

Rose Smart Growth Investment Advisors, LLC

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Rose Smart Growth Investment Advisors, LLC (“RSGIA”). If you have any questions about the contents of the Brochure, please contact us at (917) 542-3600. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Please note that registration as an investment adviser with the SEC does not imply any level of skill, training or ability with respect to the provision of investment advisory services.

Additional information about Rose Smart Growth Investment Advisors, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

The last update to RSGIA's Brochure was on March 26, 2020. Since that annual amendment, Item 8 has been updated to include certain additional risk factor disclosures, and Item 10 has been updated to include additional disclosure related to financial industry affiliations.

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Item 4: Advisory Business

Rose Smart Growth Investment Advisors, LLC (“RSGIA” or “we”) was established on June 1, 2005. RSGIA is an affiliate of Rose Companies Holdings LLC (“Rose Companies”), a Delaware limited liability company, and is majority owned by Jonathan F.P. Rose, along with four additional partners: Michael Arman, Nathan Taft, Caroline Vary, and Christopher Edwards. RSGIA was known formerly known as Rose Smart Growth Management I, L.L.C.

We are an investment advisor engaging in two lines of business: (i) we act as contractual manager to pooled investment vehicles, such as limited partnerships, limited liability companies and real estate investment trusts or REITs (such vehicles, “Funds”); and (ii) may from time to time act as contractual manager to separately managed accounts for certain institutional clients (“Accounts” and together with the Funds, “Clients”). Affiliates of RSGIA generally act as the general partner/managing member of Funds or investment advisor to Accounts. RSGIA’s Funds and Accounts invest in portfolios comprised principally of multifamily and office properties throughout the United States.

Investment opportunities are offered privately to institutional, high-net-worth, and foreign investors. Each investor in an RSGIA Fund is required to be an accredited investor pursuant to Regulation D under the Securities Act of 1933, as amended (the “Securities Act”). In addition, RSGIA pooled investment vehicles qualify under Section 3(c)(1), Section 3(c)(5), or Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “Investment Company Act”).

RSGIA offers a full range of real estate investment advisory services, including, but not limited to, acquisitions, financing, asset management, greening and dispositions. We tailor our advisory services to the specific investment objectives and restrictions of each Fund or Account as set forth in the related governing documents. RSGIA’s advice is limited to U.S. real estate investments.

All investors should refer to the relevant Fund or Account offering documents in conjunction with this brochure for complete information on investment objectives, fees, strategies, and restrictions. There is no assurance that Funds or Accounts will meet their performance objectives.

As of December 31, 2020, RSGIA managed approximately \$1,714,157,156 of assets, all on a discretionary basis.

Item 5: Fees and Compensation

RSGIA is compensated for its advisory services through a management fee, which is generally calculated as a percentage of capital committed in the investment period and as a percentage of capital invested after the investment period. The precise calculation of the management fee may vary by Fund. An acquisition fee and a disposition/refinancing fee may be charged upon the acquisition or disposition of an asset, respectively, depending on vehicle structure and market conditions. Construction oversight and or property management fees may also be charged at the asset level for certain Funds. Investors and prospective investors should refer to applicable governing documents for more complete information on fees charged by RSGIA. Though fees and

payment methods vary by vehicle, management fees generally are charged in advance, on a quarterly basis. Depending on the governing documents and investment vehicle, fees may be deducted from a Fund's assets or billed directly to the investor. If an advisory contract is terminated, a pro rata portion of any management fee will be refunded to the applicable investor. Any acquisition and disposition fees are collected at the time of the transaction.

RSGIA affiliates also earn a performance-based fee (for more information on performance-based fees, see Item 6). Generally, both advisory fees and performance-based fees are non-negotiable. However, the general partner of a Fund generally may enter into side letters or other similar agreements with certain investors in connection with their admission to such Fund without the approval of any other investor that may alter and/or supplement the terms of the Fund's governing documents in a manner that makes the terms applicable to such investors more favorable than those applicable to other investors.

