

Inland Investment Advisors, LLC

Client Brochure

This Brochure provides information about the qualifications and business practices of Inland Investment Advisors, LLC (“Advisor”). If you have any questions about the contents of this Brochure, please contact us at compliance@enseniawealth.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

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Inland Investment Advisors, LLC is an SEC registered investment adviser. Registration as an Investment Adviser does not imply any level of skill or training.

March 28, 2023

Item 2: Material Changes

March 2023 Change.

The following change supersedes the Change in Business referenced in the Ensenia Wealth, LLC (“Ensenia”) Brochure dated October 7, 2022.

Effective March 27, 2023, the name of the Advisor has been changed from Ensenia to Inland Investment Advisors, LLC.

October 2022 Changes.

The following change supersedes the Change in Business referenced in the Ensenia Brochure dated March 28, 2022, and below.

Ensenia has determined to include in the services offered to clients the recommendation and monitoring of certain forms of alternative investments, primarily securities being offered and sold in reliance upon exemption from the registration requirements under the Securities Act of 1933, as amended, including partnership and limited liability company membership interests in entities that develop, re-develop, own and/or operate commercial real estate projects (“Private Placements”). The sponsors of some of the Private Placements that may be recommended to clients are affiliates of the Advisor.

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Item 4: Advisory Business

A. Description of the Advisory Firm

Inland Investment Advisors, LLC is an investment adviser established in June 1995 and registered with the Securities and Exchange Commission (the “SEC”) as an SEC-registered investment adviser since 2001. In this Brochure, all references to “we,” “our,” “us,” the “Advisor” and the “Firm” refer to Inland Investment Advisors, LLC (“Advisor”). As an SEC-registered investment adviser, we are subject to federal regulations as administered by the SEC under the provisions of the Investment Advisers Act of 1940, as amended (“Advisers Act”).

The Advisor is owned by IMG Advisors, LLC. IMG Advisors, LLC is a wholly owned subsidiary of Investment Management Group, LLC, which is a wholly owned subsidiary of The Inland Real Estate Companies, LLC, which is a wholly owned subsidiary of The Inland Group, LLC (together with affiliated and associated businesses, “TIG”). Daniel L. Goodwin, Chief Executive Officer (CEO) and a manager of the Firm, is the controlling member of TIG. Between November 1, 2018, and March 27, 2023, the Advisor conducted its investment management business as Ensenia Wealth, LLC. The Advisor’s form of business entity was converted from a corporation to a limited liability company on March 23, 2017.

Currently, one person on the staff of TIG devotes all of his time to conducting the business of the Advisor and several other persons on the staff of TIG devote a portion of their time to conducting the business of the Advisor. We consider these persons employees.

B. Types of Advisory Services

We focus on the management of investment portfolios primarily comprised of publicly traded securities, (our “investment management services”). Our standard services also include identifying and presenting to our clients alternative investments, primarily in securities being offered and sold in reliance upon exemption from the registration requirements under the Securities Act of 1933, as amended, including partnership and limited liability company membership interests in entities that develop, re-develop, own and/or operate commercial real estate projects and that provide competitive lending solutions to affiliates of the Firm (“Private Placements”).

We evaluate the services provided to each of our clients based on their individual goals, risk tolerance levels and time horizon.

We design investment portfolios comprised primarily of publicly traded securities balanced with alternative investments in Private Placements that meet the client’s investment objectives. We attempt to customize each portfolio to meet the client’s specific investment objectives, liquidity needs and risk tolerances. We believe our managed

portfolios of listed securities are suitable for clients who want real estate and energy exposure, typically illiquid asset classes, but require liquidity to meet their future cash flow or capital needs. Securities issued in Private Placements, while illiquid, may be identified to add balance to the client's portfolio. We recommend to clients or make investments for clients in securities such as:

- Equity Securities:
 - exchange listed securities
 - securities traded over the counter
 - Structured Products
- Warrants
- Corporate debt securities
- Investment Company Securities
 - mutual fund shares
- Foreign Government Securities
- Non-tradable partnership, limited liability company and interests in real estate projects (alternative investments in Private Placements)
- Options contracts on:
 - securities
 - commodities
- United States Government Securities
- Non-publicly traded real estate investment trusts (*i.e.*, SEC registered but not listed on a national exchange)
- Partnerships investing in real estate and energy infrastructure
- Municipal Securities

C. Client Tailored Services and Client Imposed Restrictions

We tailor the actual services provided to each specific client to reflect its individual Investment Guidelines (as discussed in Item 16 below). Investment management services clients will choose to have a discretionary agreement or non-discretionary agreement in place. A discretionary agreement gives us full discretionary authority to invest and reinvest assets of the account, subject to Investment Guidelines. Discretionary clients of the Advisor could impose restrictions on investing in certain types of investments by providing written notice to the Advisor. In a non-discretionary agreement, the Advisor must receive the consent of the client before any transactions are made. A client could elect to give us full discretion over their portfolio of tradable securities while retaining consent and approval rights over alternative investments. As a matter of policy, we do not accept discretionary authority of Private Placements.

D. Wrap Fee Programs

We do not participate in any wrap fee programs.

