



Form ADV Part 2A- Firm Brochure

CIM CAPITAL, LLC

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This brochure provides information about the qualifications and business practices of CIM Capital, LLC. If you have any questions about the contents of this brochure, please contact us at 323.860.4900. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or any state securities authority. Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about CIM Capital, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

Since the last update to this brochure, in March 2022, we have made material amendments to Item 6 - Performance-Based Fees disclosures and Item 8 - Material Risks associated with Performance-Based Fees.

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Item 4: Advisory Business

CIM Capital, LLC (“CIM”) is a limited liability company organized under the laws of the state of Delaware and based in Los Angeles, California. CIM was formed in March 2015 and began its advisory business after becoming registered with the SEC on August 26, 2015. CIM acts as an investment adviser to certain CIM Group Clients (as defined herein).

CIM provides investment advisory services primarily to investment funds, including commingled funds, single investor funds and co-investment vehicles (collectively referred to herein as “Funds”), all of which are exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”) pursuant to Sections 3(a)(1), 3(c)(5)(C), 3(c)(6), 3(c)(7) or 3(c)(1) thereof. CIM also provides advisory services to non-Fund institutional investors. CIM refers to each of the Funds, together with its non-Fund clients, individually as a “Client” or collectively as “Clients.” CIM does not currently provide investment advisory services to non-accredited retail investors or to registered investment companies. Please note, not all of CIM’s Clients invest in securities; therefore, CIM’s definition of “Client” herein may be different in some cases to the Form ADV Part 1 definition of *client*. Also, CIM offers integrated arrangements to certain investors (“Multi-Fund Investors”), pursuant to which Multi-Fund Investors are offered the opportunity to invest in multiple Funds.

CIM is indirectly wholly owned by CIM Group, LLC (together with its affiliates, “CIM Group”), which owns, operates, develops and lends to urban real estate and real estate-related assets and infrastructure assets. Mitsui & Co., Ltd., a Japanese financial conglomerate, owns a ~20% interest in CIM Group. The founders (“Founding Principals”) of CIM Group are Richard Ressler, Avi Shemesh and Shaul Kuba.

CIM has 122 supervised persons, as well as access to CIM Group’s other ~850 employees for non-securities related matters. CIM’s investment committee (“Investment Committee”) consists of all the principals of CIM Group and certain other employees. The Investment Committee is further divided into sub-investment committees according to investment type and/or geography (i.e., Europe or North America real asset-related equity, credit and publicly traded securities) and each is comprised of a smaller number of Investment Committee members. Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss” for more information regarding the Investment Committee and its sub-committees.

CIM is a process and research driven investment adviser that seeks to mitigate risk through the fundamental analysis of the long-term drivers of investment value and to deliver strong risk-adjusted returns by utilizing CIM Group’s vertically-integrated team, community qualification methodology and investment discipline.

CIM’s investment advisory business encompasses various strategies, including six current strategies: opportunistic real estate (“Opportunistic Strategy”), ground-up development real estate (“Ground-Up Development”), core real estate, (“Core Strategy”), value-add real estate (“Value-Add Strategy”), credit (“Credit Strategy”) and infrastructure (“Infrastructure Strategy”).

CIM Group expects to continue to own and operate real estate, real estate-related and infrastructure assets for its own account.

CIM tailors its advisory services to the needs of each Client. Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss” for more information regarding CIM’s investment methodology.

With the exception of Multi-Fund Investors and certain single investor funds, CIM generally has discretionary authority to manage accounts on behalf of its Fund Clients in accordance with such Fund Client’s investment objectives, strategies and limitations and pursuant to the terms of the management agreement with each such Fund Client. Multi-Fund Investors are expected to exercise discretion over their accounts (but not the underlying Funds), and certain investors in single investor funds exercise discretion over their accounts. In the case of Fund Clients, the investment management agreement is generally entered into on behalf of the Fund by the Fund’s general partner or managing member, who is generally a member of CIM Group. Additional investment objectives, strategies and limitations for Fund Clients are also generally set forth in the Fund’s organizational and offering documents (such documents, together with investment management agreements, “*Governing Documents*”).

CIM co-invests with and/or acts as a co-adviser or sub-adviser to clients of affiliated advisers of CIM Group (i.e., CIM Capital IC Management, LLC, CIM Capital SA Management, LLC and CIM Group’s non-registered advisers, collectively referred to as the “Affiliated Advisers”). In such cases, the allocation of responsibilities among the advisers and/or general partners and managing members will be set forth in the Governing Documents. In the event a co-investment takes place with an Affiliated Advisers’ client, that is registered under the Investment Company Act, such co-investment will be completed in accordance with the conditions of applicable exemptive relief received from the SEC.

Real Estate and Real Estate-Related Assets Investment Strategies

CIM’s real estate and real estate-related assets investment strategies generally, but not exclusively, focus on assets located in traditional downtowns of cities and main streets of densely populated communities that CIM has qualified for investment (“*Qualified Communities*”). Qualified Communities are either well-established, thriving urban areas where CIM believes it has an opportunity to acquire assets for prices below long-term, normalized values or transitional urban districts that have dedicated resources to becoming vibrant urban communities. In either case, CIM seeks to identify urban communities that merit the extensive efforts CIM will undertake in making investments.

For Qualified Communities that are in transitional metropolitan districts, the qualification criteria include the following:

- population growth;
- broad public support for CIM’s investment approach;
- private investment;
- underserved niches in the community’s real estate infrastructure; and
- the potential to invest a minimum of \$100 million of opportunistic equity within five years.

For Qualified Communities that are thriving metropolitan areas, the qualification criteria include the following:

- positive population trends;
- public support;
- opportunities below intrinsic value; and
- the potential to invest a minimum of \$100 million of opportunistic equity within five years.

Once a community is qualified, CIM proactively identifies and evaluates specific investment opportunities through its own market analysis and due diligence. In addition, CIM actively seeks opportunities from CIM Group's relationships, including CIM Group's broad network of real estate brokers, property owners, municipalities, redevelopment agencies, consultants, architects, national and regional retail tenants, builders, and prospective partners.

Opportunistic Strategy

CIM's Opportunistic Strategy generally excludes ground-up development and focuses on equity and debt investments in existing real estate and real estate-related assets, such as residential, office, retail and other asset types (including hotel, entertainment and mixed-use) that are located in Qualified Communities and experiencing operational or financial distress due to market dislocations.

Ground-Up Development Strategy

CIM's Ground-Up Development Strategy generally, but not exclusively, focuses on real estate development projects such as residential, office, retail and other asset types (including hotel, entertainment and mixed-use) that are located in Qualified Communities.

Core Strategy

CIM's Core Strategy generally, but not exclusively, focuses on equity and debt investments in stabilized real estate and real estate-related assets in CIM's Qualified Communities with current cashflow and potential for upside through active asset management and community improvement. Returns are driven by cashflow yield and asset-level value appreciation. Target property types are office, apartment, industrial, retail and mixed use.

Value-Add Strategy

CIM's Value-Add Strategy generally, but not exclusively, focuses on equity and debt investments in real estate and real estate-related assets such as retail, residential, office, hotel and other asset types (including entertainment, parking and signage) located in Qualified Communities that generally have a cash flow profile that can be improved and require lease-up, re-development, repositioning, change of use, and/or entitlement modification.

Credit Strategy

CIM's Credit Strategy generally, but not exclusively, focuses on originating and managing real estate loans on properties located within CIM's Qualified Communities, including limited and/or non-recourse junior loans (b-note or mezzanine) and senior construction loans, bridge loans, acquisition loans, and repositioning loans.

Infrastructure Strategy

CIM's Infrastructure Strategy generally, but not exclusively, focuses on public goods and services including renewable energy, digital infrastructure, transportation/social infrastructure and waste/water management as the basic pillars of growing communities.

Management of Client Assets

Fund Clients that have historically contributed to CIM's Regulatory Assets under Management have recently grown in size where they no longer qualify as securities portfolios; therefore, as of December 31, 2021, CIM had \$0 of Regulatory Assets under Management.

Item 5: Fees and Compensation

Management Fees

Management fees (“*Management Fees*”) for non-Fund Clients are individually negotiated and vary between Clients and, for Fund Clients, are individually negotiated between investors in a particular Fund. For example, certain Fund investors pay a reduced Management Fee at CIM’s discretion based on, among other things: the amount of capital committed, the number of investments made by the investor, its affiliates and/or its related investors in that or other Funds, and the timing of the investor’s investment in the Fund. For example, first-close investors can pay a materially lower Management Fee than second- or subsequent-close investors. Generally, for affiliates who are Fund investors or for eligible CIM Group employees investing in a Fund, Management Fees are either not charged or rebated back to the investor.

Investors in both commingled Funds and co-investment vehicles pay Management Fees in both the Fund and co-investment vehicle, but investors who invest in both commingled Funds and co-investment vehicles typically pay lower Management Fees in the co-investment vehicles than investors who invest solely in co-investment vehicles. Such fees may be reduced to zero in certain instances.

Management Fees are paid on a periodic basis, generally, but not exclusively, quarterly, either in advance or in arrears. Management Fees are typically not refundable. To the extent that a Management Fee is payable for less than a full payment period, the amount will be appropriately prorated. Management Fees are either billed to Clients (or, in the case of Funds, ultimately borne by the investors) or deducted from available funds as negotiated with specific Clients and specified in the Governing Documents.

For a certain Client, Management Fees are paid in the form of shares of preferred stock of the Client’s indirect parent.

Multi-Fund Investors are expected to benefit from side letters or other similar agreements that have the effect of establishing rights under, or altering or supplementing the terms of, the Governing Documents of the Funds in which Multi-Fund Investors invest. Such rights or terms are expected to include economic rights, including, without limitation, waivers, amendments, modifications, or rebates with respect to the Management Fees and/or performance-based fees to which the Multi-Fund Investor is subject.

(1) Opportunistic and Infrastructure Strategies

Annual Management Fees for Clients in the Opportunistic and Infrastructure Strategies (“*Opportunistic and Infrastructure Management Fees*”) are generally based on a percentage of (a) the Client’s aggregate capital commitments during the commitment period and (ii) the Client’s unreturned capital actually invested or committed to investments following the commitment period.

(2) *Ground-Up Development Strategy*

Annual Management Fees for Clients in the Ground-Up Development Strategy (“*Ground-Up Development Management Fees*”) are generally based on a percentage of the Client’s asset value, measured on either a gross or net basis depending on the Client.

(3) *Core Strategy*

Annual Management Fees for Clients in the Core Strategy (“*Core Management Fees*”) are generally based on a percentage of the Client’s asset value, measured on either a gross or net basis depending on the Client.

(4) *Valued-Add Strategy*

Annual Management Fees for Clients in the Value-Add Strategy (“*Value-Add Management Fees*”) are generally based on a combination of two components: (1) a percentage of the Client’s net operating income and (2) a percentage of any one or more of the following: (i) the Client’s aggregate capital commitments, (ii) the Client’s unreturned capital actually invested or committed to investments or (iii) the Client’s asset value, measured on either a gross or net basis depending on the Client.