Each Fund or Account will bear expenses related to its organization and operations, including brokerage commissions, development fees, property management fees, appraisal fees, audit fees, custodial fees (if applicable), broken deal expenses and other related service provider costs.

Specifically, expenses borne by the Funds vary by vehicle but may include, without limitation:

- (i) costs and expenses incurred in connection with the acquisition, valuation, or disposition of investments, including expenses paid by the Fund with respect to potential investments that are not consummated, sales commissions, due diligence, appraisal fees, taxes, brokerage fees, travel expenses, and legal, accounting, consulting, information services, and professional fees;
- (ii) costs and expenses incurred in connection with the operation, ownership, development, holding and management of each investment (to the extent the same are not the responsibility of the respective property manager or development manager), including the cost of capital improvements, property insurance premiums, operating deficits, leasing costs, real estate and other taxes, and ground rents;
- (iii) any nominal custodial, trustee, record keeping and other administration fees with respect to investments, including costs and expenses of delivering communications by personal delivery, overnight delivery or registered mail;
- (iv) any and all expenses incurred in connection with the Fund's annual audited financial statements and tax returns;
- (v) legal, accounting, auditing, consulting, appraisal, financing, filing expenses;
- (vi) taxes and other governmental charges that may be incurred or payable by the Fund;
- (vii) insurance premiums or expenses incurred by the Fund in connection with the activities of the Fund, including errors, omissions, fidelity, general partner liability, directors' and officers' liability;
- (viii) expenses incurred to comply with any law or regulation related to the activities of the Fund or incurred in connection with any litigation or governmental inquiry, investigation or proceeding involving the Fund;
- (ix) expenses incurred in connection with the dissolution, winding up or termination of the Fund;
- (x) expenses related to defaults by a limited partner in the payment of any capital contributions;

- (xi) out-of-pocket expenses for transactions that are not consummated;
- (xii) expenses incurred in connection with any amendments, modifications, revisions or restatements to the constituent documents of the Fund or any subsidiary;
- (xiii) expenses incurred in connection with distributions to the Partners;
- (xiv) any appraisal expenses incurred by the Fund;
- (xv) any and all expenses related to the Fund's indemnification obligations;
- (xvi) project management fees, property management fees, leasing or sales brokerage fees, and graphic and web design fees, to the extent permitted hereby;
- (xvii) any expenses of the Advisory Committee, including reasonable out-of-pocket travel expenses incurred by Advisory Committee members to attend Advisory Committee meetings;
- (xviii) expenses incurred in connection with the preparation of or holding an annual meeting of the limited partners (including any services, reasonable entertainment, or food provided thereat).

This list of fees and/or expenses that the Funds may incur or pay directly to third parties is not intended to be exhaustive; existing investors in the Funds are advised to review the applicable Fund's offering materials for a more extensive description of the fees and expenses associated with an investment in such Fund.

Please refer to Item 12 for additional information regarding the use of service providers for Client transactions and to Item 10 regarding our use of affiliated entities for these functions.

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

Each affiliate of RSGIA that serves as a general partner/managing member of a Fund or as investment member of an Account is entitled to receive performance-based compensation in the form of carried interest. Carried interest is calculated as a percentage of net proceeds (attributable to the sale or refinancing of assets) and operating distributions. In structuring carried interest, RSGIA complies with Section 205(a)(1) and Section 205-3 of the Investment Advisors Act of 1940.

The existence of performance-based compensation may create an incentive for RSGIA or affiliates to make more speculative investments on behalf of a Client than they otherwise might make in the absence of such compensation. Similarly, carried interest may incentivize RSGIA or affiliates to make decisions regarding the timing or structure of investment realizations that may not be in the best interest of investors.