E. Amounts Under Management

We have the following assets under management:

Date Calculated:	Discretionary Amounts:	Non-Discretionary Amounts:
December 31, 2022	\$151,036,768	\$97,961,634

Item 5: Fees and Compensation

A. Fee Schedule

Our clients pay us for the services to be rendered as described in our Advisory Agreement. Our fee schedules are attached to this Brochure as Schedule A. Our fees are negotiable, and the fee schedule may be amended by the Advisor from time to time as agreed upon by the Advisor and client.

B. Payment of Fees

Each client may elect to be billed for fees or to authorize the Advisor to directly deduct fees from the client's accounts. Fees are generally payable monthly in arrears based on the gross amount of assets under management at the end of the preceding month. Accounts initiated or terminated during a month will be charged a prorated fee. Upon termination of any account, all fees will be prorated to the date of termination.

C. Third Party Fees

All expenses relating to the investment of the assets of the client's account, including without limitation, custodial fees, brokerage commissions, transfer taxes and expenses in the purchase, sale, or other disposition of such assets, are the sole responsibility of the applicable client and will be payable from the client's account. These fees are separate and distinct from the fees and expenses charged by the Advisor.

We have affiliates that sponsor partnerships and limited liability companies that offer non-tradable securities for real estate projects that we may identify to our clients as Private Placements. These securities are often referred to as *proprietary products*. The sponsors of proprietary products, as well as other of our affiliates, will earn fees and will be reimbursed for costs associated with those investments including, without limitation, development fees, re-development fees, asset and property management fees, leasing commissions and sales commissions. The sponsor of proprietary products may have economic incentives that are disproportionate to their investments in the proprietary product. The fees and other interests of our affiliates create a conflict of interest in our presenting the proprietary products to our clients as alternative investments.

Item 12 further describes the factors that Advisor considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their

compensation (*e.g.*, commissions).

D. Prepayment of Fees

The Advisor does not require nor solicit prepayment or advance payment of fees from any client.

E. Outside Compensation for the Sale of Securities to Clients

Neither the Advisor nor any of our supervised persons accepts any outside compensation for the sale of securities or other investment products to the Advisor's clients.

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

The Advisor does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). Sponsors of Private Placements that are our affiliates (an "Affiliated Sponsor") are likely to have an economic interest in the Private Placement that differs, perhaps materially, from the economic interest of investors in the Private Placement. The Affiliated Sponsor's economic interest will typically include a promote share, carried interest or other incentive compensation subordinated to a return to investors.

Persons who are affiliates of Adviser and affiliates of the Affiliated Sponsor of a Private Placement may co-invest with our clients in one or more Private Placements (a "Side-by-Side Affiliate Investment"). Absent client consent, any such Side-by-Side Affiliate Investment, other than the investment by an Affiliated Sponsor, will be made on substantially the same terms at substantially the same price as the investment made by the client. Persons who are not clients or affiliates of Adviser may also co-invest in Private Placements on terms and at prices determined by the sponsor of the Private Placement.

Side-by-Side Affiliate Investments, engagements of Affiliates of Adviser to provide services directly to the Private Placement and its assets, and the Private Placement sponsor's economic and managerial interests may result in conflicts of interest between the Adviser and our clients particularly regarding such matters as the timing and conditions of any management, financing, refinancing or sale of the assets of the Private Placement, all of which conflicts a client should take into account when making an investment in a Private Placement.

Item 7: Types of Clients

Investment Management Services: We offer our investment management services to high-net-worth individuals, family offices, multi-family offices, endowment funds and not-for-profit organizations. Currently, our investment management services clients are primarily high net worth individuals.

Account Requirements: We do not have a minimum account size, although we reserve

the right to decline accounts from prospective clients of less than \$100,000.

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

A. Investment Management Services

Methods of Analysis

We use charting and fundamental analysis as our primary analysis of publicly traded securities. Within these two methods we use various sub-methods and information sources to conduct our analysis of the different sectors. These sub-methods and information sources include a variety of third-party research providers and analytical approaches designed to meet the investment objectives of each client.

Publicly Traded Securities Investment Strategies

The investment strategy for a specific client varies based upon the client's Investment Guidelines. For each client, we will implement our targeted investment advice by employing one or more of the following strategies:

- long term purchases (securities held at least one year);
- short term purchases (securities sold within a year);
- trading (securities sold within 30 days);
- short sales;
- margin transactions; and
- option writing (including covered options, uncovered options, and spreading strategies).

Alternative Investments Strategies

A client's Investment Guidelines may warrant balancing the client's publicly traded securities portfolio with opportunistic and income-generating alternative investments in Private Placements. We will review Private Placement opportunities and present to the client those Private Placements that we believe meet the client's Investment Guidelines and provide diversity to the client's investment portfolio in terms of liquidity, competitive income returns, long-term growth opportunities and risk tolerance. There is generally limited publicly available information about real estate properties, and we do not conduct independent due diligence of Private Placements and real estate projects.

B. Material Risks Involved

Past performance is not a guarantee of future returns. Investing in securities and alternative investments in equity and debt Private Placements involves risks of loss that you, as a client, should be prepared to bear.

Methods of Analysis

Technical analysis involves using and comparing various charts to predict long and short-term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis assumes that past performance will be indicative of future performance, which is not necessarily the case.

