice by any party), and in other cases the relationships may be more informal. They may either be compensated (including pursuant to retainers and expense reimbursement) from Pretium, the Fund and/or Investments and other Pretium accounts as determined by Pretium or otherwise uncompensated unless and until an engagement with an Investment develops.

Co-Investments

Prospective investors should note that PSFRM may offer co-investment opportunities in its discretion, is not expected to offer co-investment with respect to all of the Investments and may allocate any such opportunities in its discretion. PSFRM will take into account various facts and circumstances deemed relevant by PSFRM in allocating co-investment opportunities, including whether a potential co-investor has expressed an interest in evaluating co-investment opportunities, PSFRM's assessment of a potential co-investor's ability to invest an amount of capital that fits the needs of the investment (taking into account the amount of capital needed as well as the maximum number of investors that can realistically participate in the transaction) and PSFRM's assessment of a potential co-investor's ability to commit to a co-investment opportunity within the required timeframe of the particular transaction. Additional considerations may also include, among others and without limitation, the size of Limited Partner Commitments to the Fund and Other Pretium Accounts, whether a potential co-investor has a history of participating in co-investment opportunities with Pretium, the size of the potential co-investor's interest

to be held in the underlying asset as a result of the Investment (which is likely to be based on the size of the potential co-investor's capital commitment and/or investment in the Fund), whether the potential co-investor has demonstrated a long-term and/or continuing commitment to the potential success of Pretium, private funds or other co-investments and/or Other Pretium Accounts, and such other factors that Pretium deems relevant under the circumstances. In addition, PSFRM may agree to give certain investors priority co-investment rights. The actual number of co-investment opportunities made available to investors may be higher or lower than those made available in connection with Other Pretium Accounts. Furthermore, in connection with any such co-investment Pretium may establish one or more investment vehicles managed or advised by Pretium to facilitate such co-investors' investment alongside Pretium. Co-investors generally may not share, or share fully, in broken-deal expenses, with the result that the Fund will bear all such broken-deal expenses.

Diverse Limited Partner Group

The Limited Partners may have conflicting investment, tax and other interests with respect to their investments in the Fund. The conflicting interests of individual Limited Partners may relate to or arise from, among other things, the nature of investments made by the Fund, the structuring or the acquisition of investments and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the General Partner or PSFRM, including with respect to the nature or structuring of investments that may be more beneficial for one Limited Partner than for another Limited Partner, especially with respect to Limited Partners' individual tax situations. In addition, the Fund may make investments that may have a negative impact on related investments made by the Limited Partners, in separate transactions. In selecting and structuring investments appropriate for the Fund, PSFRM will consider the investment and tax objectives of the Fund and its partners (and those investors in other investment vehicles managed or advised by PSFRM and/or its affiliates) as a whole, not the investment, tax or other objectives of any Limited Partner individually.

In addition, certain Limited Partners are limited partners in Other Pretium Accounts. Limited Partners also include entities or persons associated with Pretium or its personnel, such as charities or foundations and/or current or former Pretium employees. It is also possible that the Fund will be a counterparty or participant in agreements, transactions or other arrangements with an Limited Partner or an affiliate of an Limited Partner. Such Limited Partners described in the previous sentences are expected to therefore have different information about Pretium and the Fund than Limited Partners not similarly positioned. Similarly, not all Limited Partners monitor their investments in vehicles such as the Fund in the same manner. For example, certain Limited Partners may periodically request from the General Partner information regarding the Fund and the Investments that is not otherwise set forth in (or has yet to be set forth) in the reporting and other information required to be delivered to all Limited Partners. In such circumstances, the General Partner is expected to cause the Fund to provide such information to such Limited Partner, but just because it has provided such information upon request by one or more Limited Partners does not mean the General Partner will be obligated to affirmatively provide such information to all Limited Partners (although the General Partner will generally provide the same information upon request and treat Limited Partners equally in that regard). As a result, certain Limited Partners are expected to have more information about the Fund than other Limited Partners, and the General Partner will have no duty to ensure all Limited Partners seek, obtain or process the same information regarding the Fund and the Investments.

