

**PART 2A OF FORM ADV: FIRM BROCHURE**

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**This Brochure provides information about the qualifications and business practices of MP RIA, LLC (the “Adviser”). If you have any questions about the contents of this Brochure, please contact Trevor Crandall at 303-224-7123 or by e-mail at [trevor.crandall@millerglobal.com](mailto:trevor.crandall@millerglobal.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority, and references in this Brochure to the Adviser as a “registered investment adviser” are not intended to imply a certain level of skill or training.**

**Additional information about the Adviser is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM 2 – MATERIAL CHANGES**

This brochure has been updated to reflect the addition of Miller Global Fund IX, LP. Corresponding changes have been made throughout this brochure, including but not limited to, Items 4, 5, 6 and 8.

MP RIA does not believe that there have been any other material changes to the content of this brochure as published in its last annual amendment issued in March 2020.

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## ITEM 4 – ADVISORY BUSINESS

MP RIA, LLC, a Delaware limited liability company (the “Adviser”), formed in 2011, provides discretionary investment advisory services to pooled investment vehicles organized as private real estate funds (the “Funds”). The Funds are:

- Miller Global Fund VI, LLC, a Delaware limited liability company (“Fund VI”);
- Miller Global Fund VII, LLC, a Delaware limited liability company (“Fund VII”);
- Miller Global Fund VIII, L.P., a Delaware limited partnership (“Fund VIII”);
- Miller Global Friends and Family Fund VIII, L.P., a Delaware limited partnership (the “Employee Fund”) and
- Miller Global Fund IX, L.P., a Delaware limited partnership (“Fund IX”).

The Funds are private real estate funds organized principally to acquire and develop a portfolio of real estate assets. The Funds are no longer accepting additional capital commitments; however Fund VIII and Fund IX may still make investments. The Employee Fund was formed solely to co-invest in each portfolio investment alongside Fund VIII (at the same time and based on a pre-determined participation percentage), and the investors in the Employee Fund are generally Miller Global personnel and former personnel, their family members and/or entities formed for the benefit of those persons. Miller Global Fund V, LLC made its final liquidating distribution on December 23, 2020.

The Funds are referred to as the Adviser’s “clients.” The formation and organizational documents of the Funds are referred to herein as the “Fund Documents.”

MP RIA, LLC is principally owned by Myron M. Miller and James H. Miller. Since 2001, affiliates of the Adviser have served as the investment adviser to the Funds. The Adviser was engaged to act as investment adviser to the Funds as of March 30, 2012.

The Adviser is the investment adviser to the Funds, each a private real estate fund that invests in real estate assets, comprised primarily of office buildings and hotels, as well as other real estate assets, located throughout the United States (each, an “Investment”). The Adviser advises the Funds as to their investment strategy which typically includes: (i) acquiring high quality real estate assets, comprised primarily of office buildings and other real estate assets such as hotels, located in select markets in the United States, that are intended to create value through cash flow and appreciation; (ii) acquiring assets to which the Adviser believes it can add value by taking measured risks in the areas of market recovery, leasing, management, development, renovation, re-capitalization and other market-driven strategies; (iii) focusing on markets that have significant job growth and/or potential for faster or stronger market recovery than the nation as a whole; and (iv) focusing on investments that can be pursued on an exclusive or semi-exclusive basis while maintaining a disciplined investment underwriting process.

Each Fund’s investment objective and/or parameters are set forth in the Fund’s applicable governing documents provided to each investor.

The Adviser does not tailor its advisory services to the individual needs of investors, and, except for certain limitations specifically set forth in the Fund Documents, investors may not impose restrictions on investing in certain securities or types of investments. The Fund Documents set forth each Funds’ investment strategy, including guidelines regarding the types of securities the Fund will invest in and portfolio limits (if any).

The Adviser (or an affiliate thereof) has and will continue to enter into side letter agreements or other similar agreements with one or more investors in respect of their Fund investments that provide such investors with terms different from (and, at times, preferential to) those set forth in the applicable Fund Documents.

As of December 31, 2020, the Adviser manages \$418,812,165 of client assets, all on a discretionary basis.

## ITEM 5 – FEES AND COMPENSATION

The Adviser provides investment advisory services to its clients pursuant to separate investment advisory agreements, which along with the relevant offering and governing documents, where applicable, explain the details regarding fees.<sup>1</sup>

### Management Fee

The organizational structure of Funds VI and VII are similar. These Funds were organized as limited liability companies, with affiliates of the Adviser acting as the Fund's manager. Fund VIII was organized as a limited partnership, with affiliates of the Adviser acting as the Fund's manager and general partner. In each of Funds VI-VIII, an affiliate of the Adviser receives an annual asset management fee (the "Management Fee") from the Fund generally in an amount equal to: (i) until the Fund's funding limitation date, 1.5% of the Fund's aggregate capital commitments and (ii) thereafter, 1.5% of aggregate actively invested capital. The Management Fee is generally paid to an affiliate of the Adviser either monthly in arrears or quarterly in advance (as specified in the applicable Fund's governing documents). A Fund's general partner, or the manager of the Fund, each as applicable, may, in its sole discretion, waive, delay payment or reduce the management fee payable by any specific investor. Management fees are waived in respect of Fund capital commitments attributable to Global (as defined herein) and affiliates of the Adviser.