Fundamental analysis attempts to predict the future price of a security issued by a business, or a security that derives its value from the price of another security issued by the business, by analyzing the financial statements and health of the business, its management and its competitive advantages, competitors and markets and the overall state of the economy. The risk involved in solely using this method is that past performance of a business, its managers and its competitors is not indicative of their future performance. The behavior of markets and economies is very difficult to predict and is affected by a myriad of variables that is difficult to measure and subject to random fluctuations.

Investment Strategies

All investment programs have certain risks which are borne by the investor. With respect to publicly traded securities, short-term purchases, frequent trading, short sales, margin transactions, and option writing generally entail greater risk than a long-term buy-and-hold strategy. Alternative investments in Private Placements will be illiquid long-term investments; some will include, among other matters, risks associated with real estate ownership, development and re-development activities, mortgage financing risks, leasing and tenancy risks, and business cycle risks. Clients should be aware that there is a chance of material risk of loss using any of those strategies. Frequent trading can affect investment performance particularly through increased brokerage and other transaction costs and taxes. Investors also face the following investment risks inherent in any investment strategy:

- **Interest-Rate Risk:** Fluctuations in interest rates will cause investment prices to fluctuate. For example, when interest rates rise, yields on interest or dividend sensitive securities such as bonds, REIT shares and master limited partnership interests, become less attractive causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund could drop in reaction to

tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and/or social conditions can trigger market events.

- Inflation Risk: When inflation is present, a given amount of a currency today will not buy as much as the same amount of that currency next year because the purchasing power of the currency erodes at the rate of inflation.
- Reinvestment Risk: This is the risk that future proceeds from an investment will have to be reinvested at a potentially lower rate of return (*e.g.*, interest rate) than the rate that investment was expected to generate over a certain period of time. This risk primarily relates to fixed income securities.
- Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than, for example, an electric company, which generates its income from a steady stream of customers who generally buy electricity regardless of the economic environment.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if they constitute a standardized product that interests many traders. For example, Treasury Bills are standardized and highly liquid, while real estate properties are not, because each piece of real property is unique. Market conditions could create situations of illiquidity across the securities in which we invest. Securities of Private Placements will not be registered under the Securities Act of 1933, as amended, and will not be freely transferable. There will be no trading market for securities of Private Placements.
- Financial Risk: Because a company must meet the terms of its obligations in good times and bad, excessive borrowing to finance the operations of a business increases the risk of unprofitability. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- Leverage Risk: If we utilize margin transactions to increase purchasing power, the lending firm will charge interest for the money it lends to purchase securities on margin, resulting in an increased risk of material loss; you may lose more funds than you deposit in the margin account. A decline in the value of securities that are purchased on margin will require you to quickly provide additional funds to the firm that has made the loan to avoid the forced sale of securities in your account. If the equity in your account falls below the maintenance margin requirements under the law, or the firm's higher "house" requirements, without further notice the firm will

be able to sell the securities in your account to cover the margin deficiency. If there is still a shortfall in the account after such a sale, you will be responsible to cover the shortfall.

C. Risks of Specific Type of Securities Utilized

As mentioned above, in carrying out our investment management services, we may utilize option writing and purchase and sell option contracts. Option trading is generally thought to entail a greater risk of capital loss than trading in equities directly. Clients should be aware that there may be an increased chance of material risk of loss related to option strategies. Risks related to trading in standardized option contracts are discussed in detail in a publication by the Options Clearing Corporation, Characteristics & Risks of Standardized Options, also known as the options disclosure document. As of January 1, 2023, it is available to download for free at the following internet address: <http://www.theocc.com/about/publications/character-risks.jsp>.

D. Risks of ETFs

ETF strategy is designed to reduce the magnitude of losses in equity market declines; however, there can be no guarantee that it will successfully do so. If the Advisor does not correctly identify price trends in the equity markets, client investment portfolios will not receive the measure of protection ETF strategy is designed to provide and may forego potential gains in rising equity markets. In addition, since each of the ETF strategies will at all times maintain some equity exposure, ETFs are exposed to the risks associated with equity markets.

This strategy could invest in inverse funds, which are similar to index funds, and will not be able to exactly replicate the performance of the indices because of ETF-related expenses and other factors. In addition, inverse funds seek to track the inverse of their indices only on a daily basis, which means significant divergence can occur over time, especially when the effect of compounding is taken into account. Inverse funds pursue their investment objectives by investing in various financial instruments, including derivatives, which are subject to leverage, liquidity, counterparty, and credit risks. Inverse funds engage in short selling in order to emulate the inverse performance of a particular index.

Among other considerations, traditional market-specific real estate analysis and comparisons to existing investments in market sectors is used to assess the risks and opportunities associated with real property investments. A more macro approach is applied in evaluating the strengths and weaknesses of potential real estate strategies and operators. Real estate investment risks associated with the various investments are assessed through thorough market research, comparison to the performance of TIG-related assets, as well as financial modeling. This includes an assessment of a property's underlying value.

E. Diversification

While we strive to make sure each client's portfolios are diversified, there are a number of reasons this may not be possible. Clients could be subject to significant losses if they hold a relatively large position in a limited number of investments, or a particular type of investment that declines in value. Losses could increase even further if the investments cannot be liquidated in a timely manner, or without adverse market reaction, or are otherwise adversely affected by changes in market conditions or circumstances. A client's investment guidelines could adversely affect our ability to diversify the client's portfolios.