To the extent Limited Partners vote on any matter regarding conflicts or otherwise participate in matters involving a vote or action of such Limited Partners (including as LP Advisory Committee members), any such Limited Partners may have an interest in other funds, Pretium or other Pretium investment vehicles

and/or provide services (including acting as agents or lenders) to the Fund and the Investments, Pretium or other Pretium investment vehicles. As a result, such Limited Partners may not be motivated to vote solely in accordance with its interests related to the Fund. Moreover, such Limited Partners are unrestricted from voting, and may affirmatively vote, in a manner that is adverse to the interests of other Limited Partners and the Fund.

LP Advisory Committee

The Fund shall establish a limited partner advisory committee (the “LP Advisory Committee”), consisting of representatives of Limited Partners. A conflict of interest exists when some, but not all, Limited Partners are permitted to designate a member to the LP Advisory Committee. Except where the Governing Documents of the Fund specifically requires that a matter be brought to the LP Advisory Committee, the General Partner will have discretion to decide whether to present any potential conflict to the LP Advisory Committee. In the event that the General Partner consults with the LP Advisory Committee as to certain potential conflicts of interest or otherwise presents a matter to the LP Advisory Committee, it could be disadvantageous to the Limited Partners, including those Limited Partners who do not designate a member to the LP Advisory Committee. The LP Advisory Committee may form one or more subcommittees, any of which may be delegated the authority to approve any matter otherwise allocated to the full LP Advisory Committee (including, but not limited to, a conflicts committee) as a majority of its members (excluding observers) consider appropriate. Unless otherwise provided in the Governing Documents of the Fund, any recommendation or approval to be made by the LP Advisory Committee shall require the approval of a majority (by head-count) of the non-abstaining members of the LP Advisory Committee present at a meeting thereof and who participate in the relevant vote.

The Governing Documents of the Fund will provide that to the fullest extent permitted by law, none of the members of the LP Advisory Committee, nor the Limited Partners on behalf of whom such members act as representatives, if applicable, shall be liable to any other Limited Partner or the Fund for any reason or owe any duties (other than fraud or willful misconduct on the part of such member) to any other Limited Partner in respect of the activities of the LP Advisory Committee. Furthermore, members of the LP Advisory Committee may have various business and other relationships with Pretium and its partners, employees and affiliates (and may be investors in, and/or serve on similar committees of other Pretium funds or arrangements, including those engaged in transactions with the Fund). The presence of these other relationships may influence their decisions as members of such committee. To the fullest extent permitted by applicable law, each member of the LP Advisory Committee shall have the right to act in its own interests.

The General Partner may, from time to time (as described in the Governing Documents of the Fund) be required to present certain matters to the LP Advisory Committee for review. Except where the Governing Documents of the Fund explicitly requires the LP Advisory Committee to approve a matter, an obligation to present a matter to the LP Advisory Committee for review will not require that the General Partner obtain the consent of the LP Advisory Committee prior to taking an action or refraining from taking an action. If the General Partner consults with the LP Advisory Committee with respect to a matter giving rise to a conflict of interest, and (x) the LP Advisory Committee waives such conflict of interest after the General Partner has disclosed all material facts relating to such conflict of interest or (y) the General Partner acts in a manner, or pursuant to standards or procedures, approved by the LP Advisory Committee with respect to such conflict of interest, then none of the General Partner or any of its affiliates shall have any liability to the Fund or any partner in the Fund by reason of such conflict of interest for actions in respect of such matter taken in good faith by them, including actions in the pursuit of their own interests.

