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Form ADV Part 2A

Client Brochure March 30, 2023

This brochure (“Brochure”) provides information about the qualifications and business practices of Sabal Investment Advisors, LLC (“SIA”) and its relying adviser, Sabal Investment Holdings, LLC (“SIH” together with SIA, the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at (877) 900-6272. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Additional information about the Advisers is also available on the SEC’s website at www.adviserinfo.sec.gov.

SIA and SIH each refer to itself as a “registered investment adviser” in materials distributed to current and prospective clients. As registered investment advisers with the SEC, SIA and SIH are subject to the rules and regulations adopted by the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration does not imply a certain level of skill or training.

This Brochure is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to purchase any interest in any entity, investment, or investment vehicle. Any such offer or solicitation will be made solely to qualified investors by means of a private placement memorandum and related subscription materials.

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Item 2 - Material Changes

The Adviser is filing its annual amendment to Form ADV Part 1 and ADV Part 2 (the “Brochure”) with no material changes to report since its “other than annual” amendment filed September 7, 2022 to reflect certain investment personnel changes.

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Each Adviser is a privately held Delaware limited liability company registered as an investment adviser with the Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Each is controlled by SCP IM, LLC ("SCP IM"), which owns 75.5% of SIA and 100% of SIH. SCP IM is 100% owned by Sabal Capital Operations, LLC ("SCO"), which is 100% owned by Sabal Capital Holding Company, LLC ("SCHC"). SCHC is majority-owned by Trident Sabal Capital Holdings-II Corporation ("Trident").

B. Specialization

The Adviser manages investments primarily in the commercial real estate ("CRE") lending and investing sector across a range of product types.

C. Advisory Services

Generally, the Adviser provides investment advice pursuant to, and subject to the strategy and restrictions, (if any) set forth in a client's offering memorandum, organizational documents, subscription agreements, advisory or investment management agreements and/or any side letter agreements negotiated with investors in the applicable client, and property management agreements related to property acquired directly or through a subsidiary company (to the extent applicable with respect to each client, collectively, "Governing Documents"). An Adviser may add to, change, or modify its investment strategies at any time in its sole discretion, provided that any such modification or change falls within the parameters of a client's Governing Documents, as may be amended from time to time.

Fund Advisory Services

SIA provides investment advisory services to SIA Debt Opportunities Fund, L.P. ("SDOF I"), which predominantly invests in pooled real estate investment vehicles primarily comprised of B-Piece certificates ("B-Piece Certificates") issued through securitized pools of mortgage loans.

SIH provides investment advisory services to the SIH Debt Opportunities Fund II, L.P. ("SDOF II"), which predominantly invests in loans or debt instruments (and/or the investments derived therefrom) backed by senior secured small balance loans ("SBL") or other commercial debt instruments. The Fund may also invest some of its assets through the SIH Debt Opportunities REIT LLC, a real estate investment trust (together with its subsidiary companies, the "REIT") of which SDOF II is the sole member investor.

SIH also provides investment advisory services to the Sabal Strategic Opportunities Fund, LP, the SSO Fund (Cayman), LP feeder fund, and its alternative investment vehicles (together, the "SSO Fund"). The SSO Fund primarily seeks opportunistic investments in distressed commercial real estate securities, assets, and rescue financing investments. The SSO Fund may purchase and aggregate distressed debt CRE loans for possible securitization and act as sponsor of the securitization, including loans originated by third party lenders. The Adviser will leverage its affiliate, SCH Trading, LLC ("SCH Trading") for (i) deal structuring expertise on the SSO Fund's initial investments and (ii) facilitate the eventual securitization of such investments wherein the SSO Fund could purchase the B-Piece Certificates. In addition, SCH Trading, acting as broker and guarantor, will (i) facilitate the securitization of warehoused securities and (ii) provide the SSO Fund with a guaranteed return on its invested capital and retain any excess from the securitization process in connection with the Fund's program to source, purchase aggregate and sell CUSIP securities vis-à-vis licensed government agency originators (i.e., HUD/Ginnie Mae) (the "Agency CMBS Program").

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The SSO Fund has also established joint venture partnerships in furtherance of its strategy to invest in special situation debt and equity origination opportunities.

Each of SDOF I, SDOF II, and the SSO Fund (together, the “Closed Funds”) are closed to new investors. The Closed Funds are exempt from registration as investment companies under U.S. law by virtue of Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”).

SIH provides advisory services to the SIH Debt Opportunities Fund III, L.P. (SDOF III”) which invests its capital through the SDOF III MA, LP and SDOF III MB, LP (together, the “Master Funds”) and conducts its investment and trading activities through the Master Funds. SIH has also formed the SIH Debt Opportunities (Parallel) Fund III, LP for investment by non-U.S. investors and U.S. tax-exempt investors. SDOF III is exempt from registration as an investment company under U.S. law by virtue of Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are exempt from registration under the Securities Act.