F. Material Risks of Loss

No investment strategy is immune to risk. Clients must understand that their capital is at risk of loss even though it primarily invests in individual real estate assets.

In general, there can be no assurance that any strategy will achieve its investment objectives or that the client will receive any return on, or the return of, their invested capital.

G. Risks Inherent in Real Estate Related Securities and Real Estate Investments

General Risks. Clients will hold investments in companies that own, manage, or operate commercial properties. These companies, their properties, and thereby clients' investments, will be subject to risks common to the ownership of real estate, including: changes in general economic or local conditions; changes in tenant preferences that reduce the attractiveness of properties; fluctuation in occupancy rates, operating expenses and rental schedules; costs associated with the need to periodically repair, renovate and re-lease space; withdrawal of tenants and difficulty of replacing tenants; tenant defaults; tenant bankruptcies; changes in supply or demand of competing properties in an area, such as an excess supply resulting from over-building; changes in interest rates, zoning and other governmental regulations, and availability of mortgage funds that can render the sale of a property difficult or unattractive; increases in maintenance, insurance and other operating costs, including real estate taxes, associated with one or more properties, which occur as other circumstances such as market factors and competition cause a reduction in revenues from such properties; inflation; changes in tax laws and rates; and impositions by governmental authorities.

Uncertain Economic Condition. In recent years, credit markets have tightened, property transaction volumes have slowed, and real estate values have experienced significant downward pressures. These factors have made the valuation of real estate investments more difficult. There can be no assurance that we will be able to make investments in real estate-related securities and real estate projects that will generate the returns the client is targeting. A client may be required to hold non-tradable securities for several years before

any disposition can be affected.

Due Diligence and Analytic Risks. There is generally limited publicly available information about real estate properties, and we do not conduct independent due diligence of Private Placements and real estate projects.

Fixed and Variable Cost Risks. Many costs associated with a real estate investment, such as debt service and real estate taxes, are not reduced even when a property is not fully occupied, or other circumstances cause a reduction in income from the investment. These fixed costs intensify the risk of a tenant default or an unanticipated delay in achieving occupancy of a newly constructed or redeveloped property or re-letting a property upon lease expiration. Some costs associated with a real estate investment, such as maintenance and repairs, could be subject to cost increases beyond the control of the property owner or manager. Variable rate debt in a time of rising interest rates could also result in unanticipated increases in costs, and reduce dividends and distributions on real estate related securities

Investment Policies and Strategies. We may not always meet the stated investment strategy and goals of the client, including cash distributions and overall return targets.

Financing Risks of Real Estate Projects.

The purchase price of each real estate project is expected to be partially financed. The degree of leverage could have important consequences to the client, including limiting the ability of the property to obtain additional financing in the future for working capital, capital expenditures, acquisitions, or other general purposes, and making the investment vulnerable to a downturn in business or the economy generally.

Mortgage loan documents generally contain customary covenants, such as requirements relating to the maintenance of the property securing the debt, restrictions on pledging and creating other liens on the property, restrictions on incurring additional debt, and restrictions on transactions with affiliates. Failure to make timely payments of principal and interest on mortgage loans, or to observe loan covenants, could result in the declaration of a default by the lender. The consequences of a declaration of default include foreclosure of the mortgage resulting in loss of both the property and the income it produces, the incurrence of substantial legal costs, the imposition of a deficiency judgment if the foreclosure sale does not result in proceeds sufficient to satisfy the mortgage, and potential adverse tax consequences to the client.

A mortgage loan may be subject to a relatively short maturity which could require refinancing before the property can be sold. There is no assurance that replacement financing can be obtained or, if obtained, that the interest rates and other terms would be as favorable as the original loan. Inability to refinance a loan on favorable terms could compel

the sponsor to attempt to dispose of the property on less than favorable terms and price.

A tenant's default in performing its lease obligations, or the tenant's bankruptcy, could adversely affect cash flow from a real estate project and cause the incurrence of legal and other costs that would not likely be recouped, as well as costs of re-letting the tenant's space.

Upon expiration or termination of leases for space in a real estate project, there is a risk that the space will not be immediately relet or that the terms of any new lease will be as favorable as the terms of the expiring or terminating lease. New lease terms, as well as costs of required renovations or concessions, could adversely affect the cash flow from, and the value of, the client's investment in a real estate project.

H. Cyber Security Risk.

We collect and hold personally identifiable information of our clients. In addition, we engage third party service providers that may have access to such personally identifiable information in connection with providing necessary information technology, security, and other business services to us. We have taken, and continue to take, steps that we deem commercially reasonable to mitigate the risk of a cyber security failure or breach. However, there can be no assurance that our security efforts and measures will be effective, or that attempted security breaches or disruptions would not be successful or damaging.

We face risks associated with security breaches, whether through cyber-attacks or cyber intrusions, over the internet, malware, computer viruses, attachments to emails, phishing attempts or other scams, persons inside our organization, or persons/vendors with access to our systems, and other significant disruptions of our information technology networks and related systems. Our information technology networks, and related systems are essential to the operation of our business and our ability to perform day-to-day operations. Even the most well-protected information, networks, systems, and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve over time. Generally, they are not recognized until launched against a target, and in some cases are designed not to be detected and, in fact, may not be detected. Accordingly, we may be unable to anticipate these techniques or implement adequate security barriers or other preventative measures, and thus it is impossible for us to entirely mitigate this risk.