Pretium Policies and Procedures

Policies and procedures implemented by Pretium from time to time (including as may be implemented in the future) to mitigate potential conflicts of interest and address certain regulatory requirements and contractual restrictions may reduce the synergies across Pretium's areas of operation or expertise that the Fund expects to draw on for purposes of pursuing attractive investment opportunities. Because Pretium has other activities beyond the Fund, it is subject to a number of actual and potential conflicts of interest, additional regulatory considerations and more legal and contractual restrictions than that to which it would otherwise be subject if it focused only on the Fund. As a consequence, that information, which could be of benefit to the Fund, might become restricted to those respective businesses and otherwise be unavailable to the Fund. Additionally, the terms of confidentiality or other agreements with an advisory client of Pretium may restrict or otherwise limit the ability of the Fund and its affiliates to make investments in or otherwise engage in businesses or activities competitive with such client. Pretium is expected to enter into one or more strategic relationships in certain regions or with respect to certain types of investments that, although may be intended to provide greater opportunities for the Fund, may require the Fund to share such opportunities or otherwise limit the amount of an opportunity the Fund can otherwise take.

Valuation

The Fund's net asset value ("NAV") will be calculated quarterly or at such other intervals as determined by the General Partner in its discretion. The Fund uses real estate valuations for several purposes, including in determining the value of assets acquired by the Fund, in determining the Fund's NAV for purposes of the issuance and redemption of Units, and in calculating the Management Fee and the General Partner's incentive allocation. For the avoidance of doubt, the Fund's portfolio will be valued differently for calculating NAV than the methodology used by lenders in connection with financings for the Fund. Lenders are expected to use broker price opinions for calculating the value of collateral, which may be materially higher or lower than the Fund's valuations.

The Fund expects to determine the Fund's NAV on a quarterly basis in accordance with the Fund's valuation policies and appraisal procedures, but may (in its discretion but shall have no duty or obligation to) make adjustments at times other than on a quarterly basis, for example, for purposes of determining the purchase price per Unit in connection with mid-quarter capital contributions.

Accordingly, the carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. The valuation of the Fund's portfolio will affect the amount and timing of the General Partner's incentive allocation and, under certain circumstances, the amount of aggregate fees payable to PSFRM.

Contributions In-Kind

Pursuant to the Governing Documents of the Fund, the General Partner may accept, on behalf of the Fund, at any time and from time to time contributions in-kind (without regard to any Commitments remaining to be drawn down) on terms and conditions that the General Partner deems appropriate in good faith. The conditions on which any contribution in-kind is made may result in the contributing Limited Partner receiving more favorable terms with respect to the Units it acquires in exchange for such contribution, such as a waiver of the Lock-Up Period or more favorable economic terms.

Allocation of Manager's Overhead Costs

Overhead costs of the operating staff of PSFRM or its affiliates (including personnel compensation) are expected to be charged to the Fund. To the extent that such operating staff provide services both to the

Fund and to Pretium SFR Fund II, Pretium SFR Fund IV, Pretium Mortgage Credit Partners I, L.P. or Other Pretium Accounts, PSFRM will allocate such expenses in a fair and equitable manner, employing such allocation methodology as may be reasonable under the circumstances, including based on the percentage of time devoted by such personnel, based on the comparative size of the portfolios, or other reasonable methods.

Personnel

PSFRM and its affiliates from time to time hire short-term or long-term personnel (or interns) who are relatives of or are otherwise associated with Limited Partners or an investor in an Other Pretium Account, or an investment or a service provider. Although reasonable efforts are made to mitigate any potential conflicts of interest with respect to each particular situation, there is no guarantee that PSFRM can control for all such potential conflicts of interest, and there may continue to be an ongoing appearance of a conflict of interest. For example, certain employees and other professionals of Pretium have family members or relatives that are actively involved in the private equity and/or real estate industry and/or have business, personal, financial or other relationships with companies in the private equity and/or real estate industry (including the advisors and service providers described above), which gives rise to potential or actual conflicts of interest. For example, such family members or relatives might be employees, officers, directors or owners of assets which are actual or potential investments of the Fund or other counterparties of the Fund and its assets. Moreover, in certain instances, the Fund may purchase or sell assets from or to, or otherwise transact with, companies that are owned by such family members or relatives or in respect of which such family members or relatives have other involvement. In most such circumstances, the Governing Documents of the Fund will not preclude the Fund from undertaking any particular investment activity and/or transaction. To the extent Pretium determines appropriate, conflict mitigation strategies may be put in place with respect to a particular circumstance, such as internal information barriers or recusal, disclosure or other steps determined appropriate by the General Partner.

