



SouthOcean Capital Partners, LLC

401 E. Las Olas Blvd.
Suite 2220
Fort Lauderdale, FL 33301
954.331.0109

www.southoceancapital.com

Part 2A of Form ADV: Firm Brochure

March 31, 2021

This brochure provides information about the qualifications and business practices of SouthOcean Capital Partners, LLC ("SouthOcean"). If you have any questions about the contents of this brochure, please contact the Chief Compliance Officer at 724.935.6774 or lgiovannelli@hardincompliance.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about SouthOcean is also available on the SEC's website at www.adviserinfo.sec.gov.

Any reference to SouthOcean as a "registered investment adviser" or as being "registered" does not imply any level of skill or training.

This document is not an advertisement for the advisory services of SouthOcean, nor an offer to sell, or the solicitation of an offer to purchase interests in any private investment fund managed by SouthOcean.

Item 2: Material Changes

SouthOcean has updated this brochure on Form ADV Part 2A as of March 31, 2021 as part of its annual amendment process. The information in this annual update does not reflect any material changes to information contained in our most recently filed annual update to the brochure dated March 30, 2020.

Contents

Item 2: Material Changes.....	2
Item 4: Advisory Business	4
Item 5: Fees and Compensation.....	4
Item 6: Performance-Based Fees and Side-By-Side Management	6
Item 7: Types of Clients	7
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	7
Item 9: Disciplinary Information.....	11
Item 10: Other Financial Industry Activities and Affiliations.....	11
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	12
Item 12: Brokerage Practices	13
Item 13: Review of Accounts.....	14
Item 14: Client Referrals and Other Compensation.....	14
Item 15: Custody	14
Item 16: Investment Discretion.....	14
Item 17: Voting Client Securities.....	14
Item 18: Financial Information.....	14

Item 4: Advisory Business

SouthOcean Capital Partners, LLC ("SouthOcean") was founded in April 2014 and is organized as a Delaware limited liability company. SouthOcean is wholly owned by HRC Investments, LLC, a Delaware limited liability company, and Timothy E. Bannon.

SouthOcean provides discretionary investment advisory services to privately offered real estate pooled investment vehicles exempt from registration under the Investment Company Act of 1940, as amended, organized by SouthOcean affiliates (collectively, the "SouthOcean Funds" or the "Funds"). Use of the term Funds throughout this brochure also includes co-investment vehicles and long-term hold investment vehicles organized by SouthOcean. At this time, the Funds are SouthOcean's only clients. We may, in the future, organize additional investment vehicles or manage separately managed accounts that follow an investment program similar to or different from the investment program of the Funds.

At year-end 2018, SouthOcean Investment Partners, LLC, an affiliated entity, wound down its investment management business. As a result, the management of the one private fund that had outside investor money, a private equity credit fund of funds, was assigned to SouthOcean with investor consent. This Fund is closed and no longer making new investments. SouthOcean's responsibilities with respect to this Fund are primarily monitoring and administrative in nature as the portfolio exits underlying investments. Given that SouthOcean's business focuses on real estate, this particular Fund is not a focus of this brochure.

SouthOcean manages the Funds in a manner consistent with the investment strategy described in the Funds' offering documents. SouthOcean does not provide specifically tailored advice to investors in the Funds. Any investment restrictions applicable to the Funds are set forth in the organization or offering documents of each respective Fund.

As of December 31, 2020, SouthOcean's regulatory assets under management were approximately \$465,343,861, all of which are managed on a discretionary basis.

Other Business

In addition to its investment advisory business, which is SouthOcean's primary business, SouthOcean provides non-discretionary, impersonal consulting services to an unaffiliated family office. From time to time, SouthOcean may also provide management and administrative services to certain vehicles established for the purpose of making investments which are not suitable for one of SouthOcean's existing real estate Funds, or for monitoring investments which were made during a period of time when none of the existing Funds had an open commitment period.