A breach or significant and extended disruption in the function of our systems could result in the unintended and/or unauthorized public disclosure or misappropriation of proprietary, personally identifiable, and confidential information.

I. Health Emergencies and Market Disruption.

Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola, and the recent outbreak of COVID-19, have resulted and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses. Recently, there was an outbreak of a novel and highly contagious form of coronavirus that causes a disease referred to as “coronavirus disease 2019”, which the World Health Organization formally declared in March 2020 to constitute a global “pandemic.” This outbreak caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations, and deaths. In an effort to contain COVID-19, national, regional, and local governments, as well as private businesses and other organizations, took severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home” and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. As a result, COVID-19 significantly diminished global economic production and activity and contributed to both volatility and a decline in certain economic sectors. Among other things, there were material reductions in demand across certain categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports, and entertainment.

Item 9: Disciplinary Information

We are pleased to report that neither we, nor our management, are the subject of or party to any legal or disciplinary events that would be material to your evaluation of us, or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker-Dealer or Broker-Dealer Registered Representative

The Advisor is not registered and does not have an application pending to register, as a broker-dealer. Suzanne Ballek, our Chief Compliance Officer, and Vice President, is a registered representative of Inland Securities Corporation, an affiliate of the Advisor (“ISC”). ISC may serve as the managing broker of non-transferable securities in Private Placements offered to our clients. While no sales commissions will be paid for such investments by our clients, the clients, like other investors, will pay their prorated shares of offering and organization costs of the Private Placement

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

The Advisor, its affiliates, and its representatives are neither registered, nor have applications pending to register, as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

C. Relationships or Arrangements Material to our Advisory Business or Clients and Possible Conflicts of Interest

Family offices and multi-family offices represented by investment advisors that are clients of the firm could invest in Private Placement opportunities originated by TIG, Inland Real Estate Investment Corporation, and Inland National Development Company, LLC. Persons considered Advisor's employees will devote such time to the Advisor's clients as the Advisor, in its sole discretion, deems necessary to carry out the Advisor's responsibilities to them. Some such persons, including members of our Investment Committee, could spend a significant portion of their time on matters unrelated to the Advisor's clients, including by serving as officers, directors, or employees of TIG. As a result of the foregoing, conflicts of interest may arise for members of the Advisor's team in allocating their time and energy. See the discussion under Item 11 below for potential conflicts of interest that could result from our relationship to the REITs and other real estate businesses and funds sponsored or managed by IREIC or its affiliates.

D. Recommendation or Selection of Other Advisers and How We Are Compensated for Those Recommendations or Selections

The Advisor does not recommend or select other investment advisers for our clients.

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

A. Code of Ethics

The Advisor has adopted a Code of Business Ethics (the "Code") for all of its supervised persons and Access Persons (as defined by Rule 204A-1 under the Advisers Act), including the Access Persons of all affiliates of the Advisor that provide services to, or for the benefit of, the Advisor. The Code states that our business is to be conducted in accordance with high ethical standards, and that Access Persons must (1) act in accordance with the high standards of personal and professional integrity, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (2) comply with all federal securities laws and applicable governmental rules and regulations; (3) deter wrongdoing; (4) abide by Advisor's policies and procedures that govern the conduct of the Access Persons; and (5) promptly report violations of the Code to the appropriate

persons. The Code sets out the principles and rules to which all Access Persons are expected to adhere and advocate in satisfying and meeting these standards. The Code is intended to reflect fiduciary principles that govern the conduct of Advisor and its Access Persons in those situations where Advisor acts as an investment adviser as defined under the Advisers Act in providing investment advice to its clients.

It is impossible to anticipate, and the Code is not intended to address specifically, each matter, decision, and circumstance with which the Access Persons may be confronted. If faced with any matter, decision, or circumstance not addressed specifically by the Code, the Access Persons are, nevertheless, expected to observe a high standard of business and personal ethics in the performance of their duties and responsibilities. All supervised persons, including Access Persons, are expected to read and be familiar with this Code. All supervised persons and Access Persons will be held accountable for their compliance with, and adherence to, this Code.

Advisor's clients or prospective clients can request a copy of the Code by contacting us at (630) 218-8000 x3794.

B. Reliance upon Key Persons; Key Persons Material Financial Interests.

Daniel L. Goodwin, Timothy D. Hutchison and Anthony Chereso, managers of the Advisor, are members of the Advisor's investment committee (referred to throughout this brochure as the "Investment Committee") and are also officers of TIG. TIG and its affiliates may have material economic interests in certain REITs in which the Advisor recommends the purchase or sale of securities. The Advisor will not make any investments in which the Advisor or its related persons have a financial or other interest on behalf of a client, without first disclosing such financial or other interest to the client and obtaining the client's consent to the recommended purchase or sale.

TIG earns fees for its participation in the offer and sale of the securities of REITs and other entities sponsored by IREIC. IREIC benefits from managing REITs and other entities it sponsors, and from the sale of the securities they issue. The interest of the managers and officers of Advisor who manage REITs and other entities sponsored by IREIC may conflict with the interests of the Advisor's clients.