In addition, from time to time, certain Pretium personnel (including secondees and temporary personnel or consultants that may be short-term or long-term arrangements) may be seconded to one or more service providers or management companies and provide finance, administrative and other services to such companies and the compensation for such personnel during the secondment will be borne by such companies (in whole or in part). To the extent Pretium receives any fees or expense reimbursement from its investments with respect to such personnel, the Limited Partners will not receive the benefit of such fees or compensation.

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

PSFRM has adopted a Code of Ethics (the “Code”), which describes the Firm’s fiduciary duties and responsibilities to its Clients, requires that the Firm’s employees act in the best interests of Clients, act in good faith and in an ethical manner, avoid conflicts of interest with Clients to the extent reasonably possible, and identify and manage conflicts of interest to the extent that they arise. PSFRM’s employees are also required to comply with applicable provisions of the federal securities laws and make prompt reports to the Firm or other appropriate party of any actual or suspected violations of such laws by PSFRM or its employees. In addition, the Code sets forth formal policies and procedures with respect to the personal securities trading activities of PSFRM’s employees deemed to be “access persons.” The Code prohibits personal securities transactions of issuers who have been placed on the Firm’s restricted list, requires pre-clearance for all initial-public offerings and private placements, as well as issuers who have been placed on the Firm’s watch list, requires employees to report all securities transactions on at least a quarterly basis and provide a summary of securities holdings on at least an annual basis. The Code also addresses outside activities of employees, conflicts of interest, policies and procedures concerning the prevention of insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and the pre-clearance and reporting of political contributions.

PSFRM or its affiliates, as well as the officers, directors, members, managers and employees thereof, are permitted to trade instruments for their own accounts and engage in personal securities transactions in securities and other instruments in which Clients invest, in accordance with the Code and subject to other restrictions and reporting requirements as may be required by law or otherwise determined from time to time by PSFRM, as applicable. These activities create conflicts of interest between the PSFRM’s advisory affiliates and the PSFRM’s Clients with regard to such matters as allocation of opportunities to participate in, or refrain from participation in, particular instruments or to dispose of certain instruments.

In connection with its management of the Fund, PSFRM may acquire assets from, and sell or transfer Fund investments to, the General Partner and its affiliates. Such transactions (i) will be made on terms (including the consideration to be paid) that are determined by the General Partner to be fair and reasonable to the Fund and which are no less favorable than terms that could have been obtained from an unaffiliated third party on an arms’ length basis and (ii) will require the consent of the LP Advisory Committee or a majority in interest of the Limited Partners (other than affiliates of the General Partner). The Fund also may, with the prior consent of such LP Advisory Committee or a majority-in-interest of the Limited Partners (other than affiliates of the General Partner), co-invest in investments with affiliates of the General Partner or entities advised or managed by affiliates of the General Partner. Such transactions will be on terms that are determined by the General Partner to be fair and reasonable to the Fund (provided that the economic terms and conditions on which each of the Fund and any such affiliate of the General Partner co-invest in an Investment will be substantially the same).

The Fund is expected to, from time to time, enter into services and other transactions with PSFRM and affiliates of PSFRM or accounts managed by PSFRM or its affiliates (including, for example, acquisition of debt issued by other Pretium-sponsored accounts), which shall not require LP Advisory Committee approval unless otherwise specified in the Governing Documents of the Fund or by applicable law and which may provide for termination of such affiliated service providers only upon the occurrence of a “cause” event (and/or upon payment of a termination fee) as described in any agreement governing the provision of such services. In connection with selling investments, PSFRM or its affiliate may, on behalf of the Fund, effect transactions, including transactions where PSFRM or its affiliate is also acting as a broker or other advisor on the other side of the same transaction. PSFRM or its affiliate may receive commissions

