

BLUE MOON CAPITAL MANAGEMENT LLC

BROCHURE

March 30th, 2023

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This brochure (“**Brochure**”) provides information about the qualifications and business practices of Blue Moon Capital Management LLC (the “**Firm**”, “**we**” or “**Blue Moon**”), an investment adviser registered with the United States Securities and Exchange Commission (“**SEC**”). If you have any questions about the contents of this brochure, please contact the Firm’s Chief Compliance Officer, Elyse Hanson, at:

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The information included in this brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Blue Moon is also available on the SEC’s website at www.adviserinfo.sec.gov.

Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Item 2. Material Changes

Blue Moon's Brochure has been updated. There are no material changes since we last filed our annual update of Part 2A of Form ADV in March, 2022. We will further provide you with a new Brochure as necessary based on material changes without charge.

We strongly recommend that you review this Brochure in its entirety.

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Item 4. Advisory Business

Firm Ownership

Founded in 2014, Blue Moon is an investment adviser with its principal place of business in Boston, MA. Blue Moon's managing member is Blue Moon Capital Partners LP ("**Blue Moon Capital Partners**"), which is indirectly owned by trusts controlled by Kathryn A. Sweeney and Susan J. Barlow.

Advisory Services

Blue Moon focuses exclusively on the senior housing sector and provides advisory services to pooled investment vehicles as well as a U.S. state pension plan. With respect to the management of such client accounts, Blue Moon invests in development and recapitalization of new, purpose built senior housing communities in joint venture with senior housing developers and operators.

Pooled Investment Vehicles

Blue Moon currently manages two pooled investment vehicles sponsored by Blue Moon Capital Partners, LP as well as a sidecar pooled investment vehicle that focus on real estate and related investments in the senior housing sector. The pooled investment vehicles are managed by a general partner affiliated with the Firm (the "**General Partner**"), which has the authority to make investment decisions on behalf of the pooled investment vehicles. The General Partner operates pursuant to Blue Moon's registration as an investment adviser under the Investment Advisers Act of 1940, as amended, and the rules and regulations promulgated thereunder (the "**Advisers Act**") in accordance with guidance from the SEC's staff. While the General Partner maintains ultimate authority over the pooled investment vehicles, Blue Moon provides investment advisory services to such pooled investment vehicles as the investment manager of such pooled investment vehicles.

Blue Moon's investment advisory services to the pooled investment vehicles consist of providing advice and recommendation with respect to actual and potential portfolio investments. Blue Moon does not tailor its advisory services to the individual needs of investors in its pooled investment vehicles; the Firm's investment advice and authority for the pooled investment vehicles is tailored to the investment objectives of that pooled investment vehicle. These objectives are described in the private placement memorandum, limited partnership agreement, investment advisory agreements, side letters and other governing documents of the relevant pooled investment vehicle (collectively, the "**Governing Documents**"). The Firm does not seek or require investor approval regarding each investment decision. Investors in such pooled investment vehicles generally cannot impose restrictions on investing in certain investments or types of securities. Investors in the pooled investment vehicles participate in the overall investment program for the pooled investment vehicle and generally cannot be excused from a particular investment except pursuant to the terms of the applicable Governing Documents.

Blue Moon and/or its affiliates has entered into side letters or similar agreements with certain investors that have the effect of establishing rights under, or altering or supplementing, the Governing Documents. Rights or terms in any such side letter or other similar agreement may include, without limitation, (i) reporting obligations of the pooled investment vehicle; (ii) consent with respect to certain transfers by such investor; (iii) co-investment opportunities; (iv) withdrawal rights applicable to particular investments or certain pooled investment vehicle investors in light of particular legal, regulatory or public policy characteristics of such investor in the pooled investment vehicle; (v) economic arrangements (including but not limited to reduced fees and performance compensation) or (v) rights or terms necessary; and/or (vii) any other matters. Side letters are negotiated when the relevant investor's subscription documents are executed and, once invested in the pooled investment vehicle, investors generally cannot impose additional investment

guidelines or restrictions on the pooled investment vehicle.

U.S. State Pension Plan

Pursuant to an advisory and asset management agreement, the Firm also provides nondiscretionary investment advisory and asset management services to certain investment vehicles owned exclusively by a U.S. state pension plan (collectively, the “**Pension Plan Account**”). The Pension Plan Account is managed in accordance with the investment objectives or guidelines specifically discussed and reviewed with the state pension plan client and proposed investment transactions within the Pension Plan Account generally must be approved by the state pension plan prior to implementation as set forth in such advisory and asset management agreement.

Item 5 and Item 8 provide additional information concerning our method(s) of analysis and investment strategy/strategies.

Assets Under Management

As of December 31, 2022, the Firm manages in the aggregate \$2,168,112,840 in assets under management, of which \$1,431,947,475 are managed on a discretionary basis and \$736,165,365 are managed on a non-discretionary basis.

Other Relationships

Scout Fund II-A, LP and Scout Fund II-C, LP (collectively, the “**Scout II Funds**”) are investors in Blue Moon Senior Housing I LP (“**BMSH I**”), a pooled investment vehicle sponsored by Blue Moon Capital Partners. The Scout II Funds are closed-end real estate private equity funds sponsored by Hawkeye Partners, LP, a real estate private equity firm located in Austin, Texas. Pursuant to a master agreement with Blue Moon, Blue Moon Capital Partners, the Scout II Funds and certain of their respective affiliates (the “**Master Agreement**”), the Scout II Funds share in the economic interests of BMSH I and, unless otherwise agreed by Blue Moon Capital Partners and the Scout II Funds, future programs until such time as a buyout of the Scout II Funds has occurred pursuant to the terms of the Master Agreement. Upon such purchase, the Scout II Funds will no longer have the right to share in new programs, but existing sharing continues until those programs wind down. In addition, the Master Agreement grants certain approval rights to the Scout II Funds relating to the business plans, budget, certain future programs and the platform operational policies and procedures of Blue Moon Capital Partners and Blue Moon.

Item 5. Fees and Compensation

Pooled Investment Vehicles

Compensation for investment management services provided by Blue Moon and its affiliates for its pooled investment vehicle clients is comprised of (i) a fixed annual asset-based management fee (the “**Management Fee**”), and (ii) performance or incentive-based compensation (the “**Performance Fee**”). The Management Fee generally is payable quarterly in advance in amounts equal to 1/4 of the Management Fee.

In addition and as previously described in Item 4 above, Blue Moon and/or its affiliates may occasionally enter into a side letter arrangement with certain investors of the pooled investment vehicle, in which the Blue Moon and/or its affiliates may grant such investors with preferential terms, which may include fee reductions or waivers.

The specific manner in which Blue Moon and its affiliates charge fees to the pooled investment vehicles is established and described in greater detail in the Governing Documents of the relevant pooled investment vehicle. Investors in such pooled investment vehicles should refer to these Governing Documents for a complete understanding of how Blue Moon and its affiliates are compensated for its advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.