To the extent the Advisor has disclosure obligations under federal securities laws or other laws regarding its beneficial ownership of, or transactions in, securities of publicly owned companies, the shares of its clients might be included in this disclosure and, depending on the circumstances surrounding ownership or a particular transaction, the client's identity could be disclosed, or the client can have its own disclosure or reporting obligation.

Item 12: Brokerage Practices

A. Factors Used to Select Broker-Dealers for Client Transactions and Determining Reasonableness of Compensation

We consider the following factors in selecting a broker-dealer for our investment management clients: relatively low commissions, timeliness of trades, reporting ability, reasonable margin account interest rates, and access to securities for share sales. To the extent a broker-dealer provides best execution for our clients considering all relevant factors, we will consider using the services of that broker-dealer in accordance with our fiduciary duties to our clients.

1. Research and Other Soft-Dollar Benefits

Research services obtained through the use of soft dollars may be used in servicing any or all of the Advisor's investment management clients and in connection with client accounts, other than those that pay commissions or commission equivalents to the broker-dealer providing the research and other services. These reports are potentially beneficial to all of our clients, and soft dollar benefits are not necessarily allocated to client accounts in proportion to the brokerage commissions they pay. When we use client brokerage commissions to obtain these reports, we receive a benefit because we do not have to produce or pay for these reports ourselves. We may have an incentive to select or recommend using a particular broker-dealer based on our interest in receiving the reports, rather than on our clients' interest in receiving the most favorable execution of their trades.

2. Brokerage for Client Services

We receive no client referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Directed Brokerage

We do not allow clients to direct us to use a specific broker-dealer to execute transactions. We execute transactions using a broker-dealer of our choice, which we select based on our due diligence and evaluation of financial strength and stability, use of best industry practices, execution at the best price including margin fees, and ability to provide us and our clients with necessary reports.

B. Aggregating Trading for Multiple Clients

We adhere to the following policies in connection with aggregating orders for the purchase or sale of securities on behalf of our investment management services clients:

- Disclosure: The Advisor will disclose its policies for order aggregation to its clients and the broker dealers through which the Advisor places aggregated orders.
- Equitable Client Transaction: The Advisor will not favor one client over any other and will permit each client that participates in an aggregated order to do so at the average share price for the Advisor's transactions in that security. Transaction costs for aggregated transactions will be shared *pro rata* based on each client's participation in the transaction.
- Allocation Statement: The Advisor will prepare a pre and post allocation trade summary specifying the participating client accounts, its' allocation plan and how it eventually allocated the order among those clients.
- Partial Fills - Pro Rata: If the aggregated order is filled in its entirety, the Advisor will allocate the order among its clients in accordance with the Allocation Statement. If the order is partially filled, it will be allocated *pro rata* based on the Allocation Statement. There may be some circumstances where the automatic *pro rata* allocation is inappropriate. If an order is unreasonable as measured against a particular account's asset size, an exception to the order size method of allocation could be appropriate. The reasonableness will be assessed by a review of the investment guidelines of the particular account conducted by the Investment Committee and communicated to the investment team.
- Diverging from the Allocation Policy: Notwithstanding the foregoing requirements, the Advisor could allocate the order on a different basis from that specified in the Allocation Statement, provided that all client accounts receive equitable treatment, and the reason for the different allocation is documented.
- Pooling: The Advisor must deposit the clients' funds and securities with one or more banks or broker-dealers, and the clients' cash and securities cannot be held collectively any longer than necessary to settle the trade on a delivery versus payment basis. In addition, cash or securities held collectively for clients will be delivered to the custodian bank or broker-dealer as soon as practicable following settlement.
- Compensation: The Advisor will not receive any additional compensation or remuneration of any kind as a result of aggregation.

Should an error occur in connection with a transaction made on behalf of a client, the Advisor must be fair to all clients and no client must be disadvantaged because of any trading error. In the event of a trading error, the Advisor will promptly notify the client and advise the client as to how the Advisor will correct the trading error. The Advisor will establish an error account as a separate account through which all trading errors will be entered. All profits and losses incurred in the error account shall be to the benefit or

detriment of the Advisor.

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

The review of all investment management services accounts will usually be conducted weekly by Daniel L. Goodwin, who is the CEO and a manager of the Advisor and a member of the Investment Committee; or Suzanne Ballek, who is responsible for the accounting and compliance of the Advisor.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews could also be triggered by material market, economic or political events, or by changes in a client's financial situation of which the Advisor is aware.

C. Content and Frequency of Regular Reports Provided to Clients

Clients that desire more detailed investment reports can engage a third party that will provide monthly compiled statements.

Item 14: Client Referrals and Other Compensation

Any client solicitor or referral arrangement entered into by the Advisor will be pursuant to a written agreement between the Advisor and the solicitor which will reflect the compensation arrangements negotiated between the Advisor and the solicitor. The compensation arrangements and any relationship between the solicitor and affiliates of the Advisor will be disclosed to the client at the time of the solicitation or referral. Compensation will be paid out of the total advisory fees received by the Advisor from the solicited client. No solicited client will be charged an additional fee by the Advisor as a result of any referral or solicitor arrangements. Compensation may include ongoing payments based on a negotiated percentage of the assets under the management of the solicited client for an agreed upon period of time.

Item 15: Custody

The Advisor does not have custody of client funds or securities. Clients receive statements (at least quarterly) from the custodial broker-dealer that holds and maintains the client's investment assets. We encourage you to carefully review such statements and compare official custodial records from broker-dealers to your account statements.

