

Item 1 – Cover Page

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March 30, 2023

This brochure (this “**Brochure**”) provides information about the qualifications and business practices of Atlantic Creek Investment Management, LLC, an investment adviser registered with the United States Securities and Exchange Commission (the “**SEC**”). Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

If you have any questions about the contents of this Brochure, please contact Atlantic Creek Investment Management, LLC at the above phone number or Atlantic Creek Investment Management, LLC’s Chief Compliance Officer at (212) 381-7611 or Deputy Chief Compliance Officer at (908) - 451- 8769. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

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

Item 2 – Material Changes and General Information

Since our last annual brochure dated March 28, 2022, the Adviser made revisions to our brochure to include increased disclosures around Banking Systems Instability Risk and risk related to interest rates.

Other than as described above, there have been no material changes since the last annual update to our brochure dated March 28, 2022. Clients may request the most recent version of ACIM's brochure by submitting an email request to ACIM's Chief Compliance Officer, Nicoletta Stathakos, at stathakos@atlanticcreek.com or (212) 381-7614 or the Deputy Chief Compliance Officer, Bernadette Murphy at bmurphy@vigilantllc.com, telephone number (908) 451-8769, or by submitting a written request to the adviser at Atlantic Creek Investment Management, LLC, 525 Seventh Avenue, Suite 1904, New York, NY, 10018.

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Glossary

“**ACIM**” has the meaning set forth in Item 4.

“**ACIM Personnel**” means ACIM’s partners, directors, members, officers and employees and persons having similar status and functions.

“**ACIM Parties**” means ACIM, the ACRE General Partners, BlueGate, FCC and their respective partners, directors, members, officers and employees and persons having similar status and functions.

“**ACRE**” means Atlantic Creek Real Estate.

“**ACRE Funds**” means ACRE Fund II Feeder, ACRE Fund II Master, ACRE Fund III Feeder, ACRE Fund III Master, ACRE Fund IV Master, ACRE Fund IV Feeder, and ACRE Fund IV Offshore. ACIM considers the ACRE Funds to be its sole clients.

“**ACRE Funds’ Documentation**” means, collectively, each ACRE Fund’s respective confidential offering memorandum (if any) and governing documents.

“**ACRE Fund II Feeder**” has the meaning set forth in Item 4.

“**ACRE Fund II Master**” has the meaning set forth in Item 4.

“**ACRE Fund III Feeder**” has the meaning set forth in Item 4.

“**ACRE Fund III Master**” has the meaning set forth in Item 4.

“**ACRE Fund IV Master**” has the meaning set forth in Item 4.

“**ACRE Fund IV Feeder**” has the meaning set forth in Item 4.

“**ACRE Fund IV Offshore**” has the meaning set forth in Item 4.

“**ACRE General Partners**” means the general partners and managing members of the ACRE Funds.

“**ACREP**” means Atlantic Creek Real Estate Partners, LLC, a wholly-owned subsidiary of BlueGate.

“**Advisers Act**” means the U.S. Investment Advisers Act of 1940, as amended.

“**Atlantic Creek**” means Atlantic Creek Investment Management, LLC.

“**BlueGate**” has the meaning set forth in Item 4.

“**Brochure**” has the meaning set forth on the cover page of this Brochure.

“**Compensation**” means, collectively, commissions, retainers, fees and any other form of compensation.

“**Competing Funds Restriction**” has the meaning set forth in Item 10.

“**CRE**” has the meaning set forth in Item 8.

“**FCC**” has the meaning set forth in Item 4.

“**FCC Principals**” has the meaning set forth in Item 10.

“**intermediary**” has the meaning set forth in Item 12.

“**Limited partners**” means the investors in the relevant ACRE Fund(s).

“**SEC**” has the meaning set forth on the cover page of this Brochure.

“**Securities Act**” means the U.S. Securities Act of 1933, as amended.

“**1940 Act**” means the U.S. Investment Company Act of 1940, as amended.

Item 4 – Advisory Business

ACIM’s Business

A. ACIM and its Principal Owners

Atlantic Creek sometimes referred to herein as “ACIM” is a Delaware limited liability company and has its principal place of business in New York, New York, with an additional office in Palm Beach, Florida. Atlantic Creek was established in 2010 by its owners, BlueGate Partners, LLC (“**BlueGate**”) and Atlantic Capital Property Investments Corp. BlueGate is a real estate advisor and broker and is owned by Florida Crystals Corporation (“**FCC**”), Daniel Sachs, Eric Bylin and Mark DeLillo (see Item 11 below). Atlantic Capital Property Investments Corp. is wholly owned by FCC, which is majority owned by Fanjul Corp. BlueGate and Atlantic Capital Property Investments Corp. also jointly own the ACRE General Partners, which serve as the general partners and managing members to the ACRE Funds.

B. Advisory Services

All descriptions of the ACRE Funds in this Brochure, including, but not limited to, their investments, the strategies used in managing those entities, the fees and other costs associated with an investment in those entities, and conflicts of interest faced by ACIM in connection with management of those entities are qualified in their entirety by reference to the ACRE Funds' Documentation.

ACIM provides discretionary advisory services to the ACRE Funds (based on the particular investment objectives and strategies described in the applicable ACRE Funds' Documentation and any side letters entered into between ACIM on behalf of the ACRE Funds and ACRE Fund investors).

The ACRE Funds seek to make (and/or have made) investments in commercial real estate and related assets, as described further in Item 8 below. The ACRE Funds (and their respective general partners and managing members) are as follows:

- Atlantic Creek Real Estate Fund II, L.P., a Delaware limited partnership (“**ACRE Fund II Master**”) (its general partner is Atlantic Creek Partners II, LLC);
- Atlantic Creek Real Estate Fund II Feeder, LLC, a Delaware limited liability company (“**ACRE Fund II Feeder**”) (its managing member is Atlantic Creek Partners II, LLC);
- Atlantic Creek Real Estate Fund III, L.P., a Delaware limited partnership (“**ACRE Fund III Master**”) (its general partner is Atlantic Creek Partners III, LLC);
- Atlantic Creek Real Estate Fund III Feeder, LLC, a Delaware limited liability company (“**ACRE Fund III Feeder**”) (its managing member is Atlantic Creek Partners III, LLC);
- Atlantic Creek Real Estate Fund IV, L.P., a Delaware limited partnership (“**ACRE Fund IV Master**”) (its general partner is Atlantic Creek Partners IV, LLC)
- Atlantic Creek Real Estate Fund IV Feeder, LLC, a Delaware limited liability company (“**ACRE Fund IV Feeder**”) (its managing member is Atlantic Creek Partners IV, LLC); and
- Atlantic Creek Real Estate Fund IV Offshore, L.P., a Cayman Islands exempted limited partnership (“**ACRE Fund IV Offshore**”) (its general partner is Atlantic Creek Partners IV, LLC).

As of December 31, 2021, ACRE Fund II Master and ACRE Fund II Feeder have been liquidated. ACRE Fund II Master and ACRE Fund II Feeder currently contain only an immaterial cash position.. ACRE Fund III Feeder invests substantially all its assets in ACRE Fund III Master. ACRE Fund IV Feeder and ACRE Fund IV Offshore invest substantially all their assets in ACRE Fund IV Master.

Investors have invested in either the offshore fund, feeder funds or the master funds, depending on their respective tax statuses.