Pension Plan Account

Pursuant to the advisory and asset management agreement with the state pension plan, Blue Moon is compensated in the form of a fee based on net operating income that is paid in arrears for services provided to the Pension Plan Account under that agreement.

Other Expenses

The expenses paid by the Blue Moon's pooled investment vehicle clients are set forth in detail in the Governing Documents of the relevant client. Investors and prospective investors in such pooled investment vehicles should therefore review the applicable advisory agreement or Governing Documents carefully because such documents, and not the summary in this brochure, describe more specifically the expenses such investor will bear. As a general matter and in addition to the Management Fee, the pooled investment vehicle will pay, or reimburse the General Partner for, all other fees, costs, expenses, liabilities and obligations relating to the pooled investment vehicle's activities, business or actual or potential investments, all as more fully described in the Governing Documents.

In addition to paying the above advisory fees to the Firm, the Pension Plan Account is also subject to other expenses that are not paid to the Firm. They may include (but are not limited to) fees charged by the client's custodian, interest expenses; taxes, duties and other governmental charges; transfer and registration fees or similar expenses; costs associated with foreign exchange transactions (if any); other portfolio expenses; and, costs, expenses and fees associated with products or services that may be necessary or incidental to such investments or accounts.

Please also see Item 12 for additional information relating to Blue Moon's brokerage practices.

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

As noted in Item 5 above, clients will be subject to a performance or incentive-based fee (the Performance Fee) in addition to the Management Fee. Performance-based compensation represents an asset manager's compensation for managing an account which is based upon a percentage of the net profits of the account being managed. Performance-based compensation like the Performance Fee creates certain inherent conflicts of interest with respect to Blue Moon's management of assets. Specifically, Blue Moon and its affiliates' entitlement to performance-based compensation in managing one or more accounts may create an incentive for Blue Moon and its affiliates to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation.

To maintain fair and equitable treatment of all of its client accounts, Blue Moon has implemented compliance policies and procedures to further its efforts to treat all accounts fairly and equitably over time, regardless of their corresponding fee-structure. These policies and procedures are monitored by the Firm's Chief Compliance Officer ("CCO"). Please see Item 8 for additional information regarding these policies and procedures.

Item 7. Types of Clients

As noted previously, the Firm's clients include pooled investment vehicles and a state pension plan.

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

Methods of Analysis and Investment Strategies

Blue Moon's investment strategy focuses on the acquisition, repositioning and development of senior housing properties including independent living, assisted living and memory care investing through joint ventures with experienced senior housing operators across the United States. Blue Moon's business strategy is to match institutional capital with what it believes to be skilled, forward-thinking senior housing operating companies positioned to seek to take advantage of the dramatic growth in resident demand that is expected over the next two decades.

Within the senior housing continuum, Blue Moon's investment strategy expects to invest in private pay independent living, assisted living and memory care communities that generate returns through rental income and care services. This investment strategy is to joint venture with experienced operators to acquire high quality senior housing properties with the opportunity to raise rent and increase care services income in a stabilization-to-optimization strategy. Blue Moon's investment strategy may also seek to invest in existing assets in need of repositioning and develop new state-of-the-art communities. Upon stabilization for developments and optimization for acquisitions, client managed assets may be recapitalized by, among others, the operating partner, institutional and sovereign investors or the healthcare REITs.

Capitalizing on Blue Moon's industry relationships and access to transactions, the Firm's investment strategy is expected to be executed as follows:

Acquisition

Through Blue Moon's operating partner network, referral sources and the brokerage community, the Firm will seek to acquire high quality, stabilized senior housing communities for its client managed accounts with an opportunity to optimize profitability through occupancy growth and increased rental rates and care services.

Repositioning

Blue Moon's investment strategy will seek to identify older communities with some functional obsolescence or with the ability to add additional units to the existing mix or add complementary care types. Blue Moon believes that these communities will benefit from equity capital to rejuvenate the physical property and produce attractive investment results.

Development

Blue Moon's investment strategy also will seek to invest in development opportunities/joint ventures with experienced developer/operators. Blue Moon will seek to construct a portfolio diversified across partner, geography, risk profile and operating model to capture upside and mitigate risk.

For acquisitions, repositioning and new developments, Blue Moon's investment strategy will target assets that pass the Firm's operating partner, market and product screens and offer opportunities to seek to enhance revenue through operations. Blue Moon's investment screens are described in more detail below.

Operating Partner Screen

Blue Moon has access to experienced operators who provide what the Firm believes to be quality care and achieve attractive rental income. Blue Moon screens partners for experience in the planned operating model (social or medical), organizational stability, strong operating performance and systems, strong community relationships and a service-driven culture.

Market Screen

Blue Moon's investment strategy intends to invest mainly in NIC MAP top 50 markets and vets the current and future demand and supply factors in the product's primary market area.

Supply— Blue Moon's investment strategy will seek high barrier-to-entry markets with a dearth of high quality senior living communities, few vacant, comparable units and an existing inventory that is aging or obsolete. Blue Moon's investment strategy also evaluates the supply pipeline through utilizing the NIC MAP database supplemented with calls to local planning departments.

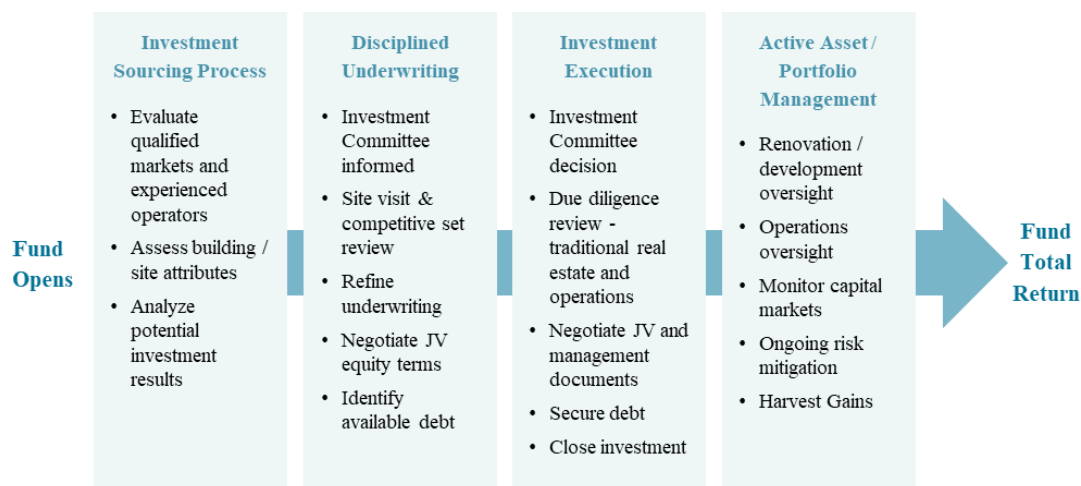
Demand— Blue Moon's investment strategy will seek communities with multiple economic and business drivers, strong employment outlook and a substantial population of age and income qualified seniors and adult children.