Fee arrangements may differ among Clients. These different fee arrangements may create an incentive for RSGIA or affiliates to favor higher fee-paying Clients when allocating investment opportunities. RSGIA policies prohibit it from allocating investment opportunities that favor any particular Client, group of Clients or affiliated and proprietary accounts.

RSGIA seeks to allocate transactions among Clients equitably. In general, RSGIA may not provide advisory services, or allocate investments, to a new Client until the capital of existing Clients with

similar investment objectives has been substantially invested. If an investment opportunity meets the objectives of multiple Clients, RSGIA seeks to allocate the investment to the Client which it believes is best suited for the investment based on secondary factors such as a Client's available capital or portfolio diversity.

Item 7: Types of Clients

RSGIA provides investment advice to pooled funds, including limited partnerships, limited liability companies, and side-car/co-investment vehicles. Investment opportunities are offered privately to institutional, high-net-worth, and foreign investors. Each investor in an RSGIA Fund is required to be an accredited investor pursuant to Regulation D under the Securities Act. In addition, RSGIA pooled investment vehicles qualify under Section 3(c)(1), Section 3(c)(5), Section 3(c)(7) or other applicable sections of the Investment Company Act.

Unless stated otherwise in the offering documents, RSGIA Funds generally have a minimum investment amount of \$1 million, though the general partner of a Fund may accept lower amounts at its discretion.

RSGIA also may establish a separately managed account for certain institutional investors that may not be able to invest in a pooled fund. Separately managed accounts may be structured as limited liability companies.

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

RSGIA invests in real estate assets and portfolios in major U.S. cities. Investments generally seek to provide stable cash-on-cash yields and core returns through the acquisition of multifamily (primarily affordable and mixed-income housing) assets.

RSGIA strategies typically do not incorporate opportunistic investments. Along these lines, our strategies limit their allocations to new construction and are geared to longer hold periods, usually ranging from 7-10 years.

RSGIA strategies also follow a "top-down" approach that focuses on acquiring assets in high-demand, high-barrier-to-entry markets. We invest in "smart growth" locations with easy access to transit, employment, housing, services, amenities and open space. It is our thesis and experience that smart growth locations can mitigate market and leasing risks.

While exact terms vary by vehicle, RSGIA seeks to structure its investment strategies to align investor and sponsor interests, mitigate downside, and create diversification. Investors should refer to offering documents for a more complete description of a vehicle's strategy, terms, considerations, and restrictions.

Methods of Analysis

RSGIA seeks to invest only in opportunities where it can execute business plans and mitigate risk through proper financial, management, and capital structures. Throughout the due diligence, underwriting and capital planning processes, we leverage the network and experience of our affiliate, Rose Companies, in real estate investment and development that has on-the-ground teams in New York, Connecticut, Colorado, Ohio, and California.

RSGIA employs a comprehensive review of asset operating fundamentals, physical characteristics, legal and regulatory aspects, and exit opportunities to arrive at appropriate valuations. We believe it is essential to lock-in value by acquiring assets at the “right” price and seek to build disciplined income and expense projections through tenant-by-tenant, unit-by-unit analyses. Assumptions are based on market knowledge, ongoing research and reviews of comparable properties. We generally do not include significant anticipated savings in utility costs from energy retrofits in our acquisition valuations.

RSGIA utilizes an interdisciplinary team of experts, including architects, general contractors, mechanical, electrical and plumbing engineers and structural engineers, to review a property’s condition and prepare a due diligence report that informs the investment decision and lays the foundation for capital investments post-closing. This integrated approach to due diligence, with a look ahead to opportunities for liquidity, is intended to enable RSGIA to understand the needs of specific assets in depth, formulate tailored capital investment strategies, and execute asset-level business plans designed to maximize investors’ return on investment.

RSGIA generally manages discretionary Funds and Accounts. Investment decisions are overseen by an Investment Committee comprised of senior management. The Investment Committee reviews potential acquisitions through an on-going and dynamic process with multiple sign-off points. Investments are considered not only for their individual economic, social and environmental benefits but also in context of a vehicle’s overall portfolio risk/return profile and allocation. In general, no more than 20% of aggregate capital commitments can be invested in a single asset.