Fund IX was organized as a limited partnership, with affiliates of the Adviser acting as the Fund's manager and general partner. The management fee for Fund IX is structured as an advance from limited partners, generally equal to 2% of committed capital during Fund IX's investment period, and 2% of actively invested capital thereafter (referred to herein as the "AMF Advance"). AMF Advances may be repaid to the limited partners with fees earned from joint venture partners with which Fund IX makes investments ("JV Partners"); however, it should be noted that the AMF Advance may not be repaid in full. Details of the AMF Advance and the reimbursement thereof are described further in the applicable Fund Documents. The AMF Advance is paid to the manager of Fund IX quarterly in advance (as specified in the applicable Fund Documents). Fund IX's manager may, in its sole discretion, waive, delay payment or reduce the AMF Advance payable by any specific investor. The AMF Advance is waived in respect of Fund capital commitments attributable to Global and affiliates of the Adviser.

### Fees Offset Against Management Fee

In Fund VIII, profits (less allocable overhead and expenses) from property management fees, hotel management fees, and construction management fees paid by Fund VIII assets to Vector Property Services, LLC ("VPS"), an affiliate of the Advisor that performs certain property management services and Mile High Hospitality, LLC ("MHH") (formerly High Velocity Hospitality, LLC), an affiliate of Adviser that performs hotel management services for hotel assets owned by the Funds, are returned to the limited partners as an offset against the Management Fee. In Fund VIII, any transaction fees, or other similar fees received by an affiliate of the Adviser will be returned to the limited partners as an offset against the Management Fee in accordance with the relevant terms of the Fund Documents.

Fund VIII organizational expenses, including costs and expenses directly or indirectly incurred in connection with the formation and organization of, and sale of interests in, Fund VIII exceeding \$1.25 million are returned to the limited partners as an offset against the Management Fee.

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<sup>1</sup> As all of the unaffiliated limited partners invested in the Funds are qualified purchasers, as defined in Section 2(a)(51)(A) of the Investment Company Act of 1940, the specific details of each Fund's fee schedule are not required to be provided in this Brochure.

In Fund VIII, Placement Fees may be paid by the Fund and include expenses and any interest on any deferred fees charged by any placement agent and other similar third party fees and expenses in connection with the marketing and sale of interests in the Fund. Any placement fees paid by the Fund will be offset against future Management Fees.

#### Development Fee

In addition to the AMF Advance, Fund IX charges a development fee equal to 3% of the total gross development or construction costs for new construction and refurbishment or expansion as further described in the Fund Documents. This development fee is paid to the Adviser or an affiliate thereof and is further described below (see “Development Fee and Reimbursement for Out-of-Pocket Expenses”).

#### Fees Offset Against Development Fee

In Fund IX, certain fees and expenses, including, but not limited to Fund IX organizational expenses that exceed \$1.25M, are treated as an offset against the Development Fees as described in the Fund Documents.

#### Certain Other Fees

In Funds VI-IX, property management fees, hotel management fees, and brokerage commissions and other similar fees may be paid by the Fund, or by portfolio investments in which the Fund has an interest, to affiliates of the Adviser. In Fund IX certain of these fees may be applied toward repayment of AMF Advances as further described in the Fund Documents.

#### Property Management and Sub-management Fees

In certain cases, the Funds will contract with an unrelated third-party local property manager to perform certain property management services (e.g., JLL) pursuant to a management agreement where the third-party property manager earns a property management fee. In these instances, the combined cost of services performed by the third-party manager and VPS will not exceed the amount that VPS is entitled to charge the fund for such services. The third-party may be engaged by VPS under a submanagement agreement.

#### Development Fee and Reimbursement for Out-of-Pocket Expenses

A development fee equal to 3% of the total gross development or construction costs for new construction and refurbishment or expansion is generally paid by the Funds to the Adviser or an affiliate thereof (a “Development Fee”). Neither the Adviser nor any affiliate thereof will be entitled to Development Fees for refurbishment or expansion that constitutes “second-generation” or any subsequent tenant improvements, if there is a construction management fee paid to VPS for tenant improvements (though the term “second generation” is only defined in the Fund VIII and Fund IX fund documents, the application of the concept is the same across all funds as a practical matter).

The Development Fee is generally paid to an affiliate of the Adviser in equal monthly installments over the anticipated duration of the applicable development, refurbishment or expansion period for the respective project based upon the budgeted development costs. The total budgeted development cost on which the Development Fees are based is reconciled to the actual total development costs at the conclusion of the project so that the Development Fees paid shall not exceed 3% of the actual total development cost (exclusive of development fees). The Development Fee is not offset against the Management Fee.

Additionally, each Fund will reimburse the Adviser or an affiliate thereof for certain out-of-pocket expenses, as further described in the Fund Documents of the relevant Fund.

A Development Fee and construction management fee is not paid to affiliates of the Adviser with respect to the same construction expenses.

#### Traffic Control Service Fee

In addition to property management and submanagement fees earned by VPS as described above, VPS earns a traffic control service fee from local businesses including an asset in Fund VI, for work it performs in managing off duty police officers to direct traffic around the Houston Galleria area. In 2020 the total amount earned by VPS was approximately \$7,413, of which, approximately \$1,752 was paid by Fund VI.

#### Performance-Based Fee payable upon Distribution/Realization of Proceeds

#### Funds VI - VIII

Subject to a clawback, a Fund's general partner, or manager, each as applicable, will receive a carried interest allocation in the range of 20% of the Fund's profit distributions after payment to the investors of their capital contributions and payment of a preferred return to the investors as specified in the applicable Fund Documents.

In Fund VIII, the members of the general partner are Miller Properties Group VIII, LLC, a Colorado limited liability company ("MPG VIII"), and Global. MPG VIII is an entity controlled by Micky Miller and/or Jimmy Miller, and its members mainly include certain current and former employees of Miller Global Properties, LLC. Global has been one of the largest investors in the Funds through the manager/general partner/managing member entities of the Funds for the last 20 years. The relationship between MPG VIII and Global is similar in Fund VIII to the relationship between Global and other similar entities created by Miller Global Properties, LLC, and controlled by Micky Miller and/or Jimmy Miller in previous Funds (each, a "MPG Entity"). As members of the general partner, MPG VIII and Global discuss potential investments, focus markets, as well as the debt and equity structure for various investments. In Fund VIII, Global shares in the carried interest earned by the general partner. The split of the carried interest between the applicable MPG Entity and Global is different in each fund. Typically, the percentage of carried interest retained by the MPG Entity (rather than Global) increases as certain return thresholds are met.

