

Item 1 – Cover Page

Form ADV Part 2A  
Informational Brochure

**Peaceable LLC & PSC Manager, LLC**

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**This brochure provides information about the qualifications and business practices of Peaceable LLC and PSC Manager, LLC (“Peaceable”). If you have any questions about the contents of this brochure, please contact us at (267) 291-7400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

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

## Item 2 – Material Changes.

Registered investment advisers are required to list material changes in this Item 2. There are no material changes to report.

You may request the most recent version of this brochure by contacting our Chief Compliance Officer, Elaine Johnson at (267) 291-7400.

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## Item 4 – Advisory Business

Peaceable LLC, PSC Manager, LLC, and its affiliates (together “Peaceable”, or the “Company”) is a Delaware limited liability company. Peaceable is a specialty finance platform generally focused on making structured investments in small to mid-sized income producing commercial real estate, including multi-family apartments, office buildings, self-storage, industrial, retail, mobile home parks, parking garages, health care facilities, hotels and others in the United States and Canada.

Peaceable was founded to help commercial property buyers and owners partially satisfy the equity requirements of their projects. The Company is built on a foundation of know-how, creatively structuring preferred equity in complex situations.

Peaceable provides participating financing structured as preferred equity, which ranks senior to the common equity invested by the real estate operators (“Operating Partner”), who manage and operate the real estate assets. Transactions generally have a “first-loss” common equity component funded by the Operating Partner, which ranks junior to Peaceable’s preferred equity. Peaceable also tends to receive profit participation.

The investment team at Peaceable is led by David Henry (Co-Founder), Frederick Kurz (CEO), James Bruin (President), and Elaine Johnson (CIO), who each on average have 30 plus years’ experience in real estate investing.

Peaceable acts as the holding company of Peaceable Street Capital LLC (“Peaceable I”) Peaceable Street Capital II LLC (“Peaceable II”), Peaceable Street Capital III (“Peaceable III”) as well as parallel vehicles. Each of these entities invests in a number of underlying real estate related investments. Peaceable I and Peaceable III investments are located in the United States, while Peaceable II investments are located in Canada.

As December 31, 2022, Peaceable has approximately \$581,676,225 Million in assets under management, all of which are managed on a discretionary basis. We have calculated the assets under management by accepting the net asset value of each private fund and adding its uncalled but callable capital commitments. Because some of our funds invest in other of our funds, this may result in counting some specific assets more than once.

## Item 5 – Fees and Compensation

### Fees Charged

While each investment and investment vehicle may be different, Peaceable typically receives compensation from fees based on a percentage of assets under management, carried interest allocations (otherwise known as a “promote”) and certain other fees or expenses related to transactions, all in accordance with the terms of each investment vehicle’s governing documents. Additionally, each investment vehicle also bears certain expenses, which typically will include fees associated with making or selling portfolio investments, organizational expenses, legal, tax and accounting fees, taxes, commissions and brokerage fees, regulatory fees, directors’ and officers’ liability insurance, and other similar fees and expenses. When investing with Peaceable, prospective investors should review all fees and expenses as disclosed in the investment vehicle’s governing documents charged by Peaceable and any of its affiliates, and all other expenses to fully understand what is paid by each investment vehicle and indirectly, by the prospective investors. All fees and expenses charged to investment vehicles are transparent and were negotiated with the investors.

Peaceable may call capital for management fees and other expenses or pay these fees and expenses out of current income and disposition proceeds.

### Asset Management Fees

For some investment vehicles, Peaceable receives an annual management fee (the “Management Fee”) from the investment vehicles it manages. Management Fees are paid quarterly, in arrears. Management Fees will be pro-rated for any period that is less than a full billing period. In the discretion of Peaceable, some investors (including related

parties) may have all or a portion of their Management Fee waived. For a specific explanation of the fees for any particular investment vehicle, investors should carefully review the governing documents of that investment vehicle.

#### Promote

Depending on the investment vehicle, Peaceable may receive performance-based compensation from investment vehicles it manages in the form of carried interest (otherwise known as a “promote”) in accordance with the terms of each investment vehicle’s governing documents. Carried interest is a share of the net profits realized on distribution of proceeds and/or the disposition of investments that is generally paid to Peaceable as an incentive to maximize performance. This incentive amount is sometimes referred to as a “promote”. The investment vehicles are generally subject to a carried interest percentage that ranges from 10% to 20%. However, in limited circumstances, fees may be higher or lower than this range in the discretion of Peaceable. Promotes are generally paid after returns meet a predetermined preferred return and/or cash-on-cash multiple. Investors should carefully review the governing documents of their particular investment for specifics on the fees for such investment. In the discretion of Peaceable, some investors (including related parties) may have all or a portion of their carried interest waived.