Market— Blue Moon's investment strategy will evaluate the market for potential customers with a favorable degree of acceptance of senior housing and at the price point being proposed. The market must also have an adequate supply of labor and sufficient affordable housing stock for the labor market.

Product Screen

Blue Moon's investment strategy will evaluate the design, finish and operating strategy of proposed projects to enhance differentiation within the market. Target products should offer an operating model and acuity level that meets unmet demand. Building features should include attractive, high quality interior and exterior, unit sizes and configurations meeting unmet demand, latest safety standards, adequate accessible outdoor space, and memory care units on the first floor. Operating systems should incorporate technology appropriately, meet environmental standards and promote labor efficiencies. Service provisions should include furniture and fixtures that match the customer profile and appealing programming spaces.

Blue Moon will seek to execute its investment strategy using the following process:



Investments in real estate and other investments involve economic and business risks inherent in such investments as described in more detail below. Real estate and other investments involve a risk of loss that clients and investors in pooled investment vehicles should be prepared to bear. Investors in pooled investment vehicles managed by Blue Moon should also refer to the applicable Governing Documents for a more detailed description of the risks associated with such investment.

Risk of Loss

The above methods, strategies and investments involve risk of loss to clients, and clients must be prepared to bear the loss of their entire contribution/investment. In addition, clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable.

The Firm invests in various investments in connection with its investment strategies and provided below is a description of the different types of investments and certain corresponding risks to which a client may be exposed. Depending on the investment strategies employed, different risks will be more applicable. Please note that the below risks do not purport to be a complete explanation of all risks involved. Unless otherwise noted, references to client accounts in the following disclosures refer to both pooled investment vehicles and the Pension Plan Account.

General Risk of Real Estate Investments. Real estate investments are subject to the risks generally incidental to ownership and operation of income-producing real estate. Real estate values are affected by a number of factors, including (i) the illiquidity of real estate assets, (ii) the possibility that cash generated from operations will not be sufficient to meet fixed obligations, (iii) changes in economic conditions affecting real estate ownership directly or the demand for real estate, (iv) changes in the general economic climate or in national or international economic climate, (v) the need for unanticipated expenditures in connection with environmental matters, (vi) changes in tax rates and other operating expenses, (vii) adverse changes in laws, governmental rules (including those governing usage, improvements, zoning and taxes) and fiscal policies, (viii) acts of God, including earthquakes and fire (which may result in uninsured losses), (ix) environmental and waste hazards, (x) energy and supply shortages, (xi) uninsured losses or delays from casualties or condemnation, (xii) risks from operating problems arising out of the presence of certain construction materials, (xiii) structural or property level latent defects, (xiv) local conditions (such as an oversupply of space or a reduction in demand for space), (xv) the quality and philosophy of management, (xvi) competition based on rental rates, (xvii) attractiveness and location of the properties and changes in the relative popularity of commercial properties as an investment, (xviii) financial condition of tenants, buyers and sellers of properties, (xix) quality of maintenance, insurance and management services, (xx) changes in interest rate levels and the availability of mortgage funds that may render the sale or refinancing of properties difficult or impracticable and (xxii) other factors that are beyond the Firm's control. Investments in existing entities (e.g., buying out a distressed partner or acquiring an interest in an entity that owns a real property) could also create risks of successor liability.

No Operating History. Blue Moon and its affiliates have substantial experience investing in and managing real estate and have spent significant time and resources evaluating and researching senior housing real estate investment opportunities and markets throughout the U.S. Past experience of Blue Moon and its affiliates is not necessarily indicative of the prospects for client accounts, and there can be no assurance that a client account will achieve comparable results. Successful implementation of its business strategy will depend on the Blue Moon's ability to employ and retain real estate professionals. No assurance can be given that appropriate investments can be identified and acquired or that, if acquired, those investments will achieve the returns sought by Blue Moon. Accordingly, clients should draw no conclusions from the performance of Blue Moon's prior investment activities and should not expect to achieve similar returns.

Future Investments Unspecified. Except for the information set forth in this Brochure, no prospective client will be able to evaluate for themselves the merits of particular investments or the management of underlying properties prior to such client's investment in a particular property. Clients will be relying on the ability of Blue Moon to identify and evaluate the investments to be made by the client's account. Because such investments may occur over a substantial period of time, the client account faces the risks of changes in interest rates and adverse changes in the real estate markets. Even if the investments of the client account are successful, the returns may not be realized by the account for a period of several years.

Possible Lack of Diversification; Limited Number of Investments. Clients have no assurance as to the degree of diversification in the client account's investments, either by geographic region, economic concentration or asset type. A client account may participate in a limited number of investments, and, as a consequence, the aggregate return of the account may be substantially affected by the unfavorable performance of even a single investment. The account may make some investments with the intent of refinancing or selling a portion thereof, and, in such cases, there will be the risk that the account will be unable to complete the refinancing or sale, which could lead to increased risk as a result of the account having an unintended long-term investment and reduced diversification.

Risky and Illiquid Investments. The investments made by a client account are likely to be risky and illiquid. The investments may be unsecured and subordinated to material amounts of senior indebtedness. The investments may not be protected by financial covenants or limitations upon additional indebtedness. Illiquidity may result from the absence of an established market for the investments, as well as legal or contractual restrictions on their sale. Dispositions of investments also may be subject to contractual and other limitations on transfer (including prepayment penalties with respect to property-level debt) or other restrictions that would interfere with the subsequent sale of such investments or adversely affect the terms that could be obtained upon any disposition thereof. The possibility of partial or total loss of capital will exist, and prospective clients should readily bear the consequences of such loss. Even if the investments of the account are successful, they may not produce a realized return for an unspecified duration of time.

Inability To Make Investments; Competition. Blue Moon may have difficulty identifying, acquiring or developing income-producing assets at favorable returns. In addition, Blue Moon will be competing for attractive senior housing real estate investments with other real estate investment vehicles, individuals, publicly traded REITs, financial institutions (such as mortgage banks, insurance companies and pension funds) and other institutional investors that may have investment objectives similar to those of the client's account, including major organizations with ready access to larger pools of capital. The success of Blue Moon will depend on the ability of its professionals to identify suitable investments, to negotiate and arrange the closing of appropriate transactions, and to arrange the timely disposition of a sufficient number of suitable investments. There can be no guaranty that Blue Moon will be able to locate, complete and exit investments that satisfy a client's targeted return, or realize upon their values, or that Blue Moon will be able to fully invest all funds committed for investment by the client.

