

**ESJ CAPITAL PARTNERS, LLC**

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

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**March 29, 2021**

**This brochure provides information about the qualifications and business practices of ESJ Capital Partners, LLC (“ESJ” or the “Firm”). If you have any questions about the contents of this brochure, please contact ESJ’s Chief Compliance Officer, Elie Mimoun, at 305-600-5001 or [em@esj.us](mailto:em@esj.us). 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.**

**Any reference to ESJ as a registered investment adviser does not imply a certain level of skill or training.**

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

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***Item 2: Material Changes***

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No material changes have occurred since the date of our last Brochure filed in December 2020. However, non-material updates have been included, such as updated regulatory assets under management.

Nevertheless, investors are encouraged to review this brochure in its entirety. The information set forth in this brochure is qualified in its entirety by the applicable offering and governing documents. In the event of a conflict between the information set forth herein and the applicable offering and governing documents, the information set forth in the applicable offering and governing documents shall control.

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**Item 3: Table of Contents**

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**Item 4: Advisory Business**

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**Item 4.A.**

ESJ Capital Partners, LLC (“**ESJ**” or the “**Firm**”), a Florida limited liability company, commenced its operations as an investment manager in November 2008. ESJ’s principal place of business is in Aventura, Florida. As indicated on the Firm’s Form ADV Part 1A, Arnaud Sitbon, directly and indirectly is the majority Principal of ESJ.

**Item 4.B.**

ESJ is an investment management firm that provides advisory services on a discretionary basis to privately offered pooled investments vehicles which are intended for investment by certain investors that are accredited investors under Rule 501 of Regulation D of the Securities Act of 1933, as amended, so as to comply with the exemption under Section 3(c)(1) of the Investment Company Act of 1940.

ESJ’s clients are: RealFund Investments, LLC, a Florida limited liability company; ESJ Barrett LLLP, a Florida limited liability limited partnership; ESJ Gunn LLLP, a Florida limited liability limited partnership; ESJ Higher Ground LLLP, a Florida limited liability limited partnership; ESJ II, L.P. a Florida limited partnership; ESJ Mallard, L.P. a Florida limited partnership; ESJ Riverwalk, LP a Florida limited partnership; ESJ School Properties Fund, LP a Florida limited partnership; ESJ Villages at Copperfield L.P. a Florida limited partnership; and Little River Art District, L.P. a Florida limited partnership (collectively the “**Funds**”); along with five Special Purposes Vehicles (“**SPVs**” and together with the Funds, the “**Clients**”). In addition, ESJ, or an affiliate, may furnish investment management and other advisory services for its own account; a proprietary separately account under the control of Mr. Sitbon and Mr. Mimoun (the “**Managed Account**”). Each SPV invests in a single real estate focused project. RealFund Investments, LLC, also operates under the name ESJ Real Estate Fund.

The investment objective of ESJ’s Clients, as defined in the respective organizational documents is to generate returns through investments in niche assets with stable growth patterns.

To achieve its objective, the Funds are focused on three main areas: Charter Schools, Office Buildings, and Multifamily units. The Funds will also seek to invest in a very selective manner in distressed and underperforming assets. The Funds may also invest in other instruments and may engage in other investment strategies so long as doing so does not interfere with achieving the stated and agreed upon investment objective.

Each SPV acquires real property or notes secured by real property pursuant to the terms and conditions of the applicable purchase agreements and may own, hold, lease, sell, transfer, convey, dispose of, assign and otherwise deal with the property as further discussed in each SPV’s respective formation and offering documents,

**Item 4.C.**

The Firm's advisory services are provided to its Clients, pursuant to the terms of their respective and relevant offering documents and based on the specific investment objectives and strategies as disclosed therein. The advisory services each client receives are tailored to their individual needs, specified investment objectives and strategies as set forth in each client's offering documents. The Clients may impose restrictions on investing in certain types of securities in accordance with achieving their investment objectives and strategies.

**Item 4.D.**

Not applicable. ESJ does not participate in a wrap fee program.

**Item 4.E.**

As of December 31, 2020, ESJ manages approximately \$276,366,484 in client assets on a fully discretionary basis, as described in the Client's offering documents. ESJ does not manage any of its client's assets on a non-discretionary basis.