Investment vehicles that are subject to performance-based compensation such as carried interest reward Peaceable for positive performance in those investment vehicles. Performance-based compensation arrangements such as carried interest allocations provide a heightened incentive for Peaceable to make investments that may present a greater potential for return but also a greater risk of loss or that may be more speculative than would exist if only asset-based fees were applied. This incentive is mitigated, however, due to the fact that any losses the investment vehicle sustains will reduce the carried interest distribution and the fact that carried interest is generally calculated only after investors have received as distribution a significant portion of their capital contributions plus a preferred return on capital contributed for realized investments and expenses.

In addition, the simultaneous management of investment vehicles that are subject to carried interest and investment vehicles that are not subject to carried interest, or that are subject to carried interest at a different rate, creates a conflict of interest, as Peaceable has an incentive to favor investment vehicles with the potential to bear greater fees when allocating resources, services, or investment opportunities among investment vehicles. This incentive is mitigated, however, due to the fact that the various investment vehicles will either be special purpose vehicles established for specific investments, or investment vehicles which are not created to be managed simultaneously on an ongoing basis but rather with one vehicle’s investment period starting as another is ending.

#### Side-by-Side Management

Peaceable simultaneously manages multiple investment vehicles. To mitigate conflicts, Peaceable has developed investment allocation policies to ensure equitable distribution of investment opportunities where investment programs may overlap.

#### Advisory and Transaction Fees

Peaceable may receive a fee at the closing of each investment for its work performing diligence and structuring for the investment. This fee is most typically 1.00% of the commitment amount, but could be higher or lower.

#### Other Fees and Expenses

Each operating entity bears its own expenses. Peaceable is responsible for its own operations, including but not limited to office rent, salaries, furniture, fixtures and all other office equipment. Documents related to individual investments will detail further what other expenses may be incurred.

#### Pro Rata Fees

In the event an investor comes into an investment vehicle (either through a transfer from an existing investor or as permitted by Peaceable), Management Fees will be calculated on a pro rata basis. Likewise, if an investor transfers their interests, Management Fees will be pro-rated.

#### Compensation for the Sale of Securities

None of the employees of Peaceable is a registered representative of a broker-dealer.

#### Item 6 – Performance-Based Fees

Please see response to Item 5.

#### Item 7 – Types of Clients

Peaceable clients are the pooled investment vehicles.

#### Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

***It is important for investors to know and remember that all investments carry risks. Investing in securities involves risk of loss that clients should be prepared to bear.***

Peaceable manages pooled investment vehicles, the purpose of which is to invest in income-producing real estate. The investment objectives of the Company are to provide investors with capital appreciation and / or income by investing in real estate operating entities.

#### Sourcing

Peaceable's investment process begins with its ability to source potential investments, typically through the network of the Management Team that they have developed over their decades in the industry. Peaceable also seeks to partner with other professionals who have the ability to add value in the acquisition, development and renovation of the types of middle market properties in which Peaceable focuses its efforts. Peaceable refers to such professionals as Operating Partners. These Operating Partners have a broad array of real estate asset experience, bringing varied investments to Peaceable. An ideal Operating Partner will have experience over multiple real estate cycles, local market knowledge, the ability to present potential investments that may not have "hit the market", the appetite and capacity to invest meaningful first-loss equity and, above all, a track record that demonstrates their talents. Operating Partners manage, maintain, and operate the real estate in which Peaceable Street invests.

#### Diligence

Diligence process involves the review of business plans, financial statements, risk evaluations, market research, local real estate laws and the proposed deal structure. A key component of the diligence process is the analysis of potential exit strategies. The Investment Committee is responsible for approving each investment. A formal Investment Committee memorandum must be prepared and presented to the Investment Committee for final approval of each investment, and a formal approval memo must be signed by the members of the Investment Committee before an investment is completed.

#### Risk Factors

The investments pursued by Peaceable involve a high degree of uncertainty. The possibility of partial or total loss of capital will exist in connection with such strategies and investors should not invest unless they can readily bear the consequences of such loss.