Risk of Loss

Real property investments are subject to various risks, many of which are unique to the asset class. The following section discusses pertinent risks that investors should consider prior to investing with RSGIA. ***The risks described below should not be considered an exhaustive list of all potential risks. Investors should review offering documents carefully for a more detailed discussion of these and other considerations. There is no guarantee that investments will perform as described within the offering documents.***

General Risks of Real Estate Ownership: Real estate investments are subject to risks generally incident to ownership of real property. Real estate values can be affected by a number of factors, including, but not limited to, uncertainty of cash flow; adverse changes in local market conditions or general economic conditions; competition from other properties; changes in interest rates, real estate tax rates, and/or fiscal policies; environmental risks; uninsured losses; eminent domain; and

other factors outside the control of RSGIA, its affiliates and investors.

Risks Associated with Property Acquisitions: RSGIA primarily invests through the acquisition of real estate properties. Real estate acquisitions are subject to liabilities such as state of title, environmental conditions, physical conditions, and compliance with zoning laws, building codes or other legal requirements.

Competitive Market for Investment Opportunities: RSGIA competes for investment opportunities with other real estate investors. As a result, RSGIA may be unable to complete and exit a sufficient number of attractive investment opportunities to meet a Fund's or Account's return, investment, and diversification objectives.

Development Risk: RSGIA generally limits the percentage of capital commitments from any one vehicle that may be allocated to new construction. However, we may make investments that involve new construction from time to time if these opportunities meet the targeted investment criteria of our Funds or Accounts. Real estate development involves the risk that construction may not be completed within budget or on schedule due to work stoppages, shortages of building materials, the inability of contractors to perform their obligations, and other factors outside the control of RSGIA or its affiliates. Any delay in project completion may result in increased interest and construction costs, the potential loss of tenants, and the possibility of financing defaults.

Regulatory Risk: RSGIA investment strategies use various forms of financing and rent subsidies that are dependent upon federal, state or local appropriations. We can provide no assurance these financing/subsidy sources will continue to be available, that such sources will continue to be available in their present form, or that regulatory changes/amendments to relevant regulations and allocations will not negatively affect the availability of such financing/subsidies.

Liquidity Risk: Investments in real estate are highly illiquid and subject to industry cycles, downturns in demand, oversupply of competitive properties, market disruptions and the lack of available capital from potential lenders or investors. Accordingly, there can be no assurance that RSGIA or its affiliates will be able to finance, refinance or dispose of portfolio properties in a timely manner and/or on favorable terms.

Leverage Risk: RSGIA Funds and Accounts typically leverage their investments. Although the use of leverage can enhance returns, there can be no assurance that investments will be able to meet their associated debt service obligations. To the extent that investments cannot, returns to investors could be reduced and/or capital could be lost.

No Market for Security Interests: RSGIA investors typically invest through privately offered Funds and Accounts that are not registered under the Securities Act. There is no public market for interests in RSGIA Funds or Accounts and none is expected to develop. Investors may not be able to transfer or encumber interests. Investors also may not be able to withdraw contributions or commitments. Investors should consider an investment in an RSGIA Fund or Account to be a long-term, illiquid investment.

Not a Diverse Portfolio of Investments: There is no assurance as to the degree of diversification that will be achieved in a Fund's investments, either by geographic region or asset type. A Fund

may invest in a limited number of very large investments, and as a consequence, the aggregate returns realized by such Fund may be adversely affected by the performance of a small number of such assets.