Atlantic Creek will subject the ACRE General Partners, their employees (if any) and persons acting on their behalf to Atlantic Creek's supervision and control and, therefore, the ACRE General Partners, all of their employees (if any) and any persons acting on their behalf are "persons associated with" Atlantic Creek (as defined in section 202(a)(17) of the Advisers Act). Unless otherwise provided, references to "**ACIM**" in this Brochure will include Atlantic Creek and the ACRE General Partners collectively.

C. Tailoring of Advisory Services

ACIM's investment decisions and advice are subject to each ACRE Fund's investment objectives and guidelines, as set forth in the relevant ACRE Funds' Documentation. Guidelines include the maximum level of borrowings.

In addition, subject to the terms of the ACRE Funds' Documentation, as described below, ACIM has, and may in the future, enter into agreements, such as side letters, with (and/or offer co-investment opportunities to) certain ACRE Fund limited partners (without the approval of any other limited partners). Side letters and co-investment opportunities may be granted, among other reasons, to incentivize or permit limited partners to invest with ACIM, invest certain amounts or invest with ACIM in the future.

Side letters or other similar agreements have the effect of establishing rights under, altering or supplementing the terms of the relevant ACRE Funds' Documentation with respect to one or more such limited partners in a manner that could be more favorable to such limited partners than those applicable to other limited partners. For example, the side letters or other similar agreements may reduce or waive certain of the fees applicable to limited partners.

D. Wrap Fee Programs

ACIM does not participate in wrap fee programs.

E. Assets Under Management

As of December 31, 2022, ACIM managed approximately \$576,449,000 all on a discretionary basis.

Item 5 – Fees and Compensation

A. Compensation for Advisory Services

ACIM receives asset management fees and performance-based fees (carried interest) and allocations from the ACRE Funds. The specific payment terms and other conditions of these fees and allocations

are set forth in the relevant ACRE Funds' Documentation.

The Adviser may waive or modify the Management Fee for investors who are members, principals, employees, or affiliates of the Adviser (or an affiliate), and relatives of such persons and advisers to the Adviser (or an affiliate).

Management Fee

The following is a summary of the fees we charge clients and the method used to calculate the management fee paid by the ACRE Funds to Atlantic Creek:

- the management fee is due and payable in advance on a quarterly basis; and
- the management fee for direct investors is equal to 1.5% per annum of the aggregate capital commitments, and, after the close of the relevant ACRE Fund's commitment period, equal to 1.5% of the aggregate average daily balance of each limited partner's net invested capital in respect of its investment during such quarter.
- The management fee for investors entering any ACRE Fund through Morgan Stanley is 1.75% per annum of the aggregate capital commitments, and, after the close of the relevant ACRE Fund's commitment period, equal to 1.75% of the aggregate average daily balance of each limited partner's net invested capital in respect of its investment during such quarter.¹

Carried Interest

Each ACRE Fund allocates to its general partner (and/or its affiliate) a carried interest distribution based on net cash flows to the fund in an amount up to 20% of the fund's distributable cash, after the return of limited partners' capital contributions and a preferred return to limited partners, subject to a 50% general partner catch-up. All performance-based compensation payable to ACIM will be effected consistent with the requirements of Section 205 of the Advisers Act and Rule 205-3 thereunder.

The terms of the carried interest distributions could incentivize ACIM to make decisions regarding potential investments and the timing and structure of realization transactions that may not be in the best interests of the ACRE Funds (and their investors). For example, ACIM may be incentivized to make more risky or speculative investments than it would otherwise make in the absence of performance-based compensation.

Fee Waivers/Reductions

Limited partners of the ACRE Funds have and may in the future negotiate different fee terms than those set forth in the ACRE Funds' Documentation.

¹ ACRE Fund IV Feeder, ACRE Fund IV Offshore, and ACRE Fund IV Master are currently fundraising with the ability to call capital for investments for initial and subsequent Fund closings.

Indemnification

The ACRE Funds are obligated to indemnify ACIM, its personnel and certain of their affiliates under circumstances set forth in the relevant ACRE Funds' Documentation.

Investors Participating in Subsequent Closings

Investors admitted at any closing after the relevant ACRE Fund's initial closing are required to contribute to that ACRE Fund an amount equal to the capital commitments that would have been drawn down had those persons been limited partners from the time of that ACRE Fund's initial closing (plus interest). This amount will include each limited partner's proportionate share of management fees, acquisition fees, fund expenses, original costs of fund investments and any outstanding preferred return.

Valuation

The value of the ACRE Funds' investments is relevant to numerous aspects of those entities, including certain management fees borne by those entities. Because the basis of the management fee paid by an ACRE Fund (after the close of that fund's commitment period) is based on net invested capital, which is reduced by any investments that are written off by the fund, ACIM and its affiliates may be incentivized to refrain from writing off a fund investment in order to increase the amount of the management fee payable by the ACRE Fund. ACIM maintains valuation policies, which provide guidelines for valuing the ACRE Funds' investments.

B. Method of Fee Payments

Pursuant to the terms of the ACRE Funds' Documentation, the ACRE Funds pay management fees on a quarterly basis in advance.

Any carried interest is generally allocated to the relevant ACRE General Partner's capital account on a quarterly basis based on the relevant ACRE Fund's investments' fair values, in aggregate, and distributed from time to time based on net cash flow after limited partners have received 100 percent of their Fund invested capital and preferred return, subject to applicable catch-up provisions.

C. Other Fees/Expenses

Fund Expenses

ACIM is responsible for the following ordinary day-to-day expenses incidental to the administration of the ACRE Funds:

- all costs of providing to the ACRE Funds and ACIM the office space, facilities, utility service, supplies and necessary administrative and clerical functions connected with the ACRE Funds' business; and

- all costs relating to the compensation of ACIM Personnel.

Each ACRE Fund will bear all expenses incurred in connection with the organization and formation of the fund, its ACRE General Partner, the fund sponsors, any parallel funds, and the offering of interests in the fund, up to an amount specified in the relevant ACRE Funds' Documentation. Organizational expenses in excess of that amount will be borne by ACIM.

Each ACRE Fund will bear all of its own costs, expenses and liabilities determined by its ACRE General Partner to be incurred by or arise out of the operation and activities of the fund (consistent with the terms of the relevant ACRE Funds' Documentation).

Any expenses that are incurred on behalf of more than one ACRE Fund will generally be allocated among the ACRE Funds pro rata based on the percentage interest of each fund in the relevant transaction excluding insurance costs that are split evenly between Funds (for example, service provider expenses and expenses related to a property in which multiple ACRE Funds have invested). Certain expenses (fees including, but not limited to, shared compliance consulting fees and shared legal fees) are allocated on a flat dollar amount (equal amount to each ACRE Fund). The rationale for charging each applicable Fund the same dollar amount is that each Fund has equal access to the services available regardless of the ACRE Funds' committed capital and invested capital/assets. ACIM believes that its expense allocation procedures provide an objective methodology for fairly and equitably allocating expenses among the ACRE Funds. Any questions regarding the allocation of a particular expense which are not addressed in ACIM's expense allocation procedures are resolved by ACIM's Chief Compliance Officer, Deputy Chief Compliance Officer, and Legal Counsel, if necessary, in consultation with the relevant ACRE General Partners.

Placement Fees

Certain limited partners solicited through the assistance of financial intermediaries may be charged placement fees (in accordance with any applicable law).