All investments risk the loss of capital. No guarantee or representation is made that Peaceable will achieve its investment objective or that an investor will receive a return of its capital. In addition, there may be occasions when Peaceable and its affiliates may encounter potential conflicts of interest in connection with an investment. In evaluating whether to make an investment in Peaceable or its affiliates, potential investors should consider all information contained in the respective investment's operating documents. The following discussion is not a complete list of all potential risks.

## **RISKS**

***Illiquidity of Interests.*** The investments in which Peaceable invests are suitable only for long-term investors. There is not now and there may never be a public market for ownership interests in such investments. There are also significant contractual restrictions on liquidity for each investment.

***Inability to Realize any Economic Benefit from the Interests.*** There can be no assurance that any investor will realize any economic benefit from an investment. Prospective Investors should be aware that the possibility of partial or total loss of their invested capital exists, and Prospective Investors should not invest unless they can readily bear the consequences of a complete loss of their invested capital in respect thereof.

***No Expectation of Current Distributions from the Company.*** There is no expectation that the investments will generate regular income or distributions to investors.

***Absence of Recourse.*** Contractual documents for each investment limit the circumstances under which Peaceable, the operating entity or their respective affiliates can be held liable to the operating entity of an investor. As a result, investors will have a more limited right of action in certain cases than they would in the absence of such provisions.

***Risks Associated with Funding for Future Growth.*** If, as anticipated, the operating entity manager and Peaceable determine to expand the operating entity's business, the entity may seek additional sources of financing, including by incurring additional debt and equity. Additional debt funding can increase the operating risk, while additional equity funding could be on terms that could disproportionately dilute the existing equity, including the equity then held indirectly by the investors.

***Nature of Investments.*** Investments generally will consist of preferred equity and participating loans, which are subject to liquidity, market value, credit, interest rate and certain other risks. In addition, there can be no assurance that Peaceable will correctly evaluate the nature and magnitude of the various factors that could affect the value and return of the Investments. The value of the investments may be volatile and will generally fluctuate as a result of a variety of factors that are inherently difficult to predict, including changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the issuers or obligors. Investments which become non-performing or defaulted loans may become subject to a workout negotiation or restructuring. This may entail a substantial reduction in the interest rate, a substantial write-down of principal, and a substantial change in the terms, conditions and covenants of these investments.

***General Real Estate Market Risks.*** Investments in real estate and real estate operators (whether in the form of debt or equity) are subject to various risks, including changes in regional, national and international economic conditions, adverse local market conditions, the financial condition of tenants, buyers and sellers of properties, changes in the availability of debt financing, changes in interest rates, real estate tax rates and other operating expenses, environmental laws and regulations, zoning laws and other governmental rules and fiscal policies, environmental claims arising in respect of real estate acquired with undisclosed or unknown environmental problems or as to which inadequate reserves had been established, energy prices, changes in the relative popularity of property types and locations, risks due to dependence on cash flow and risks and operating problems arising out of the presence of certain construction materials, as well as acts of God, natural disasters and uninsurable losses, acts of war (declared and

undeclared), terrorist acts, strikes and other factors which are beyond the control of the borrower and/or property owner.

***Concentration on the Real Estate Sector.*** The Investee Company's focus on the real estate sector may increase the volatility of the Investee Company's returns and expose the Investee Company to the risk of downturns in the real estate sector to a greater extent than if its Portfolio also covered other sectors of the economy.

***Junior Positions.*** It is expected that a significant portion of the investments will be structured as junior loans or preferred equity, which interests will be junior to the security held by senior creditors. These types of investments involve a higher degree of risk than a senior loan because the investment may become unsecured as a result of foreclosure by the senior lender and the ability of Peaceable to influence an entity's affairs, especially during periods of financial distress or following an insolvency, will be substantially less than that of senior creditors. In the event of a bankruptcy of the entity providing the pledge of its ownership interests as security, Peaceable may not have full recourse to the assets of the property owning entity, or the assets of the entity may not be sufficient.

***Risks of Investing in Canada.*** Peaceable may make investments secured by assets located in Canada or that are issued by companies in Canada. Because non-U.S. investments may involve non-U.S. dollar currencies, investments may be affected favorably or unfavorably by changes in currency rates (including as a result of the devaluation of a foreign currency) and in exchange control regulations and may incur transaction costs in connection with conversions between various currencies.