from such agency cross-transactions, and has a potential conflict of interest regarding the Fund and the other parties to those transactions. In addition, the Fund is expected to enter into other transactions not specifically described herein with PSFRM or its affiliates, shareholders, partners, officers, managers, members, employees, agents and representatives or other accounts established by key principals of PSFRM prior to their joining PSFRM, including regional operating teams or property managers that may be affiliated with or owned (in whole or in part) by PSFRM or its affiliates. These transactions will be no less favorable to the Fund than would be received in independent, arm's-length transactions, will be supported by independent third-party appraisals of any assets to be acquired in such transactions and, except as expressly contemplated by the Fund's Governing Documents, will be subject to the approval of the LP Advisory Committee. However, for the avoidance of doubt, the approval of the LP Advisory Committee shall not be required to the extent that Pretium SFR Fund II, Pretium SFR Fund IV or an Other Pretium Account, or a subsidiary thereof, enters into a contract or other binding commitment to acquire an investment opportunity, but PSFRM or its affiliate determines that such other fund or account is unable to consummate such acquisition (for example, due to the expiration of its investment period) or otherwise determines that the Fund or any vehicle should instead acquire such investment opportunity in light of considerations relevant at the time of acquisition (including, for example, the amount of remaining capital to be invested by such other fund or account, the need to establish reserves, or allocation considerations), and the Fund or any vehicle subsequently acquires such investment opportunity.

In addition, although expected to occur rarely, the Fund may purchase assets from or sell assets to PSFRM and its affiliates or their clients. Such transactions will be conducted in accordance with, and subject to, the General Partner's and PSFRM's legal and contractual obligations to the Fund. These purchases and sales may cause conflicts of interest, including with respect to the consideration paid in connection therewith and the other terms and conditions of such transaction. Unless otherwise set forth in the Governing Documents of the Fund, the terms of any such transaction will be approved by the LP Advisory Committee or a majority in interest of the Limited Partners. In addition, in connection with the admission of an investor to the Fund, the General Partner may accept contributions in-kind of assets suitable for investment by the Fund from such investor and, in consideration thereof, issue Units to such investor based on a valuation to be agreed between PSFRM and/or the General Partner and such investor.

Members of the investment committee have and may in the future invest personal funds directly in the Fund. As such, their decisions may be influenced by the presence of their investment and may not be completely unbiased. In addition, other members of the management team and/or other employees or officers of Pretium have also invested personal funds directly or indirectly in the Fund, and such actions may cause such persons to influence the Fund to pursue more speculative investments than they would otherwise.

Transactions with Potential and Actual Investors and Co-Investors

Prospective investors should note that PSFRM and its affiliates are expected to from time to time engage in transactions with prospective and actual investors and co-investors that entail business benefits to such investors. Such transactions may be entered into prior to or coincident with an investor's admission to the Fund (or commitment to co-invest) or during the term of their investment. The nature of such transactions can be diverse and may include benefits relating to the Fund, Other Pretium Accounts and their respective issuers and businesses. Examples include the ability to co-invest alongside Pretium funds or loans to co-investors (or joint venture partners) by Pretium or a Pretium fund.

Please see Item 10 for a description of certain actual or potential conflicts of interest related to PSFRM's other financial industry activities and affiliations, including certain actual or potential

conflicts of interest related to transactions or arrangements entered into between the Fund and its subsidiaries and PSFRM and its Affiliates.

Item 12 – Brokerage Practices

Due to the nature of its strategies, PSFRM trades in public securities on a limited basis and, therefore, does not generally utilize broker-dealers for transactions contemplated by this section. In the limited circumstances when PSFRM executes a brokerage transaction for its Clients (e.g., trades in public securities or enters into hedging transactions), it will generally consider qualitative factors including, but not limited to, the broker's reliability and execution capabilities for the transaction, the commissions charged by the broker, and the broker's reputation and responsiveness to requests for trade data and other financial information.