(5) *Credit Strategy*

Annual Management Fees for Clients in the Credit Strategy (“*Credit Management Fees*”) are generally based on either (1) a percentage of the Client’s net asset value or (2) a combination of two components: (i) a percentage of the Client’s aggregate capital commitments and (ii) a percentage of the Client’s capital actually invested or committed to investments.

Non-Investment Advisory Services (Other Services) Fees

CIM Group provides non-investment advisory services (“*Other Services*”) that would otherwise be provided by third parties to Clients for additional compensation (“*Other Services Fees*”). The terms and conditions upon which Other Services are provided and the terms and conditions of Other Services Fees are individually negotiated with each Client and are set forth in the Governing Documents. For example, CIM Group provides property management, development, leasing, and multifamily residential sales services to real estate assets, loan servicing and work-out services to debt investments and operating and administration services to infrastructure portfolio companies. Other Services Fees do not reduce or offset Management Fees. Generally, for newer vintage Clients, Other Services Fees: (1) are at rates that do not exceed certain specified and agreed upon limits, usually a percentage of gross property revenues, gross contract price, base rent or gross sales, depending on the type of Other Services provided; (2) require the consent of the advisory board or all limited partners, as set forth in the Governing Documents; or (3) are otherwise no less favorable to the Client and/or its investment than the arm’s-length rates on which the Client or such investment could obtain comparable services from an unaffiliated service provider, taking into account the nature of the relevant asset type and the special services required.

CIM believes that CIM Group's performance-based fee compensation incentivizes CIM Group to provide Other Services in a manner that increases the value of Client investments. CIM also believes that CIM Group has superior knowledge and expertise in urban real estate and real estate-related assets and infrastructure assets as compared to many competing third party service providers. Please see "Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Material Risks—Other Services Fees" for more information regarding these services.

CIM's Allocable Costs and Expenses

The terms and conditions of CIM's allocable costs and expenses are individually negotiated with certain Clients and are set forth in the Governing Documents.

In addition, any of the foregoing services may be rendered by CIM or its affiliates and related entities, legal, finance and capital markets, tax, accounting, human resources, risk management, information technology, administrative, operations, engineering, architecture, property management, real estate services, development, construction, marketing and communications, and their Allocable Costs and Expenses with respect to such services, constitute Client expenses should the Fund Client's Governing Documents permit. Typically, "Allocable Costs and Expenses" means an allocable share of all direct and indirect fees, costs and expenses of CIM and its affiliates and related entities (as applicable) related to services provided to the Client and/or Other Services, including, (a) out-of-pocket costs and expenses of the general partner and/or its respective affiliates and related entities, (b) direct and indirect employment and overhead costs of employees involved in, assisting with, or ancillary to the performance of such services (e.g., internal staff counsel and other legal professionals, finance and capital markets, tax, accounting, human resources, risk management, information technology, administrative, operations, engineering, architecture, property management, real estate services, development, construction, marketing and communication personnel), (c) expenses relating to any offices or office facilities (e.g., rent, telephone, printing, mailing, utilities, office furniture, equipment, machinery and any other office, internal, and overhead expenses), (d) information technology expenses associated with any computer software or hardware, including time spent by internal staff (e) insurance costs and fees and (f) expenses of any third party retained by CIM, the general partner and/or their respective affiliates and related entities.

Other Client Fees and Expenses

Clients are responsible for organizational and operating expenses in accordance with their Governing Documents. Such operating expenses generally include the following and other similar expenses:

- All reasonable out-of-pocket fees, costs and expenses incurred in identifying, sourcing, marketing, evaluating, originating, developing, negotiating, structuring, acquiring, monitoring, holding, protecting, strengthening, financing, refinancing, mortgaging, performing valuations, exchanging, realizing, heading and disposing of properties or other investments owned by the Client, including any associated other service fees, financing, legal, auditing, accounting, advisory, consulting, other third party and/or any travel (which includes first class commercial air travel and may include non-commercial air travel

charged at a first class equivalent in accordance with CIM's expense allocation policies), accommodation and meal expenses, deposits funded thereon, brokerage commissions, research and quotation service fees and expenses (including fees, costs and expenses incurred with membership and contributing data for incorporation into industry databases), custodial expenses, costs and expenses for organizing, maintaining and complying with requirements of any subsidiaries through which the Client may invest, any costs and expenses related to the negotiation of co-investments or similar arrangements and other costs incurred with respect to investments and any other out-of-pocket amounts incurred with respect to such properties or other investments;

- Out-of-pocket fees, costs and expenses of any administrators, custodians, consultants, counsel, auditors, accountants, appraisers, independent valuation advisors (including in connection with determining the market rates for other services), tax advisors and other professional advisers (including the audit and certification fees);
- Out-of-pocket costs and expenses incurred while identifying, sourcing, marketing, evaluating, originating, developing, negotiating and structuring proposed or potential investments that are not ultimately made, including, (A) any legal, accounting, tax, advisory, consulting or other third-party expenses, any research and quotation service fees and expenses and any travel and accommodation expenses, (B) all fees (including commitment fees), costs and expenses of lenders, investment banks, brokers and other financing sources in connection with arranging financing for such a proposed or potential investment, and (C) any termination, "reverse breakup," and other similar fees payable by the Client, or in connection with any co-investment pursuant to the Governing Document, or any acquisition vehicle thereof in connection with any such proposed or potential investment, (D) any fees, costs and expenses incurred in connection with documenting and effecting co-investment vehicles and the formation of a consortium and (E) any deposits or down payments of cash or other property that are forfeited in connection with any such proposed or potential investment ("*Broken Deal Expenses*").;
- Out-of-pocket costs and expenses of negotiating co-investment agreements and the Client's share of any fees, costs and expenses incurred in connection with establishing and maintaining any vehicles through which the Client makes any co-investments or owns together with co-investors;
- Insurance, indemnity or litigation expenses;
- Out-of-pocket expenses of any advisory board contemplated by the Fund governing documents, where applicable;
- Taxes, fees or other governmental charges levied against the Client;
- Interest on and fees and expenses related to or arising from any indebtedness, guarantees or hedging activities;
- Expenses of liquidating the Fund;

- Expenses and costs associated with reporting to and meetings of the advisory board and of the limited partners contemplated by the Fund governing documents, where applicable;
- Extraordinary expenses, such as expenses, settlement amounts and awards relating to litigation, arbitration or other forms of dispute resolution of the Client, the general partner, CIM or any affiliate, director, manager, officer, employee, member, partner, shareholder, delegate, agent or contractor of any of them entitled to indemnification in respect thereof;
- Real estate and other taxes, licensing fees, permit fees and other governmental charges, fees and expenses and all expenses in connection with any audit, investigation, settlement or review;
- Out-of-pocket expenses incurred in connection with the Client's legal and regulatory compliance with U.S. federal, state, local, non-U.S. or other law and regulation, including but not limited to the hiring of an alternative investment fund manager ("AIFM") as necessary.
- Out-of-pocket costs and expenses incurred in connection with compliance with any side letters or other written agreements, where applicable; and
- Information technology expenses associated with any computer software or hardware procured by or on behalf of the Client.

The Governing Documents of each Client provide greater detail regarding the fees and expenses to which each such Client is subject.

Allocation of Broken Deal Expenses

When an investment deal is determined to be unconsummated, the deal is assigned to an investment strategy. If an unconsummated deal can suit more than one Client or Affiliated Advisers' clients, the broken deal expenses for such transaction will be allocated, among those Clients or Affiliated Advisers' clients that were expected to participate, pro rata based on the Clients' or Affiliated Advisers' clients' assets under management. For certain Clients, approval must be sought before such expenses can be allocated to the Client.

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

Performance-Based Fees

CIM is generally entitled to performance-based fees from Clients. For Fund Clients, performance-based fees are generally earned by the Fund's general partner or managing member or an affiliate, who are members of CIM Group, rather than CIM itself, on terms specified in the Fund's Governing Documents. The manner in which performance-based fees are calculated differ, in at least one instance, between co-investment vehicles and comingled funds; however, the terms of any such fee arrangements are individually negotiated and are, in all cases, in compliance with the Advisers Act. Multi-Fund Investors are expected to benefit from side letters or other similar agreements that have the effect of establishing rights under, or altering or supplementing the terms of the Governing Documents of the Funds in which Multi-Fund Investors invest, including, without limitation, rebates with respect to the Management Fees and/or performance-based fees to which the Multi-Fund Investor is subject. Generally, for affiliates who are Fund investors or for eligible CIM Group employees investing in a Fund, performance-based fees are either not charged or rebated back to the investor.

Performance-Based Fees and Allocation of Investment Opportunities

Performance-based fee arrangements create an incentive for CIM to recommend investments that may be riskier or more speculative than those that CIM would otherwise recommend under a different fee arrangement. In addition, the manner in which performance-based fees are determined may result in a conflict between CIM's interests and the interests of the Client with respect to the sequence and timing of disposals of investments. Performance-based fee arrangements also create an incentive for CIM to favor Clients with performance-based fee arrangements over Clients that are not charged a performance-based fee, and to favor one Client with performance-based fee arrangements over another Client with similar arrangements, depending on the relative likelihood that CIM Group will earn performance-based fees from such Clients, and the likely amounts thereof. CIM and the Affiliated Advisers have adopted an Investment Allocation Policy and constituted an Investment Allocation Committee as described below to mitigate allocation conflicts.

Performance-Based Fees and Leverage

Leverage typically increases the possibility of earning performance-based compensation, at the risk of greater loss. To the extent CIM or CIM Group is entitled to receive performance-based compensation from a Client, CIM has an incentive to use leverage on behalf of such Client. The amount of leverage that a Client can incur will be specified in the Client's Governing Documents.

Side-by-Side Management

CIM advises multiple Clients that are actively investing in the same strategy at a given time. These Clients have differing fee arrangements, and some, but not others, pay performance-based fees. As discussed in "—Performance-Based Fees" above, the existence of such differing fee arrangements creates conflicts of interest for CIM. CIM Group invests in some, but not all, Funds managed by CIM. CIM Group and Affiliated Advisers' clients also invest in real estate and real estate-related assets as well as infrastructure assets for their own accounts. Side-by-side management and CIM

Group's own active investment portfolio create conflicts of interests for CIM in allocating investment opportunities between its Clients, Affiliated Advisers' clients and CIM Group. The Investment Allocation Policy and Investment Allocation Committee (both described further below) are intended to mitigate such conflicts.

Side-by-Side Investments

CIM advises Clients that invest alongside other Clients and/or Affiliated Advisers' clients in particular investments, for example, by investing (including by assignment or participation) in pieces of the same debt facility, and by co-investing in a single real estate or infrastructure asset. CIM advises Clients to enter into such side-by-side investments when it is in the interest of each participating Client; for example, in order to diversify exposure to a single asset, asset class, or geographic region, or because a Client brings particular knowledge or expertise to bear that is expected to improve the performance of the investment. The terms and conditions under which side-by-side investments are made are set forth in the Clients' Governing Documents.

