



Item 1 | Cover Page

CP Capital (US) Partners LP
1290 Avenue of the Americas
10th Floor
New York, NY 10104
(212) 843-6100

September 2, 2021

FORM ADV PART 2A: Firm Brochure

This Brochure provides information about the qualifications and business practices of CP Capital (US) Partners LP ("**CP Capital**" or the "**Firm**"). If you have any questions about the contents of this Brochure, please contact CP Capital's Chief Compliance Officer ("**CCO**"), Janine Diljohn at (212) 863-2300 or janine.diljohn@hqcapital.com. 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.

CP Capital is a registered investment adviser. Registration as an investment adviser does not imply that the Firm or any of its principals or employees possesses a particular level of skill or training in the investment advisory business or any other business.

Additional information about CP Capital (formerly HQ Capital Real Estate L.P.) is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 | Material Changes

In June 2021, an affiliate of Concord Pacific and HB Management entered into an agreement to become a majority shareholder of HQ Capital Real Estate L.P. The completion of this transaction occurred on August 3, 2021. As a result, HQ Capital Real Estate has rebranded as CP Capital to reflect the new ownership. The HQ Family remains a minority shareholder of the Firm and is fully committed to this new venture.

CP Capital will continue to build on its proven investment strategy focused on partnering with high-quality apartment developers and selectively acquiring existing multifamily properties with significant value creation potential in key growth markets across the United States.

Item 3 | Table of Contents

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

Item 4 | Advisory Business

CP Capital was organized on August 21, 1989 as Real Estate Capital Partners L.P. and was rebranded as HQ Capital Real Estate L.P. in 2015 under the ownership of the HQ Capital Group. In June 2021, Concord Pacific (“Concord”) and HB Management (“HB”), entered into strategic agreements to become a majority shareholder of the Firm. The completion of this transaction occurred on August 3, 2021. As a result, HQ Capital Real Estate has rebranded as CP Capital to reflect the new ownership. CP Capital is 90% owned by CPHB RECAP LP, a newly established partnership indirectly owned by Concord (75%) and HB (25%), with an affiliate of HQ Capital owning the remaining 10%.

Concord is a private enterprise with investments and operations in real estate development, green energy, telecommunications, information technology, hospitality. It is widely recognized and most well-known for developing Canada’s largest mixed-use high-rise urban communities including defining the downtown skylines of Vancouver and Toronto. HB is a business and investment management entity of the Hewson and Breiner family offices. The managing principals of HB are Edward Hewson and Jonathan Breiner, second- and third-generation managers of their family businesses. HB’s subsidiaries in the multifamily space include HB Development, Indigo Real Estate Services, and Paragon Real Estate Advisors.

CP Capital is a specialized, privately held company investing in U.S. real estate and providing investment advisory services to pooled investment vehicles structured as private funds (the “**Funds**”). CP Capital invests both directly in U.S. real estate and in entities engaged in investing in U.S. real estate. CP Capital creates and manages portfolios consisting of, but not limited to, existing and to be built apartment, office, industrial, retail and mixed-use properties. CP Capital’s worldwide investor base consists of institutions, family offices and high net worth individuals. CP Capital limits its advice to U.S. real estate investments and considers the Funds its clients (“**Clients**”), as opposed to the investors in those Funds. Unlike the advisory Clients, investors may not impose restrictions on investing in securities or in certain types of securities.

CP Capital offers a full range of real estate investment advisory services – selecting, analyzing and negotiating investments on behalf of its Clients. Clients are represented in all aspects of the acquisition process including securing financing. CP Capital also acts as asset manager overseeing the development of annual budgets, rent collections, operating expenses, tenant improvements and capital expenditures. Lastly, CP Capital is involved in the ultimate sale of each investment.

As of December 31, 2020, CP Capital had regulatory assets under management (“**RAUM**”) of \$0.9 billion on a discretionary basis and managed a total of over \$1.4 billion in total project costs. CP Capital currently has 29 employees as of March 31, 2021. Of those, 11 perform investment advisory functions, including investment research.

Item 5 | Fees and Compensation

CP Capital’s compensation is determined commensurate with the mandate of each Client and typically includes management fees, acquisition and/or performance-based fees. CP Capital bills Clients in arrears for services rendered in accordance with the applicable fee schedule, which also indicates the frequency with which fees are charged. CP Capital prepares invoices for record keeping of its fees which are directly deducted from each

Client's account. Acquisition fees are earned when an investment acquisition is capitalized. Asset management fees are earned monthly. Performance-based fees, which are described below, are earned when specified return parameters have been achieved.

Clients are also subject to charges from financial institutions and other third parties such as tax compliance fees, audit fees, banking fees, custodial fees, tax preparation fees, appraisal fees, legal expenses and insurance, as well as real estate operating level expenses (e.g., real estate brokerage fees, property management fees, etc.). The disclosure under Item 12 contains additional information regarding brokerage and other transaction costs.