SDOF III seeks income and capital appreciation through credit investment opportunities, including B-Piece investments in Freddie Mac securitizations, B-Piece or investment grade investments in CRE loan securitizations or equivalents and similar positions, value add/transitional senior secured lending, and special situations CRE opportunities.

SIA provides investment advice directly to SDOF I, and SIH provides investment advice to SDOF II, SDOF III and the SSO Fund, (subject to the direction and control of the respective General Partner). The Adviser manages the Funds pursuant to the investment strategy described in the Governing Documents of the respective Fund for which each has separate investment management discretion. Each Adviser’s affiliate serving as General Partner has created certain alternative investment vehicles structured as limited liability companies and may create such investment vehicles in the future (“Alternative Investment Vehicles”), to further a Fund’s investment objectives and to accommodate certain tax, legal and regulatory considerations of investors. In addition, the SSO Fund has pursued other joint ventures through the creation of Alternative Investment Vehicles in furtherance of its investment objectives.

Investors in each Fund may negotiate the terms of the applicable Fund agreement in connection with their investments in such Fund. In certain cases, the Adviser or its affiliate may, and have entered into side letter agreements with certain investors in the Funds (“Side Letters”) establishing rights under, or supplementing or altering terms of, the applicable Fund agreement. Such Side Letters cover many different topics, including without limitation: “most favored nation” rights; modified notice or reporting requirements; compliance with certain ERISA requirements; fee terms; confidentiality; co-investment opportunities; transfers; the right to receive certain special allocations; and certain other matters relating to an investment in the Fund. The Adviser tracks all Side Letters that have been entered into with respect to each Fund to ensure that no investors are disadvantaged by the triggering of one or more provisions of a Side Letter.

Separately Managed Accounts

SIH or its affiliates may act as investment manager, general partner, or limited liability company manager for separately managed accounts (“SMAs”) and provide discretionary and non-discretionary investment advice to institutional investors who are also investors in the Closed Funds. SIH provides investment advice to SIH Special Opportunities Fund, LP a single member investor private fund (“Managed Accounts”). The SMAs and Managed Accounts seek to generate current income and capital appreciation through a broad investment strategy in commercial real estate debt and equity investments.

Future Funds

SIH or its affiliates may act as investment manager, general partner, or limited liability company manager for investment funds having similar investment objectives and using substantially the same investment strategy as the Closed Funds, and Managed Accounts, and may create additional limited partnership funds and/or single member funds for separately managed accounts (“Future Funds” and collectively herein with Closed Funds and the Managed Accounts the “Funds”).

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Specific details relating to the advisory and management services provided to the Funds and investments through an Alternative Investment Vehicle, including details relating to fees, risks, and other considerations, are fully disclosed in each Fund's Governing Documents. Current and prospective investors should refer to the applicable Fund's Governing Documents for complete information on the investment restrictions and risks of investing. The Adviser neither offers nor participate in any wrap fee programs.

D. Senior Executives

Pat Jackson is Chief Executive Officer of Sabal Capital Holding Company, LLC ("Sabal"), the successor company of a broader platform operating under the Sabal brand, which he launched in 2009 to capitalize on investment opportunities in the commercial real estate sector. Today, Sabal Capital Holding Company is an integrated investment and asset management platform investing and managing throughout the capital structure in real estate properties, loans, and securities. Sabal manages several private equity vehicles totaling over \$1 billion in total commitments primarily from pension funds, endowments, insurance companies, family offices, and financial institutions. Mr. Jackson serves as Senior Portfolio Manager and Chief Investment Strategist of the Adviser and is responsible for overall company direction and oversight, investment sourcing and business development. Mr. Jackson was the former CEO and founder of Sabal Capital Partners, LLC (and together with its predecessor company Sabal Financial Group, L.P., ("SCP")). From 2009 through 2021, SCP acquired nearly \$10 billion in assets on behalf of its clients and investors and provided advisory services to the FDIC in over 200 financial institutions. Mr. Jackson was the former CEO and founder of IndyMac Commercial Lending Corporation, which he developed, launched, and grew into a leading nationwide small balance commercial and multifamily lending platform with an annualized production of \$1 billion. Prior, he was the President and COO of Unitek Miyachi Corporation and held senior leadership positions with Signet Scientific Company and Intecolor Corporation.