Item 5: Fees and Compensation

As compensation for advisory services provided to the Funds, SouthOcean receives a management fee from each Fund, payable quarterly in arrears, as set forth in each Fund's organization or offering documents. The management fee is not negotiable, although SouthOcean retains the discretion to waive fees for one or more investors, in whole or in part, without notification to other investors. The management fee is deducted from the capital accounts corresponding to each investor's interest in the Fund or, in certain instances, SouthOcean will make a capital call from investors for the management fee. SouthOcean does not currently receive fees from underlying real estate investments held in the Funds (excluding co-investments). In the event such fees are received in the future, they will be applied to offset the management fee as further described in the offering documents of the Funds.

Regarding SouthOcean's other business activities as described in Item 4 above, SouthOcean receives consulting fees with respect to non-discretionary, impersonal consulting services that are provided to an unaffiliated family office. SouthOcean also receives fees for management and administrative services provided to certain vehicles established for the purpose of making investments which are not suitable for

one of SouthOcean's existing real estate Funds, or for monitoring investments which were made during a period of time when none of the existing Funds had an open commitment period.

Other Expenses

In addition to the management fee, each investor in the Funds bears its allocable share of expenses associated with the operations of the Funds. These expenses include, among others:

- All organizational expenses incurred by SouthOcean and its affiliates in connection with the formation and organization of the Funds (up to the limit as specified in the applicable Funds' governing documents);
- All expenses incurred in connection with the investigation, acquisition, development, financing, management, operation and disposition of any Fund investment, including without limitation: property manager, leasing agent, sales agent, construction manager and trustee fees and expenses; appraisal, engineering, architectural and environmental expenses; real estate commissions; development and capital expenditures; expenses relating to the restoration, repair and improvement of property; taxes; all travel expenses, long distance telephone expenses, accounting expenses, legal fees and disbursements; transfer agent fees and expenses; and expenses of other service providers, advisers and consultants;
- All costs incurred in connection with the preparation or delivery of, or otherwise relating to reports or other communications made to the members, including, without limitation, audit costs and costs of any investor portal;
- The Funds' pro rata share of all costs incurred in connection with the preparation of or relating to reports required to be filed by the Funds or the Managing Member or any of its affiliates with any governmental authority, including, without limitation, any taxing authority (including, but not limited to, Form PF);
- All costs related to litigation involving the Funds or any real estate Investment or any other extraordinary matter, including, without limitation, attorneys' fees incurred in connection therewith;
- All expenses incurred in connection with the hiring of any independent appraiser relating to the proposed transfer of any real estate investment to a Long-Term Hold Vehicle;
- All costs related to the Funds' indemnification or contribution obligations as set forth in the Operating Agreement;
- Interest on and fees and expenses arising out of all permitted borrowings made by the Funds;
- The costs of any litigation, director and officer liability or other insurance (including allocated costs thereof incurred by SouthOcean) and indemnification or extraordinary expense or liability relating to the affairs of the Funds;
- Expenses of the Advisory Committee, including costs of the meetings and travel expenses;
- All unreimbursed out-of-pocket expenses relating to transactions that are not consummated, including legal, accounting, investment banking, advisory, financing and consulting fees;
- All professional fees incurred in connection with the business or management of the Funds;
- The Funds' allocable share of all reasonable fees and expenses incurred in connection with the annual meeting and other meetings of investors;

- Any taxes, fees or other governmental charges levied against the Funds and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Funds;
- All expenses of liquidating and winding-up the Funds;
- Expenses related to fund-related compliance obligations (including, without limitation, anti-money laundering, FATCA, CRS, and those relating to the Alternative Investment Fund Managers Directive but excluding Form ADV);
- All expenses related to the formation and operation of any alternative investment vehicles or parallel Funds; and
- All costs related to the retention of a custodian.

Co-Investment Vehicles and Long-Term Hold Vehicles

The summary of expenses listed above pertain to SouthOcean's main real estate funds. Co-investment vehicles and long-term hold vehicles, in the past, have not been subject to the same expenses as the main funds. The expenses associated with co-investment vehicles and long-term hold vehicles launched in the future may also differ from those summarized above. Investors and potential investors should review the appropriate offering documents for all investment vehicles for a complete disclosure of the expenses associated with each vehicle.