Acquisition Fee

ACRE Fund III Master, ACRE Fund III Feeder, ACRE Fund IV Master, ACRE Fund IV Feeder, and ACRE Fund IV Cayman pay Atlantic Creek an acquisition fee equal to 0.5% of the total cost of each Investment (i.e., (a) the gross purchase price for such Investment or, (b) in the case of development or redevelopment projects, the projected total costs at acquisition, including, without limitation, tenant improvements, lease-up commissions or other property improvements in respect of such Investment, in each case, including any closing costs or other related expenses incurred by the fund in making such Investment) that is made by the fund during its commitment period. The ACRE Funds generally invest in partnerships that invest in commercial real estate and related real estate assets.

Reserves

Each ACRE General Partner may, subject to the terms of the relevant ACRE Fund Documentation, withhold amounts otherwise distributable to limited partners in order to maintain the fund in a sound financial and cash position and to make such provision as the ACRE General Partner in its sole discretion deems necessary or advisable for any and all liabilities and obligations, contingent or otherwise, of the fund. Furthermore, pursuant to the relevant ACRE Fund Documentation, the relevant ACRE General Partner may, in its sole discretion, reinvest Distributable Cash (as defined in the ACRE Funds' documents) attributable to the return of capital on any Investment that was sold, financed, or otherwise disposed of during the Commitment Period. Any such Distributable Cash may, in the relevant ACRE General Partner's discretion, be distributed to the Partners pursuant to the relevant ACRE Fund Documentation, subject to an obligation to recontribute the amount of such funds that represent a return of capital on terms applicable to Capital Commitments generally.

D. Prepayment of Fees

The ACRE Funds each pay management fees to Atlantic Creek on a quarterly basis in advance. In the event of the termination of the advisory relationship before the end of a quarterly period, prepaid management fees would be returned to the relevant ACRE Fund, or its investors based on the remainder of days in that quarterly period. Based on the closed-end structure of the ACRE Funds, it is not anticipated that this would occur.

E. Compensation for the Sale of Investments

As described above, each ACRE Fund pays Atlantic Creek an acquisition fee based on the terms in the relevant ACRE Fund Documents on each investment that is made by the fund during its commitment period. In addition, BlueGate, one of ACIM's owners and a real estate advisor and broker, has acted and may in the future act as the real estate broker for a property in which an ACRE Fund holds an interest. This practice presents a conflict of interest and gives ACIM an incentive to recommend investment decisions based on the compensation paid to an affiliate, rather than on the relevant ACRE Fund's needs. (See Item 10 for further information.)

ACIM's clients have the option to purchase investments that ACIM recommends through other brokers or agents that are not affiliated with ACIM. ACIM does not reduce its advisory fees to offset the acquisition fee, or any commissions paid to BlueGate (or any of its other affiliates).

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

Generally

As described in Item 5 above, the ACRE General Partners receive performance-based compensation from the ACRE Funds.

Conflicts

See Item 5 above for potential conflicts of interest related to ACRE General Partners' receipt of performance-based compensation.

Item 7 – Types of Clients

As noted in Item 4 above, ACIM provides discretionary investment advisory services to the ACRE Funds (which may be organized as domestic or foreign partnerships, corporate or other incorporated or unincorporated entities). ACRE Fund investors include high net worth individuals, family offices, foundations, charitable foundations, institutional investors/pension plans.

Interests in the ACRE Funds and the ACRE Funds themselves are not registered under the Securities Act or the 1940 Act, respectively. Accordingly, interests in the ACRE Funds are offered exclusively to investors satisfying the applicable eligibility requirements either in private placement transactions within the United States or in offshore transactions, and the ACRE Funds are excepted from the definition of an "investment company" under Section 3(c)(1) and/or Section 3(c)(7) of the 1940 Act.

Investors in the ACRE Funds are required to complete and submit a subscription agreement binding them to the terms of the relevant ACRE Funds' Documentation. The minimum investment is generally \$5 million for the ACRE Funds. However, that minimum investment amount for ACRE Fund investors may be reduced at the discretion of the applicable General Partner, depending on the investor relationship and in accordance with the relevant ACRE Funds' Documentation.

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

A. Investment Strategies, Instruments and Certain Related Risks

The following is a summary of (i) the strategies and methods of analysis that ACIM uses in formulating advice or managing assets (and their material risks) for the ACRE Funds and (ii) certain material risks associated with the types of instruments that ACIM primarily recommends to the ACRE Funds.

The information included in this Brochure does not include every potential risk associated with each investment strategy and instrument. Investors and prospective investors in the ACRE Funds are encouraged to ask questions regarding risk factors applicable to a particular investment strategy or instrument, read all product-specific risk disclosures (for example, the relevant ACRE Fund's confidential private offering memorandum, if any) and determine whether a particular strategy or type of instrument is suitable for his/her/its own account in light of his/her/its circumstances, investment objectives and financial situation. Investing in securities or other instruments involves risk of loss that investors should be prepared to bear.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND INSTRUMENTS

The ACRE Funds target attractively valued assets and endeavor to invest in opportunities with attractive risk-adjusted total returns. In addition, the ACRE Funds generally aim to buy “cash flowing” assets and certain development and redevelopment opportunities, and target commercial real estate asset class, operator and geographic diversification.

The ACRE Funds seek to utilize their sponsors’ relationships with owners, operators and capital markets participants to source and make investments in commercial real estate and commercial real estate related assets (collectively, “**CRE**”). The ACRE Funds’ sponsors aim to capitalize on their mix of attributes to provide access to attractive CRE investment opportunities and subsequent to purchase, successfully manage the underlying assets and ultimately maximize value through the disposition of each investment.

The ACRE Funds generally target direct equity and debt interests in real estate. Other characteristics of target investments generally include:

- Predominantly multifamily and selectively within the industrial, medical office, student housing, self-storage, retail, office, and other CRE related asset types, geographic and operator diversification in its investments; and
- “cash flowing” Class “A” and “B” assets and certain development and redevelopment opportunities;
- high barrier-to-entry locations in key markets along the East and West Coasts, Texas and other select regions of the U.S.; and demographic profile generally exhibiting attractive fundamentals (which may include income levels, population growth, employment growth, high educational achievement and household growth).

The ACRE Funds seek to take advantage of opportunities in the CRE markets and realize for their investors attractive risk adjusted returns based on the following factors:

- the potential benefits of CRE in an overall investment portfolio;
- current and anticipated CRE capital markets uncertainty;
- anticipated asset classes (multifamily and office sectors, and selectively within the industrial, medical office, student housing, self-storage, retail, and other CRE related asset types), geographic and operator diversification in its investments; and
- anticipated continued availability of attractively priced assets.

The ACRE Funds focus on relatively undervalued assets and perceived market mispricing to target opportunities with attractive risk-adjusted total returns. To do so, the ACRE Funds look at value-add opportunities (where it can improve leasing and management and/or purchase below replacement cost), distressed opportunities (to recapitalize and/or redevelop by purchasing assets from distressed owners and/or acquire notes from lenders), indirect opportunities (investment with real estate as collateral), and certain compelling development opportunities.