Michael Cook is a Managing Director for SIH responsible for Credit Strategies. Prior to joining SIH, Michael was a Chief Portfolio Manager at AFL-CIO Housing Investment Trust ("HIT"). At the HIT, he led and managed a ~\$7B portfolio specializing in stabilized and construction-relation multifamily whole loan credit investments, FHA/HUD-insured loans, GSE conventional MBS and PC securities, and structured securitization across GNMA MBS and private-label conduit investments. With almost 20 years of experience, he has successfully directly negotiated and closed/invested in over \$3B of fund debt capital with the industry's top lenders in affordable/workforce agency multifamily origination. As a portfolio manager, he has invaluable experience managing fixed income and debt investments through multiple interest rate and capital market cycles. And as an executive of a mutual fund, he has direct experience marketing and raising capital from accredited institutional investors.

Michael holds the CFA Institute's Chartered Financial Analyst ("CFA") designation and is a Certified Financial Risk Manager ("FRM"). The FRM designation is the most widely respected and globally recognized certification for financial risk management.

Michael received a dual degree in both Economics and Finance from University of Kentucky, where he graduated magna cum laude.

Drake Ayres is a Managing Director for SIH responsible for Structured Credit Strategies. Prior to joining SIH, Drake was a Vice President for Sabal Financial Group responsible for the portfolio acquisitions and management of over \$5B in commercial debt located across the United States. In this role, he provided loan acquisition, structure and modeling in excess of \$65B worth of commercial assets, headed \$1.2B in CMBS and bank financings, and supported the portfolio management platform, reporting directly to the Chief Investment Officer and Chief Executive Officer. In addition, Drake provided analytical support to Sabal's Commercial Advisory platform, which provided underwriting, re-underwriting, surveillance, and modeling services for clients in the banking industry.

Drake received a Bachelors in Business Administration in Economics from the Terry College of Business, University of Georgia.

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Tal Seder is a Managing Director for SIH responsible for Opportunistic/Alternative investments. Prior to joining SIH, Tal co-founded MLN Partners (“MLN”) and developed MLN’s original business plan. He was responsible for developing, implementing, and overseeing MLN’s acquisition and asset management strategies. MLN is a private investment firm focused on acquiring, re-positioning and developing real estate nationally alongside leading local operating partners. MLN’s investment focus included investments in real estate technology companies.

Prior to MLN, Tal was a Managing Director at Lone Star Funds (“LS”), spending five years in its London and New York offices. Tal joined Lone Star Funds as one of the first members of LS’s dedicated commercial real estate team. Tal’s responsibilities included sourcing, structuring and executing deals across a spectrum of product types and geographies, including the United States and Europe. Tal began his career at the J.E. Robert Companies in Washington D.C. and London. Tal has led the acquisitions of over \$20 billion of real estate assets, loans and companies. Tal has advised or served on the boards of AvantStay, Up&Up, Milwaukee Valve Company, Jurs Inn, Amaris Hospitality and Atlas Hotels.

Tal received his undergraduate degree from Georgetown University having double majored in Finance and Accounting, which included business studies at Trinity College at Oxford University. Tal holds an MBA from the Wharton School of Business at the University of Pennsylvania.

Mike L. Wilhelms is the Chief Financial Officer of Sabal. Mike is responsible for providing strategic leadership in all aspects of the organization’s financial operations. He has more than 25 years of experience in corporate finance, company operations and accounting.

Mike joined the company following his most recent roles with Crescent Capital Group LP (CCG), an alternative asset management and SEC-registered investment advisory firm with \$25 billion in assets under management. There he served as chief financial officer for Crescent Capital Group’s first public fund, Crescent Capital BDC, Inc. (CBDC), and its NASDAQ listed company, Crescent Acquisition Corp. (CRSA). Previously, Mike was CFO for Triad Financial Corporation, a multi-channel consumer finance provider with a \$5 billion servicing portfolio and annual originations of \$2 billion. As CFO, he was responsible for establishing numerous warehouse lines of credit with many of the leading Wall Street banks and executed over \$11 billion in securitizations. Mike also previously held the CFO role at online fashion retailer REVOLVE Clothing, and served as executive vice president, CFO, COO and eventually president and CEO of CorrectiveSolutions (CS), a provider of outsourced educational diversion programs for district attorneys across the country.

Mike started his career at KPMG in the assurance practice, specializing in financial services. Mike became a California Certified Public Accountant in 1995 with inactive status starting in 2013. Mike received his BA in Business Economics with a concentration in Accounting from the University of California Santa Barbara.

Messrs. Jackson, Cook, Ayres, Seder, and Wilhelms (collectively, the “Senior Executives”) are each uniquely qualified in CRE lending and debt acquisition financing, with an aggregate of over 75 years of experience in the real estate debt asset class. Mr. Jackson holds an indirect minority interest in Sabal Capital Holding Company, LLC.

The Adviser’s total assets under management is \$2,482,553,810 as of December 31, 2022.