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

In addition to the management fee paid to SouthOcean, investors in the Funds are subject to performance participation or carried interest which is payable to affiliated entities of SouthOcean if and when specified performance thresholds are met as set forth in each Fund's organization or offering documents. In general, the affiliated entities receive a share in the profits realized by the Funds once all capital contributions have been returned and the Fund achieves a specified rate of return. SouthOcean has waived, or reduced, the carried interest terms for its affiliated and employee investors, their relatives and other strategic investors. Such special arrangements are generally provided for in side letter agreements between SouthOcean and each respective member.

The existence of the preferred return and carried interest creates an incentive for SouthOcean to make more speculative investments than the Funds would otherwise make in the absence of the preferred return or carried interest. SouthOcean manages each Fund in accordance with the investment strategy outlined in each Fund's offering documents. Although SouthOcean and its affiliates invest their own capital in the Funds, the interests of SouthOcean and its affiliates may under some circumstances differ from those of the Funds and/or the investors. Such conflicting interests could potentially affect the decisions of SouthOcean in purchasing, holding and disposing of real estate investments. In order to manage these potential conflicts of interest, SouthOcean has policies and procedures for monitoring the Funds' investments on an ongoing basis. SouthOcean has also established an Advisory Committee for each Fund which includes one or more independent members, to provide additional oversight of the Funds and to assist with the resolution of any issues involving conflicts of interest.

Because the percentage of the capital gains that may be payable or the preferred rate of return may vary from Fund to Fund, SouthOcean may have an incentive to favor one Fund over another. SouthOcean seeks to minimize this potential conflict of interest by adhering to its investment allocation policy. Typically, a particular investment opportunity is appropriate for only one Fund, and such investment is allocated exclusively to such Fund until the end of the investment period. However, in certain circumstances, such as with a co-investment opportunity, an investment may be allocated between more than one Fund.

Item 7: Types of Clients

SouthOcean's sole clients are the Funds, each of which invests, directly or indirectly, in real estate assets. Underlying investors are subject to applicable suitability requirements. The offering documents of each Fund contain minimum amounts for investment by prospective investors in such Funds, which may be waived by SouthOcean.

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

Investment Strategy and Methods of Analysis

The methods of analysis and investment strategy of SouthOcean are specific to each Fund and prospective investors should refer to the organization and offering documents for more detailed information. SouthOcean's Investment Committee is responsible for making all key investment decisions.

In general, the Funds seek to make investments with operating partners that SouthOcean believes are best-in-class, many of whom SouthOcean has invested with before. SouthOcean works closely with the operating partners to enhance the returns from each individual investment, by identifying opportunities and markets that may be overlooked by other investors. SouthOcean maintains strong relationships with its operating partners so that the operating partners continue to offer compelling investment opportunities to the Funds, and by structuring certain investments in a manner that SouthOcean believes offers a better risk-reward profile than that of a typical limited partner investment.

Prior to making an investment, the Investment Committee carefully evaluates each opportunity independent of the operating partner to ensure that the opportunity matches the skill set of the operating partner. A Fund's typical investment horizon is generally expected to be three to seven years, although certain investments may have a longer or shorter hold period. Certain of the SouthOcean Funds have been established as "Long Term Hold" vehicles due to investment opportunities that have arisen with a longer investment time horizon and holding period (generally greater than 10 years) than would be suitable for an existing SouthOcean Fund.

The Funds invest primarily in multifamily residential rental properties, but may invest, directly or indirectly, in other real estate and real estate related investments, including, without limitation: (i) office properties, hotels, retail properties, industrial properties, student housing, senior housing, rental and for-sale multifamily properties, resort and recreational properties, and/or land; (ii) other real estate-related assets; and/or (iii) operating companies or other entities involved in real estate (collectively, "Real Estate Investments").

Real Estate Investments include, without limitation, direct and indirect equity investments, a combination of equity and debt investments, participating or mezzanine debt investments or performing and non-performing loans, development and redevelopment projects, mortgage loans and participation in other pooled investment vehicles. The Funds may hold each or any Real Estate Investment in a separate business entity and treat it as a separate real estate asset or entity.