For real estate operators that keep accounting records with respect to the property in local currency, some countries' inflation accounting rules require, for both tax and accounting purposes, that certain assets and liabilities be restated on the company's balance sheet in order to express items in terms of currency of constant purchasing power, while others do not permit such restatement.

***Illiquid and Long-Term Investments.*** Most investments will not be sold or realized for a number of years. Generally, there will not be an opportunity to redeem interests in any investment vehicle. Transfers of interest are not permitted without consent of Peaceable.

## Item 9 – Disciplinary Information

Form ADV Part 2 requires investment advisors such as Peaceable to disclose legal or disciplinary events involving the firm or our partners, officers, or principals that are material to your evaluation of our advisory business or the integrity of our management. We have no information to report that is applicable to this item.

## Item 10 – Other Financial Industry Activities and Affiliations

### Broker Dealer

There are no day-to-day brokerage trades placed on behalf of investors. Therefore there are no contractual relationships between Peaceable and any other party within the financial industry that would give rise to a conflict of interest.

### Futures Commission Merchant/Commodity Trading Advisor

None of Peaceable's professionals or related persons is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or associated person of the foregoing entities.

### Relationship with Related Persons

Peaceable is partially owned by Orangewood Partners Management LLC ("Orangewood"), a private equity firm located in New York, New York. The remainder of Peaceable is owned by Bridge Peace Holdings LLC which is a subsidiary of SunBridge Capital Management LLC ("SunBridge") and Peaceable's management. Certain investors of



Peaceable invest in real estate outside of Peaceable. However, none of these related entities invest in real estate opportunities of substantial similarity to investments which may be considered by Peaceable. For example, these related entities are likely to invest in larger potential deals or different real estate characteristics. However, in the event that an investment opportunity is appropriate for more than one of these related firms, Peaceable's compliance program will be responsible for determining if a material conflict of interest exists and how such conflict should be resolved.

#### Recommendations of Other Advisers

Not applicable.

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

- A. A copy of our Code of Ethics is available upon request. Our Code of Ethics includes discussions of our fiduciary duty to clients, political contributions, gifts, entertainment, and trading guidelines.
- B. Peaceable is not registered, nor does it have a registration pending, as a commodities trading adviser.
- C. On occasion, owners and managers of Peaceable, as well as affiliates of Peaceable, may purchase ownership in the Company.
- D. Due to the nature of the investments Peaceable makes, any individuals associated with Orangewood or SunBridge making an investment through Peaceable will either do so either directly or indirectly through the same entity as other investors.

#### Item 12 – Brokerage Practices

No day-to-day brokerage trades are placed on behalf of clients.

#### Item 13 – Review of Accounts

Peaceable reviews the performance of each investment and updates the valuations of each investment on at least an annual basis. Investors in Peaceable receive annual financial information.

#### Item 14 – Client Referrals and Other Compensation

Peaceable may from time to time engage one or more persons to aid in the raising of capital for investment entities. Such persons could be compensated by a fee in an amount equal to a percentage of the capital raised, or in some cases, by a fee based on a percentage of the fees earned by Peaceable related to the particular investor(s) introduced. Fees based on a percentage of the capital raised are typically paid by the investment entity in which the referred investor invests. Fees that are based on a percentage of the fees generated by investors are typically paid by Peaceable.

#### Item 15 – Custody

Due to the ownership structures of some investment entities, related persons to Peaceable will be deemed to have custody of client funds for those entities. Each such investment entity will be audited at least annually by a PCAOB registered accounting firm.

#### Item 16 – Investment Discretion

Please see Item 8 for a discussion of investment discretion.

### Item 17 – Voting Client Securities

The nature of Peaceable's investments makes it unlikely that we will be in a position to vote proxies on behalf of any of our clients. In the event that we are in a position to do so, our objective is to ensure that our proxy voting activities on behalf of our clients are conducted in a manner consistent, under all circumstances, with the best interest of the clients. If we determine that we have, or may be perceived to have, a conflict of interest when voting a proxy, we will address each proxy on a case-by-case basis. Copies of our Proxy Voting Policies and Procedures are available upon request.

### Item 18 – Financial Information

Peaceable does not require the prepayment of fees more than six (6) months or more in advance and therefore has not provided a balance sheet with this brochure.

Peaceable has discretion over each investment vehicle's investments. There are no material financial circumstances or conditions that would reasonably be expected to impair our ability to meet our contractual obligations to our clients.