Item 16: Investment Discretion

A client's investment advisory agreement could provide the Advisor with full discretionary

authority with respect to the investment and reinvestment of assets, subject to any Investment Guidelines that are given. A client could elect to give us full discretion over their portfolio of tradable securities while retaining consent and approval rights over investments in Private Placements.

When the Advisor has discretionary authority and deems it is appropriate, without prior consultation with, or notification to the client, the Advisor will: (a) purchase, sell, exchange, convert and otherwise trade in securities, including but not limited to money market instruments, mutual funds, stocks, options and warrants, on margin or otherwise, (collectively, "tradable securities"), for such prices, at such times and on such terms as the Advisor, in its sole discretion, deems advisable; (b) place orders for the execution of transactions with or through brokers, dealers or issuers the Advisor selects in its sole discretion, including a broker-dealer with whom the Advisor is related; (c) render, furnish and provide advice, analyses and other information concerning the retention, monitoring, performance or termination of other investment advisers or asset managers; (d) negotiate the terms and conditions of agreements on the client's behalf, and execute and deliver all such agreements and ancillary documents incidental thereto, in each case that are necessary to open accounts in the name or for the benefit of a client with such brokers, dealers, managers, issuers or custodians as the Advisor could select with respect to the client's account; and (e) act on a client's behalf in all matters necessary or incidental to servicing the client's account, including all transactions for the account. Each client will furnish the Advisor with all additional powers of attorney and other documentation, if any, necessary to appoint the Advisor as agent and attorney-in-fact with respect to the account, but such powers shall not be construed to authorize the Advisor to take any action not authorized by the client's Advisory Agreement.

Discretionary authority can be revoked by a client pursuant to written notice to Advisor or through the termination of the Advisory Agreement pursuant to the terms in the agreement. Revocation shall not affect transactions entered into prior to such revocation.

The tradable securities in the client's account will be held by the clearing firm, broker-dealer, bank, trust company or other entity designated and appointed by Advisor and acceptable to the client as custodian of the account ("Custodian"). All investments held in the client's account can be registered in the name of a client or its nominee or held in street name. The Custodian is responsible for the physical custody of the assets of the account, for the collection of any interest, dividends, or other income attributable to the assets of the account, and for the exercise of rights and tenders on assets of the account. Advisor is not responsible for any loss incurred by reason of any act or omission of Custodian; provided, however, that Advisor will make reasonable efforts to require that Custodian performs its obligations with respect to the account.

Each client is responsible for informing Advisor, in advance and in writing, of any investment or other guidelines, objectives, restrictions, conditions, limitations or directions applicable to, as well as any cash needs of, the client's account, from time to time ("Investment Guidelines"), and of any changes or modifications to any such Investment Guidelines. However, any change or modification to the Investment Guidelines shall become effective only after at least fifteen (15) days' advance notice to Advisor (unless Advisor expressly consents to a shorter time period). Each client must give Advisor prompt written notice if it deems any tradable securities made or actions taken on behalf of the account to be in violation of the Investment Guidelines. Compliance with the Investment Guidelines shall be determined on the date of purchase for an investment based upon the price and characteristics of the investment on the date of purchase compared to the value of the account as of the most recent valuation date; the Investment Guidelines shall not be deemed breached as a result of changes in value or status of an investment following purchase. Each client agrees to furnish promptly, or to cause a client's Custodian or agent to furnish, to Advisor all data and information required to be furnished to Advisor under the Advisory Agreement. Advisor shall have no responsibility with respect to the prudence of the Investment Guidelines relative to the client's total investment portfolio, the overall diversification of the client's assets, or with respect to any assets of the client other than those in the account. As a matter of policy, we do not accept discretionary authority of Private Placements.

Item 17: Voting Client Securities

The Advisor shall vote its clients' proxies and maintain proxy records pursuant to applicable SEC rules and regulations. The Advisor shall designate a Proxy Voting Coordinator to vote client proxies related to securities in client accounts. All proxies and ballots received by the Advisor will be forwarded to the Proxy Voting Coordinator and then logged-in upon receipt in a database. There may be situations in which the Advisor cannot vote proxies. For example, if the cost of voting a foreign proxy outweighs the benefit of voting, the Proxy Voting Coordinator could refrain from processing that vote. Although the Advisor could hold shares on a company's record date, should it sell them prior to the company's meeting date, the Advisor ultimately could decide not to vote those shares.

The Advisor will not exercise any right to vote or approve transactions regarding Private Placements. The Advisor will present such matters to the client and vote or not vote as directed by the client.

Please note that the policies and procedures outlined below may not cover all proposals included in proxy materials. Often proposals could arise that are not covered in our Proxy Voting Policy and Procedures. In these cases, the Advisor will vote proxies on a case-by-case basis, consistent with its fiduciary duty.

Prior to voting, the Proxy Voting Coordinator will verify whether voting the client's proxy is subject to any limitations or guidelines issued by the client. The Proxy Voting Coordinator will verify whether an actual or potential conflict of interest exists in connection with the subject proposal(s) to be voted upon.