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***Item 5: Fees and Compensation***

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**Item 5.A.**

Generally, as described in their respective offering documents, and as applicable to the specific Client, the Firm receives fees from Clients based on: (1) a percentage of the aggregate capital contributions of all investors as described in their respective offering documents (the "**Asset Management Fees**"), (2) if applicable, based on the purchase price of each portfolio investment upon the acquisition of the property (the "**Acquisition Fees**"), (3) a disposition fee based on the gross sales price of each portfolio investment sold at the time of each sale (the "**Disposition Fees**"), and (4) a percentage of the total costs and expenses actually incurred by the Firm in connection with the development, construction and renovation of any property (the "**Development Fees**"), (5) a percentage of the gross acquisition price of each note acquired in the Client's portfolio (the "**Structuring Fees**"), and (6) fees associated with the liability and costs of Principals of the Firm making certain personal guarantees as required by certain counterparties (the "**Financing Fees**"). The fees and expenses applicable to the Funds and the SPVs are set forth in detail in each of such Client's respective offering documents.

The management and performance fee terms and percentages for the Managed Account would be separately negotiated with the Firm and, thus, fees for the Managed Account would differ from those of the Funds, which are described below.

**Item 5.B.**

All Asset Management Fees of the Funds will be payable quarterly in arrears, and may be deducted from Capital Contributions from the Members or other cash on hand. The Acquisition Fees will be payable at the time of each acquisition. The Disposition Fee will be payable at the time of each sale.

As further specified in the respective offering documents, and as applicable to each SPV: Asset Management Fees of the SPVs will be payable as of the first business day of the relevant quarter. The Acquisition Fees will be payable at the time of each relevant acquisition. The Disposition Fee will be payable at the time of each relevant sale of property. The Development Fees will be paid on the first business day of each quarter and the Structuring Fees will be payable upon the acquisition of an applicable note.

#### **Item 5.C.**

The Funds will bear all of the legal and other organizational and offering expenses incurred in the formation of the Funds and the offering of the Interests, which, although not currently being deducted, may be deducted from the initial 5% payment of the subscription amount.

The Funds, except as noted below, will bear all expenses related to its operations, including fees and other out of pocket expenses directly related to the investigation of investment opportunities (whether or not consummated), the acquisition, ownership, financing, leasing or sale of its investments, taxes, fees of auditors and counsel, insurance, litigation expenses, expenses associated with the preparation and distribution of reports to investors and other appropriate expenses. Additionally, the Firm's ability to implement the new, additional, renovated or converted improvements to an investment property may be conditional upon obtaining certain governmental or other approvals (including re-zoning approvals). If the Firm were to fail to obtain such approvals, such failure could negatively impact the Firm's ability to construct, renovate or convert the property as planned which could, in turn, affect the anticipated cash flow from the property. In such a case, the Funds will pay all out-of-pocket expenses.

The Firm will bear all of the ordinary day-to-day expenses incidental to its administration of the Funds, including general overhead and compensation of its employees, but not including legal fees and costs, which may be borne by the Funds.

As applicable to the SPVs, the Firm will be entitled to withhold from any distributions amounts deemed necessary to create appropriate reserves for expenses and liabilities of the SPV, investment and reinvestment by the SPV and any required tax withholdings. Also if applicable, the SPV will bear the expenses of development costs which will include, without limitation, all costs incurred under the construction contract relating to any applicable property, and all architectural, engineering, legal expenses and other soft costs incurred in connection with a property's development, construction and renovation.

#### **Item 5.D.**

No Applicable. Fees are not paid in advance.

#### **Item 5.E.**

Not Applicable. Neither ESJ, nor its supervised persons, is compensated for the sale of securities or other investment products or mutual funds. Additionally, ESJ does not charge advisory fees in addition to commissions or markups.

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

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Clients may allocate a portion of their investment profits to the Firm as a percentage of the their respective net operating cash flow (“Carried Interest”), deducted quarterly, and subject to the terms and conditions set forth in the respective organizational documents. Further, Clients may allocate a portion of distributions attributable to sales and refinancing proceeds to ESJ based on a distribution hierarchy as set forth in the respective offering documents. ESJ may be entitled to Performance Compensation based on a share of capital gains or capital appreciation of the net asset value of each Client’s account. The Carried Interest and Performance Compensation may create an incentive for the Firm to pursue investments that are riskier or more speculative than would have been the case in the absence of this allocation to the Firm.