#### Fund IX

In Fund IX, the general partner does not receive any carried interest from the limited partners. Fund IX intends to make investments with third party joint venture partners ("JV Partners"), where the Fund owns a minority interest and the JV Partner owns the remainder ("Joint Venture"). In conjunction with each Joint Venture formed by the Fund, the JV Partner may pay carried interest to an affiliate of the general partner ("JV Promote"). The general partner will receive 60% of any JV Promote and the remaining 40% of any JV Promote will be distributed to the general partner and the limited partners of Fund IX in proportion to their relative sharing percentages.

#### Other Expenses

Each of Funds VI-IX will pay all fees, costs, expenses, liabilities and obligations relating to such Fund's operations and activities as specified in the Fund's governing documents.

Subject to the specific terms set forth in a Fund's governing documents, each Fund will typically bear: (i) fees and expenses relating to consummated investments, proposed but unconsummated investments (including reverse break-up fees), indebtedness (including interest thereon and fees and expenses relating to) and hedging activities, guarantees and temporary investments, including the initial investigation, research, evaluation, acquisition, holding, development, financing, leasing and disposition thereof, capital expenditures, environmental and property management fees and expenses, engineering costs and studies, professional or construction-related service fees and expenses, third-party appraisal and valuation expenses and title, casualty and liability insurance premiums related thereto, in each case, to the extent that such fees and expenses are not reimbursed by a portfolio investment or other third person; (ii) legal, custodial, administration, filing, accounting, and auditing, regulatory and compliance expenses (to the extent such regulatory or compliance expenses are specifically related to the Fund or its Investments), including expenses associated with the preparation of the Fund's financial statements, tax returns and Schedule K-1s and the representation of the Fund or its Partners by the tax matters partner, including expenses paid or incurred in connection therewith and Form PF, U.S. Treasury forms and FATCA compliance, in each case as relates specifically to the Fund and its investments, but excluding, for the avoidance of doubt, the costs of the Adviser's general compliance with the Advisers Act, such as preparation and updating of Form ADV and other regulatory or other filings with national, state, provincial or local regulatory authorities in any country or territory; (iii) banking and consulting expenses; (iv) real estate brokerage commissions, development fees, construction management fees and other fees paid to third parties, including any joint venture partners), loan servicing fees, costs of tenant and capital improvements, custodial expenses and other costs incurred in connection with investments; (v) fees and expenses relating to industry functions, trade group meetings or other events, subscriptions to periodicals, reports, newspapers, trade publications, market research firms, and other similar expenses, in each case related to general market or industry knowledge, market research, or potential or existing investments or otherwise related to the Fund's activities; (vi) expenses associated with the Fund's administration and reporting (to its partners and lenders, joint venture partners or governmental authorities), including the annual meeting expenses and travel and other expenses of meeting with Fund's limited partners, which may include first-class travel (air and ground transportation), high-end hotels and meals at upscale restaurants; (vii) expenses of the Fund's limited partner advisory committee and investment committee expenses; (viii) expenses related to feeder funds or to organizing entities through or in which investments may be made (including Fund organizational expenses) ; (ix) travel, meals, ground transportation, parking and other similar expenses related to the acquisition, financing, development, and management and disposition of the Fund's investments, which may include first-class travel (air and ground transportation), high-end hotels and meals at upscale restaurants; (x) real estate and other taxes, fees or other governmental charges or duties payable by levied against the Fund; (xi) insurance premiums; (xii) litigation and indemnification expenses; (xiii) costs of winding up and liquidating the Fund; (xiv) annual registration fees and registered office fees and expenses; (xv) other extraordinary expenses and (xvi) the allocable portion, as reasonably determined by the Fund's general partner, of the actual costs (including compensation, benefits, and attributable overhead) incurred by the Fund's general partner or its affiliates with respect to internal resources that provide accounting, reporting, legal, or any of the services described above to the Fund. To the extent the general partner, the Adviser or their affiliates provide the Fund with accounting, reporting, legal or other services, the Fund's allocable portion (as reasonably determined by the Fund's general partner) of the actual cost (including employment costs and related overhead attributable thereto, as reasonably determined by the general partner) of performing such services will be deemed a Fund expense.

The expenses described above vary from Fund to Fund as outlined in the Fund Documents.

Certain expenses may relate to and therefore require allocation among, multiple Funds. Such expenses must be allocated using an equitable and consistent methodology as determined by the Adviser, or an affiliate thereof. In this regard, the following expense allocation principles are applicable to the Adviser and its' affiliates:

- (1) Asset related expenses are allocated to the Fund for which the expense was incurred and, are treated as a Fund expense.
- (2) If a transaction is pursued, but not consummated, the pursuit costs are allocated to the applicable Fund(s) for which the transaction was identified (i.e., broken deal expenses).
- (3) Costs that are related to a specific Fund investor are allocated to the Fund(s) for which that investor is a member (e.g., interim investor meeting expenses). Annual meeting expenses are divided equally among active Funds that are discussed at the annual meeting.