CERTAIN RELATED RISKS

Real Estate Risks Generally. An ACRE Fund's investments will be subject to the risks associated with the ownership of real estate or real estate-related assets. These risks may affect real estate markets generally or specific assets and include general economic and social climate, international, national, regional and local real estate conditions, environmental risks, the supply of and demand for properties, the financial resources and solvency of buyers of properties, competition for buyers of property, the ability of an ACRE Fund to manage the real properties, changes in zoning, building, agrarian, environmental, tax or other applicable laws, changes in real property tax rates, changes in interest rates, negative developments in the economy that depress travel activity, uninsured casualties, changes in operating expenses, changes in the availability, cost or terms of permanent mortgage indebtedness, fluctuations in energy prices, changes in the relative popularity of property or asset types, the ongoing need for capital improvements, cash flow risks and constructions risks, as well as natural catastrophes, global pandemics, acts of war, civil unrest, uninsurable losses and other factors that are beyond the control of an ACRE Fund, ACIM and/or the ACRE General Partners.

With respect to investments in the form of real property owned by an ACRE Fund, the ACRE Fund will incur the burdens of ownership of real property, which include paying expenses and taxes, maintaining such property and any improvements thereon, and ultimately disposing such property. Furthermore, changes in interest rates or the availability of debt may render the investment in real estate assets difficult or unattractive. The possibility of partial or total loss of capital will exist and investors should not subscribe unless they can readily bear the consequences of such loss.

Many of these factors could cause fluctuations in demand for real properties, capitalization rates, occupancy rates or operating expenses, resulting in a negative effect on the value of real estate assets. Valuation of real estate assets may fluctuate. The capital value of the ACRE Fund's real estate investments may be significantly diminished in the event of a downward turn in real estate market prices.

Certain expenditures associated with real estate, such as taxes, debt service, maintenance costs and insurance, tend to increase and are not generally decreased by events generally adversely affecting sales and/or rental revenues such as an unforeseen downturn in the real estate market, a lack of investor confidence in the market or a softening of demand. There can be no assurance that any of an ACRE Fund's investments will be sold at a price above the cost of acquisition and development. As a result, there can be no assurance that the ACRE Fund's investment objectives will be realized.

In addition to the above, any real estate development would be subject to the typical pre-development risks (e.g., those associated with design and clearance, permitting, zoning), development risks (e.g., construction quality and cost overruns) and property market risks (e.g., competition and nature and level of demand).

Typically, investments by the ACRE Funds will involve the engagement of local operating partners to provide services such as asset management, property management, construction management and redevelopment, leasing and accounting services. Such investments may involve risks not present in

investments where third parties are not involved, including the possibility that a local operating partner may experience financial, legal or regulatory difficulties, may at any time have economic or business interests or goals which are inconsistent with those of the relevant ACRE Fund, may take a different view from ACIM as to the appropriate strategy for an investment, or may be in a position to take action contrary to the ACRE Fund's investment objectives.

Each ACRE Fund may co-invest with third parties through partnerships, joint ventures, or other entities, thereby acquiring non-controlling interests in certain investments. Although ACIM will seek to negotiate appropriate rights to protect the ACRE Fund's interests, the ACRE Fund may not have control over these investments and therefore, may have a limited ability to protect its position therein. Furthermore, such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third-party partner or co-venturer may have financial difficulties resulting in a negative impact on such investment, economic or business interests or goals which are inconsistent with those of the relevant ACRE Fund, or take action contrary to that ACRE Fund's investment objectives. In addition, the ACRE Fund may in certain circumstances be liable for the actions of its third-party partners or co-venturers.

Each ACRE Fund's investment activities subject them to the risks of becoming involved in litigation with and by third parties such as local operators and joint venture partners. The expense of defending or pursuing such claims and paying any amount pursuant to settlements or judgments will be borne by the relevant ACRE Fund and would reduce the value of an investment in the relevant ACRE Fund.

Acquisition of Real Estate Properties. The ACRE Funds may acquire existing real estate from third parties, including off-market and non-intermediated transactions, portfolio acquisitions and future purchase transactions. While ACIM believes that the ACRE Funds are well positioned to obtain advantageous terms and assess growth opportunities and risks, there can be no assurance that unanticipated problems and undisclosed liabilities or contingencies will not arise with respect to the acquired properties or that the acquired properties will achieve the proforma underwriting. Acquisitions involve a number of risks inherent in assessing the values, strengths, weaknesses and profitability of properties as well as the potential improvements needed to increase financial returns. Although ACIM believes that opportunities for the advantageous acquisition of properties will exist for the ACRE Funds, there can be no assurance that any such acquisition opportunities will arise.

Investments in Land/New Development. The ACRE Funds may acquire direct or indirect interests in undeveloped land or underdeveloped real property, which may often be non-income-producing. To the extent that an ACRE Fund invests in such assets, it will be subject to the risks normally associated with such assets and development activities. Such risks include, without limitation, risks relating to the availability and timely receipt of zoning and other regulatory approvals, the cost and timely completion of construction (including risks beyond the control of ACIM, such as weather, subsurface soil conditions, environmental, labor conditions or material shortages) and the availability of both construction and permanent financing on favorable terms. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have an adverse effect on the ACRE Fund. Properties 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 experience operating deficits after the date of completion. Development projects entail risks that investments may not perform in accordance with expectations and can carry an increased risk of litigation (and its attendant risks) with contractors, subcontractors, suppliers, partners and others. Also, construction may not be completed within budget or as scheduled and estimated rental levels or sales prices may not be achieved. In connection therewith, the ACRE Fund may need to receive approvals or waivers from local regulatory authorities, which often involve a long and costly process with no guarantee of a successful outcome. In addition, market conditions may change during the course of development that makes such development less attractive than at the time it was commenced.

Investments in Real Estate Debt. The ACRE Funds may invest in a variety of real estate-related debt investments. In addition to the risks of borrower default (including loss of principal and non-payment of interest) and the risks associated with real property investments, an ACRE Fund will be subject to a variety of risks in connection with such debt investments, including the risks of illiquidity, lack of control, mismanagement or decline in value of collateral, contested foreclosures, bankruptcy of the debtor, claims for lender liability, violations of usury laws and the imposition of common law or statutory restrictions on the ACRE Fund's exercise of contractual remedies for defaults of such investments.

Mortgage Investments. The ACRE Funds may originate, participate in and/or acquire real estate loans that are non-recourse to the borrower. Mortgage investments have special inherent risks relative to collateral value. To the extent an ACRE Fund makes or acquires subordinated or "mezzanine" debt investments, the ACRE Fund does not anticipate having absolute control over the underlying collateral as the ACRE Fund will be dependent upon third-party borrowers and agents and will have rights that are subordinate to those of senior lenders. In certain circumstances, the ACRE Fund's loans may not be secured by a mortgage, but instead by partnership interests or other collateral that may provide weaker rights than a mortgage. In any case, in the event of default, the ACRE Fund's source of repayment will be limited to the value of the collateral and may be subordinate to other lienholders. The collateral value of the property may be less than the outstanding amount of the ACRE Fund's investment. Returns on an investment of this type depend on the borrower's ability and willingness to make required payments and, in the event of default, the ability and willingness of the lender to foreclose and liquidate the mortgage loan.