A full description of fees and expenses that may be charged to the private funds is available in each Fund's respective offering documents.

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

CP Capital charges a performance-based fee to all its advisory Clients. All performance fees imposed by CP Capital are assessed in compliance with Rule 205-3 under the Investment Advisers Act of 1940, as amended. While certain Clients are subject to higher fees, potentially incentivizing CP Capital to favor those Clients over others, CP Capital aims to provide the same level of diligence and fairness in its advisory services to all of its Clients and does not allow the level of fees to affect its ultimate investment decisions.

CP Capital is committed to allocating potential transactions among its Clients in a fair and equitable manner. If a new CP Capital Fund has overlapping investment objectives with an existing Fund, CP Capital will not make investments for the new Client until such existing funds are at least 75% invested. In a situation where an investment opportunity is suitable for one or more Clients, CP Capital will allocate the investment to the Client(s) whom it determines the investment is most suitable, based on secondary factors such as a Client's investment objective, available capital or geographic diversity of a Client's current portfolio. CP Capital may also arrange for Clients to co-invest in an investment opportunity.

Item 7 | Types of Clients

As discussed in Item 4, and pursuant to the SEC's guidance, CP Capital considers its Funds as its Clients. CP Capital provides its advisory services to pooled investment vehicles which are typically limited partnerships for which CP Capital-related entities serve as the general partner. CP Capital's global limited partner investor base consists of institutions, family offices and high net worth individuals.

The Funds typically have minimum investment amounts, which are set forth in their offering documents. In general, the minimum investor commitment to a Fund is \$1,000,000, although CP Capital may accept commitments of lesser amounts.

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

Methods of Analysis and Investment Strategies

CP Capital has long standing relationships with a network of developers, owners, banks and other market experts across the country, which keep it constantly abreast of local, regional, and nationwide market trends and conditions. CP Capital identifies market and demographic trends, and then develops short, medium, and long-term investment and asset management strategies accordingly. It employs several tools to underwrite properties and to project future cash flows. In addition, it has developed several proprietary models which allow it to synthesize an analysis for key variables and detail all assumptions in the underwriting. It also utilizes a wide range of information sources, including professional real estate consultants, government data and statistics, industry analysis, and research by national real estate firms.

Risk of Loss

Client investments are subject to the risks associated with the ownership and development of real estate, including, without limit, risks associated with: (1) changes in the general economic climate, (2) changes in the overall real estate market, (3) local real estate conditions, (4) the financial condition of tenants, buyers and sellers of properties, (5) supply of or demand for competing properties in an area, (6) accelerated construction activity, (7) the availability of financing, (8) changes in interest rates, (9) competition based on rental prices, (10) energy and supply shortages, (11) various uninsured and uninsurable risks, and (12) government regulations.

In addition, investments in real estate or interests in real estate are highly illiquid and subject to industry cycles, downturns in demand, market disruptions and the lack of available capital from potential lenders or investors (whether for the financing or refinancing of investments or for potential purchasers of the investments).

Investing in private funds can be considered speculative, illiquid and involve a significant degree of risk. It is only appropriate for persons who can evaluate the risks associated with an investment in private funds and can bear the financial risks involved. Such an investment is suitable only for a limited portion of the risk segment of an investor's portfolio. Prospective investors should carefully read the private fund's offering documents in their entirety and consider the risk factors discussed therein when evaluating the merits and suitability of an investment in a private fund.

There is no assurance that the above is a complete description of all risks of an investment or that there are no other risks that may exist now or that may arise in the future in connection with an investment. Strategies and risks related to the Clients are described in greater detail in each Client's offering documents and similar documents and this description is qualified in its entirety by those materials with respect to each Client.

Item 9 | Disciplinary Information

Neither CP Capital, its affiliates, its managing principals nor other persons involved in the management of the Firm have been subject to any disciplinary action, whether criminal, civil or administrative, in any jurisdiction.

Item 10 | Other Financial Industry Activities and Affiliations

CP Capital provides investment advisory services to pooled investment vehicles for which it or an affiliate acts as general partner and/or investment adviser. Each of the general partners are entitled to receive the incentive allocation or carried interest applicable to the vehicle(s) for which it serves as general partner.

Additionally, CP Capital shares common ownership (minority stake) and office space with HQ Capital Private Equity LLC, a registered investment adviser focused on private equity investments.

The relationships described in response to this item result from CP Capital's ownership structure and do not create a conflict of interest.

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

Participation or Interest in Client Transactions

CP Capital's supervised persons and its related persons may have a financial interest in the Funds directly, as investors, or indirectly, as owners of the general partner or investment manager of the private funds. As a result of these interests, there may be an incentive, for example, to allocate limited investment opportunities to certain Clients or recommend that investors invest in certain private funds to increase the general partner or investment managers' advisory fees. CP Capital prohibits employees from allocating trades or investment opportunities based on our financial interests in such investments.