Among the side-by-side investments are co-investments in Fund investments by investors in that Fund, in other CIM Clients and/or Affiliated Advisers' clients or other existing or prospective Clients. The terms under which such co-investments are offered are set forth in the Fund Client's Governing Documents. Such co-investment opportunities are generally offered first, on an expedited basis, to the investors in that Fund and second, if the co-investment opportunity is not fully subscribed, at CIM's discretion, broadly to investors in other Funds and other existing or prospective Clients. Co-investments that are oversubscribed by Fund investors in the expedited offering are generally allocated among such investors pro rata based on each investor's Fund capital commitment, subject to a minimum investment size. However, in allocating co-investment opportunities, CIM will also typically consider other factors, such as the prospective investors speed and certainty of execution and whether it brings particular knowledge or expertise to bear that is expected to improve the performance of the investment. Allocations to investors during the second offering will be made at CIM's discretion.

Co-investments generally occur within one year of the Fund Client's initial investment in the asset. Co-investors who invest in an asset after the Fund's investment generally pay a preferred return to the Fund originally investing in the asset, the amount of which is determined by CIM in its discretion. The rate of preferred return so payable does not generally vary between Clients in a single co-investment.

In the event a co-investment takes place between a Client and an Affiliated Advisers' client, that is registered under the Investment Company Act, such co-investment will be completed in accordance with the conditions of applicable exemptive relief received from the SEC.

Certain Fund investors and Clients, including Multi-Fund Investors, receive favorable terms with respect to side-by-side investment opportunities, including greater access to such opportunities and reduced or waived Management Fees and/or performance-based fees. Investing in a Fund or becoming a Client does not entitle an investor to participate in side-by-side investment opportunities generated by other Clients, and such opportunities are typically offered selectively to other Fund investors and/or other existing or prospective Clients. The Investment Allocation Policy and Investment Allocation Committee are intended to mitigate such allocation conflicts.

As part of its investment strategy, CIM keeps its Fund sizes relatively small in order to make co-investment opportunities available, first to Fund investors and second to investors in other Funds and/or other existing or prospective Clients. CIM receives Management Fees and performance-based fees from all Clients participating in side-by-side investments, which allows CIM to receive fees from both the original Client and the co-investor Client(s) with respect to a particular asset. Such fee arrangements create an incentive for CIM to offer more side-by-side investment opportunities than it otherwise would in the absence of such fees. There are also conflicts of interest between Clients investing in side-by-side investments with regard to the allocation of expenses, the exercise of control rights, and the structuring and/or the timing of the acquisition and/or disposition of the particular investment. Please see “Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Material Risks—Side-by-Side Investments,” for more information on the risks and conflicts that arise from side-by-side investments.

Side-by-Side Management and Investment Allocation Policy

CIM and Affiliated Advisers have adopted a Side-by-Side Management and Investment Allocation Policy (the “*Investment Allocation Policy*”) designed to treat its Clients and Affiliated Advisers’ clients fairly and equitably and prevent conflicts from influencing the allocation of investment opportunities. CIM Group’s own accounts also participate in the allocation process similar to CIM’s Clients and Affiliated Adviser’s clients. For the purposes of the Investment Allocation Policy, “Clients and Affiliated Advisers’ clients” means any individual, group of individuals, partnership, trust, company or other investment entity for which CIM acts as adviser; which CIM has solicited to act as an adviser within the past six (6) months; or, in the case of investment vehicles formed by CIM Group, for which CIM is expected to act as adviser upon the commitment of sufficient capital by underlying investors. The Investment Allocation Committee (as defined below) is responsible for implementing the Investment Allocation Policy.

Pursuant to the Investment Allocation Policy, CIM and Affiliated Advisers determine the allocation of investment opportunities in good faith, taking into account relevant facts and circumstances. New investment opportunities are classified by the applicable investment team according to investment strategy/objective (for example, whether it is most appropriate for a Client or Affiliated Advisers’ client investing in stabilized, opportunistic, value-add, credit or infrastructure strategies, taking into account the risk/return profile for each of these types of investments). If an investment is suitable for two or more Clients or Affiliated Advisers’ clients with similar or overlapping investment strategies that have the capacity to make such investment, the Investment Allocation Committee determines the allocation by considering, among other things, the following factors with respect to each of the applicable Clients or Affiliated Advisers’ clients and the relative weight that should be given with respect thereto:

- the investment guidelines and/or restrictions, if any, set forth in the Client’s or Affiliated Advisers’ clients Governing Documents;
- the Client’s or Affiliated Advisers’ client’s risk and return profile;
- the suitability/priority of a particular investment for the Client or Affiliated Advisers’ clients;

- the Client's or Affiliated Advisers' client's available capital for investment;
- the aggregate capital committed to the Client or Affiliated Advisers' clients; and
- the age/vintage of the Client's account or Fund, and the remaining term of the Client's investment period, if any.

In considering the suitability/priority of a particular investment for a Client or Affiliated Advisers' client, the Investment Allocation Committee considers, among other factors, whether:

- the investment opportunity is contiguous or proximate to an existing investment;
- the investment opportunity is being made in conjunction with the strategic expansion plans of an existing investment;
- the investment opportunity is being pursued with a sponsor/partner that is also a sponsor/partner in an existing investment;
- there are economic ties/relationships between the investment opportunity and an existing investment; and
- the size and/or product type of the investment opportunity enhances existing diversification within the Client's or Affiliated Advisers' clients' portfolio.

Priority is generally given to Clients that are in their asset accumulation period (either pre-closing or investment period) or have undrawn commitments over Clients that are outside their asset accumulation period or have no undrawn commitments. However, application of one or more of the factors listed above, or other factors determined by the Investment Allocation Committee to be relevant/appropriate, may result in an allocation to a Client outside its asset accumulation period over a Client within its asset accumulation period.

If after considering the factors discussed immediately above, the Investment Allocation Committee remains unable to determine allocation of an investment opportunity to two or more Clients or Affiliated Advisers' clients, a strict rotation system is employed. Such Clients and/or Affiliated Advisers' clients are listed on a rotation schedule in the order of their inception dates (i.e., date of the investment management agreement), from the latest to the earliest inception dates. The Client and/or Affiliated Advisers' clients with the most recent inception date is, therefore, placed first on the rotation schedule and is the first to be offered the relevant investment opportunity.

Once an investment opportunity is offered to a Client or Affiliated Advisers' Client in accordance with the foregoing rotation schedule, such Client or Affiliated Advisers' Client is placed last on the rotation schedule, and all other Clients or Affiliated Advisers' Clients are moved one space higher on the schedule. The Client or Affiliated Advisers' Client assuming the newly vacated position at the top of the schedule is then offered the next available and relevant investment opportunity allocated through the rotation schedule.

If a Client or Affiliated Advisers' Client forgoes an investment opportunity or subsequently relinquishes or abandons the opportunity after accepting, the opportunity is then offered in the

order that the remaining Clients or Affiliated Advisers' Clients are listed on the rotation schedule, beginning with the Client with the next most recent inception date, until the investment opportunity has been wholly allocated.

CIM Group's Investment Allocation Committee

CIM Group's investment allocation committee ("*Investment Allocation Committee*") sits above CIM and the Affiliated Advisers and is primarily responsible for implementing the Investment Allocation Policy, including resolving allocation conflicts associated with illiquid and/or limited investments. The Investment Allocation Committee does not typically engage when Clients are investing in highly liquid, publicly traded securities. The Investment Allocation Committee is comprised of four members, including: CIM Group's three Founding Principals and its Chief Compliance Officer. The size, composition, and policies of the Investment Allocation Committee, at CIM Group's discretion, change from time to time.

Item 7: Types of Clients

As previously mentioned, CIM provides investment advisory services primarily to Funds that are exempt from registration under the Investment Company Act pursuant to Sections 3(a)(1), 3(c)(5)(C), 3(c)(6), 3(c)(7) or 3(c)(1) thereof. CIM also provides investment advisory services directly to non-Fund institutional investors, high net worth individuals and family offices. CIM does not currently provide investment advisory services directly to nonaccredited retail investors or to registered investment companies. CIM Group invests in some, but not all, Fund Clients.

The minimum capital commitment to invest in a Fund generally ranges between \$150,000 and \$25 million, depending on the Fund; however, the Fund's general partner or managing member generally has the discretion to reduce the minimum capital commitment. For eligible CIM Group employees investing in a Fund through the CIM EIP, the minimum capital commitment requirement is \$25,000. All Fund investors are subject to applicable financial sophistication requirements, and CIM requires Fund investors to be "qualified purchasers" ("*Qualified Purchasers*"), as defined in Section 2(a)(51) of the Investment Company Act, or "accredited investors" ("Accredited Investor") as defined in Regulation D under the Securities Act.

There are no minimum account sizes for non-Fund Clients. However, CIM expects such Clients to be Qualified Purchasers.

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

Generally

CIM is a process and research driven investment adviser that seeks to mitigate risk through the fundamental analysis of the long-term drivers of investment value. CIM also seeks relative value opportunities by targeting investments that are priced below their long-term intrinsic value. Finally, CIM seeks to deliver strong risk-adjusted returns by utilizing CIM Group's vertically-integrated team, community qualification methodology and investment discipline.

CIM's underwriting approach for both debt and equity is based on adherence to stringent investment guidelines regardless of market conditions. CIM employs multiple underwriting scenarios for all investments, including a "long-term average" underwriting scenario and a "current market case" underwriting scenario, and underwrites all of its equity investments on both a leveraged and unleveraged basis. CIM's long-term average underwriting is based on CIM's belief that, over the life of any given investment, a Client should be able to exit its investment at long-term historical averages.

CIM seeks to provide capital preservation and downside protection through extensive diligence into asset collateral value. In addition, CIM attempts to invest equity in assets where it can invest at a meaningful discount to: (i) historic trading and transaction multiples and/or (ii) replacement cost.

CIM draws upon the resources of CIM Group to execute its investment strategy. Since 1994, CIM Group has managed various investment vehicles investing in urban real estate and real estate-related assets and infrastructure assets on behalf of itself and institutional investors. Beginning with its three Founding Principals, CIM Group has grown into a cohesive international organization with over 975 employees, located throughout North America, South America, Europe, Asia and Australia. CIM Group's primary corporate offices are located in Los Angeles, CA (headquarters), Bethesda, MD, Dallas, TX, Chicago, IL, Phoenix, AZ, New York, NY, Orlando, FL, Atlanta, GA, London, United Kingdom and Tokyo, Japan.