Nature of Investment. An investment in an ACRE Fund requires a long-term commitment of up to ten (10) years, subject to a period thereafter during which the ACRE Fund winds down its business and affairs, with no certainty of return or guarantee against loss. An ACRE Fund may make investments in real estate and/or real estate-related assets and businesses that are experiencing or are expected to experience severe financial difficulties, which may never be overcome. There may be little or no near-term cash flow available to the investors. Because an ACRE Fund may only make a limited number of investments and because many of the investments may involve a high degree of risk, the potential is increased (compared to a portfolio with a greater number of investments) for total returns to investors to be severely adversely affected by the adverse performance of a few of the investments, and the increase in expenses (as a percentage of the overall amount invested) attributable to a potentially smaller and less diversified portfolio of investments.

Force Majeure Events. The value of ACRE Funds' real estate assets could be adversely affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic such as the Novel Coronavirus or any other serious public health concern, war, terrorism, labor strikes, major pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events may adversely affect the ability of a party (including a counterparty to a Fund) to perform its obligations until it is able to remedy the force majeure event. These risks could, among other effects, adversely impact the cash flows available, cause personal injury or loss of life, damage property, or instigate disruptions of service. In addition, the cost of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on an asset. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity. Additionally, a major governmental intervention, including the assertion of control over one or more assets, could result in a loss to the ACRE Funds. Any of the foregoing may therefore adversely affect the performance of a Fund and its investments.

OTHER RISKS

Risks Related to Cyber Security. - The Adviser and its service providers are susceptible to cyber security risks that include, among other things, theft, unauthorized monitoring, release, misuse, loss, destruction or corruption of confidential and highly restricted data; denial of service attacks; unauthorized access to relevant systems, compromises to networks or devices that the Adviser and its service providers use to service the Adviser's operations; or operational disruption or failures in the physical infrastructure or operating systems that support the Adviser and its service providers. Cyber-attacks against or security breakdowns of the Adviser or its service providers may adversely impact the Adviser and its Clients, potentially resulting in, among other things, financial losses; the inability of the Adviser to transact business and process transactions; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs; and/or additional compliance costs. The Adviser may incur additional costs for cyber security risk management and remediation purposes. There can be no assurance that the Adviser or its service providers will not suffer losses relating to cyber-attacks or other information security breaches in the future.

Risks Related to War and International Conflicts. A number of countries in Europe have suffered terror attacks, and additional attacks may occur in the future. Ukraine has experienced ongoing military conflict; this conflict may expand, and military attacks could occur elsewhere in Europe. Europe also has been struggling with mass migration from the Middle East and Africa. The ultimate effects of these events and other socio-political or geographical issues are not known but could profoundly affect global economies and markets.

Risks Related to Global Pandemic. The outbreak of the Novel Coronavirus (COVID-19) in the United States and around the world has adversely impacted global commercial activity and has contributed to significant volatility in financial markets. Any such economic impact could adversely affect the performance of a client's investments and, as a result, the novel coronavirus (COVID-19) continues to present material uncertainty and risk with respect to overall performance and financial results. In addition, the resulting financial and economic market uncertainty may adversely affect the valuations of investments recommended to clients as well as those investments made by the firm on behalf of its clients.

Availability of Insurance Against Certain Catastrophic Losses. With respect to properties acquired by an ACRE Fund, liability, fire, flood, extended coverage and rental loss insurance with insured limits and policy specifications that ACIM believes are customary for similar properties will be maintained. However, certain losses of a catastrophic nature, such as wars, earthquakes, terrorist attacks or other similar events, may be either uninsurable or insurable at such high rates that to maintain such coverage would cause an adverse impact on the related investments. As a result, all investments might not be insured against terrorism. If a major uninsured loss occurs, an ACRE Fund could lose both invested capital in, and anticipated profits from, the affected investments.

Environmental Liabilities. Under various environmental laws, ordinances and regulations, a current or previous owner or operator of property may be liable for the costs of removal or remediation of hazardous or toxic substances on, under or in such property. Such laws often impose liability whether or not the owner or operator 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. Persons who arrange for the disposal or treatment of hazardous or toxic substances may also be liable for the costs of removal or remediation of hazardous substances at the disposal or treatment facility whether such facility is, or ever was, owned or operated by such person. Certain environmental laws could be used to impose liability for release of and exposure to hazardous substances, including asbestos-containing materials and mold, into the air, and third parties may seek recovery from owners or operators of real properties for personal injury or property damage associated with exposure to released hazardous substances, including asbestos-containing materials and mold. The presence of hazardous or toxic substances may adversely affect the owner's ability to sell the real estate or to borrow funds using such property as collateral, which could have an adverse effect on the return from such investment. As the owner of real properties, an ACRE Fund may be potentially liable for any such costs.

Risk of Undiscovered Liabilities in Investments. In addition to the risk of an environmental liability attaching to an investment, it is possible that investments acquired by an ACRE Fund could be affected by undisclosed matters. In respect of acquired land, the ACRE Fund could be bound by undisclosed matters such as legal easements, liens, leases, any charges on property that have been registered and any charges that the ACRE Fund was, or should have been, aware of at the time of the acquisition. Liability could also arise from breaches of planning and zoning legislation and building regulations. Undisclosed breaches of other statutory regimes, such as health and safety, fire and public health and land development legislation, could also give rise to liability. An ACRE Fund could also

be liable for undisclosed duties payable to municipalities and counties as well as public claims deriving from supply to the property of water, electricity and the like. Although the ACRE Funds intend to, prior to acquisitions, wherever possible, undertake due diligence and title investigations with a view to establishing whether any such risks exist, it may be the case that such risks are unknown or undisclosed upon acquisition. The ACRE Funds will seek to obtain adequate protection against such risks by suitable contractual provisions and/or, if possible on reasonable terms, obtain insurance protection against such matters, but no assurance can be given that such protection will be fully effective or can in fact be obtained. It is, therefore, possible that the ACRE Funds could acquire an investment affected by such matters, which may have a material adverse effect on the value of such investment.

Litigation at the Property Level. The acquisition, ownership and disposition of real properties carry certain specific litigation risks. Litigation may be commenced with respect to a property acquired by an ACRE Fund or its subsidiaries in relation to activities that took place prior to the ACRE Fund's acquisition of such property. In addition, at the time of disposition for an individual 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 damages, if such buyer is passed over in favor of another as part of an ACRE Fund's efforts to maximize sale proceeds. Similarly, successful buyers may later sue the ACRE Fund under various damage theories for losses associated with latent defects or other problems not uncovered in due diligence. Furthermore, during the holding period of an investment, litigation may be commenced with and/or between entities within the applicable joint venture.

Illiquid Nature of Investment. An investment in an ACRE Fund requires a long-term commitment, with no certainty of return. Many of an ACRE Fund's investments will be highly illiquid, and there can be no assurance that the ACRE Fund will be able to realize such investments in a timely manner. Consequently, dispositions of such investments are often difficult and time-consuming to liquidate and may result in distributions in kind to the investors. Illiquidity may result from the absence of an established market for the investments, as well as legal, contractual, or other restrictions on the transfer that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon disposition thereof. There is a risk that an ACRE Fund may be unable to realize its investment objectives by sale or other disposition at attractive prices or at the appropriate times or in response to changing market conditions, or that the ACRE Fund will otherwise be unable to complete a favorable exit strategy. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The possibility of partial or total loss of capital will exist, and investors should not subscribe unless they can readily bear the consequences of such loss.