ESJ manages the Funds and the SPVs in accordance with their respective investment strategies and allocation restrictions set forth in their organizational documents so that investors are aware of the applicable investment strategies and restrictions. Clients are subject to different fee arrangements but due to their respective investment specifications and objectives, are not managed side-by-side with one another by ESJ.

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***Item 7: Types of Clients***

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The Firm’s Clients are the Funds and SPVs, which are intended for investment by certain investors that are accredited investors as defined by the Company Act. The minimum initial and subsequent subscription amounts required by the investors in the Funds are set at \$100,000. The minimum initial and subsequent subscription amounts required by the investors in the SPVs vary from \$100,000 to \$500,000 and are set forth in the respective offering documents.

ESJ may, in its discretion, serve as investment manager to one or more proprietary accounts designed to invest Firm principal assets.

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

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**Item 8.A.**

The investment objectives are discussed in response to Item 4.A. above. Investment in the Funds and SPVs involves significant risks and is suitable only for investors who can bear the economic risk of the loss of their entire investment and who have limited need for liquidity in their investment. There can be no assurance that the respective Client portfolios will achieve their individual investment objectives. Investment in the Funds and SPVs carries with it the inherent risks associated with investments in real estate. Each prospective investor should carefully review the applicable offering documents and the agreements referred to therein prior to deciding to invest in the Funds or an SPV.

**Items 8.B. and 8.C.**

The Firm's operating results may be affected by economic and regulatory changes that have an adverse impact on the real estate market in general, and the Firm cannot assure investors that it will be profitable or that it will realize growth in the value of its real estate properties.

*The market value of the Firm's properties and distributions to Members could be affected by the geographic concentration of those properties.*

Distributions to the Firm's Members and the market value of the Firm's properties could be affected by economic conditions in the states and regions where the properties are located, conditions in the real estate markets where the properties are located, changes in governmental rules and fiscal policies, acts of nature, including earthquakes, floods and hurricanes (which may result in uninsured losses) and other factors which are beyond the control of the Firm. The economy of any state or region in which a property is located may be adversely affected to a greater degree than that of other areas of the United States by certain developments affecting industries concentrated in such state or region. Moreover, in recent periods, several regions have experienced significant downturn in the market value of real estate. A decline in general economic conditions in states or regions in which the Firm's properties are located could result in a decrease in commercial property, housing or consumer demand in the state or region and the income from and market value of the Firm's properties may be adversely affected. The Firm could incur increased risks associated with concentration of properties in particular industries or businesses. A concentration of property types can increase the risk that a decline in a particular industry or business would have a disproportionately large input on the Firm's income and its ability to make distributions to its Members.

*The Firm could incur risks related to construction; significant renovation or conversion of properties.*

In some cases, the Firm may acquire properties with the purpose of constructing new buildings, additional improvements, significantly renovating existing improvements or converting existing improvements to an alternative use. In these cases, income or revenue cannot be generated from the new, additional, renovated or converted improvements until completion, and if the Firm incurs delays, additional material increases might be necessary to make such property suitable or saleable. In addition, the Firm's ability to implement the new, additional, renovated or converted improvements may be conditional upon the Firm obtaining certain governmental or other approvals (including re-zoning approvals). If the Firm were to fail to obtain such approvals, such failure could negatively impact the Firm's ability to construct, renovate or convert the property as planned which could, in turn, affect the anticipated cash flow from the property.

*The Firm may incur risks of competition from other properties.*

Other Charter Schools, retail shopping facilities, office buildings, and multi-family properties located in the area of the Firm's properties to attract tenants and customers. For example, there could be an oversupply of properties of the same type in the area where some of the Firm's properties are located. The leasing of real estate is highly competitive in terms of price, location and the nature and condition of the facility to be leased. The Firm will compete with all landlords and developers of comparable types of properties in the areas where the Firm's properties are located. Such landlords or developers could have lower rentals, lower operating costs, more favorable locations or better facilities. While the Firm may renovate, refurbish or expand its properties to maintain them and remain competitive, such renovation, refurbishment or expansion

may itself entail significant risks. Increased competition could adversely affect the Firm's income from and the market value of the Firm's properties. If any of the Firm's properties are located in areas where there is construction of new properties of a similar type, this new construction may have an adverse impact on the current market rents in the area and, as a result, there is no assurance that the Firm's property would meet its projected net operating income.