CIM Group's Investment Committee

CIM Group's Investment Committee ("*Investment Committee*"), including its sub-committees noted below, sit above CIM and Affiliated Advisers and is responsible for making the investment decisions for CIM's Clients and Affiliated Advisers' clients pursuant to the terms of the Governing Documents. The Investment Committee is comprised of CIM Group's Principals and other select officers and employees of CIM (collectively, "*Committee Members*"). At any meeting of the Investment Committee, a majority of Committee Members, which must include all three Founding Principals, constitutes a quorum. Unanimous approval of CIM Group's three Founding Principals and the majority vote of all Committee members present at an Investment Committee meeting at which a quorum is present is required for the acquisition or disposition of an investment. The size, composition, and policies of the Investment Committee change from time to time.

The Real Estate Equity Sub-Committee is a subset of Committee Members responsible for reviewing proposed due diligence spending in connection with potential real estate equity investments in North America.

The Credit Sub-Committee is a subset of Committee Members responsible for reviewing and approving all credit investments and exits by CIM Clients.

The Publicly Traded Securities Sub-Committee is a subset of Committee Members responsible for reviewing and approving publicly traded securities transactions by CIM Clients.

The European Investment Sub-Committee is a subset of Committee Members responsible for reviewing proposed due diligence spending in connection with potential real asset equity investments in Europe. The Sub-Committee is also responsible for reviewing and approving, as appropriate, the final offer price, acquisition and disposition of all real asset equity investments located, or to be transacted, in Europe.

CIM Group's Real Assets Management Committee

CIM Group's real assets management committee ("*Real Assets Management Committee*") sits above CIM and Affiliated Advisers and is responsible for overseeing the management of CIM's Clients' and Affiliated Advisers' clients' investments, pursuant to the terms of the Clients' or Affiliated Advisers' clients' Governing Documents. Among other things, the Real Assets Management Committee reviews and approves each investment's strategic plan and annual business plan. The Real Assets Management Committee is comprised of CIM Group's three Founding Principals, the Principal of Portfolio Oversight and CIM's Chief Compliance Officer. The size, composition, and policies of the Real Assets Management Committee change from time to time.

CIM Group's Investment Allocation Committee

Please see "Item 6: Performance-Based Fees and Side-by-Side Management—Side-by-Side Management—Investment Allocation Committee" for a description of the Investment Allocation Committee.

Discipline

Real Estate and Real Estate-Related Assets Investment Strategies

CIM's investment discipline for its real estate and real estate-related asset investment strategies places a top priority on addressing the short-and long-term needs of a community. It relies upon rigorous quantitative investment analysis as well as a qualitative understanding of the inherent risks and opportunities within communities.

CIM's urban investing discipline is based on the premise that the best way to create or enhance value is to focus on a community as a whole, by investing in varied assets or asset classes within that community. This philosophy is intended to enable CIM to more efficiently realize the benefits

of a community's development across each of CIM's investment strategies through their distinct risk/reward profiles. CIM's investment philosophy is non-product specific and driven by the principle that every investment should correlate with the opportunities in the community in both the near- and long-term.

CIM's investment strategy is process oriented in its origination and diligence capabilities. CIM draws upon CIM Group's more than 25-year history of investing in communities across North America, which has enabled CIM Group to develop an understanding of the complex nature of urban investing as well as how best to leverage its extensive real estate development and operation expertise. All of CIM's investment strategies invest based on the belief that the appropriate consideration of the needs and opportunities within a community will lead to the most successful investments.

Before making an investment in a particular asset or community, CIM undertakes a rigorous quantitative and qualitative diligence process. The combination of quantitative expertise, underwriting, capital markets, and historical analysis, with a qualitative understanding of the needs and potential of a given community, are expected to enable each of CIM's investment strategies to deliver strong results when compared to peer and asset-class benchmarks through all phases of the market cycle.

CIM seeks to be a hands-on, catalytic, and transformational investor. CIM believes this approach allows it to leverage its perspective, expertise, relationships, and operational experience to increase investment value.

CIM draws upon CIM Group's in-house teams, which have experience in all areas of real estate operations, including investment management, development, capital markets, property management, leasing, multifamily residential sales, hotel management and financial controls and reporting.

Infrastructure Strategy

CIM's infrastructure strategy is a natural extension of CIM's real estate and real estate-related asset investment strategies, with all strategies sharing similar underlying investment fundamentals and targeted assets (generally, tangible assets serving community residents, businesses, and stakeholders). Through public and private transactions, the Infrastructure Strategy seeks to provide infrastructure solutions to urban communities. CIM capitalizes on CIM Group's expertise across operational functions, industries, and geographies, including in development, permitting and construction, "local" market knowledge and experience, relationships with public and private agencies and consistent underwriting discipline, in its infrastructure investments.

Through interactions with various public and private agencies and industry groups, CIM has identified certain infrastructure sectors in North America where it intends to focus, most notably: (i) energy and utilities, including renewable energy generation; (ii) water management, including water storage and treatment facilities; (iii) transportation, including parking and urban transportation facilities; (iv) waste management, including recycling and waste-to-energy facilities; and (v) communications and social infrastructure, including healthcare facilities and wireless communications sites that support urban communities.

By leveraging CIM Group's community-focused real estate and real estate-related assets investment strategies, CIM aims to source and secure proprietary investment opportunities that provide infrastructure essential to the everyday lives of urban residents. CIM believes that its community-focused approach will enable CIM to create superior infrastructure solutions for public and private stakeholders, establish a strong alignment of interest among project counterparties and identify investment opportunities in attractive urban markets across North America.

Credit Strategy

CIM believes its experience as a real asset manager is one of the main drivers of new and diverse debt deal flow opportunities. Transactions have been and are expected to be sourced directly from borrowers, referrals from other industry professionals with whom CIM has historically done business as well as mortgage brokers. CIM has the ability to understand a transaction from different positions in the capital stack and quickly make well-informed decisions.

The process for evaluating a potential project's viability and assessing value of collateral will be substantially similar to the process CIM uses for its other real asset acquisitions. In addition to supplementing analysis with third party expertise, CIM relies on assessment from its in-house investment and development professionals who have experience executing similar business plans. CIM draws on its experience owning and operating throughout the capital stack to identify key risks in a borrower's business plan and structure relevant development and performance hurdles into loan documents.

After closing a transaction, CIM's Investments team, along with support from CIM's vertically-integrated platform, will continue to monitor the asset's performance. In the event a loan becomes non-performing and CIM believes foreclosure is required, CIM has the in-house staff to manage the asset and execute a business plan.

Risk of Loss

Investing involves a risk of loss that Clients and investors should be prepared to bear.

Material Risks

No Assurance of Investment Return

No assurance can be given as to CIM's ability to choose, make and realize any debt or equity investments in any particular industry sector, company, or portfolio of companies or other distressed investments, or that the Client will achieve its investment objective.

Illiquidity of Investors' Interests

CIM focuses its investment advisory business primarily on Funds. Limited partnership and membership interests in Funds are not registered for public sale under the Securities Act or any other securities law and cannot be publicly resold unless they are subsequently registered or an exemption from such registration is available. There is generally no liquid market for interests in non-public Funds, and it is highly unlikely that one will develop. Investors' interests in Funds are

thus highly illiquid and should be acquired only by investors able to commit their funds for an indefinite period of time.

Fund investors are generally not permitted to sell, assign, transfer, pledge, hypothecate or participate out any Fund interest except as required by law or with the prior written consent of the relevant general partner or managing member, which consent may be withheld in a general partner or managing member's sole discretion, and the satisfaction of certain other conditions.

Tax Considerations

Fund investors will incur different tax consequences, depending on the type of Fund in which they invest. Some Funds are treated as partnerships for federal income tax purposes. These Funds are not subject to federal income tax, and each investor in the Fund is required to include its allocable share of all items of income, gain, loss, and deduction of the Fund in calculating such investor's federal income tax liability, regardless of whether any distributions have been made by the Fund to that investor. An investor's taxable income or tax liability in a particular year could substantially exceed amounts distributed by a Fund to such investor, and a significant portion (or all) of that income may be taxed at ordinary rates. In addition to U.S. federal income tax filing obligations, certain Funds and the investors therein may be subject to taxation (including withholding taxes), and the Funds may be subject to tax filing obligations, in the U.S. state, local and non-U.S. jurisdictions in which the Fund makes investments.

Some Funds elect to be taxed as a real estate investment trust ("REIT"), which is a tax efficient pass-through entity that distributes all earnings. However, if a REIT is not properly managed, it may incur entity level tax, which would be punitive.

CIM expects that a substantial portion of the income and gain earned by some Funds will constitute unrelated business taxable income, which may present special risks to certain investors exempt from U.S. federal income tax. Fund offering documents contain descriptions of tax matters relevant to investors in the Fund.

Risks of Real Estate Investments

Investments in real estate and real estate-related assets are subject to the risks inherent in the ownership of real estate assets. These risks include, but are not limited to: the burdens of ownership of real property, general and local economic conditions, adverse local market conditions, the financial conditions of tenants, buyers and sellers of properties, changes in building, environmental, zoning and other laws, changes in real property tax rates, changes in interest rates and the availability of debt financing, changes in operating costs, negative developments in the local, national or global economy, risks due to dependence on cash flow, environmental liabilities, uninsured casualties, unavailability of or increased cost of certain types of insurance coverage (such as terrorism insurance), acts of God, acts of war (declared or undeclared), hostilities, terrorist acts, strikes, and other factors which are beyond the control of CIM.

Risks of Infrastructure Investments

Investment in infrastructure assets are subject to unique and acute risks. Project revenues can be affected by a number of factors, including but not limited to: economic and market conditions, political events, competition, regulation, and the financial position and business strategy of customers. Unanticipated changes in the availability or price of inputs necessary for the operation of infrastructure assets may adversely affect the overall profitability of the investment or related project. Events outside the control of CIM and/or any project owner/operator, could significantly reduce the revenues generated, significantly increase the expense of constructing, operating, maintaining, and/or restoring infrastructure facilities, or result in termination of an applicable concession or other agreement, any of which could significantly impair the value of the infrastructure investment. These events include, but are not limited to: political action, governmental regulation, demographic changes, economic growth, increasing fuel prices, government macroeconomic policies, toll rates, social stability, competition from non-tolled or other forms of transportation, natural disasters, changes in weather, changes in demand for products or services, bankruptcy or financial difficulty of a major customer, and/or acts of war or terrorism.

As a general matter, the operation and maintenance of infrastructure assets or businesses involve various risks and are subject to substantial regulation, many of which would not be under the control of CIM or any project owner/operator, including: labor issues, failure of technology to perform as anticipated, structural failures and accidents, and the need to comply with the directives of government authorities. Although CIM, on behalf of the Client and/or any project owner/operator, maintains insurance to protect against certain risks, where available on reasonable commercial terms (such as business interruption insurance that is intended to offset loss of revenues during an operational interruption), such insurance is subject to customary deductibles and coverage limits and may not be sufficient to recoup all such losses.

Risks of Real Estate Loans and Participations

Real Estate loans may become non-performing for a wide variety of reasons. Such non-performing real estate loans 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/or a substantial write-down of the principal of such loan. Moreover, it may be necessary or desirable to foreclose on collateral securing one or more real estate loans. The foreclosure process varies jurisdiction by jurisdiction and can be lengthy and expensive.

Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the holder of a loan, including, without limitation, lender liability claims and defenses, even when such assertions may have no basis in fact, in an effort to prolong the foreclosure action. In some jurisdictions, foreclosure actions can take up to several years or more to conclude. Foreclosure litigation tends to create a negative public image of the collateral property and may result in disrupting ongoing management of the property. During the foreclosure proceedings, a borrower may have the ability to file for bankruptcy, potentially staying the foreclosure action and further delaying the foreclosure process. Bankruptcy laws may delay the lender's ability to realize on collateral for loan positions held by it or may adversely affect the

priority of such loans through doctrines such as equitable subordination. Bankruptcy laws may also result in a restructure of the debt without a lender's consent under the "cramdown" provisions of the bankruptcy laws and may also result in a discharge of all or part of the debt without payment to the lender.

Real estate mezzanine financings are generally made to a direct or indirect parent of the property owner in exchange for a direct or indirect pledge of the equity interest in the property owner, rather than to a property owner in exchange for a security interest in the underlying real property. The parent of the property owner is commonly set up as a single purpose entity intended to be "bankruptcy remote" that owns only the equity interest in the property owner. In such a circumstance, remedies in the event of non-performance would include foreclosure on the equity interests pledged by the parent of such property. While the foreclosure process on such equity interests is generally less cumbersome and quicker than foreclosure on real property, such foreclosure process may nevertheless involve the risks discussed herein. Furthermore, such mezzanine financing can involve multiple levels of mezzanine loans to multiple levels of mezzanine borrowers (each pledging its equity interest in the borrower under the more senior financing as collateral) and therefore the value of the mezzanine loans may be negatively affected by separate levels of mezzanine financing. There can also be no guarantee that in such circumstances favorable inter-creditor rights will be negotiated.

Credit Strategy Clients can acquire interests in real estate loans via participation. Holders of participations are subject to additional risks not applicable to holders of direct interests in loans. Participations in a selling institution's portion of a loan typically result in a contractual relationship only with such selling institution, not with the borrower. Holders of a participation in a loan typically have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set off against the borrower, and may not directly benefit from the collateral supporting the loan in which it has purchased the participation. As a result, the holder of a participation interest will assume the credit risk of both the borrower and the institution selling the participation, which will remain the legal owner of record of the applicable loan. In the event of the insolvency of the selling institution, holders of participation interests may be treated as general unsecured creditors of the selling institution and may not benefit from any set off between the selling institution and the borrower.

General Economic and Market Conditions

General fluctuations in the market prices of securities and interest rates may affect a Client's investment opportunities and the value of a Client's investments. CIM's financial condition may be adversely affected by a significant economic downturn, and CIM may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on particular investments, as well as CIM's general businesses and operations.

A recession, slowdown and/or sustained downturn in the North American market, and to a lesser extent, the global economy (or any particular segment thereof) may have a pronounced impact on CIM and could adversely affect CIM's profitability, impede the ability of the entities in which CIM invests to perform under or refinance their existing obligations and impair CIM's ability to effectively deploy its capital or realize the investment on favorable terms. CIM could also be

affected by difficult conditions in the capital markets and any overall weakening of the financial services industry. It is possible that a weakening of credit markets could adversely affect funding obligations to CIM and could suffer other adverse consequences, any of which could adversely affect the business of CIM, restrict CIM's activities and impede CIM's ability to effectively achieve its investment objective.

Co-Investments and Non-Control Investments

Clients may hold non-controlling interests in certain investments or, similarly, may co-invest with operating partners or other third parties through partnerships, joint ventures or other entities. The Client may not have control over these investments and therefore, may have a limited ability to protect its position therein. Such investments may involve risks not present in investments where an operating partner or other third party is not involved, including the possibility that a third-party partner or co-venturer may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Client or may be in a position to take (or block) action in a manner contrary to the Client's investment objectives, as well as the increased possibility of default by, or diminished liquidity or insolvency of, the third party due to a sustained or general economic downturn. Furthermore, if a co-venturer defaults on its funding obligations, the Client may be required to make up the shortfall.

Limited Access to Information

Investors' rights to information regarding a Fund Client will be specified, and strictly limited, in the Governing Documents. In particular, it is anticipated that CIM and its respective affiliates will obtain certain types of material information from investments that will not be disclosed to investors, because such disclosure is prohibited for contractual, legal or other obligations outside of the control of CIM and its respective affiliates.

Litigation at the Property Level

The acquisition, ownership and disposition of real properties carry certain specific litigation risks. Litigation may be commenced with respect to a property acquired by the Fund or its subsidiaries in relation to activities that took place prior to the Fund's acquisition of such property. In addition, at the time of disposition of an individual property, a potential buyer may claim that it should have been afforded the opportunity to purchase the asset or alternatively that such potential buyer should be awarded due diligence expenses incurred or statutory damages for misrepresentation relating to disclosures made, if such buyer is passed over in favor of another as part of the Fund's efforts to maximize sale proceeds.

Illiquidity of Investments

The investments made by CIM on behalf of its Clients are illiquid and may include investments in non-performing, sub-performing, distressed, under-capitalized or other troubled assets. Given the nature of the investments made by CIM, there is a significant risk that Clients will be unable to realize their investment objectives by sale or other disposition at attractive prices or within any given period of time or will otherwise be unable to complete any exit strategy. Because the terms

of Fund Clients will be limited, certain investments may be sold at unfavorable prices or, subject to the consent requirements in the relevant Fund's governing documents, may be distributed in-kind to the Fund's investors at liquidation, and those investments may be less liquid than other types of investments or illiquid.

Limited Current Return

The return of capital and the realization of gains, if any, will generally occur only upon the partial or complete disposition of an investment. Most of a Client's investments will not be sold until a number of years after they are made. Although current returns from investments generally vary, there may be some cases, prior to partial or complete disposition, in which there will be no current return on an investment, and CIM is not obligated to manage investments to maximize current returns.

Leverage

CIM uses leverage in connection with its Clients' investments. This leverage subjects such investments to restrictive financial and operating covenants, which generally impair such investments' ability to finance their future operations and capital needs or limit their flexibility to respond to changing business and economic conditions. In addition, leverage increases such investments' exposure to adverse economic factors such as significantly rising interest rates, severe economic downturns or deteriorations in the condition of the real estate investment or its market. The income and net assets of a leveraged investment will tend to increase or decrease at a greater rate than if borrowed money were not used. Lenders or other holders of senior positions are entitled to a preferred cash flow prior to a Client receiving a return on a leveraged investment, and, in the event an investment is unable to generate sufficient cash flow to meet the principal and interest payments on its indebtedness, the value of the Client's equity in such investment could be significantly reduced or even eliminated.

Leveraging a Client's assets involves significant complexity. In the event the Client is unable to obtain committed debt financing for potential acquisitions or can only obtain debt at an increased interest rate or on other unfavorable terms, the Client may have difficulty completing otherwise profitable acquisitions or may generate profits that are lower than would otherwise be the case, either of which could lead to a decrease in the investment income earned by the Client. There is no assurance that a Client will be able to obtain financing and, to the extent that it is available, there is no assurance that such financing will be on terms favorable to the Client, including with respect to interest rates.

Fund Clients also engage in financings directly rather than at the level of particular investments, including by way of subscription facilities. The rights of lenders making loans directly to a Fund to receive payments of interest or repayments of principal are senior to those of the Fund investors, and the terms of such borrowings often contain provisions that limit distributions to the investors or certain other activities of the Fund.

Fund borrowings under subscription facilities are generally secured by the investors' obligations to make capital contributions to the Fund. Any inability of the Fund to repay such borrowings

could enable a lender to call capital from the investors and to take action against the investors and their interests in the Fund to the extent that such investors fail to fund any such capital call.

Performance-Based Fees

Performance-based fee arrangements create an incentive for CIM to recommend investments that are riskier or more speculative than those that CIM would otherwise recommend under a different fee arrangement. In addition, the manner in which performance-based fees are calculated differ, in at least one instance, between co-investment vehicles and comingled funds and may result in a conflict between CIM's interests and the interests of the Clients with respect to the sequence and timing of disposals of investments. Performance-based fee arrangements also create an incentive for CIM to favor Clients with performance-based fee arrangements over Clients that are not charged a performance-based fee, and to favor one Client with performance-based fee arrangements over another Client with similar arrangements, depending on the relative likelihood that CIM Group will earn performance-based fees from such Clients and the likely amounts thereof.

Allocation of Investment Opportunities

CIM advises multiple Clients that are actively investing in the same strategy at a given time. These Clients have differing fee arrangements, and some, but not all, pay performance-based fees. CIM Group invests in some, but not all, Funds managed by CIM. CIM Group will continue to invest in real estate, real estate-related and infrastructure assets for its own account. Further, as noted above, the type and amount of fees, including performance-based fees, paid to CIM and CIM Group differs among Clients. Side-by-side management and CIM Group's own active investment portfolio gives rise to conflicts of interest when allocating investment opportunities among Clients, and between Clients and CIM Group. To address conflicts of interest and to fulfill CIM's fiduciary duties to each of its Clients, among other things, CIM has adopted an Investment Allocation Policy and constituted an Investment Allocation Committee. Please see "Item 6: Performance-Based Fees and Side-by-Side Management" for a description of CIM's Investment Allocation Policy and Investment Allocation Committee.

Side-by-Side Investments

CIM advises Clients that invest alongside other Clients in particular investments, for example, by investing (including by assignment or participation) in pieces of the same debt facility, and by co-investing in a single real estate or infrastructure asset. As part of its investment strategy, CIM keeps its Fund sizes relatively small in order to make co-investment opportunities available, first, to Fund investors, and second, to investors in other Funds and other existing or prospective Clients. CIM advises Clients to enter into such side-by-side investments when it is in the interest of all participating Clients; for example, in order to diversify exposure to a single asset, asset class, or geographic region, or because a Client brings particular knowledge or expertise to bear that is expected to improve the performance of the investment. The terms and conditions under which side-by-side investments may be made are set forth in Clients' Governing Documents.

Transaction-specific returns, and a Client's overall return, may be materially affected if the Client's investment in a particular asset is diluted by another Client's side-by-side investment.

CIM receives Management Fees and performance-based fees from all Client's participating in side-by-side investments, which creates an incentive for CIM to offer more side-by-side investment opportunities than it otherwise would in the absence of such fees. CIM also has an incentive to offer side-by-side investment opportunities to Clients more likely to pay performance-based fees, such as Client's investing in a single asset (such as co-investment) rather than a pool of assets.

Where two or more Clients invest side-by-side in a particular asset, CIM will likely be presented with decisions in which the interests of the Clients are in conflict, and CIM will likely have conflicting loyalties between its duties to such Clients. For example, conflicts arise with respect to the allocation of expenses, the granting of control rights or exercise of control rights, and the structuring and/or timing of the acquisition and/or disposition of the particular investment. In any such case, actions may be taken that benefit one Client but are adverse to the interests of other Client(s). There can be no assurance that the returns realized by one Client will be equivalent to or better than the returns obtained by other Client(s) participating in the same investment.