Banking System Instability. Certain banks and financial institutions in the United States have recently been taken into receivership, been sold in whole or in part to other institutions or have received other rescue assistance, which has resulted in a lack of confidence in the banking system and significant volatility in the trading prices of banks and financial institutions. While governments have undertaken measures to provide stability, concerns about other banks and financial institutions persist, which could result in additional failures or rescues, potentially exacerbating the lack of confidence and volatility and possibly contributing to a severe economic downturn similar to the

failures of Bear Stearns and Lehman Brothers in 2008. In addition, while the General Partner intends to open accounts on behalf of the Partnership with banks and financial institutions that do not appear distressed, there can be no assurance that any such bank or financial institution will not suffer from liquidity or stability concerns, which concerns could become reality if depositors make significant withdrawals at essentially the same time in response. In addition, the Partnership will not have any control over the banks and financial institutions utilized by its portfolio companies. If the Partnership or its portfolio companies have accounts or credit lines with any banks or financial institutions experiencing distress, then they may be unable to access their funds, which could result in defaults under their respective obligations, including failure to fund any loan made by the Partnership or failure to pay interest or principal on any loan under which a portfolio company is the borrower. Any of the foregoing consequences of the current banking crisis, as well as consequences that have not been identified as this time, could result in material harm to the Partnership.

Interest Rate and Interest Rate Product Risks. Changes in interest rates may adversely affect the Funds' investments. Changes in mortgage rates can directly affect the demand for and value of the real estate investments held by or to be developed by the Funds. Changes in the general level of interest rates can affect the Funds' income by affecting the spread between the income on its assets and interest-bearing liabilities, as well as the value of its interest-earning assets and its ability to realize gains from the sale of assets. Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond the control of the Funds. The Funds may finance their activities with both fixed- and floating-rate debt. With respect to its floating-rate debt, the Funds' performance may be affected adversely if a Fund chooses not to implement a strategy to limit the effects of changes in interest rates on its operations by employing an effective hedging strategy, including engaging in interest rate swaps, caps, floors or other interest rate contracts or buying and selling interest rate futures or options on such futures.

Risks Upon Disposition of Investments. In connection with the disposition of an investment, an ACRE Fund may be required to make representations about the investment in connection with the sale of any property. An ACRE Fund may also be required to indemnify or compensate the purchasers of such investment to the extent that any such representations turn out to be incorrect, inaccurate or misleading. These arrangements may result in contingent liabilities that might ultimately have to be funded by an ACRE Fund or the investors.

Leverage. The ACRE Funds may use leverage in connection with their investments and operations. However, there can be no assurance that the ACRE Funds will be able to obtain the necessary debt financing at acceptable terms. The use of leverage involves financial risk and will increase the exposure of an ACRE Fund's investment returns to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of the investments. Principal and interest payments on indebtedness will have to be made regardless of the sufficiency of cash flow from the properties. There is a risk that operating cash flow available to an ACRE Fund will be insufficient to meet required payments and a risk that it will not be possible to refinance existing indebtedness or that the terms of such refinancing will not be as favorable as the terms of existing

indebtedness.

Leasing Risks. Upon the expiration of leases, leases may not be renewed by existing tenants, the space may not be re-leased to new tenants or the terms of renewal or re-leasing (including the cost of required renovations or concessions to tenants) may be less favorable to an ACRE Fund than previous lease conditions. Furthermore, from time to time, a tenant may experience a weakened financial condition or may become bankrupt or insolvent, which could result in the tenant's failure to meet its rental payment obligations. If an ACRE Fund is unable to re-let or renew lease contracts promptly or, if the rentals upon such renewal or re-leasing are significantly lower than expected or if the ACRE Fund's reserves for these purposes (if any) prove inadequate, the ACRE Fund's results from operations, financial condition and the value of its real estate assets could be adversely affected.

Item 9 –Disciplinary Information

There are no known legal or disciplinary events that are material to a client's or prospective client's evaluation of ACIM's advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

Affiliated Financial Industry Participants As described in Item 4 above, the owners of Atlantic Creek have established affiliated entities to serve as general partners to the ACRE Funds.

As noted in Item 4 above, BlueGate, one of ACIM's owners, is a real estate advisor and commercial real estate broker.

Pooled Investment Vehicles

As described in Item 4 above, ACIM provides investment advisory services to the ACRE Funds. Each ACRE Fund's general partner or managing member (as listed in Item 4) is an affiliate of ACIM.

Potential Conflicts of Interest

The ACRE Funds have (and any future accounts or vehicles formed by the ACIM Parties may have) overlapping investment strategies, which may produce conflicts of interest. The ACIM Parties provide, and may in the future provide, investment management services to a number of entities and institutional investors that may pursue a strategy of investment in real estate or real estate related investments. The ACRE Funds have substantially similar investment strategies, and future endeavors may have similar investment strategies. Except as discussed below, the ACIM Parties are not required to refrain from any other activity or to disgorge any profits from any such activity, including acting as general partner or managing agent for partnerships with objectives similar to those of an ACRE Fund. Therefore, a conflict may arise in the allocation of investment opportunities and time among clients with similar investment objectives (where the ACIM Parties may be incentivized to allocate better investment opportunities and/or devote more time to certain clients over others).

However, ACIM believes that this potential conflict is mitigated by the fact that (A) the fund structures have similar fees, (B) ACIM generally invests the assets of those ACRE Funds with then-available investable capital in a portfolio investment on the same or similar terms and conditions and based on a pre-determined participation percentage (pro rata based on investable capital) in accordance with ACIM's allocations policies and procedures (as described below in this Item 10) and (C) only ACRE Fund IV Master, ACRE Fund IV Feeder, and ACRE Fund IV Offshore structure currently have an open commitment period. Further, the ACRE Funds' Documentation contains restrictions on the formation of another investment vehicle with primary investment objectives substantially similar to those of an ACRE Fund (other than a parallel fund) by ACIM, the relevant ACRE General Partner, the BlueGate principals and BlueGate, or their respective controlled affiliates until the earlier of (i) the expiration of the ACRE Fund's commitment period, (ii) such time as at least two thirds of the aggregate capital commitments to the ACRE Fund have been contributed to the ACRE Fund and (iii) consent of the majority in interest of the ACRE Fund's limited partners (the "**Competing Funds Restriction**").

With respect to each ACRE Fund during that ACRE Fund's commitment period, none of the relevant ACRE General Partner, ACIM, ACREP or their respective controlled affiliates will acquire for its own account any investment that is suitable for investment by the relevant ACRE Fund; provided, however, that the following investments are not subject to the foregoing exclusivity provision: (a) any investment in which the ACRE Fund cannot participate due to legal or other impediments outside the control of the relevant ACRE General Partner; (b) any follow-on investment made by a prior ACRE Fund; (c) any investment for the use or occupancy, in whole or in part, by ACREP, FCC Principals, FCC and/or their affiliates; (d) co-investments with the ACRE Funds permitted under the Partnership Agreements, including co-investments with either of any permitted competing funds and parallel funds; (e) development and/or sale of any investment in real property owned, directly or indirectly, by the relevant ACRE General Partner, ACIM, FCC, ACREP or their respective controlled affiliates; (f) any existing investment of the relevant ACRE General Partner, ACIM, ACREP or their respective controlled affiliates; (g) any investment by a fund formed by ACREP, FCC Principals, FCC or their affiliates after the initial closing date of ACRE Fund IV Master, which has a different principal investment objective than ACRE Fund; (h) any investment which is not suitable for the ACRE Fund IV Master, taking into consideration, among other things, the ACRE Fund's investment limitations and investment objectives, as determined by the relevant ACRE General Partner in its discretion; and (i) follow-on investments that arise out of or otherwise relate to any of the investments described in the preceding clauses (a) through (h).