Item 5 - Fees and Compensation**A. Types of Fees**

Under each Adviser’s investment management agreement with the Fund, the Adviser will receive an annual management fee (the “Management Fee”) equal to a percentage of the account balance of each Fund investor. Each Adviser, in its discretion, may waive or reduce the Management Fee as to all or any of the investors in the Fund or agree with an investor to waive or alter the Management Fee as to that investor.

SIA and SIH are each “fee only” investment advisers, and other than their respective Management Fees described below, the Adviser nor its principals receive or accept any direct or indirect compensation related to

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investments that are purchased or sold for the Funds. This means that the Funds will not be sold products or services that create additional fees or compensation to benefit its Adviser, its principals, or its affiliates other than those described in this Brochure. However, in addition to Management Fees, the Funds may also pay other fees or expenses to affiliated third parties. For additional information on the conflicts of interest involved in retention of the Adviser's affiliates, please see Item 10 below.

B. Management Fees

SDOF I

As compensation for investment advisory services rendered to SDOF I, SIA is entitled to an annual Management Fee payable quarterly in advance based on (i) a percentage of committed capital commencing on the date of the initial closing and (ii) a percentage of the remaining aggregate capital contributions made by limited partner investors with respect to all investments owned by the Fund.

SDOF II

As compensation for investment advisory services rendered to SDOF II, together with its investments in the REIT, SIH is entitled to an annual Management Fee payable quarterly in advance based on (i) a percentage of committed capital commencing on the date of the initial closing and (ii) a percentage of the remaining aggregate capital contributions made by limited partner investors with respect to all investments owned by the Fund.

SSO Fund

As compensation for investment advisory services rendered to the SSO Fund, SIH is entitled to an annual Management Fee payable quarterly in advance based on (i) a percentage of committed capital commencing on the date of the initial closing and (ii) a percentage of the remaining aggregate capital contributions made by limited partner investors with respect to all investments owned by the Fund.

SDOF III

As compensation for investment advisory services rendered to SDOF III, SIH is entitled to an annual Management Fee payable quarterly in advance based on (i) a percentage of the committed capital commencing on the date of the initial closing and (ii) a percentage of the remaining aggregate capital contributions made by limited partner investors with respect to all investments owned by the Fund.

Managed Accounts

As compensation for investment advisory services rendered to the Managed Accounts, SIH is entitled to an periodic Management Fee payable quarterly in advance based on a percentage of the aggregate invested capital ("Aggregate Invested Capital") contributions of the General Partner and limited partner investor (the "Partners") applicable to all investments except (i) co-investments with SDOF II or (ii) investments that are within SDOF II's allocated portion of opportunistic investments.

The Management Fee will be paid directly by the Funds and will indirectly be borne by the Fund's investors. The Adviser, in its sole discretion, may waive or reduce the Management Fee as to all or any of the investors in their respective Funds or agree with an investor to waive or alter the Management Fee as to that investor.

C. Carried Interest

In addition to the Management Fee, each Fund will pay an incentive distribution to the Adviser's affiliates serving as General Partner based on a percentage of all Fund assets in excess of capital contributions equal to limited partner contributed capital plus a preferred return, as described in greater detail in Item 6 below.

With respect to Managed Accounts, 100% of distribution of proceeds will first be apportioned to the limited partner investor based on its aggregate capital contributions to all investments. Thereafter, the General Partner is entitled to an incentive distribution based on a percentage of the applicable Managed Account assets

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exclusive of (i) co-investments with the limited partner in Fund II and (ii) any investments that are within Fund II's permitted allocations to opportunistic investments.

Current and prospective investors should refer to the applicable Fund's Governing Documents for specific incentive fee structures.

D. Payment Method

Each Fund's Management Fee typically will be paid quarterly in advance by deducting from the assets held in the Fund's account on the initial closing date and on the first day of the calendar quarter thereafter.

If either Adviser does not provide services for the full period in respect of which such Management Fees are paid, the Adviser will return a pro rata portion of such Management Fees calculated based on the number of days remaining in the applicable period.

E. Other Fees and Expenses

Adviser Expenses

Unless otherwise set forth in the Fund's Organizational Documents, the Adviser will directly bear expenses that relate to providing the investment advisory services, including (i) office overhead (i.e., technology, research, rent, furniture, fixtures and office equipment) allocable to the investment management services of the Advisers; (ii) compliance and regulatory costs to the extent not directly incurred as a consequence of forming, operating and managing a fund or any of their respective subsidiaries, and (iii) any other overhead expenses not attributable to the formation, ownership, operation and management of a fund, its respective subsidiaries and /or its investments.