Risks

An investment in the Funds is speculative and involves significant risks, including the risk of total loss of invested capital. Set forth below is a summary of risks, not intended to be all inclusive. Prospective investors should carefully review the expanded summary of risks set forth in each Funds' organization and offering documents.

Risks Related to Business, Structure and Operations

Fund operating history. Certain Funds have a limited, or no, operating history. If they are unable to operate their business as currently expected, operating results may be adversely affected, and they may not be able to make distributions in the future.

Key personnel. The Funds' success is dependent on SouthOcean and its key personnel, and the Funds may not find a suitable replacement if the management agreement is terminated or if key personnel leave or otherwise become unavailable.

Distributions. The Funds make distributions of income and gains at the discretion SouthOcean. The ability to make distributions, if any, depend on, among other things, gross returns, legal restrictions on the payment of distributions, and other factors that SouthOcean deems relevant. There can be no assurance that the Funds will generate sufficient gross returns to make any distributions or that the Funds will be able to liquidate investments on favorable terms.

Loss of capital. The Funds' success depends on the ability of SouthOcean to identify and select appropriate assets, as well as its ability to acquire, manage and dispose of those assets. Prior to partial or complete disposition (which may not be until a number of years after the initial investment is made) there may not be a current return on any Real Estate Investment. The Funds may lose some or all of its invested capital, and prospective investors should not invest in the Funds unless they can readily bear the consequences of such loss.

Risks Related to Real Estate Investments

General economic factors. Because real estate, like many other types of long-term investments, historically has experienced significant fluctuation and cycles in value, specific market conditions may result in temporary or permanent reductions in the value of Real Estate Investments. The marketability and value of the Real Estate Investments depends on many factors beyond the control of the Funds, including, without limitation: changes in general economic or local conditions and/or specific industry segments; declines in rental or occupancy rates; competition from other developments; changes in supply of or demand for competing properties in an area (as a result, for instance, of over-building); geographic or market concentration; the ability of the Funds or property managers to manage the real properties; changes in interest rates; the promulgation and enforcement of governmental regulations relating to land use and zoning restrictions, environmental protection and occupational safety; unavailability of mortgage Funds which may render the sale or refinancing of a property difficult; location of the properties; the financial condition of borrowers, tenants, buyers and sellers of property; changes in real estate tax rates and other operating expenses; the potential for uninsured or under-insured property losses; the imposition of rent controls; energy and supply shortages; acts of terrorism; various uninsured or uninsurable risks; and natural disasters. Ultimate performance of the Funds in part depends on the state of the world and US economy and the corresponding impact on each individual Real Estate Investment.

Infectious Diseases. The global outbreak of the 2019 novel coronavirus ("COVID-19"), together with resulting restrictions on travel and quarantines imposed, has meaningfully disrupted the global economy and markets. The continuing global spread of COVID-19 could have a material adverse impact on local economies in the affected jurisdictions, as well as the global economy, as cross-border commercial activity is increasingly impacted by government measures seeking to contain its spread. In addition to these developments having the potential adverse consequences for investments in the Funds, including the ability to source, manage and divest investments, the outbreak of COVID-19 or similar infectious diseases, and measures taken to mitigate their effects, could result in disruptions to the services provided by SouthOcean and its affiliates, as well as other third-party providers who provide services to SouthOcean and the Funds.

Leverage. The Funds expect to use leverage in executing its business strategy, which may adversely affect the return on its assets and may reduce cash available for distribution to its members, as well as increase losses when economic conditions are unfavorable. The Funds' Real Estate Investments may leverage the acquisition of their target assets through private funding sources and or government sponsored entities, such as Fannie Mae or Freddie Mac.

Interest Rates. Increasing interest rates could negatively impact the results and operations of the Funds' investments.