Other Services Fees

As described in "Item 5: Fees and Compensation—Non-Investment Advisory Services (Other Services) Fees," CIM Group provides Other Services to CIM Clients in return for Other Services Fees, which services would otherwise be provided by third parties. For example, CIM Group provides property management, development, leasing and multifamily residential sales services to real estate assets, loan servicing and work-out services to debt investments and operating and administration services to infrastructure companies. The terms and conditions upon which Other Services are provided and the terms and conditions of Other Services Fees are individually negotiated with each Client and are set forth in the Governing Documents. Other Services Fees do not reduce or offset Management Fees.

Certain Clients reimburse CIM Group for administrative services provided to Clients, such as internal finance, tax, accounting, legal, compliance, human resources, and information technology. The terms and conditions of such reimbursements are set forth in the Client's Governing Documents.

Conflicts Relating to Valuation

CIM's Management Fee for certain Clients is based on the value of the Client's assets. The participation of CIM Group investment professionals in the valuation process, and CIM's selection of third party valuation advisors (such as real estate appraisers), creates a conflict of interest. To mitigate this conflict, valuations are subject to the review and approval of a valuation committee ("*Valuation Committee*") comprised of CIM Group's Chief Valuation Officer, Chief Financial Officer, Chief Compliance Officer, one CIM Group Founding Principal, and one CIM Group investment principal. In addition, potential third party appraisers are selected through a formalized assessment of multiple factors including cost effectiveness, appraiser expertise, and quality of work product. Appraisers are required to be in good standing with a Member of the Appraisal Institute. Appraisal firms will typically be rotated out of the selection process regularly to minimize

any conflicts of interest that could result from entrenchment; i.e. the risk that an appraiser could provide advantageous appraisals to ensure its continued retention.

Employee Investment Program

CIM Group is planning to sponsor an employee investment program (the “CIM EIP”), in which certain eligible CIM Group employees (or their respective family trusts or other estate planning vehicles which they control) are provided the opportunity to invest their personal capital in certain Fund(s) (generally, indirectly through a separate pooled investment vehicle for employees that invests in a Fund). In addition, eligible employees have the opportunity to leverage their personal investment through a loan made available through the CIM EIP, to increase their investment in a Fund. If the value of the Fund falls below the required loan-to-value limits of the loan assumed by an employee, such employee will likely be required to “cure” the deficit through payment of a certain portion of the loan to the lender. In addition to the interest an employee has in the appreciation of their Fund investment, an employee who leverages their Fund investment has an interest in value appreciation in light of the requirement to cure a deficit should one result. Therefore, employees involved in the valuation of the Funds could be incentivized to inappropriately lobby for the over-valuation of the Funds in which they are personally invested.

Conflicts Relating to Time and Resources of Investment Professionals

As noted in “Item 4: Advisory Business,” CIM has 122 supervised persons, as well as access to CIM Group’s other ~850 employees for non-securities related matters. While these supervised persons, as well as the officers of CIM, devote as much of their time to CIM’s Clients as reasonably required to fulfill CIM’s fiduciary duties to its Clients, pursuant to the Governing Documents and in accordance with reasonable commercial standards, they are not exclusive to CIM’s current Clients. For example, such persons will likely, manage Affiliated Advisers’ investment funds, accounts or other investment vehicles with investment objectives similar to those of CIM’s current Clients, and/or serve as officers, directors, or principals of entities that operate in the same, or a related, line of business as CIM’s current Clients. While such persons are performing their respective roles with and for multiple CIM Clients, competing priorities and allocation of time and responsibilities create a conflict of interest.

Reliance on Key Personnel Risk

The success of CIM depends in substantial part upon the skill and expertise of the personnel at CIM to identify and select appropriate investment opportunities. There is an ever-increasing competition among managers and other industry participants for hiring and retaining qualified professionals, and there can be no assurance that these key professionals will continue to be associated with CIM. The loss of key personnel could have a material adverse effect on CIM. There can be no assurance that CIM’s personnel will not be solicited by and join competitors or other firms and/or that CIM will be able to hire and retain any new personnel that it seeks to add to its team.

Conflicts Relating to Familial Relationships

From time-to-time, in the normal course of business, Funds and Clients participate in transactions with, and/or sponsored by, Ares Management (“Ares”) and Apollo Global Management (“Apollo”). Certain executives and/or founders of Ares and Apollo have a familial relationship with Richard Ressler, an indirect owner of CIM.

Employee Benefits

CIM Group employees can be expected to receive certain intangible or other benefits resulting from their activities on behalf of Funds or underlying assets that will not be subject to a management fee offset or otherwise shared with the Funds or underlying assets. For example, airline travel, hotel stays or use of a credit card, typically result in cash rebates, “miles,” “points” or credit in loyalty/status programs, and such benefits will advantage such employees even though the cost of the underlying service is borne by the Fund and/or underlying assets.

Reliance on Third Parties

Clients frequently retain third parties to provide services to its investments. The success or failure of such investments will depend to a significant extent on the performance of such services. Clients also make investments through partnerships, joint ventures, and/or other entities with third parties. While CIM reviews the qualifications and previous experience of such third parties, the selection of a third party co-venture or partner is inherently based on subjective criteria with the result that the performance and abilities of a particular third party will be difficult to assess. The success or failure of such investments may depend, to a significant extent, on the performance of such third party.

Data Protection and Privacy Law Compliance

Compliance with current and future privacy, data protection and information security laws could increase costs and significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and some of the current and planned business activities of CIM, its affiliates, the Funds and the Fund’s underlying assets. A failure to comply with such laws could result in fines, sanctions or other penalties, which could materially and adversely affect results of operations and overall business, as well as have an impact on reputation. As privacy, data protection and information security laws are implemented, interpreted and applied, compliance costs may increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

Risks Associated with Foreign Investments

CIM invests some Client capital outside of the United States. Investments in foreign countries will be affected favorably or unfavorably by changes in interest rates, due to political and economic factors, including inflation. Because non-U.S. companies are not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable with those applicable to U.S. companies, there are often times different types of, and lower quality,

information available about non-U.S. companies and their assets. If this were to occur, it would affect CIM's ability to underwrite and evaluate proposed investments in foreign countries or to obtain appropriate financial reports relating to such investments. In addition, with respect to certain countries, there is an increased potential for corrupt business practices, or the possibility of expropriation or confiscatory taxation, political or social instability, or diplomatic developments that could affect the Client's investments in those countries. While CIM manages each Client's investments in a manner that it believes minimizes exposure to the foregoing risks, there is no assurance that adverse developments with respect to such risks will not adversely affect the assets of Clients that are held in certain countries. Investments in foreign countries are also be subject to currency exchange rate fluctuations, which may adversely affect the returns Clients realize from such investments. While CIM considers hedging such exchange rate exposure, if undertaken, there is no guarantee that any such hedges will be wholly or partially successful.

Lack of Diversification

While diversification is an objective of the Funds, there is no assurance as to the degree of diversification that will actually be achieved in the Fund's investments. The Fund may make a limited number of investments and, as a consequence, the aggregate return to the Fund may be substantially affected by the unfavorable performance of even a single investment.

Cybersecurity Breaches and Identity Theft

CIM's information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes, typhoons, earthquakes, wars, terrorist attacks and other similar events. Measures designed to manage risks relating to these types of events cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. If these systems are compromised, become inoperable for extended periods of time or cease to function properly, CIM may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in CIM's and/or the Fund's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors).

Potential Implications of the United Kingdom's Withdrawal from the European Union

The decision made in the United Kingdom referendum to leave the European Union (commonly known as "Brexit") has led to volatility in global financial markets and may lead to weakening in consumer, corporate and financial confidence in the United Kingdom and Europe.

Discontinuation of LIBOR.

Uncertainty relating to the LIBOR calculation process may adversely affect the value of any portfolio of LIBOR- indexed, floating-rate debt securities. Concerns have been publicized that

some of the member banks surveyed by the British Bankers' Association (“BBA”) in connection with the calculation of LIBOR across a range of maturities and currencies may have been under-reporting or otherwise manipulating the inter-bank lending rate applicable to them in order to profit on their derivatives positions or to avoid an appearance of capital insufficiency or adverse reputational or other consequences that may have resulted from reporting inter-bank lending rates higher than those they actually submitted. A number of BBA member banks have entered into settlements with their regulators and law enforcement agencies with respect to alleged manipulation of LIBOR, and investigations by regulators and governmental authorities in various jurisdictions are ongoing. Actions by the BBA, regulators or law enforcement agencies may result in changes to the manner in which LIBOR is determined. Uncertainty as to the nature of such potential changes may adversely affect the market for LIBOR-based securities, including our potential portfolio of LIBOR-indexed, floating-rate debt securities. In addition, any further changes or reforms to the determination or supervision of LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR, which could have an adverse impact on the market for LIBOR-based securities or the value of our potential portfolio of LIBOR indexed, floating- rate debt securities.

On July 27, 2017, the United Kingdom’s Financial Conduct Authority (the “FCA”), which regulates LIBOR, announced that it intends to phase out LIBOR by the end of 2021. It is expected that a transition away from the widespread use of LIBOR to alternative rates will occur over the course of the next several years. As a result of this transition, interest rates on financial instruments tied to LIBOR rates, as well as the revenue and expenses associated with those financial instruments, may be adversely affected. Further, any uncertainty regarding the continued use and reliability of LIBOR as a benchmark interest rate could adversely affect the value of our financial instruments tied to LIBOR rates. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, is considering replacing U.S. dollar LIBOR with a new index calculated by short term repurchase agreements, backed by Treasury securities, called the Secured Overnight Financing Rate (“SOFR”). The first publication of SOFR was released in April 2018. Whether or not SOFR attains market traction as a LIBOR replacement remains a question, and the future of LIBOR at this time is uncertain. Additionally, on July 12, 2019, the Staff of the SEC’s Division of Corporate Finance, Division of Investment Management, Division of Trading and Markets, and Office of the Chief Accountant issued a statement about the potentially significant effects on financial markets and market participants when LIBOR is discontinued in 2021 and no longer available as a reference benchmark rate. The Staff encouraged all market participants to identify contracts that reference LIBOR and begin transitions to alternative rates. On December 30, 2019, the SEC’s Chairman, Division of Corporate Finance and Office of the Chief Accountant issued a statement to encourage audit committees in particular to understand management’s plans to identify and address the risks associated with the elimination of LIBOR, and, specifically, the impact on accounting and financial reporting and any related issues associated with financial products and contracts that reference LIBOR, as the risks associated with the discontinuation of LIBOR and transition to an alternative reference rate will be exacerbated if the work is not completed in a timely manner.