Tax Credit Transactions with Related Partners: A conflict may arise where a Fund sells one or more properties into a bond/tax credit structure (each, a “Tax Credit Transaction”). In a typical Tax Credit Transaction, state housing authorities and other agencies issue tax exempt bonds and an allocation of federal Low-Income Housing Tax Credits (“LIHTC”), which pay for substantial improvements to the properties. At the closing of the bonds, the properties must be sold to a new entity. The general partner or managing member of the acquiring entity may be a person or entity related to the general partner and/or its affiliates. While any property sold into a Tax Credit Transaction will be appraised for fair market value at the date of sale, the general partner and/or its affiliates may enjoy future economic benefits from such properties in which investors of a particular Fund will not participate. This may give the general partner and/or its affiliates certain incentives to participate in Tax Credit Transactions that conflict with the interests of the investors of the Fund.

Co-Investments: In limited circumstances, the Funds may co-invest with third parties through joint ventures or other structures. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a co-venture or partner of a particular Fund may at any time have economic or business interest or goals which are inconsistent with those of the Fund, or may be in a position to take actions contrary to the Fund’s investment objectives. In addition, such investments may involve risks not otherwise with other methods or investment in real estate. As a result, the Fund may be unable to fully realize its expected return on any such investment. In addition, in certain circumstances a Fund may be liable for actions of its co-ventures.

Properties that have Significant Vacancies: A property may incur vacancies either by the continued default of residents under the leases or the expiration of resident leases. If vacancies continue for a long period of time, the Fund may suffer reduced revenues resulting in less cash available to distribute to investors. In addition, because properties’ market values depend principally upon the value of the properties’ leases, the resale value of properties with high or prolonged vacancies or with residents suffering economically could suffer, which could further reduce an investor’s return.

Lease Terminations and Resident Defaults: The success of the Funds’ investments will materially depend on the financial stability of its residents. A default by a significant number of residents on their lease payments would cause a Fund to lose the revenue associated with such leases and require the Fund to find an alternative source of revenue to meet mortgage payments and to prevent foreclosure if the property is subject to a mortgage. Such situations, given the current state of the economy, may be more common than in the recent past, and the general partner may fail to, or may not be able to, discover factors that would indicate a heightened level of uncertainty with respect to resident defaults when performing due diligence on prospective investments. Resident defaults thus increase the risk that the Funds, and hence the investors, could suffer a loss.

Redevelopment and Attendant Costs and Risks: Proceeds from the offering of securities in a Fund may be used to acquire investments relating thereto. Redevelopment projects are subject to more numerous risks, including the possibility of incurring development costs and deal expenses in connection with investments that are not pursued to completion. Such investments are also subject

to construction delays; cost overruns or force majeure that may increase project costs; commencement risks, such as the receipt of zoning, occupancy and other required governmental approvals and permits; environmental concerns of governmental entities and/or community groups; and the contractor's ability to build or redevelop in conformity with plans, specifications, budgeted costs and timetables.

Mortgage and other Indebtedness: Subject to the percentage limitation on the aggregate debt of the Funds, the Funds will employ leverage and may enter into hedging agreements related to their debt in connection with its respective investments. Use of leverage will subject the investments to risks normally associated with debt financing, including the risk that indebtedness on investments will not be able to be refinanced or that terms of such refinancing will not be as favorable as the terms of the existing indebtedness.

Unavailability of Mortgage Financing: If mortgage debt is unavailable at what the general partner deems to be reasonable interest rates, the Funds may not be able to finance the purchase of investments. If a Fund places mortgage debt on investments, the Fund runs the risk of being unable to refinance such borrowings when they become due, or of being unable to refinance such loans on favorable terms. If interest rates are higher when a Fund refinances investments, the Fund's income and cash flows could be reduced. This, in turn, would reduce cash available for distributions to investors.