Acquisition and development. The Funds acquire equity and/or debt interests in real estate developments and/or in businesses that engage in real estate development. As a result, the Funds are subject to the risks normally associated with development activities. Such risks include, without limitation, risks relating to the availability and timely receipt of zoning and other regulatory approvals, the cost and timely completion of construction (including risks beyond the control of the Funds, such as adverse weather or labor conditions or material shortages) and the availability of both construction and permanent financing on favorable terms. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have an adverse effect on the financial condition and results of operations of the Funds and on the amount of funds available for distribution to the members.

Due diligence practices. SouthOcean's due diligence of investment opportunities or other transactions may not identify all pertinent risks, which could materially affect the Funds' business, financial condition and results of operations. Investment analyses may be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to SouthOcean at the time of making an investment recommendation may be limited, and SouthOcean may not have access to detailed information regarding the investment property.

Contingent liabilities. The Funds may be subject to contingent liabilities and may need to establish reserves or escrow accounts to fund such liabilities. This may require members to return amounts distributed to them to fund obligations, including any indemnity obligations, before or after the termination and dissolution of the Funds.

Non-control investments. The Funds may hold non-controlling interests in certain Real Estate Investments or, similarly, may co-invest with third parties through partnerships, joint ventures or other entities and thereby acquire non-controlling interests in certain Real Estate Investments. In such cases, the Funds will rely significantly on the existing management of the Real Estate Investment, the interests of which may conflict with the interests of the Funds. In addition, the interests and/or financial condition of third parties with which the Real Estate condition of third parties with which the Funds may co-und may co-invest may conflict with the interests of the Funds.

Reliance upon operating partners. The Funds and SouthOcean are dependent on their operating partners for the day-to-day management of their Real Estate Investments. The operating partners have significant discretion as to the implementation of the business plan related to the Real Estate Investment. The executive officers and key personnel of the Funds' operating partners will evaluate and monitor the Real Estate Investments and its success will dependent on their continued service. The departure of any of the executive officers or key personnel of the operating partners could have a material adverse effect on the performance of any particular Real Estate Investment, and by extension, the Funds. Although the Funds' operating partners will commit a significant amount of their efforts to the Funds' business and the success of its Real Estate Investments, the operating partners manage investments for themselves, their affiliates and/or other investors, and none of the Funds' operating partners or any of their respective personnel is required to (or will) devote all of its time to the management of a Real Estate Investment or the Funds' affairs.

Discretion of operating partners. Pursuant to the terms of the relevant operating and/or partnership agreements, the Funds' operating partners generally will have full, exclusive and complete responsibility and discretion in the management and control of their Real Estate Investments, subject to certain consent rights. A failure of the operating partner to perform its obligations under an operating and/or partnership agreement could have a material adverse effect on the performance of any particular Real Estate Investment, and by extension, the Funds.

Liquidity. It is expected that a substantial portion of the Real Estate Investments will consist of assets which are illiquid or for which there currently is no well-developed secondary market. Less marketable or illiquid assets may be more difficult to value due to the unavailability of reliable market quotations. The sale of less marketable assets may require more time and result in lower prices, due to higher brokerage charges or dealer discounts and other selling expenses, than the sale of more marketable assets. There can be no

assurances that the Funds will be able to sell any Real Estate Investment (or any portion thereof) at the time that it may be in the best interests of the Funds to sell.

Concentration. As a general policy, the Funds seek to acquire and hold a diverse portfolio of assets, but are not required to observe specific diversification criteria, except as set forth in each Fund's offering documents. If a Fund portfolio is concentrated in a small number of investments or limited geographical areas, and such investments experience a loss, the value of that particular Fund could be negatively impacted.

Vehicles that have been established as co-investment vehicles and long-term hold vehicles are subject to additional concentration risk since they invest in only one asset and do not have investment diversity. If the investment is unsuccessful, investors could face a total loss of investment.

Troubled assets. The Funds may make substantial investments in nonperforming, underperforming or other troubled assets, which may involve a high degree of financial risk, including loss of a portion of or the entire investment. Under certain circumstances, distributions to members may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment under applicable insolvency law.