Competition Within Senior Housing Industry. The senior housing industry is highly competitive and fragmented. There are numerous small operators but also large, public, well-financed competitors. The scope of services varies substantially from one operator to another and with the requirements of one state to another. Regulation of senior housing communities does not represent a significant barrier to entry. Consequently, the development of new senior housing communities could outpace demand. Increased competition for residents could also require Blue Moon and its operating partners to undertake unbudgeted capital improvements or to lower rates. An oversupply of senior housing communities in the market where investments are located or increased competition, as well as the inability of the investments to compete successfully by attracting residents, could adversely affect the business and results of operations of the investments and, consequently, the income received by the client's account.

Blue Moon and its operating partners will also compete with other providers of senior housing communities with respect to attracting and retaining qualified management personnel responsible for the day-to-day operations of the communities and skilled technical personnel responsible for providing resident care and services. Senior housing communities are also heavily dependent on the available labor pool of semi-skilled and unskilled employees in the markets in which they operate. From time to time, the senior housing communities could experience a competitive labor market, periodic shortages of qualified workers and wage rate increases for certain of their employees. If labor costs increase, Blue Moon and its operating partners may not be able to implement corresponding increases in rates charged to residents in a timely manner. If Blue Moon and its operating partners are unable to attract and retain qualified management and staff personnel, control their labor costs or pass on increased labor costs to residents through rate increases, the business, financial condition and results of operations of investments will be adversely affected, thereby adversely affecting the income received by the client's account.

Achieving the expected benefits from investment in senior housing communities will depend in large part on the ability of Blue Moon and its operating partners to accomplish many different tasks to successfully implement the business strategy for such senior housing communities, including integrating the operations and personnel of such senior housing communities with its other operations in a timely and efficient manner. Achieving the business plan for senior housing properties is subject to all of the risks and uncertainties inherent in the implementation of a new business strategy, particularly in the highly competitive and changing senior housing industry. The likelihood of the success of Blue Moon and its operating partners in successfully implementing the business strategy for senior housing properties must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in implementing a new business plan, including uncertainty as to the success of the marketing strategy and unanticipated expenses. If Blue Moon and its operating partners cannot overcome the challenges they face in completing the integration or achieving their business plans for senior housing communities, Blue Moon's ability to effectively and profitably manage such senior housing communities could suffer. Moreover, the integration process itself may be disruptive to the business and the implementation of the business plan for senior housing communities, as it will divert the attention of management from its normal operational responsibilities and duties. Failure to successfully complete the integration or implement the business strategy for senior housing communities could harm the business, financial condition and results of operations of such senior housing communities and, consequently, the income received by the client's account.

Adverse Trends in the Senior Housing Industry. The success of a client account's investments will depend largely on the ability of Blue Moon and its operating partners to adapt to dominant trends in the senior housing industry, including greater competitive pressures, increased consolidation, industry overbuilding and changing demographics, the introduction of new concepts and products, the availability of labor, price levels, and general economic conditions. The success of the operating partners to adapt to the foregoing, the ability of Blue Moon and its affiliates to fulfill obligations to the operating partners of its business, and trends in the senior housing industry may affect the client account's income.

In addition, an extended or worsening economic downturn could adversely affect the ability of the client account and its investments to make principal and interest payments on, or to refinance, outstanding debt when due. In the event of such circumstances, a client account could lose both invested capital in, and anticipated profits from, the affected investments.

Controlling Person Liability. Blue Moon and its client accounts may have controlling interests in some of its investments in senior housing real estate companies. The exercise of control over an entity can impose additional risks of liability for environmental damage, failure to supervise management, violation of government regulations (including securities laws) or other types of liability in which the limited liability characteristic of business ownership may be ignored. If these liabilities were to arise, a client account might

suffer a significant loss.

Third-Party Involvement. In managing client accounts, Blue Moon will form joint ventures with senior housing operators and developers, and the joint ventures will enter into property management agreements with management affiliates of the senior housing operators. Any such joint venture partners will receive compensation (including, without limitation, fees and a profits interest) and such compensation will be paid and/or borne in whole or in part by the client account. The senior housing operators will be relied upon to maintain operating licenses for the properties; attract, train, retain and, where appropriate, terminate staff providing services to occupants; bill and collect payments from occupants; and other services that will be detailed in a property management agreement. Because client account revenues will be derived from rents paid by residents and from other income generated by senior housing properties, an investment's financial condition will be dependent on the ability of the operating partners to operate the properties successfully. If the operating partners are unable to operate the properties successfully, tenants may not be attracted to lease units at the properties, which could adversely affect an investment's financial condition. Further, due to the actions of an operating partner, a senior housing property may suffer a diminished reputation in the marketplace. Such a blemish could result in a loss of license, difficulty in leasing available units, loss of occupancy due to move-outs or similar adverse consequences to the account's investment.

Joint venture investments may involve risks not present in other types of investments where a third party is not involved, including the possibility that (i) the client account and the operating partner may reach an impasse on a major decision that requires the approval of both parties, (ii) an operating partner may at any time have economic or business interests or goals that are inconsistent with those of the client account, (iii) the operating partner may encounter liquidity or insolvency issues or may become bankrupt, (iv) the operating partner may be in a position to take action contrary to the client account's investment objective, (v) the operating partner may take actions that subject the property to liabilities in excess of, or other than, those contemplated, or (vi) in certain circumstances, the client account may be liable for actions of its operating partners. In addition, the client account and Blue Moon may rely on the abilities and management experience of an operating partner. Further, actions taken by operating partners may subject the investment to liabilities in excess of, or other than, those contemplated by Blue Moon. It may also be more difficult for Blue Moon to sell the client account's interest in those investments. Blue Moon may grant operating partners joint approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks. A deadlock could delay the execution of the business plan for the investment or require Blue Moon and the client account to engage in a buy-sell of the entity or conduct the forced sale of such investment. As a result of these risks, the client account may be unable to fully realize its expected return on any such investment.

Financial Condition of Residents. Senior housing properties rely primarily on the ability of residents to pay for rent and services from their personal or family financial resources and long-term care insurance. Future economic or investment market conditions or other circumstances could adversely affect the ability of seniors to pay for rent and services. The results of operations, distributable cash flow and the value of the client account would be adversely affected if a significant number of the residents of the properties are unable to meet their financial obligations. In the event of default by a significant number of residents, the client account may experience delays and incur substantial costs in enforcing its rights as the owner of such properties. At any time, a resident may seek the protection of applicable bankruptcy or insolvency laws, which could result in the rejection and termination of such resident's lease or other adverse consequences and thereby cause a reduction in distributions to the client account.

Termination of Residency Agreements. Residency agreements with senior housing residents are generally for a term of one year (terminable by the resident upon thirty (30) to sixty (60) days' written notice). Although most residents remain for longer periods, Blue Moon and its operating partners do not contract with residents for longer periods of time. If a large number of residents elected to terminate their residency

agreements at or around the same time, the income received by the client account could be adversely affected.