**IT IS CRITICAL THAT INVESTORS REFER TO THE RELEVANT OFFERING AND FUND GOVERNING DOCUMENTS FOR A COMPLETE UNDERSTANDING OF APPLICABLE FEES AND EXPENSES. THE INFORMATION CONTAINED HEREIN IS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY SUCH DOCUMENTS.**

## **ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

With respect to Funds VI-VIII and subject to a clawback, an affiliate of the Adviser is eligible to receive performance-based compensation from investors upon the distribution of investment proceeds as described in Item 5 above. Fund IX does not pay a performance-based fee.

It should be noted that the possibility of an affiliate of the Adviser's receipt of performance-based compensation creates a potential conflict of interest in that it may create an incentive to make investments that are riskier or more speculative than in the absence of such performance-based fee. investors are provided with clear disclosure in applicable Fund Documents as to how the performance-based compensation is charged.

## **ITEM 7 – TYPES OF CLIENTS**

The Adviser provides investment advisory services to the Funds.

Clients and investors are required to meet certain suitability qualifications, such as being an “accredited investor” and a “qualified purchaser” within the meaning set forth under the federal securities laws.

Admission to the Funds is not open to the general public.

The minimum capital commitment of an investor in each Fund is typically \$10,000,000, although lesser commitment amounts may be accepted in the discretion of the Adviser (or its affiliate).

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

### **METHODS OF ANALYSIS AND INVESTMENT STRATEGIES**

As described in Item 4, above, the Adviser provides advisory services to private real estate funds that invest in select quality real estate assets, primarily office buildings and hotels (as well as other real estate assets) that are intended to create value for investors through cash flow and capital appreciation. There is no assurance that a Fund's investment objectives will be achieved or that an investor will receive any return of capital.

#### Investment Strategy

In choosing investments for the Funds, the Adviser selects investments generally located in primary markets throughout the United States (subject to any limitations described in applicable Fund Documents) to create a diverse geographic portfolio with product segmentation and market timing of entry. The investments are assets to which the Adviser believes it can add value by taking measured risks in the areas of market recovery, leasing up vacancy, re-leasing, roll over management, repositioning, new development, re-development, renovation, hands-on intensive asset management, re-branding, re-capitalization and other market-driven strategies specifically targeted at geographic regions, industries or other situations that may present significant barriers to entry or other unique challenges. In addition, the Adviser expects to combine assets with existing cash flow and lower expected returns with development or complex-type assets that present the potential for higher expected returns.

In locating assets, the Adviser focuses primarily on investments that can be pursued on an exclusive or semi-exclusive basis in markets that the Adviser believes have prospects for significant job growth or the potential for a quicker or stronger rebound than the nation as a whole. In selecting and pricing investments, the Adviser maintains a disciplined investment underwriting process and approach, while seeking to recognize market nuances, anticipate changes in business cycles and adjust focus accordingly.

The Adviser employs additional strategies, including; (i) expanding current joint venture relationships and pursuing other transactions with partners; (ii) focusing on potential opportunities to re-capitalize over-leveraged assets whose investment characteristics otherwise meet the Funds' investment criteria; (iii) taking advantage of capital imbalances in the market for strategic purposes and sales; (vi) using reasonable leverage to enhance return on equity; and (v) maintaining flexibility and creativity in approach and strategy.

Fund IX will seek to make investments similar to those described above, however, Fund IX will seek to form one or more Joint Ventures in which it will be a minority owner, as described further in the Fund Documents.

#### Investment Process

The Adviser sources deals using the expertise of members on its investment committee and other employees of its affiliates. The Adviser focuses on investment opportunities that can be pursued "off market" through relationships with owners, joint venture partners, brokers, management companies, hotel brands, lenders, legal counsel and other industry contacts.

Investments are underwritten using disciplined criteria and a comprehensively structured financial model. Key variables in the office building model will be stressed, which may include acquisition price/development cost, market lease terms, rollover assumptions, as well as interest rates, financing levels and capital improvement requirements. Key variables in the hotel model will be stressed, which may include acquisition

price/development cost, rate and occupancy, guest demographic, fixed and variable expenses, seasonality, as well as interest rates, financing levels and capital improvement requirements.

In addition, certain members of the investment committee will make site visits to each targeted asset and employ consultants to help evaluate the condition and needs of the asset. The geographic market and/or sub-market of a targeted asset may be assessed for matters such as competitive environment, employment base and economic strengths and weaknesses. The principals may forge and use relationships with local real estate brokers and property management companies to supplement their underwriting.

Mortgage financing for each investment is determined on a case-by-case basis, subject to current market terms, projected time for asset stabilization, cash flow and the respective Fund's support of contingent liabilities. Typically, financing of an investment will be closed simultaneously with its acquisition.

To complete each investment, the acquisition team prepares an investment analysis and submits it to the Fund's investment committee. The investment committee will review the investment analysis and meet to discuss the investment, the financing, the composition of assets of the Funds as a whole, and will vote on whether to move forward in acquiring or developing such asset.

### **MATERIAL RISKS**

Investments in real estate involve multiple risks. Below, the Adviser has summarized risks it believes primary to the type of investments it makes on behalf of its clients. The risks identified below, however, do not represent the entirety of risks a prospective investor or client should evaluate before retaining the Adviser to provide its advisory services. Prospective investors in the Funds should carefully review and consider all of the risks related to investing that are set forth in the applicable Fund Documents.