Multifamily properties. The Funds expects to invest in multifamily residential properties. A large number of risk factors may affect the value and successful operation of such properties. In addition, certain jurisdictions regulate the relationship between an owner and its tenants. Also, U.S. federal, state and/or local regulation of the landlord-tenant relationship, some counties and/or municipalities may impose rent control or similar regulatory requirements on apartment buildings.

Office properties. The Funds may invest in office properties. There are a large number of risk factors associated with investments in office properties, including but not limited to: the impact of recession on the local market and the building's tenants; the quality of an office building's tenants; an economic decline in the business operated by the tenants; the physical attributes of the building in relation to competing buildings.

Retail properties. The Funds may invest in retail properties. The value and successful operation of a retail property is sensitive to a number of risk factors, including, but not limited to: changes in consumer spending patterns; local competitive conditions; the bankruptcy or distress of tenants; the availability of sublease space; and alternative forms of retailing. The general strength of retail sales also directly affects retail properties.

Industrial properties. The Funds may invest in industrial properties. Significant factors determining the value of industrial properties include, but are not limited to: the location of the property (including proximity to supply sources and customers and accessibility to rail lines, major roadways and other distribution channels and transportation routes); the quality of tenants; a reduced demand for industrial space because of a decline in a particular industry segment; and the property becoming functionally obsolete. A particular industrial or warehouse property that suited the needs of its original tenant may be difficult to re-let to another tenant or may become functionally obsolete relative to newer properties.

Hospitality properties. The Funds may invest in hospitality properties, which are subject to certain operating risks. For example, if a property's occupancy or room rates drop to the point where its revenues are insufficient to cover its operating expenses, then additional funds, including reserves, will need to be expended to cover such property's operating expenses. Hospitality properties are continually subject to increases in real estate and other tax rates, wages and benefits, utility costs, insurance costs, repairs and maintenance and administrative expenses, all of which may adversely affect such property's cash flows. Hospitality properties are also saddled with an ongoing obligation to make renovations and other capital improvements in order to stay competitive, including replacements, from time to time, of furniture, fixtures and equipment, particularly if the hotel is a branded hotel.

Senior housing facilities. The Funds may invest in commercial properties that operate as hospitals and nursing homes. These investments may present particular risks due to the significant governmental

regulation of the ownership, operation, maintenance and financing of health care institutions. The operations of nursing homes are subject to Medicare and Medicaid, licensing and certification requirements of federal, state and local authorities (and periodic audits related thereto), fraud and abuse laws and regulations, and other legislative and regulatory developments. Further, the operators of healthcare industry facilities are competing with numerous other companies providing similar healthcare services or alternatives such as home health agencies, life care at home, community-based service programs, retirement communities and convalescent centers.

Geographic Distribution. The geographic distribution of the investments exposes the Funds to risks associated with the real estate industry in general within the states and regions in which the Funds hold those investments. These risks include, without limitation: possible declines in the value of real estate; risks related to general and local economic conditions; possible lack of availability of mortgage funds; overbuilding; extended vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from the clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earthquakes or other natural disasters; and changes in interest rates.

Credit spreads. Real estate-backed securities and loans are subject to changes in credit spreads. Credit spreads measure the yield demanded on securities and loans by the market based on their credit relative to a specific benchmark.

Insurance. There are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, terrorism or acts of war that may be uninsurable or not economically insurable. Insurance on the real property serving as collateral for the Funds' investments may not cover all losses related to such catastrophic events, in which case the value of the Fund's investment in a property could be diminished.

Environmental liability. While SouthOcean intends to exercise due diligence to discover potential environmental liabilities prior to acquisition of any building, hazardous substances or wastes, contaminants, pollutants or sources thereof may be discovered on properties following the acquisition of the building, or following foreclosure, during the Funds' ownership or after a sale thereof to a third party. Such discovery could diminish the value of the Funds' investment in a property.

Commercial Loans. The Funds may invest in commercial mortgage loans. Commercial mortgage loans are secured by multifamily or commercial property and are subject to risks of delinquency and foreclosure, and risks of loss that are greater than similar risks associated with loans made on the security of single-family residential property.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's (or investor's) or a prospective client's (or prospective investor's) evaluation of SouthOcean advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

Neither SouthOcean nor any of its management persons is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or associated person of any of the foregoing.