Risks of Multi-Step Acquisitions. In the event Blue Moon chooses to effect a transaction by means of a multi-step acquisition, there can be no assurance that the remainder of an investment can be successfully acquired. This could result in the client account having only partial control over the investment or partial access to its cash flow to service debt incurred in connection with the acquisition.

Short-Term Interim Investments. Client account assets may be invested in short-term interim investments pending the application thereof to the purchase of real estate equity investments. The yield from those interim investments will probably be lower than the income generated from real estate investments.

Expedited Transactions. Investment analyses and decisions by Blue Moon may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to Blue Moon at the time of making an investment decision may be limited, and they may not have access to detailed information regarding the investment property, such as physical characteristics, environmental matters, zoning regulations or other local conditions affecting an investment property. Therefore, no assurance can be given that Blue Moon will have knowledge of all circumstances that may adversely affect an investment, and the client account may make investments that it would not have otherwise made if more extensive due diligence had been undertaken. In addition, Blue Moon expects to rely upon independent consultants in connection with the evaluation of proposed investment properties, and no assurance can be given as to the accuracy or completeness of the information provided by such independent consultants or the client account's right of recourse against them in the event errors or omissions occur.

Capital Expenditures. Although Blue Moon, in its management, valuation and underwriting of the client account's investments, will provide good faith projections of the short-to medium-term capital needs of such investments, there can be no assurance that the capital needs of any of the properties in which the account invests from time to time will not exceed such estimates or that a property will generate sufficient cash flow to cover its capital needs.

Development Project Risks. Blue Moon will invest, directly or indirectly, in undeveloped land or underdeveloped real property (which may often be non-income-producing), real estate developments or redevelopments and/or businesses that engage in real estate development or redevelopment. To the extent that a client account invests in such assets or activities, it will be exposed to development risks and risks normally associated with such assets and development activities, including the dependence on successful and timely completion and operation of the project, timely receipt of zoning and other regulatory approvals, difficulties in estimating construction costs, cost overruns, and difficulties in estimating potential cash flows. Completion of any development project could be delayed and, under certain circumstances, cease completely due to work stoppages, difficulty in obtaining necessary permits and approvals, adverse political developments, acts of God, or other factors. Projects under development or properties acquired for development may receive little or no cash flow from the date of acquisition through the date of completion of development and may continue to experience operating deficits after the date of completion. In addition, market conditions may change during the course of development that make such development less attractive than at the time it was commenced.

Failure To Complete Projects. There is a risk that Blue Moon may contract to acquire properties from sellers that fail to complete construction or that do not satisfactorily lease up newly constructed properties. If these situations occur, closing on a property may be delayed until the conditions have been satisfied, or Blue Moon may choose not to proceed with closing on a property. There can be no assurance that steps taken by Blue Moon to minimize risks of contracting with a nonperforming seller will in all cases protect

the client account against financial loss. Moreover, to the extent Blue Moon is not able to purchase properties because of a seller's failure to cause completion thereof, the client account may have lost the opportunity to make alternative investments in properties, and there may be a corresponding delay in the investment of client account assets.

Market Conditions. Blue Moon's strategy in some investments may be based, in part, upon the premise that real estate businesses and assets will be available for purchase at prices that the Blue Moon considers favorable. Further, the strategy relies, in part, upon continuing local market strength. No assurance can be given that real estate businesses, and assets can be acquired at favorable prices or that the market for such assets will recover or continue to improve, as the case may be, since this will depend, in part, on events and factors outside the control of Blue Moon.

Financial Market Fluctuations. General fluctuations in the market prices of securities may affect the value of the investments held by the client account. Instability in the securities markets may also increase the risks inherent in such investments. It may also make it more difficult to obtain financing for its investments and adversely affect the ability of potential buyers to secure financing to purchase investments. The ability of companies or businesses in which a client account may invest to refinance debt securities may depend on their ability to sell new securities in the public high-yield debt market or otherwise.

Litigation. In the ordinary course of its business, client account investments may be subject to litigation from time to time. Litigation may be commenced with respect to a property acquired in relation to activities that took place prior to the acquisition of such property. Further, at the time of disposition of a property, a potential buyer may claim that it should have been afforded the opportunity to purchase the asset or alternatively that such 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 efforts to maximize sale proceeds. Similarly, buyers of client account assets may later sue the account under various damage theories, including those sounding in tort, for losses associated with latent defects or other problems not uncovered in due diligence. The outcome of such proceedings may adversely affect the value of the client account and may continue without resolution for long periods of time. Further, residents, families and/or employees may bring suit against a senior housing operator or an operating company in which the client account invests (for example, wrongful death, workers' compensation, wrongful termination and failure to provide watchful oversight). There is a risk that insurance may not adequately protect the client account against losses it may incur or for any casualty or other losses. Any litigation may consume substantial amounts of Blue Moon's time and attention, and that time and the devotion of these resources to litigation may at times be disproportionate to the amounts at stake in the litigation.

Environmental Risks. Under various federal, state and local laws, ordinances and regulations, an owner of real property may be liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such laws often impose such liability without regard to whether the owner knew of, or was responsible for, the presence of such hazardous or toxic substances. The cost of any required remediation and the owner's liability therefore as to any property are generally not limited under such laws and could exceed the value of the property and/or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate contamination from such substances, may adversely affect the owner's ability to lease or sell the real estate or to borrow funds using such property as collateral, which could have an adverse effect on the return from such an investment. An owner or operator of a senior living community may also be required to comply with various laws, ordinances and regulations regarding the handling, production, storage, use, discharge or disposal of regulated materials and could also be liable under common law to third parties for damages and injuries resulting from environmental contamination coming from such senior living community.

Harmful Mold and Other Air Quality Issues. When excessive moisture accumulates in buildings or on

building materials, mold may grow, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources, and other biological contaminants, such as pollen, viruses and bacteria. Indoor exposure to radon, airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any property could require the undertaking of a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the presence of significant mold or other airborne contaminants could expose the investment to liability from its tenants, employees of its tenants and others if property damage or health concerns arise.

Possibility of Future Terrorist Activity. In the current environment, there is a risk that one or more of the client account's investments will be directly or indirectly affected by terrorist attack. An attack could have a variety of adverse effects on the business and performance results of one or more investments or subsequently acquired investments, including risks and costs related to the destruction of property, inability to use one or more properties for their intended uses for an extended period, decline in rents achievable or property value and injury or loss of life, as well as litigation related thereto. Such risks may not be insurable or may be subject to increased insurance premiums and deductibles that Blue Moon deems uneconomic. It is not possible to predict the severity of the effect that any such future events would have on the U.S. financial and insurance markets and economy or an investment. In addition to the potential direct impact of any such future act, future terrorist attacks and the anticipation of any such attacks could have an adverse impact on the U.S. financial and insurance markets and economy, thus harming the value of an investment.