In addition, on March 25, 2020, the FCA stated that although the central assumption that firms cannot rely on LIBOR being published after the end of 2021 has not changed, the outbreak of COVID-19 has impacted the timing of many firms’ transition planning, and the FCA will continue

to assess the impact of the COVID-19 pandemic on transition timelines and update the marketplace as soon as possible. Furthermore, on November 30, 2020, Intercontinental Exchange, Inc. (“ICE”) announced that the ICE Benchmark Administration Limited, a wholly owned subsidiary of ICE and the administrator of LIBOR will consult in early December 2020 to consider extending the LIBOR transition deadline to the end of June 2023. The consultation was published on December 4, 2020, and is open for feedback until late January 2021. Despite this potential extension of the US LIBOR transition deadline, US regulators continue to urge financial institutions to stop entering into new LIBOR transactions by the end of 2021. On March 5, 2021, the FCA announced that LIBOR will end or no longer be representative after December 31, 2021, (for 1-week and 2-month LIBOR) and after June 30, 2023 (for overnight, 1-month, 3-month, 6-month and 12-month LIBOR).

The elimination of LIBOR or any other changes or reforms to the determination or supervision of LIBOR could have an adverse impact on the market for or value of any LIBOR-linked securities, loans, and other financial obligations or extensions of credit held by or due to us, or on our overall financial condition or results of operations. If LIBOR ceases to exist, we may need to renegotiate the credit agreements extending beyond 2021 with Clients or portfolio companies that utilize LIBOR as a factor in determining the interest rate to replace LIBOR with the new standard that is established.

Force Majeure

Force majeure is the term generally used to refer to an event beyond the control of the party claiming that the event has occurred, including acts of God, fire, flood, weather, earthquakes, war, terrorism, and labor strikes. In particular, terrorist attacks have caused instability in the world financial markets and may generate global economic instability. In addition, investments in infrastructure assets may involve significant strategic assets that have a national or regional profile and may have monopolistic characteristics. The nature of these assets could expose them to a greater risk of being the subject of a terrorist attack than other assets or businesses. Some force majeure events may adversely affect a party’s ability to perform its obligations, under a contract or otherwise, until it is able to remedy the force majeure event. In addition, the cost of repairing or replacing damaged assets could be considerable. Force majeure events that are incapable of, or costly to, cure may also have a permanent adverse effect on an investment. Liability, fire, flood, extended coverage and rental loss insurance with insured limits and policy specifications that are customary for certain investments will be maintained. However, Clients may not be able to insure against all catastrophic losses described herein. For example, most insurers are excluding terrorism and earthquake coverage from their all-risk policies. As such, catastrophic losses may be either uninsurable or insurable at such high rates that to maintain such coverage would cause an adverse impact on the related investments. If a major uninsured loss occurs, Clients could lose both invested capital in and anticipated profits from the affected investments. In general, discretion as to the type and level of coverage to obtain, or whether to obtain insurance at all will be specified in the Clients’ Governing Documents.

Public Health Risk

Certain countries have been and continue to be susceptible to pandemics and epidemics, such as severe acute respiratory syndrome, avian flu, H1N1/09 flu and most recently, COVID-19, coronavirus disease. The outbreak of an infectious disease or any other serious public health concern, together with any resulting restrictions on travel or quarantines imposed, could have a negative impact on the economy, CIM's business and business activity in any of the countries in which Clients may invest and thereby adversely affect the performance of the Client's investments. COVID-19 and renewed and new outbreaks of other pandemics or epidemics could result in health or other government authorities requiring the closure of offices or other businesses and could also result in a general economic decline. Similarly, travel restrictions or operational issues resulting from the rapid spread of contagious illnesses may have a material adverse effect on business and results of operations. During periods of economic slowdown or recession, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, could result in a general decline in rents or an increased incidence of defaults under existing leases. These disruptions could also prevent CIM and its vendors or service providers from maintaining normal business operations or could result in the loss of services of key personnel on a temporary or long-term basis due to illness or other reasons. Any such event(s) could have a significant adverse impact on the value of Client accounts and the risk profile of CIM's investment strategies. The duration of the business disruption and related financial impact caused by a widespread health crisis cannot be reasonably estimated.

Conflicts Related to both Selling and Financing to Third Parties

Certain Clients from time to time provide financing to third parties in connection with such third parties' acquisition of assets from other Clients, including where any such third party is unable to obtain financing from another source. This creates a conflict of interest because CIM has an incentive to cause a Client to provide such financing in order to facilitate the sale of another Client's assets, even if this means providing financing on terms that may be less favorable than those that the Client would typically obtain when providing financing in other contexts. Similarly, CIM has an incentive to cause a Client to sell an investment to a third party in order to generate the opportunity for another Client to provide financing to that third party, even if transacting with another counterparty may have been more favorable to that Client. Ultimately, such arrangements may be more advantageous to the Client selling its asset than to the Client providing the financing, or vice versa. In addition, CIM and its related persons and/or their professionals from time to time have significant investments in one or both of the Clients or may receive, directly or indirectly, higher fees, compensation or other benefits from one Client than the other. As a result, CIM may have an incentive to improve the performance of one Client at the expense of the other Client.

Highly Competitive Market for Opportunities

The process of identifying, acquiring, operating and realizing investments is generally highly competitive, and involves a high degree of risk and uncertainty. CIM may compete for suitable investments with other funds, as well as individuals, companies, strategic buyers, financial institutions, other institutional investors, sovereign wealth funds, hedge funds and investment

funds associated with other financial sponsors or institutional investors, private equity and debt investors, and credit vehicles. Further, over the past several years, a number of funds have been formed (and many such existing funds have grown in size). Additional funds and vehicles with similar objectives may be formed in the future (resulting in larger funds and vehicles). In addition, CIM's strategies in certain prospective investments may depend on its ability to enter into satisfactory relationships with joint venture or operating partners. There can be no assurance that CIM's current relationship with any such partner or operator will continue with respect to CIM or that any relationship with other such persons can be established in the future as desired with respect to any sector or geographic market and on terms favorable to CIM.

Risks Relating to Mitsui's Interest in CIM Group, LLC

Mitsui & Co., Ltd owns ~20% interest in CIM Group, LLC. Mitsui is contractually entitled to certain economic, reporting and other rights with respect to CIM Group, LLC (e.g., will indirectly receive a portion of the fees and distributions payable to the CIM). Mitsui may become a limited partner in a Fund Client partnership and may take into account its rights to a share in the fees and carried interest generated by the partnership when exercising its voting rights in respect of the partnership. CIM may have an incentive to provide more favorable terms to Mitsui than to other partners, provide Mitsui with individual company co-investment opportunities and/or manage the Fund Client's assets in a manner beneficial to Mitsui as a result of its investment in CIM Group, LLC. Mitsui is a group of trading, investment and services enterprises with its own affiliates, businesses and activities, at least some of which may conflict with the interests of Fund Clients and its partners.

Pay-To-Play Laws, Regulations and Policies

In light of controversies and highly publicized incidents involving money managers, a number of U.S. states and municipal pension plans have adopted so-called "pay-to-play" laws, regulations or policies, which prohibit, restrict or require disclosure of payments to U.S. state and local officials by individuals and entities seeking to do business with U.S. state entities, including investments by public retirement funds. The SEC also has adopted rules that, among other things, prohibit an investment adviser from providing advisory services for compensation with respect to a government plan investor for two years after the adviser or certain of its executives or employees make a contribution to certain elected officials or candidates. If CIM or its employees or affiliates fail to comply with such pay-to-play laws, regulations or policies, such non-compliance could have an adverse effect on CIM by, for example, providing the basis for the withdrawal of the affected government plan investor.

Trade Policy

Political leaders in the United States and certain European nations have recently been elected on protectionist platforms, fueling doubts about the future of global free trade. The U.S. government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries. In addition, the U.S. government has recently imposed tariffs on certain foreign goods, including steel and aluminum, and has indicated a willingness to impose

tariffs on imports of other products. Some foreign governments, including China, have instituted retaliatory tariffs on certain U.S. goods and have indicated a willingness to impose additional tariffs on U.S. products. Global trade disruption, significant introductions of trade barriers and bilateral trade frictions, together with any future downturns in the global economy resulting therefrom, could adversely affect the financial performance of CIM Clients and their investments.

Market Disruption Risk

The military operations of the United States and its allies, the instability in various parts of the world and the increasing prevalence of terrorist attacks throughout the world could have significant adverse effects on the global economy. A terrorist attack involving a business, asset or property owned by CIM or its Clients may result in liability far in excess of available insurance coverage and have adverse consequences for all investments. CIM cannot predict the likelihood of these types of events occurring in the future or how such events may affect the its investments.

Item 9: Disciplinary Information

CIM has no material facts to report regarding any legal or disciplinary events that would be material to the evaluation of CIM.

Item 10: Other Financial Industry Activities and Affiliations

Affiliated Investment Vehicles

CIM Group acts as the managing member or general partner of various investment funds that are exempt from registration under the Investment Company Act pursuant to Sections 3(a)(1), 3(c)(5)(C), 3(c)(7) or 3(c)(1) thereof. CIM and its relying advisers are the investment advisers to most of CIM Group's investment funds.

Other Investment Advisers

CIM has four Relying Advisers (CIM Capital Real Property Management, LLC; CIM Capital RE Debt Management, LLC; CIM Capital Controlled Company Management, LLC and CIM Capital Securities Management, LLC) all of which conduct a single advisory business. Also, CIM and certain management persons are related to the following investment advisers, either registered with the SEC or exempt from registration: CIM Capital IC Management, LLC, CIM Capital SA Management, LLC, OFS Capital Management, LLC ("*OFS Capital Management*"), OFS CLO Management, LLC and OCV Management, LLC ("*OCV*") (an exempt investment adviser pursuant to the Venture Capital Fund Exemption created by the Dodd Frank Act).

CIM Capital IC Management, LLC, provides investment advisory services to a securities subsidiary of a public REIT and a non-diversified, closed end management investment company registered under the Investment Company Act. CIM Capital SA Management, LLC serves as a sub-adviser to the non-diversified, closed end management investment company registered under the Investment Company Act. OFS Capital Management focuses primarily on investments in middle market and broadly syndicated US loans, debt and equity positions in collateralized loan obligations ("*CLOs*") and other structured credit investments. OFS Capital Management advises two business development companies and a closed-end fund, registered under the Investment Company Act, as well as CLOs, separately managed accounts and proprietary funds. OFS Capital Management also serves as a sub-adviser to affiliated and non-affiliated pooled investment vehicles and an affiliated closed-end fund registered under the Investment Company Act. OFS CLO Management, LLC advises CLOs primarily in investments in broadly syndicated US loans. OCV advises a pooled investment vehicle in investments in control positions in middling and displaced companies in the technology and life science sectors.

CIM and its Clients may engage in transactions (including side-by-side investments) with Clients of these adviser affiliates, and CIM may provide investment advice to clients of these adviser affiliates. However, CIM and the Affiliated Advisers have adopted an Investment Allocation Policy and constituted an Investment Allocation Committee as described above to mitigate allocation risks and conflicts.