Given the various factors that PSFRM considers in allocating investment opportunities among its Clients and the difficulties in arranging "pro rata" trades in the types of asset classes for which PSFRM provides investment advice (including, among other things, due to the size or complexity of the investment opportunity or due to tax, regulatory or other structural considerations) it is generally impractical or impossible to aggregate orders for multiple Clients in any given trade. Accordingly, PSFRM does not aggregate the purchase or sale of securities for various Client accounts. It should be noted that if it were possible, aggregating the purchase or sale of securities may be less expensive for Client accounts.

Item 13 – Review of Accounts

The Fund's accounts and investment positions are monitored by PSFRM personnel on a regular basis. PSFRM's investment committee meets as necessary to review general portfolio composition, investment opportunities, market conditions, potential conflicts, and recent investment activities. Following a significant event in the financial industry or market generally, PSFRM may determine to review the assets of the Fund on a more frequent basis.

Within 120 days after the Fund's fiscal year-end, audited financial statements are mailed to each Limited Partner in the Fund. Investors also receive unaudited performance information for the Fund after each calendar quarter-end, as well as a quarterly report providing additional detail on the Funds' investments. Such reports include the value of such Limited Partner's interest in the Fund as determined based on the unaudited fair market value of the holdings in the Fund.

Certain Limited Partners may request additional information relating to the Fund and, to the extent such information is readily available or may be obtained without unreasonable effort or expense, PSFRM generally will seek to provide such Limited Partners with the information requested. Investors that request and receive such information will consequently possess information regarding the business and affairs of the Fund that may not be known to other Limited Partners. As a result, certain Limited Partners may be able to take actions on the basis of such information which, in the absence of such information, other Limited Partners do not take.

Item 14 – Client Referrals and Other Compensation

PSFRM may enter into distribution/placement arrangements with a number of unaffiliated third parties. Typically, third-party solicitors will receive a portion of the Management Fee and/or performance-based compensation paid to PSFRM or its affiliates (although other payment arrangements could exist). If third-party solicitors are engaged, prospective investors who are solicited by such third parties will be informed of (and may be asked to acknowledge in writing their understanding of) any such arrangement. All fees for such solicitation services will be ultimately paid/borne by a corresponding reduction in the Management Fees paid to PSFRM and none of the Limited Partners will be subject to any increased or additional fees or charges.

Item 15 – Custody

Although PSFRM does not maintain physical custody of the Fund’s funds and securities, PSFRM would be deemed to have custody of the funds and securities of the Fund for purposes of Rule 206(4)-2 under the Advisers Act (the “Custody Rule”). PSFRM will deliver the Fund’s audited financial statements to Limited Partners within 120 days of the Fund’s fiscal year end.

Item 16 – Investment Discretion

PSFRM maintains the authority to manage the Fund on a discretionary basis, subject to the overall supervision of the General Partner, in accordance with the investment guidelines, objectives, limitations, other provisions and terms set forth in the Fund's Governing Documents. This means that PSFRM is given full authority under the Governing Documents to select the timing, size, and identity of assets to buy and sell for the Fund.

Item 17 – Voting Client Securities

PSFRM's investment strategy does not typically involve the acquisition of public securities with voting authority. In the unlikely event that the Fund comes into possession of securities with voting rights, the Firm will generally have the authority to vote proxies without additional direction from the Fund or the Limited Partners. In such instances, PSFRM's policy is to vote proxies solely in the interests of the Fund. Generally, PSFRM will vote proxies in line with management. However, under certain circumstances when PSFRM believes that management's proposal is not designed to maximize value for a Fund, PSFRM will vote against management. If a proxy vote presents a conflict of interest between PSFRM and the Fund (or a Client generally), our procedures require us to seek to ensure that any actions taken are in the best interest of the Client.

Investors may obtain information about how proxies were voted by contacting legal@pretium.com. Investors may obtain a copy of PSFRM's proxy voting policies and procedures upon request by contacting legal@pretium.com.

Item 18 – Financial Information

PSFRM does not have any financial condition that impairs its ability to meet contractual and fiduciary commitments to its Clients.