#### **Risks Associated With Construction**

The Funds intend to develop, construct and renovate properties, subject to the limitations set forth in the Fund Documents. The development, construction and renovation of real estate assets is subject to timing, budgeting and other risks that may adversely affect the Funds' operating results. The Funds may abandon development activities after expending resources to determine their feasibility; market shifts during the development period may result in lower occupancy rates, and rents at a newly completed property that may not be sufficient to make the property profitable; financing may not be available on favorable terms for development of a property; and the construction and lease up of a property may not be completed on schedule (resulting in increased debt service and construction costs). Development activities are also subject to risks relating to an inability to obtain, or delays in obtaining, necessary zoning, land-use, building occupancy and other required governmental permits and authorizations. Acts of God, such as earthquakes, hurricanes, floods or fires, could adversely impact an investment, as could the ability to obtain financing or obtain a joint venture partner, and governmental restrictions on the nature or size of an investment. If any of the above occurs, the ability of the Funds to make distributions to its investors could be adversely affected. In addition, development activities, regardless of whether they are ultimately successful, may require a substantial portion of management's time and attention.

#### **Control Over Projects**

The Funds may enter into joint ventures with third parties, including the owners of the properties it acquires or their affiliates, through partnerships or other investment vehicles. Although the Funds will generally have the right to approve major capital and management decisions in any partnership or joint venture in which it participates, 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; (i) have financial difficulties,

resulting in a negative impact on such portfolio investment; (ii) may have economic or business interests or goals which are inconsistent with the Funds'; or may (iii) be in a position to take action contrary to the Funds' investment objectives. In addition, the Funds may, in certain circumstances, be liable for actions of third-party partners or co-venturers. A partner or co-venturer may be able to block a sale of the Fund's interest in any such joint venture or partnership.

### Leverage

The acquisition, re-habilitation, renovation and development of the Funds' investments may be financed in substantial part by borrowing, which will increase the Funds' exposure to loss. The use of leverage involves a high degree of financial risk and may increase the exposure of the Funds or its investments to factors such as rising interest rates, downturns in the economy or deterioration in the condition of the collateral underlying such investments. The use of leverage will increase the amount of funds available to the Funds for investment, but will also increase the risk of loss. Market fluctuations may significantly decrease the availability, and increase the cost, of leverage.

Many commercial loans in the present market require floating (as opposed to fixed) interest rates, and floating interest rate loans will often be preferred by the Adviser. In a floating rate loan, the debt service can increase substantially if interest rates rise. The Adviser has no control over interest rates, and there can be no assurance that a substantial rise in interest rates will not occur. A rise in interest rates may adversely affect the market value of an investment and the ability of prospective purchasers to finance any acquisition of the Funds' assets. Commercial loans may in certain cases require the purchase of interest rate protection products. The Adviser can provide no assurance that lenders will provide financing for the Funds' investments at all, or at rates and terms comparable to those which the Adviser or its affiliates has obtained previously.

Under certain loans, principal and interest payments on indebtedness will have to be made regardless of the sufficiency of cash flow from the Funds' assets. Mortgages requiring "balloon" payments may involve greater risks than mortgages where the principal amount is fully amortized over the term of the loan since the ability to repay the outstanding principal amount of a "balloon" loan may be dependent upon the ability to obtain adequate replacement financing, which will, in turn, be dependent upon interest rates and lenders' policies at the time of refinancing, economic conditions in general and the value of the underlying assets in particular. There is no assurance that replacement financing will be available to make "balloon" payments or that any replacement financing available will be on favorable terms. Lenders or other holders of senior positions would be entitled to a preferred cash flow prior to the Funds receiving a return.

### Hedging Policies / Risks

While not anticipated to be a meaningful component of its investment strategy, the Adviser may, where required by a lender, utilize a wide variety of derivative financial instruments for risk management purposes, the use of which is a highly specialized activity that may entail greater than ordinary investment risks. Any such hedging transactions may not be effective in mitigating risk in all market conditions or against all types of risk (including unidentified or unanticipated risks), thereby resulting in losses to a Fund. Engaging in hedging transactions may result in a poorer overall performance for such Fund than if it had not engaged in any such hedging transaction, and the Adviser may not be able to effectively hedge against, or accurately anticipate, certain risks that may adversely affect such Fund's investment portfolio. In addition, such Fund's investment portfolio will always be exposed to certain risks that cannot be fully or effectively hedged, such as credit risk relating both to particular securities and counterparties. A Fund will utilize hedging transactions only for those positions determined by the Adviser in its sole discretion.

### Real Estate Ownership

Investments will be subject to the risks generally incident to the ownership of real property and loans, including: uncertainty of cash flow to meet fixed and other obligations; uncertainty in capital markets relating to procurements of both equity and debt; adverse changes in local market conditions, population trends, neighborhood values, community conditions, general regional, national or international economic conditions, local employment conditions, zoning laws, interest rates, and real estate tax rates; changes in fiscal policies; changes in applicable laws and regulations (including tax laws); the impact of present or future environmental legislation and compliance with environmental laws; delays in foreclosure; borrower bankruptcy and related legal expenses; the financial condition of tenants, buyers and sellers of properties; competition from prospective buyers for, and sellers of, other similar properties; uninsured losses; civil unrest, acts of terrorism, acts of war, and acts of God (any of which may result in uninsured losses); and other risks that are either unforeseeable or beyond the control of the Funds. In the event that any of the properties that comprise the Funds' investments experience any of the foregoing events or occurrences, the value and return on such investments would be negatively impacted. There can be no assurance of profitable operations of the Funds because the cost of owning real property assets may exceed the income produced, particularly since certain expenses related to real estate and its ownership, such as property taxes, utility costs, maintenance costs and insurance, tend to increase over time and are largely beyond the control of the owner. If investments do not generate sufficient revenues or proceeds to meet their operating expenses, including debt service and capital expenditures, the Funds' cash flow and ability to pay distributions to the investors will be adversely affected. Moreover, although insurance is expected to be obtained by the Funds to cover most casualty losses and general liability arising from the Investments, no insurance will be available to cover cash deficits from ongoing operations. Certain significant expenditures associated with each investment (such as mortgage payments, real estate taxes, lease obligations and insurance and maintenance costs) are generally not reduced when circumstances cause a reduction in income from such investment. Real estate historically has experienced significant fluctuations and cycles in value and the Funds may buy and/or sell investments at less than optimal times.