One of CIM Group's Founding Principals, who serves as chairman of CIM's Investment and Real Assets Management Committees, as well as CIM's Chief Compliance Officer, provide services to OFS Capital Management, LLC, OFS CLO Management, LLC and OCV Management, LLC and their affiliates. A conflict of interest, due to competing priorities and allocation of time and responsibilities, arises when these officers are providing these services.

Broker-Dealer

CIM Group includes CCO Capital, LLC, a limited purpose broker-dealer registered with the SEC and a member of the Financial Industry Regulatory Authority, Inc., the scope of which is limited to acting as dealer manager and/or placement agent for certain CIM Funds. CCO Capital, LLC does not receive a commission on such sales but is paid for services performed by CIM. Certain supervised persons of CIM are registered representatives of CCO Capital, LLC. CIM Group also includes CIM Japan, Ltd., a Type II Financial Instruments Business (the equivalent of a broker-dealer), registered by the Japanese Financial Service Agency. CIM Japan, Ltd markets interests in certain CIM Funds to residents of Japan.

Real Estate Broker

CIM Group includes real estate brokers that provide real estate brokerage services to CIM's Clients.

Sponsor, General Partner or Managing Member (or equivalent) of Fund Clients

CIM Group or its affiliate is the sponsor, general partner, or managing member (or equivalent) of all the Fund Clients.

As the sponsor, general partner, or managing member (or equivalent) of Fund Clients, CIM Group manages the Client on behalf of the investors therein, including selecting the Client's investment adviser and engaging affiliates to provide Other Services. To the extent CIM Group shares in the fees earned by its affiliates, including CIM, it has a conflict of interest in determining whether to engage its affiliates to provide such services.

Conflicts Procedures

CIM has adopted various policies and procedures to address potential conflicts among various Clients and between CIM and its Clients, which CIM refers to as the "*Conflicts Procedures*." These policies and procedures, which will be modified from time to time at CIM's sole discretion, require prior review or approval of certain transactions by the Chief Compliance Officer or members of senior management. Relevant policies and procedures for addressing conflicts with respect to a particular Client are described in greater detail in the Client's Governing Documents. With respect to affiliate transactions or other matters giving rise to conflicts of interest, the relevant Governing Documents, in certain instances, provide for, among other things, consultation regarding, or approval of, such transactions by a person or body, such as an advisory committee comprised of certain of the underlying investors in an investment vehicle.

For a discussion of additional conflicts of interest and CIM's procedures for addressing those conflicts, please see "Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Material Risks."

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

CIM mandates the highest standards of ethical conduct and care from all of its personnel, including CIM Group employees who provide services to CIM (collectively, “*CIM Personnel*”). CIM Personnel must abide by this basic business standard and must not take inappropriate advantage of their position. CIM Personnel are under a duty to exercise their authority and responsibility for the benefit of the Clients and CIM and are prohibited from having outside interests that inappropriately conflict with the interests of CIM and its Clients. CIM Personnel must avoid circumstances or conduct that adversely affect, or that appear to adversely affect, CIM or its Clients.

Code of Ethics

Pursuant to Rule 204A-1 of the Advisers Act, CIM has adopted a Code of Ethics to establish applicable policies, guidelines, and procedures that promote ethical practices and conduct by all CIM Personnel and that prevent violations of the federal securities laws, including the Advisers Act. The Code of Ethics is predicated on the principle that CIM owes a fiduciary duty to its Clients. It consists of several policies primarily designed to address potential conflicts of interest, including a Personal Investment Policy, an Inside Information Policy, a Gifts and Entertainment Policy, a Political Activity Policy and an Outside Affiliations Policy.

CIM Personnel must observe the applicable standards of care set forth in the Code of Ethics and are prohibited from seeking to evade the policies and procedures set forth therein in any way, including through indirect acts by family members or other associates. CIM also maintains various compliance policies to assure compliance with other relevant provisions of the Advisers Act (“*Compliance Policies*”). CIM Personnel must certify at least annually that they have read, understand, are subject to, and have complied with the Code of Ethics and its various Compliance Policies. CIM Personnel must comply with applicable federal securities laws and must report violations of the Code of Ethics to the Chief Compliance Officer.

CIM will provide a copy of the Code of Ethics, free of charge, to any Client or Fund investor or any prospective Client or prospective Fund investor upon request. Request a copy of the Code of Ethics by contacting CIM’s Chief Compliance Officer, Mukya S.D. Porter, at 332-860-4900 or mporter@cimgroup.com.

Participation or Interest in Client Transactions

Although CIM does not generally engage in principal transactions with Clients, it does so in limited circumstances in accordance with, and to the extent permitted by, the applicable Governing Documents and the Investment Advisers Act. For example, in order to facilitate asset accumulation during Fund formation, CIM warehouses assets for transfer to a Fund post-closing. CIM Clients engage in cross-transactions with other Clients, as permitted by the relevant Governing Documents. CIM advises Clients that invest side-by-side with other Clients in particular assets.

Also, conflicts of interest typically occur when CIM, its affiliates or any CIM Personnel invest in the same investments, trade in the same investments at or about the same time or have a material financial interest in the same investments that CIM recommends to Clients. The Code of Ethics and the policies and procedures set forth therein have been designed to limit conflicts of interest in cases where CIM, its affiliates or any CIM Personnel, buy, sell, or otherwise have a direct or indirect interest in, investments that CIM has recommended to Clients. Because CIM Clients primarily invest in real estate and real estate-related assets and infrastructure assets, it is unlikely that CIM Personnel will have a direct or indirect interest in such assets.

Personal Trading

Although, as a general matter, CIM Personnel do not typically invest in the same assets as CIM's Clients, CIM nonetheless maintains a rigorous and robust Code of Ethics that, among other things, prohibits CIM Personnel from using their knowledge concerning a trade, pending trade, or contemplated investment by any of the Clients, to profit personally as a result of such transaction, including by purchasing or selling such investments.

As required by Rule 204A-1 of the Advisers Act, the Code of Ethics contains a Personal Investment Policy which mandates that CIM Personnel disclose their personal securities holdings and transactions made in a "Reportable Security," as defined in the Code of Ethics. Further, CIM Personnel are generally prohibited from purchasing or selling, for any personal accounts, securities or other obligations of companies or issuers that, at that time, are listed on CIM's "Restricted List," which contains a list of companies or other issuers: (i) about which CIM or an affiliate may possess material non-public information, (ii) to which CIM may owe a fiduciary obligation, or (iii) in which CIM Clients own or intend to purchase an interest. Additionally, CIM Personnel may not invest in an initial public offering or a private placement without the prior written approval of the Chief Compliance Officer or her designee(s).

In addition, the Code of Ethics contains policies and procedures to prevent the misuse of material non-public information by CIM Personnel, including the misuse of material non-public information about its investment recommendations and Client investments and transactions. The Code of Ethics describes what constitutes "material" and "non-public" information and outlines the penalties that CIM Personnel are subject to if they trade on such information.

Moreover, CIM Personnel are prohibited from engaging in "front running." Front running is an illegal practice in which an investment professional takes a position in an investment in advance of an action he or she knows will predictably affect the price of the investment. In addition, CIM Personnel are prohibited from entering into a short sale transaction or any transaction that has the same economic effect (e.g., short common stock, purchase a put option or sell a naked call option) in any security of an issuer for which a position is held long by a Client. The prohibition on such short sale transactions, front running and trading in the securities of issuers on the Restricted List is intended to prevent conflicts between CIM, CIM Personnel and CIM's Clients.

Item 12: Brokerage Practices

CIM primarily transacts in real estate and real estate-related assets and infrastructure assets for its Clients and does not currently utilize securities brokers to effect securities transactions for Clients; however, in the event that CIM seeks to employ a securities broker to effect a securities transaction for a Client, CIM will generally consider both qualitative and quantitative factors in selecting such a broker, including, but not limited to, the broker's reliability and execution capabilities for the transaction, the commissions charged by the broker, and the broker's reputation and responsiveness to request for trade data and other financial information.

CIM does not enter into soft dollar arrangements at this time.

Aggregation

CIM does not expect to aggregate trades across Clients.

Item 13: Review of Accounts

Account Review

All Client investment portfolios are generally illiquid, private and long-term in nature. CIM closely monitors each investment and maintains ongoing oversight with respect to the performance of each investment. CIM's Real Assets Management Committee monitors each Client's investment portfolio. Please see "Item 8: Methods of Analysis, Investment Strategies and Risk of Loss—Generally— Real Assets Management Committee" for more information on the composition and responsibilities of CIM's Real Assets Management Committee.

Reports

Investors in Fund Clients generally receive annual audited financial statements and quarterly unaudited balance sheets, income statements and summary reports on their respective Fund's investments.

Publicly traded Funds file with the SEC written periodic, quarterly, and annual reports regarding the composition of its portfolios and fund performance and, if requested, provide more frequent reports to the board of directors.

Item 14: Client Referrals and Other Compensation

CIM has adopted written policies and procedures to govern the use of solicitors and placement agents. Among other things, these policies and procedures require that any agreement CIM enters into with a solicitor be in compliance with Rule 206(4)-3 of the Advisers Act. CIM and/or its Fund Clients also retain placement agents from time to time to sell shares or interest in Funds to eligible investors, as defined in the Fund's Governing Documents.

Item 15: Custody

Rule 206(4)-2 of the Advisers Act (the “*Custody Rule*”), and certain related rules and regulations under the Advisers Act, impose specific conditions on registered investment advisers who have actual or deemed custody of any funds or securities in which any client has any beneficial interest. An investment adviser is deemed to have custody or possession of client funds or securities if the adviser directly or indirectly holds client funds or securities or has the authority to obtain possession of them (regardless of whether the exercise of that authority or ability would be lawful).

In general, CIM is deemed to have custody of assets of Fund Clients due to it or an affiliated entity being the general partner of such Fund Clients. In such cases, CIM will cause such Fund Clients to be audited annually and the audited annual financial statements to be distributed to all investors no later than 120 days after the end of the fiscal year for such Fund Clients. In addition, upon the final liquidation of such a Fund Client, CIM will obtain a final audit and distribute the audited financial statements with respect to such liquidated Client to all investors promptly after completion of the final audit.

Item 16: Investment Discretion

CIM generally has discretionary authority to manage accounts on behalf of its Clients. This authority is limited by the investment objectives, practices and limitations, if any, set forth in each Client's Governing Documents. CIM maintains such discretionary authority pursuant to the investment management agreement between CIM and each Client, along with a power of attorney in CIM's favor, when necessary.

Item 17: Voting Client Securities

Client investments do not generally consist of voting securities. In the unlikely event voting securities are held in a Client's portfolio, any proxy solicitation received by CIM will be forwarded to the Client to vote.

Item 18: Financial Information

CIM is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to its Clients.

Balance Sheet

CIM does not require or solicit any prepayment of fees six months or more in advance and, therefore, is not required to provide a balance sheet for its most recent fiscal year.

Contractual Commitments to our Clients

CIM has no financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to its Clients.

Bankruptcy Petitions

CIM has never been the subject of a bankruptcy petition.