Fund Operational Expenses

In addition to the Management Fee, a Fund generally bears all its operating expenses, including legal, organizational, offering expenses and other expenses, and each investor bears its pro-rata portion of these expenses. A Fund's organizational expenses may include the out-of-pocket expenses of the Adviser, the General Partner and/or their affiliates incurred in the formation of the Fund, which are typically subject to a cap. The ongoing operating expenses of a Fund are set forth in the applicable Governing Documents, and generally include, but may not be limited to, costs, fees and other out-of-pocket expenses related to: (i) all costs, fees and expenses of the General Partner related to the investigation, purchase, financing, refinancing, managing, sale, preservation or retention of assets by the Fund or the REIT (including all fees, research expenses, travel costs, placement fees, all fees and expenses relating to the sale of such assets and all transfer taxes); (ii) all federal, state and local taxes and filing fees payable by the Fund or the REIT (but not including taxes attributable to particular Limited Partners); (iii) all costs, fees and expenses relating to accountings and the preparation and mailing of financial, tax and performance reports, including the allocable share of the costs, fees and expenses relating to internal accounting and tax preparation functions should the General Partner determine not to use third-party providers for such services; (iv) all fees and disbursements of the General Partner's attorneys, accountants and consultants; (v) all filing and recording fees; (vi) all interest expenses of the Fund or the REIT; (vii) any indemnification expenses of the Fund or the REIT; (viii) all fees and expenses of a Fund's "partnership representative" any liquidation expenses, insurance and litigation expenses and brokerage expenses; and (ix) any other fees or expenses of the General Partner, a Fund or its affiliates which are reasonably incurred in connection with the operation of business and maintenance of a Fund. The above list is not intended to be exhaustive; prospective investors in a Fund are advised to review the Fund's Governing Documents for an additional description of the fees and expenses associated with investments in such Fund. By investing in a Fund, a limited partner is agreeing to the payment of all the foregoing fees as set forth in such Fund's Governing Documents.

To the extent that such expenses are incurred for the benefit of more than one Fund, the Adviser and/or the General Partner, as applicable and subject to the Fund's Governing Documents, will make a good faith allocation of such expenses among the Funds. Certain Fund specific expenses (i.e., organizational expenses) may

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be paid by the Adviser and later reimbursed by the Fund based on the appropriate allocation methodology described below under “Allocation of Expenses Among Clients.”

Special Loan Servicing Expenses

In connection with each Fund’s investment in B-Piece Certificates, the Fund may elect, at its sole discretion, to purchase loans underlying the B-Piece Certificate with respect to a securitization pool to the extent such loans are nonperforming, for the sole purpose of restructuring or otherwise working out the loan. Under these circumstances, the Fund will bear the expenses, including special servicer and other fees in connection with restructuring such loans.

Property-Related Expenses

A Fund’s General Partner may engage a third party as property manager (“Property Manager”) to provide property management, leasing services, alterations, repairs and maintenance, and construction and development management of portfolio investments (collectively, “Property-Related Expenses”). Under these circumstances the Fund, its subsidiary companies, or portfolio investment will pay such third-party directly. Unless otherwise agreed to with the Fund, any Property-Related Expenses payable to a third-party Property Manager by the Fund will be borne by the Fund and/or its subsidiary companies and will not reduce the Management Fees. Other costs, both payroll and non-payroll, related to providing property management, leasing services and/or construction and development management will be borne by the Fund owning the prospective property and/or portfolio investment as provided for in the property management agreement and the Fund’s Governing Documents. The Fund’s General Partner may select an affiliate or third party to perform such services and such fees and expenses are borne by the Fund. Any such fees are in addition to the property related fees and are not subject to Management Fee reduction under the terms of the Fund’s Governing Documents.

Alternative Investment Vehicles

The Fund’s General Partners have created certain Alternative Investment Vehicles structured as limited liability companies and limited partnerships in furtherance of each Fund’s stated investment objectives and strategy: (i) the purchase of newly originated whole loans secured by senior positions on partially or nearly stabilized or transitional commercial real estate (“CRE”) assets and (ii) joint ventures for the purposes of owning and developing a specific commercial real estate property investment.

From time to time, the Fund’s General Partner may create additional Alternative Investment Vehicles or similar structuring vehicles for the purposes of advancing the Fund’s investment objectives and strategy and/or to accommodate certain tax, legal and regulatory considerations of investors. In the event the General Partner creates an Alternative Investment Vehicle, consistent with the Fund’s Governing Documents, the Alternative Investment Vehicle, and indirectly the investors thereof, will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the Alternative Investment Vehicle.