*The Firm will depend on tenants for revenues, and there are a number of risks associated with leases that could reduce distributions to Members.*

The success of the Firm's investments depends in significant part on periodic lease or rental payments from tenants to pay for maintenance and other operating expenses of the building, to fund capital improvements and to service any debt obligation the Firm may have outstanding with respect to a particular property. These can be no guarantee that tenants will renew leases upon expiration or that they will continue operations throughout the term of their leases. The income of the Firm, and the amount of distribution by the Firm to its Members, would be adversely affected if tenants were unable to pay rent or if space was unable to be rented on favorable terms or at all. For example, if the Firm were to re-let or renew existing leases for a significant amount of space at rental rates significantly lower than expected rates, then the Firm's funds from operations may be adversely affected. Changes in payment patterns by tenants may result from a variety of social, legal and economic factors, including, without limitation, the rate of inflation and unemployment levels and may be reflected in the rental rates offered from comparable space. In addition, upon re-letting or renewing existing leases, the Firm will likely be required to pay zoning commission and tenant improvement costs, which may adversely affect cash flow from a particular property. There is no assurance that existing leases will be renewed or that, if renewed, the terms would be similar to or more favorable than the terms of the prior lease.

If a property is subject to a mortgage loan, there are a number of risks created by leases that could affect the ability of the Firm to perform its obligations under such loan. A default by one or more tenants on their lease payments would cause the Firm to lose the revenue associated with such loan and force the Firm to find an alternative source of revenue to meet mortgage payments and prevent a foreclosure. One tenant may represent all or a significant portion of the total rent with respect to a property under leases that expire prior to the maturity date of a mortgage loan. To the extent significant tenant leases expire near or on the maturity date of a mortgage loan, it would be more difficult for the Firm to refinance or sell the property in order to make the required balloon payment under the required mortgage loan. If the Firm is not able to re-let the expiring space under as favorable conditions due to a decrease in the going rate for similar space then the Firm's ability to meet its obligations under the applicable mortgage loan may be adversely affected. Similarly, the Firm's inability to fully or favorably re-let the premises may adversely impact its ability to refinance a mortgage loan at maturity.

Certain leases may contain provisions such as "co-tenancy" or "sales threshold" provisions which would permit certain tenants (including anchor tenants in some cases) to terminate their leases without payment of any fee if certain events occur. Loss of rental income from these tenants could have a material adverse effect on the Firm's ability to meet its obligations under a mortgage loan to or meet distributions to its Members.

In the case of charter schools, retail and office properties, the performance and liquidation value of such properties may be dependent upon the business operated by tenants, the credit worthiness of such tenants and/or the number of tenants. In some cases, a relatively small number of tenants

may account for a disproportionately large share of the rentable space or rental income of a property. Accordingly, a decline in the financial condition of a significant tenant, or other adverse circumstances in neglect of such a tenant (such as bankruptcy or insolvency) may have a disproportionately greater effect on the net operating income derived from such property than would be the case if the rentable space or rental income were more evenly distributed among the tenants at such property.

As is customary in charter schools, retail and office leases, under certain leases the Firm may have the right to change the tenants to recover amounts paid by the Firm with respect to taxes, utilities and other costs. In the event the Firm charges a tenant at a rate above which the tenant should have been otherwise required to pay, and tenant may abate rent or bring an action to have the excess amount returned to it. There is no assurance as to the effect that any such abatement or action would have on the performance of the related property.

Risks related to tenants may also be increased if there is a concentration of tenants in particular industries at a particular property. Similarly, if a property is leased predominantly to only a few tenants, the Firm will not have the benefit of tenant credit risk diversification and will be substantially reliant upon the credit worthiness of those few tenants.