Changes in Tax Law; Regulatory Risk: The real estate industry and real estate investments are subject to comprehensive federal, state and local laws and regulations. Present, as well as future, statutes and regulations could cause additional expenditures, decreased revenues, restrictions and delays that could materially and adversely affect the real estate investments and the prospects of the Funds. This is particularly relevant with respect to tax and regulatory law, where amendments or modifications to applicable laws could alter an expected outcome or introduce greater uncertainty regarding the likely outcome of an investment. In order to comply with the relevant laws, rules and regulations, the Funds may be required to invest in a manner that may not be as advantageous as the manner of making investments that are not subject to such laws, rules and regulations.

REIT Annual Distribution Requirements: A REIT is generally allowed to deduct dividends paid to shareholders in calculating its taxable income. In addition, in order to qualify as a REIT, a REIT subsidiary ("REIT Subsidiary") generally must distribute dividends (other than capital gain dividends) to its stockholders in an annual amount at least equal to (i) the sum of (A) 90% of its "REIT taxable income" (determined without regard to the dividends paid deduction and by excluding any net capital gain) and (B) 90% of the net income (after tax), if any, from foreclosure property, minus (ii) the sum of certain items of non-cash income. The Funds intend to cause any REIT Subsidiary to make actual distributions or cashless "consent dividends" as necessary to avoid material U.S. federal income tax and to comply with the REIT requirements. To the extent that a REIT Subsidiary does not distribute all of its net capital gain and REIT taxable income, it generally will be subject to tax on the undistributed amount at corporate capital gains and ordinary tax rates, respectively, and an additional 4% excise tax on certain undistributed amounts.

Operational and Management Risk: This risk is the prospect of loss resulting from inadequate or failed procedures, systems or policies and may include, among others, employee errors, systems

failures, criminal activity, cyber-breaches or any event that disrupts business processes. Additionally, it is possible that the investment strategies and techniques used by RSGIA will not produce the intended results. RSGIA will apply its investment techniques and risk analyses in making investment decisions, but there is no guarantee that a Client's investment objective or return expectations will be achieved.

Epidemic or Pandemic Considerations: As of the date of this Brochure, the Coronavirus (or "COVID-19") is an ongoing international epidemic. This, or some future epidemic or pandemic, may have a negative impact on economic fundamentals including disruption of global supply chains, consumer confidence, tourism and/or the performance of essential government services. There is a risk that an investment could be, directly or indirectly, affected by one or more outbreaks of disease and its subsequent negative impact. Specifically, the effects of a pandemic such as COVID-19 may materially and adversely impact the value and performance of any of RSGIA's Clients and their investment objectives.

Remote Employees: RSGIA permits its employees and certain personnel to work remotely from home. As of the date of this Brochure, a substantial number of RSGIA's employees and personnel are working remotely as a result of the COVID-19 pandemic. In order for remote work to be successful, RSGIA's technologies and other operational infrastructures must function properly. Any failure in the proper functioning of such technologies or other operational infrastructures could disrupt the ability of RSGIA employees and personnel to adequately carry out their functions, which could adversely affect the Clients.

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

Item 9: Disciplinary Information

RSGIA, its employees and its affiliates have no disciplinary or legal events to disclose that are material to an investor's or prospective investor's evaluation of RSGIA's advisory business or integrity of management.

Item 10: Other Financial Activities and Affiliations

RSGIA is an affiliate of Rose Companies, a Delaware limited liability company, and is majority owned by Jonathan F.P. Rose, along with four additional partners: Michael Arman, Nathan Taft, Caroline Vary, and Christopher Edwards. Rose Companies is a national real estate firm with four integrated business lines: investment management, development, property management, and an Federal Housing Administration ("FHA") lending platform. Through Rose Companies affiliates,

RSGIA has an affiliated title insurance company, Mission Title Agency, LLC. Rose Companies affiliates at times provide RSGIA Funds or Accounts with services such as fee development, construction management, loan origination, property management and leasing, sales brokerage, title insurance services, graphic design and web design. RSGIA's affiliation with Rose Companies provides a benefit to investors, but also inherently creates the potential for conflicts of interests. Specifically, RSGIA faces a conflict of interest in retaining these affiliated entities to perform services for Clients because RSGIA stands to benefit from any profits earned by such affiliates.