Except as provided above with respect to the "Competing Funds Restriction" and as otherwise provided above, Erik Blomqvist, Pepe Fanjul, Jr., Luis Fernandez, and Armando Tabernilla (collectively, the "FCC Principals"), the relevant ACRE General Partner, ACREP, FCC, any Limited Partner, and their respective affiliates, and any member of the Advisory Board for ACRE Fund IV Master or any member of the investment committees of the relevant ACRE General Partners, may (i) make direct or indirect investments in real estate or real estate related assets, engage in other business ventures of any nature and may render services of any kind to other business ventures, and (ii) pursue opportunities to purchase, otherwise acquire, sell or otherwise dispose of interests in real estate or real estate related assets, other assets or other business ventures or introduce such opportunities to any

entity and shall not be required to bring such opportunities to ACRE Fund IV Master's attention and shall not be subject to liability to ACRE Fund IV Master or to any of the other limited partners on account of the lost opportunity.

ACIM may be incentivized to retain (or cause the retention of) affiliates as service providers for the ACRE Funds or their investments (over more qualified and/or less costly unaffiliated service providers).

ACIM affiliates (such as BlueGate) have been and may in the future be retained as service providers by ACIM on behalf of the ACRE Funds (or the investments in which the ACRE Fund(s) have an interest) and paid a fee by the relevant ACRE Fund(s) for their services. The use of ACIM affiliates in connection with the retention of these services raises potential conflicts of interest in that there may be an incentive for ACIM to favor (or cause the investments in which the ACRE Funds have an interest to favor) affiliates over more qualified service providers or to agree to pay fees that are higher than the fees charged for comparable services. Additionally, certain ACIM managing members have ownership interests in ACIM affiliates, including BlueGate. This may influence, or have the appearance of influencing, the decision whether to select such service provider (especially for work related to the ACIM Funds). These arrangements typically involve fees, commissions, or similar compensation which are not subject to a management fee offset.

ACIM endeavors to engage the best service providers in an applicable market (whether affiliates or unaffiliated third parties) with the most competitive fees and rates. When ACIM affiliates such as BlueGate are retained on behalf of an ACRE Fund or an investment in which the ACRE Fund(s) have an interest, that affiliate may be retained as part of a competitive retention process (where other interested and qualified service provider(s) may also be considered). In the event that a competitive retention process is not pursued,² the terms of each ACIM service engagement with BlueGate will provide for rates and terms that are no less favorable than the rates and terms offered similarly situated clients of BlueGate that are unaffiliated third parties, for comparable transactions and services in the applicable market. ACIM believes that its affiliates such as BlueGate are incentivized to provide better service to the ACRE Funds in order to increase the property's sale price (which may result in an increase in the amount of the carried interest paid to the ACRE General Partners). The ACRE Funds' limited partners will not receive the direct benefit of fees or other compensation received by the ACRE General Partners, ACIM or their affiliates in connection with the provision of services by them to the ACRE Funds or third parties.

In addition to the foregoing, ACIM has engaged ACREP to consult with ACIM in conjunction with ACIM's activities for ACRE Fund IV Master. ACREP will receive no fees from the fund for its services other than reimbursement for costs and expenses incurred by ACREP. ACREP will be indemnified to the same extent that ACIM would be under its investment management agreement with ACRE Fund IV Master.

² For example, there have been and may in the future be instances where the operating partner of a particular property in which one or more ACRE Funds have invested may request BlueGate's services with regards to the sale or financing of the property.

Allocation Policy

ACIM has allocation policies and procedures in place to be utilized in those instances where it is allocating investments among multiple ACRE Funds. These policies and procedures are designed to ensure that allocation of investment opportunities among ACRE Funds are made in a fair and equitable manner over time based on the suitability of the opportunity and the available capital of the relevant ACRE Funds for such investment.

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

ACIM Code of Ethics

The ACIM Code of Ethics provides a standard of conduct for, among other things, the personal trading of covered ACIM Personnel. Under the Code of Ethics, certain ACIM Personnel must provide ACIM with initial and annual holdings reports (excluding accounts holding certain securities or discretionary accounts) and quarterly transactions reports. ACIM Personnel must also obtain pre-approval from ACIM's Chief Compliance Officer or Deputy Chief Compliance Officer prior to investing in any private placement or participating in any initial public offering. ACIM's Chief Compliance Officer and Deputy Chief Compliance Officer will review violations of its Code of Ethics to determine appropriate internal sanctions.

A copy of ACIM's Code of Ethics is available for review by any client or prospective client upon request by contacting ACIM's Chief Compliance Officer at stathakos@atlanticcreek.com or (212) 381-7614 or the Deputy Chief Compliance Officer at bmurphy@vigilantllc.com, telephone number (908) 451-8769, or by submitting a written request to the adviser at Atlantic Creek Investment Management, LLC, 525 Seventh Avenue, Suite 1904, New York, NY, 10018.

General Conflicts

ACIM Personnel may have multiple advisory, transactional, financial, and other interests in securities, instruments, companies or investment vehicles that may be purchased or held by or sold for the ACRE Funds (see Item 10 above). ACIM has established a variety of procedures and disclosures designed to address conflicts of interest arising between the ACRE Funds on the one hand and ACIM's business on the other.

Affiliated Investments, Cross Trades and Principal Trades

The ACRE Funds may engage in principal transactions

While ACIM does not anticipate that it will engage in principal transactions (*i.e.*, the sale of a security to, or purchase of a security from, a client), ACIM maintains policies that provide that it will not engage in a principal transaction with an ACRE Fund without providing appropriate disclosure to and

obtaining the prior consent of the applicable ACRE Fund (which consent may be provided by a majority-in-interest of that ACRE Fund's investors, excluding interests held by ACIM Parties, or that ACRE Fund's Advisory Committee, if any,) prior to the settlement of that transaction (in accordance with Section 206(3) of the Advisers Act).

ACIM Parties may engage in investment activities which could conflict with the interests of the ACRE Funds.

ACIM Parties currently and/or may in the future:

- act as investment adviser or investment manager for others;
- manage funds or capital for others;
- have, make and maintain investments in their own names or through other entities (for example, acquiring real estate that is appropriate for an ACRE Fund);
- serve as a consultant, partner, or stockholder of one or more investment funds, partnerships, securities firms, advisory firms, or companies in which an ACRE Fund has invested; and
- act as a director, officer and/or employee of any corporation, a trustee of any trust, an executor or administrator of any estate, or an administrative official of any other business entity.

However, the ACRE Funds' Documentation provides that, subject to enumerated exceptions (for example, certain follow-on investments), until the expiration or termination of the relevant ACRE Fund's commitment period, none of the relevant ACRE General Partner, ACIM, BlueGate, or their respective controlled affiliates may acquire for its own account any investment that is suitable for investment by the relevant ACRE Fund. The ACRE Funds' Documentation also provides for the Competing Funds Restriction (see Item 10 above).