The bankruptcy or insolvency of a major tenant or a number of small tenants may have adverse impact on a property leased to such tenants and the income produced by such property. Under bankruptcy law, a tenant has the option of assuming (continuing), rejecting (terminating) or, subject to action conditions, assigning to a third party any expired lease. If the tenant assumes its lease, the tenant must cure all defaults under the lease other than those relating to the insolvency of the tenant and provide the Firm with adequate assurance of its future performance under its lease. If the tenant rejects the lease, the Firm's claim for breach of the lease (absent collateral securing the claim) would be treated as a general pre-petition unsecured claim. The amount of the claim would be limited to the amount owed for unpaid pre-petition lease payments unrelated to the rejection, plus the greater of one year's lease payments or 15% of the remaining lease payments payable under the lease (but not to exceed three years' lease payments). If the tenant assumes its lease, the tenant must cure all defaults under the lease other than those relating to the insolvency of the tenant and the proposed assignee must demonstrate adequate assurance of future performance under the lease. No assurance can be given that tenants in the Firm's properties will not file for bankruptcy protection in the future or, if any tenants file, that they will continue to make rental payment in a timely manner. In the case of a property with a few tenants, a bankruptcy of one tenant would have a greater impact on the Firm than would the bankruptcy of a tenant in a property leased to many unaffiliated tenants.

If a tenant defaults in its obligation to the Firm, or in the case that a charter school loses its charter license and must close, the Firm may experience delays in enforcing its rights as a landlord and may incur substantial costs and experience significant delays associated with protecting its investment, including costs incurred in renovating and reletting the property.

*The Firm may be unable to sell a property if or when it decides to do so, which could adversely impact its ability to pay cash distributions to Members.*

The real estate market is affected by many factors, such as general economic conditions, availability of financing, interest rates and other factors, including supply and demand, that are beyond the Firm's control. The Firm cannot predict whether it will be able to sell any property for

the price or on the terms set by the Firm, or whether any price or other terms offered by a prospective purchaser would be acceptable to the Firm. The Firm cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. If the Firm is unable to sell a property when the Firm determines to do so, it could have a significant adverse effect on the Firm's cash flow and results of operations.

*In the event of casualty to a Firm property, the Firm may be prevented from reconstructing the property as it existed prior to such casualty.*

Certain of the Firm's properties may qualify as legally permissible non-conforming areas and improvements under existing zoning ordinances. Notwithstanding applicable insurance coverage, if a substantial portion of the improvements on any such property were to be destroyed by fire or other casualty, the Firm may not be permitted to rebuild such improvements as they existed prior to such casualty. This could result in a significant reduction of net rentable square feet and, therefore, a deduction in net generating income generated by such property for the Firm.

*If the Firm sells properties by providing financing to purchasers, the Firm will bear the risk of default by the purchaser.*

If the Firm decides to sell any of its properties, it intends to use its best efforts to sell them for cash. However, in some instances the Firm may sell its properties by providing financing to purchasers. When the Firm provides financing to purchasers, the Firm will bear the risk of default by the purchaser and will be subject to remedies provided by law, which could negatively impact the Firm's income. There are no limitations or restrictions on the Firm's ability to take purchase money obligations. The Firm may, therefore, take a purchase money obligation secured by a mortgage as part payment for the purchase price. The terms of payment generally will be affected by custom in the area where the property being sold is located and then-prevailing economic conditions. If the Firm receives promissory notes or other property in lieu of cash from property sales, the distribution of the proceeds of sales to Members will be delayed until the promissory notes or other property are actually paid, sold, refinanced or otherwise disposed of.

*Risks Associated with Notes. There are certain risks unique to investments in notes. Moreover, the interest that the mortgagor has in the property is a leasehold interest and not a fee simple interest in the property.*

#### *Troubled Assets Have a High Degree of Risk*

The Firm intends to make investments, directly or indirectly, in the notes, which involve a significantly greater degree of financial risk than other potential investments. There can be no assurance that such assets will be able to overcome their financial difficulties. Often, investments in troubled assets, such as the notes, have greater illiquidity, and there can be no assurance that the Firm will be able to meet performance projections on such investments. There can be no assurance that the Firm will be able to liquidate the notes without the Firm incurring a loss. To the extent that the Firm, directly or indirectly, invests in troubled assets, such as the properties securing the notes, that require improvement, it will be subject to the risks normally associated with making capital improvements, which could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of capital improvement activities once undertaken.