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

Code of Ethics and Personal Trading

SouthOcean has adopted a Code of Ethics for all employees describing its high standards of conduct and fiduciary duties to its clients. The Code includes provisions relating to the confidentiality of client and firm information, prohibitions on insider trading and market manipulation, policies and procedures regarding personal trading, and disclosure and approval requirements for gifts, business entertainment and other conflicts of interest. The Code is also designed to prevent and detect violations of securities laws.

Employees are permitted to make investments in their personal accounts, subject to certain pre-clearance and other restrictions. All transactions in reportable securities are reported to the Compliance Officer in accordance with the reporting requirements outlined in the Code.

A copy of our Code of Ethics will be provided upon request.

Participation or Interest in Client Transactions and Other Conflicts of Interest

Pre-Existing Investments

Prior to the initial closing of a Fund, certain of the Pre-Existing Real Estate Investments are acquired at a time when the sole investor in the Fund is the Managing Member. The initial capital contributions to be paid by new investors to the Fund are based on the Fund's cost for the Pre-Existing Real Estate Investments (adjusted for expenses, including those associated with any transfer costs and purchase price financing), and a cost of carry at interest rates specified in the organization and offering documents. No valuation of the Pre-Existing Real Estate Investments will be made in connection with the initial contributions of capital by new investors to the Fund and the fair market values of the Pre-Existing Real Estate Investments may therefore be less than the amount to be contributed by new investors with respect thereto.

The Funds obtain short term loans from a related non-managing member to fund these Pre-Existing Investments.

Affiliate Transactions

Certain Funds and/or other SouthOcean affiliates own an interest in one or more operating partners which serve as the operating partner and developer for projects in which the Funds invest. Such transactions entered into by the Funds do not require consent or approval of the Advisory Committee or investors.

SouthOcean may also cause a Fund to enter into other transactions with its affiliates. The Fund will not necessarily derive a benefit from each such transaction, and the Fund and the other party to a particular transaction may have divergent interests. Moreover, there may be uncertainties regarding the valuation of investments that are subject to these transactions. Investors, other than those represented on the Advisory Committee, will not have an opportunity to participate in the evaluation of the terms or merits or valuation of any such transactions and will be bound by the consent of the Advisory Committee.

The approval requirements applicable to affiliated transactions are set forth in the Funds' organization and offering documents.

As a practical matter SouthOcean does not generally engage in cross transactions. Should a situation arise that could potentially constitute such a transaction, the Advisory Committee would be consulted to review the details of the transaction to address any conflicts of interests. Any such transactions would need to be approved by the Advisory Committee.

Allocation of Investment Opportunities

SouthOcean may determine that certain potential investments otherwise suitable for a Fund should be held for longer than the term of such Fund and, if such determination is made, may offer such opportunity to persons (including affiliates of SouthOcean and their respective family members) other than the Fund. Such determination may at times be subjective in nature.

SouthOcean's allocation of investment opportunities among various clients and its determination of whether any potential real estate investment constitutes an Excluded Opportunity (including a Long-Term Investment) present inherent conflicts of interest, as clients may have conflicting investment objectives, targeted returns, fee structures, investment time frames or legal, tax and regulatory considerations.

During the commitment period, SouthOcean will not offer any investment opportunity of a kind suitable for the Fund to any other person unless such investment opportunity was first offered to the Fund, such investment opportunity is an Excluded Opportunity or such offer is otherwise permitted by the operating agreement which generally permits the allocation to other persons of all or a portion of investments suitable for the Fund, under certain circumstances, as described in the organization and offering documents.

SouthOcean may provide investors with additional co-investment opportunities relating to Real Estate Fund Investments. Investors who have elected in their respective subscription agreements to receive co-investment opportunities will have the first right, pro rata based on capital commitments, to any co-investment opportunities, unless in SouthOcean's sole discretion such opportunity is offered to a successor Fund or there is a compelling reason to offer such co-investment opportunities to certain strategic investors before offering them to the Funds' investors.