Co-Investment Vehicles or Parallel Funds

A Fund’s General Partner may create co-investment vehicles, or other similar vehicles established to facilitate the investment by investors to invest alongside the Fund in connection with the consummation of certain transactions. In the event a co-investment vehicle is created, the investors in such co-investment vehicle will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the co-investment vehicle. In addition, the co-investment vehicle will generally bear its pro-rata share of expenses incurred in the making of the investment. Prior to making an investment, the Fund will typically incur expenses to conduct the appropriate due diligence related to such investment opportunity, which may include (among other things) legal fees, consultants, travel, meal and accommodations. Once the Adviser has determined that an investment opportunity will no longer be pursued, or if a transaction is not consummated, it is deemed to be a “broken” or “dead” deal (each, a “Broken Deal”). Expenses incurred in connection with a Broken Deal shall be charged to and paid by the Fund or clients (if applicable) that were expected to participate in such investment opportunity, in proportion to their expected participation (unless another third-party is contractually obligated to reimburse the Adviser or its affiliates for such amounts), except that in the absence of

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contractual provisions to the contrary, co-investors will not be allocated any expenses from a transaction (including Broken Deals) unless and until they are contractually required to invest in that transaction.

Feeder Funds

SDOF I's and the SSO Fund's General Partner have each created a feeder fund in the Cayman Islands (a "Feeder Fund") for the purposes of facilitating the participation of certain investors in the Funds. A Fund's General Partner may create Feeder Funds in the future for the purposes of facilitating the participation of certain investors in the Funds. Any costs associated with the formation of a Feeder Fund will be borne by the investors of such Feeder Fund.

Sales Compensation

The Adviser will not receive sales commissions in connection with sales of interests in a Fund.

F. Allocation of Expenses Among Funds

The Advisers may have a conflict of interest in determining whether certain costs and expenses incurred while operating the Funds should be paid by the applicable Funds, SIA, or SIH. While a Fund's Offering Memorandum typically identifies the costs and expenses to be paid by a Fund, questions of interpretation inevitably arise in connection with determining whether a certain cost or expense has, in fact, been so identified as well as whether newly-arising and/or unanticipated costs or expenses (including but not limited to costs and expenses arising from newly-imposed regulations and self-regulatory requirements) fit within the categories of costs and expenses described. The Adviser has adopted certain internal policies to mitigate these issues.

When expenses are incurred that benefit more than one Fund, the respective Adviser shall allocate such expenses in accordance with the relevant Fund's Governing Documents and, to the extent not addressed in Governing Documents or such agreement with a portfolio investment, then in the sole and absolute discretion of the Adviser, in each case considering such factors that it determines in its sole and absolute discretion to be relevant.

The appropriate allocation of expenses and fees generated by evaluating a Broken Deal, such as out-of-pocket fees associated with due diligence, attorney fees and the fees of other professionals, will be determined by the Adviser in its good faith discretion, consistent with the Fund's Governing Documents, as applicable. If participating Funds evaluate a potential investment that is not consummated, then the Advisers generally allocate fees and expenses generated by evaluating such investment among such Funds pro-rata based on the anticipated investment of each Fund, subject to the Fund's Governing Documents and any arrangements whereby a third-party is contractually obligated to reimburse an Adviser for such amounts. Such expenses typically are not allocated to co-investment vehicles unless and until the participating Funds are contractually required to invest in such portfolio investment. Subject to the Fund's Governing Documents, each Adviser will make any corrective allocations and take any mitigating steps if it determines such corrections are necessary or advisable. Notwithstanding the foregoing, the portion of an expense allocated to a Fund for a service may not reflect the relative benefit derived by the Fund from that service.

G. Managed Account Fees

The Adviser offers investment management services for securities portfolios of individuals, trusts, pension and profit-sharing funds and other institutions and are entitled to an advisory fee based on a percentage of assets under management, generally payable quarterly in advance for such services. The management fee and other expenses are negotiated on a case-by-case basis and will typically include legal, organizational, offering, and other expenses, as applicable. A Managed Account client may also incur certain operating expenses, which will be set forth in such client's Governing Documents. These fees will be exclusive of other fees that a client may bear, including brokerage commissions, transaction fees, custodian fees and other related costs and expenses. The Adviser shall not receive any portion of the commissions, other fees, or other costs other than as specified in the client's Governing Documents.

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In addition to the Management Fee, a Fund's General Partner may receive Carried Interest calculated as a percentage of such Fund's net profits. Carried Interest is only allocated to the Fund's General Partner when specific conditions are met, including a rate of return based on the weighted average of an investor's capital commitment to the Fund, or to a particular investment, including capital contributed for fees and expenses of the Fund or the investment, and the receipt by the investors of a preferred rate of return on such amounts. Carried Interest paid by a Fund is indirectly borne by the investors in such Fund.