### *Notes Have a High Degree of Risk*

As part of its investment approach, the Firm intends to purchase, directly or indirectly, notes. The purchase and holding of notes inherently involves a high degree of financial risk. These risks include, among others: (i) borrower default (including, without limitation, loss of principal and nonpayment of interest); (ii) illiquidity; (iii) lack of control of the borrowers and guarantors; (iv) contested foreclosures; (v) claims for lender liability; (vi) violations of usury laws; (vii) the imposition of common law or statutory restrictions on the exercise of contractual remedies for defaults of such investments; (viii) lack of quality of title to the properties; (ix) defects or deficiencies in the perfection of the liens on the properties; (x) redemption rights of the borrower (which would restrict the Firm's ability to take title to the properties); (xi) costs, which could be substantial, related to ownership of the notes; (xii) taking title to the properties underlying the notes; (xiii) potential deficiencies, discrepancies or unfavorable terms in the documents governing the notes; and (xiv) potential adverse tax consequences. In a situation where the notes become nonperforming, the notes may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate and substantial write-down of the principal of such loan. The borrower or relevant guarantor may also be in bankruptcy or liquidation. Further, debt investments have special inherent risks relative to collateral value, including, among others, the mismanagement or decline in value of collateral, or that the collateral value of the properties may be less than the outstanding amount of the investment.

### *Originations by Troubled Financial Institutions*

Notes may have been originated by financial institutions or other entities that are insolvent, in serious financial difficulty or no longer in existence. As a result, the standards by which such investments were originated, the recourse to the selling institution, or the standards by which such investments are or were being serviced or operated may be, or may have been, adversely affected. Further, any of the foregoing risks, uncertainties and factors may, in turn, negatively impact the Firm's financial performance and its ability to make distributions to the investors.

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### ***Item 9: Disciplinary Information***

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#### **Item 9.A., 9.B., and 9.C.**

ESJ and its supervised persons have no reportable disciplinary events to disclose.

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### ***Item 10: Other Financial Industry Activities and Affiliations***

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#### **Item 10.A.**

Not Applicable. ESJ is currently not applying to register as a broker-dealer and does not intend to.

#### **Item 10.B.**

Not Applicable. Neither ESJ, nor any of its management persons, are applying to register with the National Futures Association and do not intend to.

**Item 10.C.**

ESJ Management S.À.R.L. is a Luxembourg registered investment adviser, which provides advisory services to Luxembourg based private funds. ESJ Management S.À.R.L. shares management persons with the Firm. This arrangement does not present a material conflict of interest between the Firm and its Clients.

ESJ Holdings, LLC is a Florida based property management services provider, which provides facilities management, daily operations, and manages all aspects of cash flow and tenant relations for its clients. ESJ Holdings, LLC shares management persons with the Firm. This arrangement does not present a material conflict of interest between the Firm and its Clients.

ESJ, or an affiliate, may furnish investment management and other advisory services for its own account; the Managed Account. The Firm or its affiliate may make recommendations to trade, purchase or sell for its own account which may differ from the recommendations made to the Firm's Clients. ESJ always acts in the best interest of its Clients and in accordance with the Clients' investment objectives. The Firm has a robust compliance program in place to address conflicts of interests which may arise as a result of managing proprietary accounts.

**Item 10.D.**

Not Applicable. ESJ does not recommend or select other investment advisers for its Clients.

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

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**Item 11.A.**

Employees of ESJ may only purchase and sell securities in accordance with the Firm's Code of Ethics to which all employees are subject. This policy is monitored by the Chief Compliance Officer.

Employees are permitted to maintain personal brokerage accounts, subject to the Code of Ethics and personal trading policy.

The Code of Ethics includes the following:

- Statement of the standard of business conduct.
- Limits on gifts and entertainment.
- Limits on political contributions.
- Limits on personal trading.
- Requirements to pre-clear any purchases or sales of securities for personal accounts.
- Requirements regarding the reporting of personal holdings.
- Requirement to acknowledge, in writing, having received and read a copy of the Code of Ethics.

A copy of the Firm's Code of Ethics is available to investors and prospective investors upon request.