The offering documents for such investments contain disclosures about, among other things, CP Capital's duties as investment adviser to the partnerships and its role as general partner, its compensation and the possibility of conflicts of interest. In all such cases the Clients' interests are always paramount.

Clients and supervised persons investment activity are reviewed carefully and continuously to ascertain, among other things, whether any possible conflicts of interest are presented by such investments. For example, while CP Capital, its supervised persons, and related persons may take positions in securities for their own accounts that are inconsistent with recommendations made to Clients, all private placements are required to be pre-cleared with Compliance prior to making such investments. If a conflict is determined to exist, it is resolved in favor of the Client.

Code of Ethics and Personal Trading

CP Capital has adopted a Code of Ethics (the "**Code**") governing personal trading by its personnel which is designed to promote the highest levels of ethical conduct among its supervised persons. The Code includes the following general principles: 1) the duty always to always place the interests of Clients first, 2) the requirement to conduct personal securities transactions in such a manner as to avoid any actual or potential conflict of interest, 3) the fundamental standard that CP Capital and its supervised persons exercise independent, unbiased judgment in the investment decision-making process.

The Code stipulates that supervised persons are not permitted to use their knowledge of proposed or actual recommendations or transactions to profit personally. The Code restricts the personal receipt of investment opportunities, perquisites, or gifts from persons doing or seeking business with CP Capital that could call into question the supervised person's independent judgment.

Supervised persons are also prohibited from sharing non-public personal information of Clients or investors without permission and unless necessary to complete a transaction on the Client's or investor's behalf. In addition, CP Capital limits access to non-public personal information to those supervised persons that need access to such information to provide services to the Client or investor.

CP Capital's supervised persons are required to pre-clear non-public securities transactions and initial public offerings, and to report their personal securities transactions and holdings with the Firm's Compliance Department.

The Code is qualified in its entirety in CP Capital's Compliance Manual. Clients can obtain a copy of the Code of Ethics by contacting Compliance at (212) 863-2337.

Item 12 | Brokerage Practices

CP Capital generally selects the broker used to effect transactions in real estate. In selecting a broker for any transaction, CP Capital considers a number of factors, including, for example, broker's reputation, net price or spread, financial strength and stability, market access, efficiency of execution and error resolution, and the size of the transaction. CP Capital is not obligated to obtain the lowest commission or best net price for a Client on any particular transaction.

Cash management practices are typically set forth in a private fund's offering documents. Cash may be invested in products offered by the bank, such as proprietary money market funds, or may be held in interest-bearing checking accounts.

Item 13 | Review of Accounts

The portfolios of CP Capital's Client accounts are regularly reviewed by portfolio managers on an ongoing basis and by members of CP Capital's Investment Committee two to four times per year. Numerous topics are discussed during these reviews, including year-to-date performance and current market conditions. Portfolios are also reviewed by other CP Capital personnel, including the investment, accounting, reporting, investor relations, and marketing teams, as needed to properly service the Clients' accounts.

CP Capital generally provides unaudited financial reports on behalf of the Funds to investors on a quarterly basis. These reports contain a narrative market update, a project summary and financial statements. Other reports may also be provided as stipulated in individual advisory contracts or other agreements. The Funds provide audited financial reports to investors on an annual basis.

Item 14 | Client Referrals and Other Compensation

CP Capital does not receive any economic benefit from non-Clients for providing investment advisory services to its Clients. CP Capital has and will in the future make cash payments to third parties who provide investor referrals to its advisory Clients in accordance with Rule 206(4)-3 of the Act.

Item 15 | Custody

CP Capital has custody over its Clients' cash and securities. All custodied cash is held with qualified custodians, however, investments in real estate held by CP Capital's Clients are privately offered, uncertificated securities that are not required to be held by a qualified custodian and are recorded on the books of the pooled investment vehicles in the name of such investment vehicles. The majority of CP Capital's private funds do tax basis accounting and audits, and therefore cannot rely on the annual audit exemption provided by Rule 206(4)-2(b)(4). For such private funds, an external administrator independently issues account statements directly to the private fund limited partners on a quarterly basis. Investors are instructed to carefully review those statements and compare them to any statements they receive directly from CP Capital. These private funds are also subject to an annual surprise exam by an independent PCAOB registered accounting firm.

Item 16 | Investment Discretion

CP Capital has discretionary authority to acquire or dispose of its private funds' assets. This authority, along with any limitations to this authority, is set forth in each private fund's offering document.

Item 17 | Voting Client Securities

CP Capital's Clients generally do not hold voting securities. In the event that a Client holds voting securities, CP Capital will adopt and implement written policies and procedures that are reasonably designed to ensure that it votes Client securities in the best interest of Clients and in a manner that is not a product of a material conflict of interest between CP Capital and the Client. Copies of CP Capital's proxy voting policies and procedures can be obtained by contacting Compliance at (212) 863-2337.

Item 18 | Financial Information

CP Capital has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients. Further, it has never been the subject of any bankruptcy proceeding.