Casualty Losses; Uninsurable Losses. Comprehensive casualty insurance generally will be maintained on investments, including liability and fire and extended coverage, in amounts sufficient to permit replacement in the event of a total loss, subject to applicable deductibles. Blue Moon will endeavor to obtain coverage of the type and in the amount customarily obtained by owners of properties similar to the real property that it acquires in the future. There are certain types of losses, however, generally of a catastrophic nature, resulting from, for example, earthquakes, floods, hurricanes, pollution, environmental matters, wars, riots, nuclear reactions and terrorist acts, which may be uninsurable or not economically insurable. Additionally, it is possible that particular risks currently insurable may not be insurable on economically feasible terms in the future. In general, losses related to terrorism are becoming harder and more expensive to insure against. Most insurers are excluding terrorism coverage from their all-risk policies. In some cases, the insurers are offering significantly limited coverage against terrorist acts for additional premiums, which can greatly increase the total costs of casualty insurance for a property. As a result, the investments might not be insured against terrorism. Inflation, changes in building codes and ordinances, environmental considerations, provisions in loan documents encumbering the investments pledged as collateral for loans, and other factors also might make it economically impractical to use insurance proceeds to replace improvements on a property if it is damaged or destroyed. Under such circumstances, the insurance proceeds received, if any, might not be adequate to restore the investment with respect to the affected property. If a major uninsured loss occurs, a client account could lose both invested capital in and anticipated profits from the affected investments.

Financing Risk from Government Sponsored Enterprises. Given the federal government's receivership of Freddie Mac and Fannie Mae, the future of these agencies, continued ability to provide debt capital to senior housing is uncertain.

Interest Rate Risks. Client investments have exposure to interest rate risks, meaning that changes in prevailing interest rates could negatively affect the value of the investment (e.g., interest rate changes may affect, among other items, the cash flows of an investment directly and the cost of leverage). Changes in

the general level of interest rates can affect the investment's income by affecting the spread between the income on its assets and the expense of its interest-bearing liabilities, as well as, among other things, the value of its interest-earning assets, the capitalization rate at which its assets are valued in the market and its ability to realize gains from the sale of investments.

Senior Housing Regulatory Considerations. The real estate projects in which client accounts invest will likely require the approval of or compliance with regulations of federal, state and local governmental and regulatory authorities and, in some cases, consents of third parties. There can be no assurance that any required approvals and consents will be obtained on a timely basis, if at all. Further, regulatory enactments, including various permit or licensing requirements, or changes in their interpretation by the applicable authorities, may limit the ability to manage or dispose of projects in a manner that would be most advantageous.

The operation of senior housing properties is subject to governmental regulation, including zoning, land use, building and fire codes, Americans with Disabilities Act (the "ADA") requirements, and other life safety type regulations applicable to residential real estate. A senior housing operator is required to adhere to those requirements, and there is risk to the continued operations of the property if the operator fails to fulfill its obligations. Additionally, regulations can change from time to time and the senior housing operator must stay current to these changes. Regulations may be promulgated that could have the effect of restricting or curtailing certain uses of existing structures or requiring that such structures be renovated or altered in some fashion. The establishment of such regulations could have the impact of increasing the expenses and lowering the profitability of any of the properties affected thereby. Increased costs resulting from increases in real estate, income or transfer taxes or other governmental requirements generally may not be passed through directly to residents, inhibiting the ability to recover such costs.

State regulatory agencies may perform annual inspections of senior housing properties. There are risks the senior housing operator will demonstrate an inability to comply with governmental survey standards, which, in severe cases, may result in (1) a possible fine assessed to the property or (2) revocation of operating license. These are drastic measures reserved for only the most egregious deficiencies relating to a threat to life safety.

Under Title III of the ADA, all "public accommodations" and "commercial facilities" (as defined by the ADA) in the United States must meet federal requirements related to access and use by disabled persons. If one or more of the properties in a client's portfolio does not comply with the ADA, then the account may be required to incur costs to bring the property into compliance, which may or may not have been foreseen at the time of acquisition. Future changes to federal, state and local laws also may require modifications to properties or restrict the ability to renovate properties. Blue Moon cannot predict the ultimate cost of compliance with the ADA or other legislation. Noncompliance with the ADA could result in the imposition of fines or an award of damages to private litigants. If an investment incurs substantial costs to comply with the ADA and any other similar legislation or is subject to fines or lawsuits for noncompliance, the investment's financial condition, results of operations, cash flow, cash available for distribution and ability to satisfy its debt service obligations could be materially adversely affected.

Government benefits generally are not available for services at senior housing properties, and the resident charges in these properties are paid from private resources. However, a number of Federal Supplemental Security Income program benefits pay housing costs for elderly or disabled residents to live in these types of residential properties. The Social Security Act requires states to certify that they will establish and enforce standards for any category of group living arrangement in which a significant number of supplemental security income residents reside or are likely to reside. Categories of living arrangements that may be subject to these state standards include assisted living communities. Because assisted living communities usually offer common dining facilities, in many locations they are required to obtain licenses

applicable to food service establishments in addition to complying with land use and life safety requirements. In many states, assisted living communities are licensed by state or county health departments, social service agencies, or offices on aging with jurisdiction over group residential communities for seniors. If assisted living communities receive Medicaid or Medicare funds, they are also subject to certification standards. In some states, insurance or consumer protection agencies regulate assisted living communities in which residents pay entrance fees or prepay other costs. To the extent an investment depends upon federal and/or federal/state programs for revenues, it will be vulnerable to the budgetary policies of both the federal and state governments.

Certain Risks Related to Cybersecurity. The information and technology systems of the Firm and of key service providers to Blue Moon and its clients may be subject to potential damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons or security breaches, usage errors by employees, power outages or catastrophic events such as fires or hurricanes. In the unlikely event that these systems are compromised, become inoperable for extended periods of time or cease to function properly there could be significant interruptions in the operations of Blue Moon or its client accounts or a compromise of the security, confidentiality or privacy of sensitive data, including personal information.

The Firm has in place risk management systems and business continuity plans that are designed to address risks associated with these cybersecurity attacks, although there are inherent limitations in any cybersecurity risk management system or business continuity plan, including the possibility that certain risks have not been identified. Accordingly, there is no guarantee that such efforts will succeed especially since we do not directly control the cybersecurity systems of issuers or third-party service providers.