If any limitation or actual/potential conflict is found to exist, the Proxy Voting Coordinator will:

- Prepare the Conflict Notice giving full detail of the actual or potential conflict and present this notice to the President of the Advisor;
- Notify the client of the actual or potential conflict;
- Forward to the client upon our receipt the proxy with instructions for the client to vote directly; and
- Suggest the client either vote the proxy directly or engage another party to determine how the proxies should be voted.

Following are the standard procedures to be followed with respect to the Advisor voting proxies on behalf of its clients:

1. All proxy materials received will be recorded immediately by the Proxy Voting Coordinator in a database to maintain control over such materials.
2. The Proxy Voting Coordinator will review information on each proxy upon receipt of any research information obtained.
3. The Proxy Voting Coordinator will present proxy information to the Investment Committee.
4. In determining how to vote, the Proxy Coordinator will carefully review the proposal(s) presented on the ballot and recommendations from the Investment Committee.
5. The Advisor could cause the client to abstain from voting if abstaining is determined by the Advisor to be in the best interest of the client under the circumstances.
6. The Proxy Voting Coordinator is responsible for maintaining the documentation that supports the Advisor's voting position.

Periodically, but no less than annually, the Advisor will:

1. Verify that all annual proxies for the securities held in the client's account have been received;
2. Verify that each proxy received has been voted in a manner consistent with the Proxy Policies and Procedures and the guidelines (if any) issued by the client (or in the case of an employee benefit plan, the plan's trustee, or other fiduciaries);
3. Review the files to verify that records of the voting of the proxies have been properly maintained; and
4. Review compliance with client requests for obtaining information from the Advisor on how proxies were voted.

Client proxy voting records along with policies and procedures will be provided upon request by calling us at (630) 218-8000 x3794.

Item 18: Financial Information

A. Balance Sheet

We do not require or solicit prepayment of fees from any client in advance, and therefore do not need to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

We have no financial commitments that are reasonably likely to impair our ability to meet contractual and fiduciary commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

We have not been the subject of a bankruptcy petition in the last ten years.

Schedule A

Discretionary Account Fee Schedule (non-REIT clients)

**SCHEDULE A
TO INVESTMENT ADVISORY AGREEMENT
DATED _____, _____
BETWEEN
INLAND INVESTMENT ADVISORS, LLC ("Advisor")
AND
_____ ("Client")**

1. This Schedule A could be amended from time to time by Adviser upon 30 days' written notice to Client.

2. **Fee Schedule as of _____:**

Client shall pay or cause to be paid to Adviser as remuneration for its services under this Agreement a percent per annum based on the schedule below as an investment management fee on all assets under management.

A. as an investment management fee on all equity assets under management:

- from \$0 - \$10,000,000 fee is 1 percent (1.0%) of assets
- from \$10,000,001 - \$25,000,000 fee is 90 basis points (.90%) of assets
- from \$25,000,001 - \$50,000,000 fee is 80 basis points (.80%) of assets
- over \$50,000,000 fee is 75 basis points (.75%) of assets

In addition, Client will be responsible for any third-party fees and charges as described in the Investment Advisory Agreement. The advisor fee will be computed and due monthly based on the average daily net asset value. The fee will be deducted from cash available in the account, and if there is no cash available, asset(s) will be sold in an amount equal to the payment due.

Discretionary Account Fee Schedule (REIT clients)

**SCHEDULE A
TO INVESTMENT ADVISORY AGREEMENT
DATED _____, _____
BETWEEN
INLAND INVESTMENT ADVISORS, LLC ("Advisor")
AND
_____ ("Client")**

1. This Schedule A could be amended from time to time by Adviser upon 30 days' written notice to Client.

2. **Fee Schedule as of _____:**

Client shall pay or cause to be paid to Adviser as remuneration for its services under this Agreement a percent per annum based on the schedule below as an investment management fee on all assets under management.

A. as an investment management fee on all equity assets under management:

- from \$1,000,000 - \$5,000,000 fee is 1 percent (1.0%) of assets
- from \$5,000,001 - \$10,000,000 fee is 85 basis points (.85%) of assets
- from \$10,000,001 - \$25,000,000 fee is 75 basis points (.75%) of assets
- from \$25,000,001 - \$50,000,000 fee is 65 basis points (.65%) of assets
- from \$50,000,001 - \$100,000,000 fee is 60 basis points (.60%) of assets
- over \$100,000,000 fee is 50 basis points (.50%) of assets

3. In addition, Client will be responsible for any third-party fees and charges as described in the Investment Advisory Agreement. The advisor fee will be computed and due monthly based on the average daily net asset value. The fee will be deducted from cash available in the account, and if there is no cash available, asset(s) will be sold in an amount equal to the payment due.

Non-Discretionary Account Fee Schedule

**SCHEDULE A
TO INVESTMENT ADVISORY AGREEMENT**

DATED _____

BETWEEN

INLAND INVESTMENT ADVISORS, LLC ("Advisor")

AND

_____ ("Client")

1. This Schedule A could be amended from time to time by Adviser upon 30 days' written notice to Client.

2. **Fee Schedule as of _____:**

Client shall pay or cause to be paid to Adviser as remuneration for its services under this Agreement an amount equal to 50 basis points per annum on all assets under management.

In addition, Client will be responsible for any third-party fees and charges as described in the Investment Management Agreement. The advisor fee will be computed and due monthly based. The fee will be deducted from cash available in the account, and if there is no cash available, the Client will be invoiced for payment due.