Each Fund's Offering Memorandum provides more detailed information regarding Carried Interest. Certain Fund investors may incur lower Carried Interest. The Carried Interest arrangement with respect to each Fund is detailed in the applicable Governing Documents of such Fund and disclosed to each investor prior to an investment in such Fund. Managed Account clients that are also Fund investors and/or participate in co-investments opportunities typically do not incur Carried Interest expenses. Current and prospective investors should refer to the applicable Fund's Governing Documents for complete information on the Carried Interest provisions.

Side-by-Side Management

Although the Adviser will generally be investing for a single Fund with a particular strategy at any given time, there may be times where Funds with different strategies have overlapping investment periods. In addition, in certain cases, parallel, co-investment or other fund vehicles related to a primary fund may have variations in compensation structures. In addition, subject to any limitations set forth in the Governing Documents, a Managed Account with the same or similar investment strategy may be actively investing at the same time.

Payments by some, but not all clients of Carried Interest or the payment of Carried Interest at varying rates (including varying effective rates based on the past performance of a client) creates an incentive for the Advisers to disproportionately allocate time, services or functions to clients paying Carried Interest or clients paying Carried Interest at a higher rate or allocating investment opportunities to such clients. With respect to the Funds, except as may be otherwise set forth in a Fund's Governing Documents, this conflict is generally mitigated because the Adviser typically only makes new investments from a single Fund and does not offer a successor Fund until the predecessor fund is at least 75% invested. A follow-on investment in a portfolio investment or joint venture is generally reserved to the Fund that originally invested in the portfolio investment or joint venture subject to the guidelines and restrictions of the applicable Fund's Governing Documents. In addition, a Fund's General Partner may have an incentive to recommend investments which may be riskier or more speculative than those which would be recommended under a different compensation arrangement. The size of such General Partner's commitment, the "total return" nature of each Fund's distribution waterfall and the General Partner's "claw-back" obligation should tend to reduce this incentive. Please refer to Item 10 for additional information on potential conflicts of interest.

Item 7 - Types of Clients

The Adviser provides investment advisory services to the Funds, which are pooled private real estate investment vehicles typically structured as limited partnerships exempt from registration as investment companies under the Investment Company Act of 1940, as amended (the "Investment Company Act"), by virtue of Section 3(c)(7) thereof, and whose securities are not registered under the Securities Act of 1933, as amended (the "1933 Act"). In addition to the Funds, the Adviser provides investment advice to institutional clients through Managed Accounts.

Investors in the Funds generally must be "accredited investors" under Regulation D of the 1933 Act ("Regulation D") who are also "qualified purchasers" within the meaning of Section 2(a)(51) of the Investment Company Act. Common shares of the Feeder Funds are offered to United States investors consisting primarily of tax-exempt entities, which are "accredited investors" under Regulation D and Qualified Purchasers under the

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Investment Company Act. Common shares of the Feeder Funds are not offered to members of the public in the Cayman Islands.

Investors in a Fund must understand that each Fund was formed as a limited partnership to be managed by the Adviser with its affiliates acting as General Partner. The Adviser does not intend any Fund to terminate its investment relationship with the Adviser absent the Adviser's liquidation or bankruptcy. However, the Adviser has a fiduciary duty to act in the best interest of the Fund that it manages, and investors in each Fund have a limited right to withdraw from the Fund at any time subject to any notice requirement, lock-up period or other withdrawal limitations described in the applicable Fund's Governing Documents. The Funds' General Partners have from time to time entered into a side letter agreement with one or more investors in a Fund which have, among other terms, provide for (i) rights or benefits that are more favorable than those granted to all other Fund investors, (ii) a reduced Management Fee and/or incentive fee, or (iii) greater or more frequent transparency with respect to the Fund.

SDOF I

An investment in the Fund required an initial minimum capital contribution of at least \$5 million and minimum account balance of \$5 million in the Fund for the duration of the commitment period.

SDOF II, SDOF III and SSO Fund

An investment in the Funds requires an initial minimum capital contribution of at least \$10 million and a minimum account balance of \$10 million in the Fund for the duration of the commitment period.

Managed Accounts

Investors must meet certain minimum financial requirements to qualify for a Managed Account. Admission to participate as a limited partner investor in a Managed Account managed by the Adviser is not open to the public. The Adviser does not have a minimum size requirement for its Managed Account investors. A minimum investment commitment amount may be established for investors and will be set forth in the Managed Account's Governing Documents; however, the General Partner of such Managed Account may in its sole discretion permit investments below the minimum investment commitment amount.

The Adviser has sole discretion to waive the minimum contributions and investor requirements.