Notwithstanding these contractual restrictions on "other activities" of ACIM, BlueGate, and certain of their affiliates, these restrictions are limited in scope (for example, there are no restrictions on the activities of FCC and its affiliates), and therefore ACIM Parties could, and may be incentivized to, put their interests ahead of the interest of the ACRE Fund(s). For example, one of the BlueGate or FCC Principals serving on an ACRE Fund's investment committee could cause the ACRE Fund to pass on acquiring an attractive property because that person wanted to acquire that property himself or herself. However, those persons have significant investments (by virtue of both time devoted to the ACIM business and money invested in the ACRE Funds) in the ACRE Funds, which serves to mitigate this potential conflict.

ACIM has a financial interest in ACRE Fund transactions

As described in Item 5 above, ACIM receives an acquisition fee in respect of the ACRE Funds' investments during their respective commitment periods, and ACIM's affiliate BlueGate at times acts as real estate broker with respect to the sale of ACRE Fund properties and receives commissions for these sales. These fees and commissions are not shared with the ACRE Funds and their investors.

ACIM Personnel have (and may develop additional) long-term relationships with other participants in the real estate and related markets

ACIM Personnel have, and seek to develop additional, long-term relationships with many significant participants in the real estate and related financial markets. The existence or development of these relationships or obligations (such as confidentiality) to these participants may be taken into account by ACIM and ACIM Personnel in performing functions in respect of the acquisition, management or disposal of assets for the ACRE Fund (and may incentivize ACIM to act other than in the best interest of its clients).

Item 12 – Brokerage Practices

Selection of Intermediaries

ACIM has the authority to determine without client consultation or consent the real estate broker, consultant or other intermediary (each, an “**intermediary**”) through which the ACRE Funds purchase or sell investments, and the compensation at which such transactions are effected.

In selecting intermediaries to provide services in connection with transactions, ACIM’s policy is to seek the best execution, which means that it seeks to ensure that the client’s estimated cost or projected proceeds is the most favorable under the circumstances. Accordingly, transactions will not always be effected at the best price or the lowest available compensation. Further, ACIM has and may, in the future, retain an affiliated intermediary (such as BlueGate), in accordance with its policies and applicable law.

ACIM does not adhere to any rigid formulas when selecting intermediaries (from which it selects persons to assist with transactions on behalf of its clients) but weighs a combination of factors or criteria. For example, the determination of what is expected to result in best execution on an overall basis involves a number of factors, including:

- reliability;
- industry knowledge and expertise;
- ability to provide access to potential real estate counterparties;
- efficiency;
- ability to keep activities confidential;
- idea generation;
- competitive compensation; and
- general responsiveness.

The SEC has defined soft dollar practices as arrangements under which products or services other than execution of securities transactions are obtained by an adviser from or through a broker-dealer in exchange for the direction by the adviser of client brokerage transactions to the broker-dealer. ACIM does not currently participate in soft dollar arrangements.

ACIM does not consider, in selecting or recommending intermediaries, whether that intermediary may refer potential investors to the ACRE Funds. ACIM does not enter into directed brokerage arrangements.

Item 13 – Review of Accounts

A. Review- Risk Management

ACRE Fund’s investment personnel generally meet weekly (to discuss current fund assets, including renovations and add-on opportunities to the same) and the fund’s investment and management committees meets on an ad hoc basis to review potential investment opportunities when such an opportunity is brought to the committee’s attention. Valuation of an ACRE Fund’s assets is conducted on a quarterly basis by ACIM Personnel and the ACRE Fund’s independent auditor conducts annual audits of the fund’s assets.

B. Reports to Clients

Each ACRE Fund investor receives:

- Within ninety (90) days or one hundred twenty (120) days (depending on the ACRE Fund) after the close of each fiscal year of the ACRE Fund, or as soon as practicable thereafter: (i) the information necessary for the preparation by such investor of its income tax returns; (ii) an audited balance sheet, income statement and statement of changes in limited partners’ capital prepared in accordance with generally accepted accounting principles; (iii) such other information as the ACRE General Partner deems reasonably necessary for the ACRE Fund’s investors to be advised of the current status of the ACRE Fund and its business; and (iv) a statement as to the ACRE General Partner’s estimate of the fair value of each Fund investment; and
- After the close of each fiscal quarter (other than the ACRE Fund’s last fiscal quarter of each fiscal year), within sixty (60) days or ninety (90) days (depending on the ACRE Fund), or as soon as practicable thereafter, an unaudited report prepared in accordance with generally accepted accounting principles which includes for the quarter and year to date a balance sheet, an income statement and a summary report on the ACRE Fund’s investments, including descriptions of acquisitions and dispositions made during the period covered by such report.

The reports provided to ACRE Fund investors are written.

Item 14 – Client Referrals and Other Compensation

ACIM has and may in the future enter into arrangements with third parties whereby such third parties receive fees for referring investors to the ACRE Funds. Any such compensation is only paid if the

arrangement complies with applicable rules and regulations.

Item 15 – Custody

To the extent required by applicable law, any securities or funds of the ACRE Funds are held by qualified custodians. As noted in Item 13 above, ACRE Fund investors receive annual financial statements audited by an independent public accounting firm for the ACRE Fund(s) in which they have invested. ACRE Fund investors are urged to carefully review such statements.

Item 16 – Investment Discretion

ACIM exercises discretion in managing each ACRE Fund, based on the relevant ACRE Fund's investment objectives, policies and strategies disclosed in the relevant ACRE Funds' Documentation and the terms of any side letters between ACIM and ACRE Fund limited partners. ACIM typically assumes this authority through the ACRE Funds' Documentation.

Item 17 – Voting Client Securities

Summary of Proxy Voting Policies and Procedures

Generally, ACIM does not acquire investments that provide an opportunity to vote proxies on behalf of the ACRE Funds. However, pursuant to Rule 206(4)-6 under the Advisers Act, ACIM is providing this summary of its proxy voting process if it were to vote proxies on behalf of the ACRE Funds, as well as information as to how investors in the ACRE Funds may obtain ACIM's complete proxy voting policy and procedures and information as to how proxies were voted for securities held by the ACRE Funds if ACIM were to vote such proxies.

To the extent proxy voting is part of a particular investment strategy, ACIM will adopt proxy voting policies and procedures designed to ensure that where its clients have delegated proxy voting authority to ACIM, all proxies are voted in the best interest of its clients without regard to the interests of ACIM or its related parties. Clients may not direct ACIM's vote in a particular solicitation. ACIM's proxy voting policies will provide that, in the case of any potential material conflict of interest related to a proxy vote, ACIM will seek to mitigate the conflict by either appointing an independent third party to vote the proxy or taking such other actions as ACIM's Chief Compliance Officer and Deputy Chief Compliance Officer, in consultation with outside counsel as necessary, deems appropriate.

Investors in the ACRE Funds may obtain a complete copy of ACIM's Proxy Voting Policy and Procedures or information on how ACIM voted any proxies for the relevant ACRE Fund free of charge by submitting an email request to ACIM's Chief Compliance Officer at stathakos@atlanticcreek.com or (212) 381-7614 or the Deputy Chief Compliance Officer at bmurphy@vigilantllc.com, telephone number (908) 451-8769, or by submitting a written request to the adviser at Atlantic Creek Investment

Management, LLC, 525 Seventh Avenue, Suite 1904, New York, NY, 10018.

Item 18 – Financial Information

This item requires investment advisers such as ACIM to disclose any financial condition reasonably likely to impair their ability to meet contractual commitments to clients. At this time, ACIM has no information to report that is applicable to this Item 18.