Coronavirus and Public Health Emergencies. As of the date of this Brochure, there is an outbreak of a novel and highly contagious form of coronavirus (“**COVID-19**”), which, on January 30, 2020, the World Health Organization (“WHO”) declared to constitute a Public Health Emergency of International Concern (“PHEIC”). On January 27, 2023, the WHO determined that the event continues to constitute a PHEIC. The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to market volatility. The global impact of the outbreak evolved rapidly, and many countries, states, provinces, districts, departments and municipalities instituted quarantines, curfews, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues, including certain infrastructure structures and facilities. Businesses also implemented similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, created significant disruption in supply chains and economic activity and had a particularly adverse impact on transportation, hospitality, tourism and entertainment, among other industries. A “second wave” of COVID-19 began in the United States in the fourth quarter of 2020 and continued into 2021. In the United States, the Department of Health and Human Services is planning for the federal Public Health Emergency for COVID-19 to expire at the end of the day on May 11, 2023. It is unclear whether the mitigation or containment measures taken by various governments (including at the federal, state and local level) or private enterprises will be continued or re-implemented, or if different measures will be implemented, and what impact such measures will have on the national or global economy.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on a client and its investments and could adversely affect a Client’s ability to fulfill its investment objectives. The extent of the impact of any public health emergency on the operational and financial performance of a client will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity and the extent of its disruption to important global,

regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency may materially and adversely impact the value and performance of a client's investments as well as the ability of a client and source, manage and divest investments and achieve its investment objectives, all of which could result in significant losses to the client. In addition, the operations of a client, its investments and Blue Moon may be significantly impacted, or even halted, either temporarily or on a long-term basis, as a result of government quarantine and curfew measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel.

Risks from Climate Change. Client accounts may invest in portfolio investments located in communities where its businesses, and the activities of its clients and customers, could be disrupted by climate change. Potential physical risks from climate change may include (among other things) altered distribution and intensity of rainfall, prolonged droughts or flooding, increased frequency of wildfires, extreme weather changes, rising sea levels and a rising heat index. In addition, these physical changes may prompt changes in regulations or consumer preferences which in turn could have negative consequences for the business models of client portfolio investments. These climate driven changes could have a negative impact on the economy, and business activity in any of the locations in which a client may invest and thereby adversely affect the performance of its portfolio investments.

Conflicts of Interest. Various potential and actual conflicts of interest may arise between and among Blue Moon, its clients and each of their affiliates. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts. As the businesses of Blue Moon and its affiliates evolve, new and other potential conflicts may also arise which cannot be predicted at this time. To the extent that an investment, proposed transaction or other relationship presents a material conflict of interest, Blue Moon will review the particular facts and circumstances of such investment, proposed transaction or relationship with a view towards addressing such conflicts in a manner consistent with applicable law which may be further specified in Blue Moon's compliance policies and procedures.

Investors in the pooled investment vehicles should also review the respective Governing Documents, which may contain additional disclosures related to conflicts of interest that are applicable to that respective pooled investment vehicle.

- ***Co-Investment Opportunities.*** As described in greater detail in the relevant Governing Documents, the General Partner may in its discretion offer certain opportunities to co-invest with a pooled investment vehicle ("**Co-Investment Opportunities**") to various third parties including, without limitation, certain of the investors and other pooled investment vehicle clients. The allocation of any such Co-Investment Opportunities may or may not be in proportion to the commitments of such investors and may involve different terms and fee structures. In these cases, while the General Partner will seek to act in the best interest of the applicable pooled investment vehicle(s), it could be argued that a pooled investment vehicle received a smaller allocation in the particular investment than it otherwise would have received if the General Partner had not provided the third party with the Co-Investment Opportunity. Any expenses attributable to a particular investment held by the pooled investment vehicle and any co-investment vehicle established by Blue Moon will generally be allocated among the pooled investment vehicle and such co-investment vehicle *pro rata* in accordance with their respective aggregate invested capital in such investment; provided, that any such fees, costs and expenses that Blue Moon or its affiliates determine is specific to a pooled investment vehicle or the applicable co-investors (including, without limitation, organizational expenses or expenses associated a pooled investment vehicle or co-investor level taxes or brokerage commissions) may be allocated to the pooled investment vehicle or the applicable co-investors, as the case may be, on a basis that Blue Moon or its affiliates determine is fair and reasonable to the pooled investment vehicle and the applicable co-investors.

Any expenses associated with any proposed pooled investment vehicle investment that is ultimately not consummated (including any expenses that would have been allocable to co-investors had such proposed investments been consummated (e.g., “dead deal” expenses) will generally be borne by the pooled investment vehicle. Moreover, it is possible that certain terms and fee structures offered with respect to these Co-Investment Opportunities to third-party co-investors may be more favorable than those offered to investors.

- *Allocation of Fees and Expenses.* Blue Moon may be faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses to its pooled investment vehicle clients. Blue Moon, in its sole discretion, will allocate fees and expenses in accordance with the applicable Governing Documents and in a manner that it believes in good faith is fair and equitable to the applicable pooled investment vehicle client under the circumstances and considering such factors as it deems relevant. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, e.g., in determining whether to allocate pro rata based on number of funds or co-investors receiving related benefits or proportionately in accordance with asset size.
- *Material Non-Public Information.* By reason of their responsibilities in connection with the investment activities and the review of potential investments outside of the client account, Blue Moon, its affiliates and certain of their officers, directors, employees, agents and affiliates may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. Due to these restrictions, a client account may not be able to initiate a transaction that it might otherwise have and may not be able to dispose of an investment that it otherwise might have. With respect to the handling of material non-public information, Blue Moon will adopt a material non-public information/insider trading policy with respect to such issues.
- *Property Operations.* Pooled investment vehicles and/or other real estate investors to which Blue Moon and/or its affiliates provide services may own competing properties that are seeking new tenants simultaneously. As a result, conflicts of interest may arise when marketing properties to prospective tenants.
- *Property Dispositions.* Pooled investment vehicles and/or other real estate investors for which Blue Moon and/or its affiliates provide services may own comparable properties which are offered for sale at the same time. As a result, conflicts of interest may arise when marketing client account properties to prospective buyers.
- *Joint Venture Partners.* Client accounts will invest in senior housing real estate assets jointly with third parties (including, without limitation, property owners, operators, developers or other investors who may participate in the identification, acquisition, development or renovation or other services or activities related to investment properties for client accounts). Some of the co-venturers and operating partners with which Blue Moon may elect to co-invest the account account’s capital have pre-existing investments, or in the future may make investments, with Blue Moon or its affiliates (and the terms of these investments may differ from the terms upon which a client account invests with such co-venturers and operating partners). Blue Moon and its affiliates will be presented with conflicts of interest in negotiating the terms of these relationships and the terms on which the client account’s capital is invested with such co-venturers and operating partners. In addition, Blue Moon and its affiliates may have the right to receive compensation in connection with any such investments. To the extent a dispute arises between Blue Moon and its affiliates and any such co-venturer or operating partner, the client account’s investments relating thereto may be affected.