Many of the Funds' investments will be highly illiquid, and there can be no assurance that the Fund will be able to realize such investments in a timely manner.

### Investment in Office Properties

The Funds have made a number of investments in office properties. Investment in these types of properties involves certain special risks, including tenant improvement, concession costs and variability in occupancy rates. Furthermore, when a tenant in an office building property defaults on its lease, vacancy costs (including re-tenanting costs) can be considerable. In the past, when overall economic performance has deteriorated, commercial vacancy rates have increased. These costs, particularly increasing vacancy costs brought about by a declining economy, can have a material and negative impact on the financial performance of office properties.

### Investments in Hotel Properties

The Funds have made investments in hotel properties subject to limitations as specified in the Fund Documents. Investment in these types of properties involves certain special risks, including adverse effects of weak national, regional and local economic conditions; tightening credit standards; competition for guests and meetings from other hotels, including competition and pricing pressure from internet wholesalers and distributors; increases in operating costs, including wages, benefits, insurance, property taxes and energy; labor strikes, disruptions or lockouts that may impact operating performance; dependence on demand from business and leisure travelers, which may fluctuate and be seasonal; increases in energy costs, airline fares and other expenses related to travel; terrorism, terrorism alerts and warnings; and pandemics or other medical events that may cause decreases in business and leisure travel. These factors can have a material and negative impact on the financial performance of hotel properties.

### Real Estate Valuations

Real estate assets are inherently difficult to value. With respect to calculating the value of underlying Fund assets, the general partner utilizes an asset valuation policy comprised of one or more of the following methodologies that conform to the requirements set forth by the National Council for Real Estate Investment Fiduciaries (NCREIF). These methodologies include analyzing the following: (i) discounted cash values, (ii) direct capitalization of net operating income, (iii) replacement costs, (iv) comparable sales, (v) broker price opinions and (vi) third-party appraisals. Further, the general partner will calculate discounted cash flow and direct capitalization for each investment, and update such calculations to include a cash flow forecast which incorporated current market data. Assets under development are generally carried at historical cost until one year after opening, and then, as results normalize, valued using the methodologies set forth above.

However, despite the methodologies set forth above, valuations are, to a degree, subjective and may vary dependent upon the methodology used to determine such valuation. As a result, valuations are subject to substantial uncertainty. There can be no assurance that investments will ultimately be realized for amounts equal to, or greater than, these valuations, or that the past performance information based on such valuations will accurately reflect the realization value of such investments. The value of real estate may be materially affected by a number of factors including, without limitation, its location and the degree of competition from other real estate owners in its immediate vicinity, the financial condition of occupational tenants of a property and physical matters arising from the state of repair and condition of the property.

### Real Estate Loans

In limited cases, the Funds may invest in debt obligations secured by real property where the ultimate business objective is to acquire the underlying real property or a controlling interest therein. The foreclosure process can be lengthy and expensive. Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the holder of a real estate loan, including lender liability claims and defenses, even when such assertions may have no basis in fact, in an effort to prolong the foreclosure process. In some jurisdictions, foreclosure actions can take several years or more to conclude, and borrowers

may file for bankruptcy protection at any time, staying the foreclosure action and further delaying the foreclosure process. Foreclosure litigation tends to create a negative public image of the underlying collateral and may disrupt ongoing leasing and management of the underlying collateral. Moreover, borrowers may claim that the lender interfered with the borrower's business, acted in bad faith in exercising its rights with respect to a borrower's property or otherwise acted in a manner giving rise to a claim for lender liability. As a lender, the Funds may also be required to obtain licenses in certain jurisdictions and may be subject to penalties in the event that such lending activities violate certain regulations or laws.

### Market Conditions

The real estate industry generally and the success of the Funds' investment activities in particular will be affected by general economic and market conditions. These factors may affect the value and the liquidity of the Fund's investments, which could adversely affect the Fund's overall returns and result in losses with respect to such investments. Continued periods of negative economic growth in the U.S. economy (or any particular segment thereof) could have a pronounced impact on the Funds and adversely affect the Funds' profitability and otherwise impair the Funds' ability to effectively deploy its capital or achieve attractive risk-adjusted returns.

### Third Party Joint Venture Partners

With respect to Fund IX, the general partner intends to close each acquisition of an investment for the Fund with a JV Partner. Many variables exist regarding the ability to consummate a transaction with a JV Partner, including a JV Partner's perceived undercapitalization of the general partner's sharing percentage of an investment. As a result, the Fund may experience higher than average broken deal costs associated with the inability to identify and close on an asset with a JV Partner. Further, partnership terms required by the JV Partner may impact the ability to monetize the investment. JV Partners may require control or co-control over the financing, refinancing and sale of an investment. Additionally, investments undertaken with a JV Partner may involve risks not present in investments where a third party is not involved, including the possibility that: (i) the Fund and such JV Partner may reach an impasse on a major decision that requires the approval of both parties; (ii) the JV Partner may at any time have economic or business interests or goals that are inconsistent with those of the Fund; (iii) the JV Partner may default on its obligations, encounter liquidity or insolvency issues or may become bankrupt; (iv) the JV Partner may be in a position to take action contrary to the Fund's investment objectives; (v) the JV Partner may take actions that subject the property to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances the Fund may be liable for actions of its JV Partners.