RSGIA seeks to deal with affiliates at an "arm length's basis" and has implemented procedures to help mitigate the potential conflicts of interests that may arise from the use of affiliates. RSGIA generally only may employ affiliates for services if a Fund or Account otherwise would have engaged a third-party for that service. Similarly, RSGIA may only employ and compensate affiliates for services if the fees paid to the affiliate and the terms of the service agreement with the affiliate are market-rate. Furthermore, such service agreements are negotiated at arms' length. Certain affiliate transactions require the consent of Client advisory boards, and the use of affiliated service providers generally requires the approval of and/or disclosure to the relevant Client advisory board(s).

Neither RSGIA nor any of its management persons is registered as a broker-dealer or as a registered representative of a broker-dealer. In addition, RSGIA and its management persons are not affiliated with any broker-dealer, bank or other financial services firm.

Neither RSGIA nor any of its management persons is registered as futures commission merchant, commodity pool operator or commodity trading advisor.

RSGIA and its related persons are, directly or indirectly, the general partner, investment adviser, and/or managing members/general partners of the general partner of each of the RSGIA Funds. In addition, RSGIA related persons invest as limited partners in the RSGIA Funds. RSGIA and its related persons may spend substantially all of their business time on one or more of the Funds or Accounts as required by the Fund's or Account's governing document. Investors should refer to the governing documents of each Fund or Account for more complete information on the requisite time commitments of RSGIA and its related persons.

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

RSGIA recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its investors; (ii) its long-term business interests are best served by adherence to the principle that interests of investors come first; and (iii) it has a fiduciary duty to investors to act in or not opposed to the best interests of the Funds. All RSGIA personnel are required to act in accordance with the implied contractual covenants of good faith and fair dealings in respect of their dealings with investors. All RSGIA personnel must also comply with all federal securities laws.

RSGIA's Code of Ethics (the "Code") governs a number of potential conflicts of interest that may

arise from RSGIA providing advisory services to investors in the Funds or Accounts it manages. This Code is designed to ensure that RSGIA meets its fiduciary obligation to RSGIA investors and to install a culture of compliance within RSGIA. An additional benefit of the Code is to detect and prevent violations of securities laws.

The Code is distributed to each employee at the time of hire and annually thereafter, and it is available on the Rose Companies intranet website. RSGIA also supplements the Code with ongoing monitoring of employee activity.

The Code includes the following:

- Requirements related to confidentiality;
- Limitations on, and reporting of, gifts and entertainment;
- Pre-clearance and reporting of political contributions;
- Pre-clearance and reporting of employee personal securities transactions;
- Pre-clearance and reporting of outside business activities; and

On an annual basis, RSGIA requires employees to certify that they are in compliance with the Code.

In certain situations, related persons of RSGIA may purchase interests in portfolio investments held by one or more RSGIA Funds or Accounts. Such purchases are subject to compliance with the Code.

In addition, RSGIA and/or members or employees of RSGIA who have “warehoused” investments on behalf of Funds or Accounts may, either directly or through one or more entities, sell securities in those investments to Funds or Accounts, provided that the sale is consistent with the relevant Clients’ governing documents and RSGIA’s fiduciary obligations to the Funds or Accounts. Such transactions will be disclosed fully in writing, and the written consent of the appropriate Fund or Account will be obtained prior to the consummation of any such transaction in accordance with Section 206(3) of the Advisers Act and all other applicable state and federal securities laws.

Moreover, from time to time, RSGIA may cause a Fund or Account to engage in “cross trades,” meaning one Fund or Account may sell or purchase a portfolio investment from another Fund or Account, provided that the sale/purchase is consistent with the relevant Clients’ governing documents and RSGIA’s fiduciary obligations to each Client.

RSGIA will provide a copy of its Code to any Client or prospective Client upon request.