**Item 11.B., 11.C., and 11.D.**

ESJ, as a fiduciary to its Clients and endeavoring to be honest and truthful to its Clients at all times, prohibits investments in the personal account of any Firm personnel or related person in a security that is currently held or intended to be held by Clients.

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***Item 12: Brokerage Practices***

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ESJ currently does not engage in trading transactions on behalf of its Clients or utilize the services of broker-dealers for transaction related services. In the event it requires the services of a broker-dealer, ESJ will seek to obtain best execution for all transactions. To the extent they aggregate orders for purchase and sale, ESJ will aggregate such orders as it deems appropriate and in accordance with the Client's organizational documents and in the best interests of the Clients.

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***Item 13: Review of Accounts***

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**Item 13.A. and 13.B.**

The Clients' portfolio investments are continuously reviewed by a team of investment professionals. ESJ actively monitors the portfolio investments of the Clients and generally maintains an ongoing oversight position in such portfolio investments.

**Item 13.C.**

As applicable and set forth in the respective offering documents, investors will receive, among other things, a copy of audited financial statements of the respective Client within 120 days after the fiscal year end of the Funds and the respective SPVs. In addition, investors will typically receive written reports containing unaudited summary financial information regarding the applicable Clients' portfolio quarterly. It is anticipated that the Managed Account would receive statements from, and have access to their account information at, their custodian.

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***Item 14: Client Referrals and Other Compensation***

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**Item 14.A.**

Not applicable. ESJ does not select or recommend broker-dealers for client transactions

## **Item 14.B.**

ESJ has entered into arrangements with placement agents, or solicitors, where in return for a referral ESJ would pay the placement agent a one-time or ongoing fee based upon the value of the referral's investment into the applicable Clients' portfolio. Any such arrangement with a placement agent will be disclosed to every investor, as applicable.

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## ***Item 15: Custody***

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The assets of the Funds and the SPVs, if applicable, will be held at an unaffiliated qualified custodian, as required by the rules adopted under the Investment Advisers Act of 1940, as amended. The Firm provides investors with the applicable annual audited financial statements prepared by an independent public accountant subject to the supervision of the Public Company Accounting Oversight Board and investors in the Funds or the SPVs receive the reports from ESJ as described in Item 13 of this brochure.

The Firm would be deemed to have custody over the Managed Account because the Firm would have access to and authority over the Managed Account, which would be maintained with an unaffiliated, qualified custodian. The Firm would have the ability to debit fees, if any, charged to the Managed Account direct from the custodian or to wire funds from the Managed Account to another client account or other third-party account. The Firm also has a reasonable belief the custodian would provide account statements to the Managed Account client at least quarterly.

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## ***Item 16: Investment Discretion***

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ESJ accepts discretionary authority to manage securities accounts on behalf of Clients and therefore, determine which securities and the amounts of securities it buys and sells for the Clients. This authority has been granted to ESJ by means of the execution of the relevant organizational and/or advisory agreements that set forth the scope of the Firm's discretion with respect to the Funds or the SPVs.

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## ***Item 17: Voting Client Securities***

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ESJ generally does not intend on investing in equity securities that regularly vote shares. However, ESJ will adopt a proxy policy should a proxy vote arise or to handle any class actions. Should any matters arise that requires a vote of the holders of any securities held by the Clients, senior management of ESJ would review the issue or issues to be voted on and cast their votes in the best economic interest of the Clients. A copy of the proxy voting policy and a record of all votes cast by ESJ on behalf of the Clients, may be obtained by mailing the request to the attention of Arnaud Sitbon and/or Elie Mimoun ESJ Capital Partners, LLC, 19950 West Country Club Dr., Suite 800 Aventura, FL 33180, or emailing the request to [as@esj.us](mailto:as@esj.us) or [em@esj.us](mailto:em@esj.us).

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***Item 18: Financial Information***

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**Item 18.A.**

Not Applicable. ESJ does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

**Item 18.B.**

ESJ is not aware of any financial condition that is reasonably likely to impact its ability to meet its contractual commitments to Clients.

**Item 18.C.**

Not Applicable. ESJ has not been the subject of a bankruptcy petition at any time during the past ten years.

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