The JV Partner may also be entitled to receive payments from, or allocations or performance-based compensation in respect of, the Fund as well as such investments, and in such circumstances, any such amounts may be treated as a Fund expense and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by Sponsor, be deemed paid to or received by Sponsor. Moreover, the Manager may receive fees associated with capital invested by a JV Partner relating to investments in which the Fund participates. In addition, the Fund may invest with JV Partners whose ability to influence the affairs of the companies in which the Fund invests may be significant, and even greater than that of the Fund and as such, the Fund may be required to rely upon the abilities and management expertise of such JV Partner. It may also be more difficult for the Fund to sell its interest in any joint venture than to sell its interest in other types of investments (and any such investment may be subject to a buy-sell right). The Fund may grant JV Partners approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks or unanticipated exits from an investment. A deadlock could delay the execution of the business plan for the investment or require the Fund to engage in a buy-sell of the joint venture with the JV Partner or conduct the forced sale of such

investment or require alternative dispute resolution in order to resolve such deadlock. As a result of these risks, the Fund may be unable to fully realize its expected return on any such investment.

#### Asset Management Fee Repayment

In Fund IX, when the general partner, on behalf of the Fund, purchases an investment and consummates the acquisition with a JV Partner, the JV Partner may pay fees to the general partner in connection with the asset. When the general partner receives certain fees from the JV Partner, the general partner will begin to repay the AMF Advances that investors made to the Fund. If the general partner is unable to acquire investments that JV Partners are willing to invest in, the general partner may be unable to repay the AMF Advances to the investors.

#### Force Majeure

The Funds' activities, as well as investments, could be affected by force majeure events (i.e., unforeseen consequences beyond the Adviser's control). Certain force majeure events (such as war, escalation of war, or an outbreak of an infectious disease) could have a broader negative impact on the world economy and business activity in general. Force majeure events include, but are not limited to: acts of God, war, escalation of war, riots, fire, flood, hurricane, earthquake, explosion, outbreaks of an infectious disease, pandemic or any other serious public health concern, act or threat of terrorism, labor strikes, theft, cyber-attacks, malicious damage, electricity line rupture, energy blackouts, failure of technology, social instability, etcetera).

**IT IS CRITICAL THAT INVESTORS REFER TO THE APPLICABLE FUND DOCUMENTS FOR A COMPLETE UNDERSTANDING OF THE MATERIAL RISKS INVOLVED IN AN INVESTMENT IN THE FUNDS, INCLUDING THE RISK OF FINANCIAL LOSS. THE INFORMATION CONTAINED HEREIN IS A SUMMARY ONLY AND IS QUALIFIED IN ITS ENTIRETY BY SUCH DOCUMENT.**

## **ITEM 9 –DISCIPLINARY INFORMATION**

The Adviser has no legal or disciplinary information to disclose at this time.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

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

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

The Adviser serves as investment adviser to the Funds. Affiliates of the Adviser also invest directly in the Funds and employees of the Adviser or its affiliates also invest indirectly in the Funds (through an affiliate).

The Adviser manages the potential conflicts associated with directing business and compensation to VPS and MHH, as affiliates of the Adviser, by providing clients and investors with disclosure of the terms and limitations on which the Adviser or its affiliate can enter into arrangements with VPS and MHH in the Fund Documents. In addition, the Adviser and its Access Persons (as defined in item 11.A. below) acknowledge that they have read and understand the Adviser's Code of Ethics, which requires the Adviser and its Access Persons to place the interests of clients and investors above their own interests and the interests of the Adviser and its affiliates.

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

The Adviser's Code of Ethics (the "Code") is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the "Advisers Act"). The Code applies to the Adviser's "Access Persons." Access Persons include, generally, any partner, officer or director of the Adviser and any employee or other supervised person of the Adviser (or an affiliate) who, in relation to clients, (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings, or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All employees of the Adviser and certain employees of affiliates of the Adviser are deemed to be Access Persons.

The Code sets forth a standard of business conduct that takes into account the Adviser's status as a fiduciary and requires Access Persons to place the interests of clients and investors above their own interests and the interests of the Adviser and its affiliates. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of the Adviser's Chief Compliance Officer (the "Chief Compliance Officer"). All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on at least an annual basis thereafter.

The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide the Adviser's Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, the Adviser's Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Advisers Act Rule 204A-1.

In addition, the Code seeks to ensure the protection of non-public information about the activities of clients. Clients, investors or prospects may obtain a copy of the Code by contacting the Chief Compliance Officer at [trevor.crandall@millerglobal.com](mailto:trevor.crandall@millerglobal.com).

As explained in Item 10 above, the Adviser serves as investment adviser to clients. The Adviser, its affiliates and certain Access Persons recommend interests in the Funds to prospective investors.

The Adviser, its affiliates, certain Access Persons and their families invest indirectly in the Funds (through an affiliate and in Fund VIII, certain Access Persons and their families may invest through the Employee Fund).

The fact that the Adviser, its affiliates, Access Persons and their families may each have a financial ownership interests in the Funds creates a potential conflict in that it could cause the Adviser and its affiliates to make different investment decisions than if such parties did not have such financial ownership interests. Such potential conflicts are addressed by the personal securities transaction pre-clearance and holding requirements described in this Item 11.

The Adviser addresses these potential conflicts through regular monitoring of the Funds' portfolio and investments for consistency with the Funds' objectives, strategies, and target capacity. Further, the Adviser and its affiliates carefully consider the risks involved in any investments and provide extensive disclosure to clients regarding the potential risks that come with an investment in the Funds. The Code requires Access Persons to place the interests of the Funds and investors over their own or those of the Adviser, its affiliates and all Access Persons are required to acknowledge their receipt and understanding of the Code.