Item 12: Brokerage Practices

RSGIA generally selects brokers used to effect real estate transactions. In selecting brokers, RSGIA considers a broker’s execution capabilities, reputation and access to real estate transaction markets. While RSGIA considers fees, RSGIA does not necessarily select the broker that offers the lowest commission.

The bank at which a Client's cash is held is determined at the beginning of each advisory relationship. In the event that a Client directs RSGIA to use a particular bank, RSGIA's ability to negotiate banking fees may be limited. Cash may be invested in products offered by the bank or may be held in checking accounts.

Item 13: Review of Accounts

RSGIA generally manages discretionary Funds and Accounts. Investment decisions are overseen by an Investment Committee comprised of senior management. The Investment Committee reviews potential acquisitions through an on-going and dynamic process with multiple sign-off points.

RSGIA generally provides written quarterly reports to investors. These reports may contain narrative market updates, project summaries and financial statements. Investors also receive annual, independently-audited financial statements for the Fund or Account in which they are invested.

Investors are requested to refer to the governing documents of each Fund or Account for further information as to reporting by RSGIA.

Item 14: Client Referrals and Other Compensation

RSGIA or its related persons may receive fees from portfolio investments in which one or more of the Funds and Accounts may invest or propose to invest. The potential for RSGIA and its related persons to receive such economic benefits creates a conflict of interest as RSGIA and its related persons may have an economic incentive to invest in portfolio investments that provide such benefits.

RSGIA and related persons of RSGIA may compensate unaffiliated placement agents or third-parties for introducing investors to a Fund or Account. Any associated compensation will be payable by RSGIA or its related persons, either directly or through an offset of the management fee payable by the relevant Fund to RSGIA. An investor will not be charged any additional amount or bear any additional charges as a result of an introduction through a placement agent or other unaffiliated third-party.

The receipt of compensation by a placement agent creates a potential conflict of interest and may affect the judgment of placement agents when making referrals to RSGIA and the Funds or Accounts.

RSGIA endeavors at all times to put the interests of the Funds and Accounts first as part of RSGIA's fiduciary duty.

Item 15: Custody

RSGIA has custody over assets of its Funds and Accounts. To the extent RSGIA Funds do not meet the exemption for certain privately offered securities, RSGIA will maintain the assets of each Fund with the qualified custodian. With the exception of certain of the Funds, the Funds are audited by an independent accounting firm no less than annually and the financial statements of such Funds are prepared according to U.S. generally accepted accounting principles (“GAAP”). To the extent RSGIA Funds and Accounts do not comply with the “audit provision,” RSGIA will satisfy the requirements of the Custody Rule by having such qualified custodian distribute quarterly (or more frequent) account statements to investors and engaging an independent public accountant to conduct an annual surprise examination. In the event that a qualified custodian sends quarterly (or more frequent) account statements to an investor, the investor should review those statements and compare them to any statements the investor has received from RSGIA.

Item 16: Investment Discretion

RSGIA Fund and Accounts are typically discretionary, meaning RSGIA has control of the Fund or Account and has all rights and powers necessary to carry out the vehicle’s investment, management, and disposition activities. This authority is assumed through a power of attorney or other provision within the offering documents or management agreement. The offering documents or management agreement also set forth any restrictions on this authority.

Item 17: Voting Client Securities

RSGIA’s Clients do not hold voting securities; investment decisions are overseen by an Investment Committee of senior management members. In the event that Clients hold voting securities, RSGIA would implement policies and procedures in the best interest of Clients and in a manner that addresses any potential conflicts of interest. Such policies and procedures would be made available to investors upon request by contacting RSGIA’s Chief Compliance Officer.

Item 18: Financial Information

RSGIA does not require or solicit prepayment of more than \$1,200 in fees per Client, six months or more in advance. RSGIA has never filed for bankruptcy and is financially capable of meeting all contractual and fiduciary commitments to its Clients.