- *Services Provided by Affiliates.* Affiliates of Blue Moon may provide services to the client account that would otherwise be performed for the client account by third parties, generally with the prior consent of the client (or, if applicable, the investor advisory committee of, or a majority of investors in, a pooled investment vehicle client). In such events, the affiliates of Blue Moon will earn fees for performing such services (which may include employee costs and related overhead expenses allocable thereto, as reasonably determined by Blue Moon based on the time expended by the employees who render such services), provided that such fees will not exceed the rate that would be payable by the client account if such services were provided by third parties in the business of providing comparable services on an arm's-length basis.

Item 9. Disciplinary Information

As of the date of this Brochure, neither Blue Moon nor any of its supervised persons have been involved in legal or disciplinary events (i.e., criminal or civil action in a domestic, foreign or military court, administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency or self-regulatory organization) that the Firm believes are material to evaluating its advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

Neither Blue Moon nor its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

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

Code of Ethics and Other Related Compliance Policies and Procedures

The Firm has adopted a Code of Ethics (“**Code**”), which is designed to comply with applicable requirements under the Investment Advisers Act of 1940, as amended, and its rules thereunder (the “**Advisers Act**”). The purpose of the Code is to identify the ethical and legal framework in which the Firm and its personnel are required to operate and to highlight some of the guiding principles and mechanisms for upholding the Firm’s standard of business conduct. In addition, the Code imposes restrictions on the personal trading activity of applicable Blue Moon personnel and certain members of their immediate family, as well as reporting requirements, as required under the Advisers Act. Among other things, the Code requires covered employees and certain members of their households to “pre-clear” certain personal securities transactions in initial public offerings and private placements prior to execution. All covered personnel must provide the Firm periodically with information regarding their personal securities holdings and trading activity with respect to their personal brokerage accounts. These restrictions and requirements of the Code apply to all accounts over which such employees have investment discretion, or in which they have a direct or indirect beneficial ownership interest. Clients or prospective clients may obtain a copy of the Code by contacting the Firm’s CCO, Elyse Hanson at:

ehanson@bluemooncp.com

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In addition to the Code, Blue Moon also has adopted related compliance policies and procedures covering (among other things) insider trading, gifts and entertainment, political contributions, outside business activities and other policies intended to address applicable requirements under the Advisers Act.

Participation or Interest in Client Transactions

Blue Moon does not currently intend to engage in principal transactions (i.e., transactions where Blue Moon, acting as principal for its own account or that of certain control affiliates of Blue Moon, buys from or sells any security to a client's account) with client advisory accounts. To the extent that Blue Moon engages in any principal transactions with client advisory accounts, the Firm intends to comply with the requirements of Section 206(3) of the Advisers Act as well as comply with any applicable requirements set forth in the Governing Documents of a pooled investment vehicle that might govern such related party transactions (which may include, but is not limited to, seeking consent from the pooled investment vehicle's investor advisory committee (if applicable)).

Item 12. Brokerage Practices

Brokerage Execution Policies

Blue Moon currently does not purchase publicly-traded securities in connection with its investment strategies employed for clients and as a result, does not utilize securities broker-dealers in connection with client transactions. As such, Blue Moon does not engage (or expects to engage) in soft dollar practices, directed brokerage or trade aggregation. Blue Moon generally engages a licensed real estate broker in connection with the disposition of a real estate asset held on behalf of its clients. Blue Moon selects the brokerage company and the particular real estate broker that Blue Moon believes will best represent the interests of Blue Moon's clients. Factors such as the qualifications of a marketing team proposed by the broker, the team's experience with the senior housing industry and market in which the asset is located, the team's track record, and the likely sales price and disposition, fees.

In the event that Blue Moon does transact in publicly traded securities with respect to its client accounts, it shall adopt and implement applicable brokerage and trading policies in accordance with requirements under the Advisers Act.

Item 13. Review of Accounts

Blue Moon's senior management is responsible for periodically reviewing each pooled investment vehicle and separate account in order to evaluate and confirm compliance with the terms of the investment guidelines and investment management agreements applicable to such accounts and pooled investment vehicles. This review generally occurs quarterly. This review may occur more frequently when significant investment decisions are made related to an account or a pooled investment vehicle. Real estate investments held by pooled investment vehicles and separate accounts are also reviewed by Blue Moon's senior management on a regular basis.

Investors in the pooled investment vehicles sponsored by Blue Moon receive quarterly investment activity reports, including unaudited financial statements, and a calculation of income, appreciation and total returns. In addition, such investors receive, on an annual basis, copies of the pooled investment vehicle's audited financial statements. Blue Moon's separate account client receives quarterly reports pursuant to its investment management agreement. In addition, Blue Moon makes itself available for face-to-face meetings with its clients as reasonably requested.

Item 14. Client Referrals and Other Compensation

Blue Moon does not currently compensate any third party for client referrals.

Item 15. Custody

Blue Moon may be deemed to have custody over the assets of its pooled investment vehicle clients according to the custody rule set forth in Rule 206(4)-2 under the Advisers Act (the “**Custody Rule**”). Blue Moon intends to comply with the Custody Rule by providing audited financial statements of each pooled investment vehicle to such client’s investors within 120 days of the end of the fiscal year to satisfy the reporting requirement. Investors in the pooled investment vehicles should carefully review such financial statements.

Item 16. Investment Discretion

With respect to the sponsored pooled investment vehicles, Blue Moon and/or its affiliates have discretionary authority based on the Governing Documents with the pooled investment vehicle clients to buy and sell investments on behalf of the pooled investment vehicle and to determine the amount of such investments to be bought and sold. Investment advice is provided directly to the pooled investment vehicle, subject to the discretion and control of the relevant general partner, and not to investors in the pooled investment vehicle individually. The terms upon which Blue Moon and/or its affiliates provide advisory services to the pooled investment vehicles are established at the time the relevant pooled investment vehicle is established and are set out in the Governing Documents of the pooled investment vehicle. To become an investor in the pooled investment vehicle, an investor must execute a subscription agreement and a limited partnership agreement with the pooled investment vehicle. Such documents contain a power of attorney that upon execution grants upon Blue Moon and/or its affiliates certain powers related to the orderly administration of the affairs of the pooled investment vehicle, with limited exceptions, such as certain conflicts of interest as discussed elsewhere in this Brochure. Generally, restrictions with respect to the management of the pooled investment vehicle, such as the type of investments or assets in which the pooled investment vehicle may invest, will be contained in the pooled investment vehicle’s Governing Documents.

Item 17. Voting Client Securities

Given the nature of Blue Moon’s advisory services to its clients, the Firm does not currently make investments in publicly traded securities or expect to vote “proxies” on behalf of its clients. In the event that Blue Moon does transact in publicly traded securities on behalf of clients and exercises authority to vote such client securities, it shall adopt and implement a proxy voting policy in accordance with requirements under the Advisers Act.

Item 18. Financial Information

This Item is not applicable.