Further, the Adviser (or its affiliate) receives management and performance-based compensation. The Management Fees are payable without regard to the overall success or income earned by the Funds and, therefore, may create an incentive on the part of the Adviser to hold assets longer than would be the case if the Adviser was receiving a lower or no Management Fee. Performance-based fees may create an incentive

for the Manager to make Investments that are riskier or more speculative than in the absence of such performance-based fee.

The Adviser's investment program does not generally involve investments in publicly traded securities.

Access Persons are permitted to make securities transactions in their personal accounts. This presents potential conflicts in that an Access Person could make improper use of information regarding the Funds' holdings or future transactions or research paid for by the Funds. The Adviser manages the potential conflicts of interest inherent in an Access Person's personal trading by rigorous enforcement of its Code, which contains strict pre-clearance and reporting guidelines for Access Persons. The Adviser requires that Access Persons' transactions in limited offerings and initial public offerings be pre-cleared with the Chief Compliance Officer.

The Adviser maintains a "Restricted List" with the names of issuers of securities about which the Adviser (or its Access Persons) has learned material, non-public information. Access Persons are strictly prohibited from trading securities on the Restricted List (or any other securities to which the material, non-public information relates).

In addition, the Adviser receives transaction and holdings reports in accordance with Advisers Act Rule 204A-1. The Chief Compliance Officer or his designee also reviews Access Persons' personal transaction and holdings reports to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code.

## **ITEM 12 – BROKERAGE PRACTICES**

As described in Item 4, above, the Adviser is the investment adviser to private real estate funds that invest in real estate assets. Due to the nature of the Funds' investment programs, the Adviser and its affiliates do not select or recommend broker-dealers for Fund transactions.

The Adviser does not utilize "soft dollars."

The Adviser recognizes that, as a fiduciary, it has a duty to allocate investment opportunities among its private funds in a fair and equitable manner. It should be noted that, generally, the Adviser is restricted to raising and investing only one fund at a time. However, from time to time certain funds may have overlapping investment programs. If the Adviser determines that it would be appropriate for more than one fund to participate in an investment opportunity, the Adviser will seek to allocate the investment opportunity to all of the participating funds on a fair and equitable basis. The Adviser, or its affiliate consider many factors in allocating investments between Funds, which include, but are not limited to available capital, requirements of the Fund Documents and lender financing requirements for an investment.

### **ITEM 13 – REVIEW OF ACCOUNTS**

The Funds' Investments are reviewed by the investment committee on a monthly basis.

Generally, investors will receive unaudited reports at least quarterly. In addition, investors will receive annual audited financial statements within 120 days of the end of the relevant Fund's fiscal year (i.e., generally by April 30). The Adviser will also hold annual meetings to provide investors with the opportunity to review and discuss with the Adviser (and its affiliates) the Funds' investment activities and portfolio.

#### **ITEM 14 – CLIENT REFERRALS AND COMPENSATION**

While not a client solicitation arrangement, the Adviser (or an affiliate thereof) may from time to time engage one or more persons to act as a placement agent for a Fund in connection with the offer and sale of interests in the Fund to certain potential investors. Subject to the terms set forth in the placement agent agreement between such a placement agent and the Adviser (or an affiliate thereof) in relation to one or more Funds, the placement agent will generally receive a fee in an amount equal to a percentage of the capital commitments to the applicable Fund(s) made by the investors referenced above. Subject to the terms of the applicable Fund's governing documents, management fees received by the Adviser (or an affiliate thereof) in relation to a Fund that pays any such placement agent fees will typically be reduced in whole or in part by the amount of such placement agent fees. An affiliate of the Adviser retained the services of Triton Pacific Capital as a placement agent for Miller Global Fund VIII, L.P.

## **ITEM 15 – CUSTODY**

The Adviser is deemed to have custody of the Funds' assets pursuant to Advisers Act Rule 206(4)-2. To ensure compliance with Rule 206(4)-2 under the Advisers Act, the Adviser provides audited financial statements to investors within 120 days after the end of the relevant Funds' fiscal year (i.e., generally by April 30).

As the Adviser's investment program exclusively involves investments in real estate assets, the Adviser generally will be exempt from the requirement to maintain with a qualified custodian certain "privately offered securities," defined in paragraph (b)(2) of the Custody Rule as securities that are (i) acquired from the issuer in a transaction or chain of transactions not involving any public offering; (ii) uncertificated to the extent ownership thereof is recorded only on the books of the issuer or its transfer agent in the name of the client; and (iii) transferable only with prior consent of the issuer or holders of the outstanding securities of the issuer. Partnership agreements, subscription agreements, and LLC agreements are not considered "certificates" for these purposes and the securities represented by these documents are "privately offered securities" provided they meet the other elements of paragraph (b)(2) of the Custody Rule (as set forth above).

To the extent that the Adviser's investments in real estate assets involve securities that are certificated and are not exempt pursuant to the Custody Rule and additional SEC guidance, the Adviser will maintain such certificates with a qualified custodian.

## **ITEM 16 – INVESTMENT DISCRETION**

The Adviser has discretionary authority to manage securities accounts on behalf of the Funds subject to guidelines in the Fund Documents. The Adviser is authorized to make transaction recommendations for the Funds. Investors do not have the ability to impose limitations on the discretionary authority of the Adviser. Further, investors must execute a limited partnership agreement, or limited liability company agreement each as applicable depending on the Fund, that contains a power of attorney.

## **ITEM 17 – VOTING CLIENT SECURITIES**

Based upon the Adviser's investment strategy and business as a private equity manager (and lack of involvement in publicly-traded equities) it does not vote proxies. If in the future it is contemplated that the Adviser may exercise voting authority with respect to any client securities, the Adviser will adopt proxy policies and procedures that are consistent with Rule 206(4)-6.

## **ITEM 18 – FINANCIAL INFORMATION**

Not applicable to the Adviser.