SouthOcean or its affiliates may offer to persons other than the Fund (i) Real Estate Investments that it determines in its sole discretion should be held for longer than the remaining portion of the term of the Fund, (ii) any "qualified opportunity zone property" (as defined in the Internal Revenue Code), (iii) any investment that would cause the Fund to be treated as a "qualified opportunity fund" (as defined in the Internal Revenue Code), or (iv) any investment of less than \$500,000 in any single Real Estate Investment (other than follow-on investments in respect of existing Real Estate Investments). Determinations by SouthOcean in this regard may be subjective and may be influenced by factors such as related fees and carry that could be charged if the particular investment was made outside the Fund.

Side Letters

SOCF has entered into side letter arrangements with certain investors, including, but not limited to, employees of SouthOcean and its affiliates', including founding family members and their relatives, and investors that provide strategic input and/or counsel to SouthOcean and/or the Funds. The side letters establish different rights or privileges with respect to more favorable management fee and carried interest terms, as well as transfer of interests and most favored nations clauses.

Resolution of Conflicts

SouthOcean has established an Advisory Committee for the Funds whose purpose is to consult regarding various issues and conflicts of interest involving the Funds. The Advisory Committee is authorized to resolve certain issues surrounding conflicts and is responsible for certain other determinations as described in the operating agreements.

Item 12: Brokerage Practices

This item is generally not applicable to SouthOcean because the Funds do not conduct transactions in publicly-traded securities requiring the use of brokers. In limited instances, a Fund may receive shares of a securities in lieu of cash which are held by a broker. However, issues relating to (i) "soft dollars", (ii) directed brokerage by clients, and (iii) block trades do not exist with respect to SouthOcean's provision of investment advisory services to the Funds.

Item 13: Review of Accounts

SouthOcean monitors the investments in the Funds on an ongoing basis. Frequent interaction with the operating partners and periodic site visits is part of the monitoring process. In addition, the operating partners generally provide SouthOcean with periodic update reports on each investment.

In addition to schedule K-1, investors are provided with annual audited financial statements, as well as quarterly unaudited financial statements, together with an investor letter summarizing the investments and any material developments. SouthOcean also holds an annual investor meeting.

Item 14: Client Referrals and Other Compensation

SouthOcean has, from time to time, engaged a placement agent to introduce prospective investors to certain Funds for which they are paid a portion of the management fee as outlined in the agreement. These fees are borne by SouthOcean and not the investors.

Item 15: Custody

SouthOcean and its affiliates are deemed to have custody of the Funds' assets due to the access and authority over the Funds' assets. As a result of this access and authority, SouthOcean is deemed to have custody of client funds and securities within the meaning of the Advisers Act.

Consistent with the requirements for custody of client assets under the Advisers Act, the assets of the Funds, where possible, are held in accounts with a qualified custodian within the meaning of the Advisers Act. In accordance with guidance from the SEC, with respect to certain investments in privately offered securities, a specified custodian may hold only documentation relating to or referencing such investments but not the actual investment itself, and/or investments of a Fund may not be registered in the name of the custodian. Consequently, the custodian may not have control over the disposition of such investments, or the ability to direct delivery of sale proceeds or other distributions from such investments to the custodian. Further, for such investments, the custodian may not have the ability to validate or reconcile ownership of the investment with any third party, including the issuer.

In addition, annual financial statements of the Funds are prepared in accordance with GAAP, audited by an independent accounting firm registered with the Public Company Accounting Oversight Board and distributed to all investors within 120 days of each Funds' fiscal year end.

Item 16: Investment Discretion

SouthOcean manages the Funds on a discretionary basis in accordance with the organization and offering documents of each respective Fund. SouthOcean does not provide advisory services directly to investors the Funds.

The Funds have an Advisory Committee which is authorized to resolve certain issues involving conflicts of interest and certain other determinations as brought to the committee by SouthOcean and/or its affiliates.

Item 17: Voting Client Securities

This item is not applicable because the Funds do not invest in publicly traded securities

Item 18: Financial Information

SouthOcean is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to the Funds.