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

A. Method of Analysis

Investments in each Fund are identified and selected separately by each Fund's Adviser pursuant to each Fund's Governing Documents. To meet the Funds' investment objectives, the Adviser leverages its established expertise in commercial real estate lending to opportunistically invest in debt instruments (and/or the securities derived therefrom). In addition, the Adviser leverages SCH Trading's Agency CMBS Program expertise to provide (i) deal structuring recommendations on a Fund's initial investments and (ii) facilitate the eventual securitization of such investments wherein a Fund could purchase the B-Piece Certificates.

Each Adviser has an Investment Committee ("IC"), which has primary responsibility for assessing loan quality and monitoring portfolio risk. In making an investment recommendation to the Funds, the IC leverages its expertise in evaluating the non-agency loan origination process for the loans underlying the securitizations that generate B-Piece certificates in which the Funds could invest. The key strategic factors under review by the IC include confirmation of underwriting standards, review of market risk and concentration, geographic concentration, confirmation of investment compliance with the Fund's investment guidelines, and overall risk assessment of warranted risk/return for the Fund. Once the investment is made, the IC regularly monitors each investment and monitors updates to loan-level underwriting and proprietary scenario analyses modeling to assess default risk and to employ early loss mitigation strategies.

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The Adviser may use commercially available information services and financial publications dealing with investment research, securities laws, and taxation. Such information may be obtainable in print, via the internet or by some other means. Issuer-prepared materials (particularly loan origination guidelines), private placement due diligence materials, and research releases prepared by third parties are also utilized. The Adviser may also obtain information by meeting with an issuer's management, customers, or competitors, attending industry conferences and consulting with experts in the appropriate field.

B. Investment Strategies

The Funds seek capital appreciation and income predominantly through investments in loans or debt securities collateralized by senior secured commercial real estate ("CRE") loans. These include, but are not limited to:

1. B-Piece investments in Freddie Mac securitizations of pools of Freddie Mac multifamily mortgage loans;
2. B-Piece investments in CRE small balance loan securitizations and equivalents of pools of non-Freddie Mac CRE small balance mortgage loans;
3. B-Piece investments in Freddie Mac small balance, third-party originated securitizations;
4. Value add/transitional senior secured lending investment opportunities in CRE assets originated by third party CRE lending platforms;
5. Special situation investments in low duration or non-performing debt and equity small balance loans;
6. Structured credit investments in subordinate certificates of agency and non-agency backed structured credits;
7. Whole loans and bulk loans of assets from third-party sellers;
8. Special situation debt and equity opportunities, including value-add loans, mezzanine, and other whole loans, non-performing or distressed commercial real estate debt;
9. Managed Accounts seeking to generate current income and capital appreciation through an abroad investment strategy in commercial real estate debt and equity investments;
10. Sponsor and aggregate distressed, dislocated or newly originated commercial real estate loans for possible securitizations; and
11. Utilize SCH Trading to source securities and facilitate the securitization of warehoused securities in connection with the Fund's Agency CMBS ("ACMBS") Program.

The Adviser intends to manage each Fund pursuant to the investment strategy described in each Fund's Governing Documents. Pursuant to each Fund's investment management agreement, the Adviser has wide latitude to act upon any investment strategy or to change any investment strategy in furtherance of the Fund's investment objectives, subject to certain limitations set forth in each Fund's Governing Documents.

Investment in securities involves risk of loss that investors in a Fund must be prepared to bear. Investors should refer to the applicable Governing Documents for a complete understanding of the material risks involved in an investment in the Funds. The information contained herein is a summary only and is qualified in its entirety by such documents.

C. Investment Strategy Risk

Acquiring interests in a Fund is intended for sophisticated investors who can accept a high degree of risk in their portfolio, do not need regular current income from their investment with the Adviser and can accept a potential loss of their entire investment. Investment risks specific to the investment strategy of each Fund are described in each Fund's Offering Memorandum. The Offering Memorandum should be reviewed carefully prior

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to making an investment. Such risks may include, but are not limited to:

Dependence on SCH Trading. There can be no assurance that the Adviser will be able to source investment opportunities or effectively capitalize on inefficiencies in the markets. If SCH Trading is unable to effectively identify and capitalize on such inefficiencies in the markets, the Funds will be unable to achieve their investment objective without seeking other sourcing strategies.

Dependence on Key Personnel. The success of the Funds depends in substantial part on the experience and expertise of the Adviser and its Senior Executives. There can be no assurance that any individual will continue to be employed by the Adviser throughout the term of the Funds. The loss of key personnel could have a material adverse effect on the Funds.

Dependence on third parties unaffiliated with the Adviser. The Funds' investment strategy is dependent on the Adviser's ability to purchase securities backed by CRE assets which may include debt and debt security instruments from loans originated by third parties unaffiliated with the Adviser. Consequently, if the Adviser (and the General Partners) are unable to purchase such securities from third-party originators, the Funds may not be able to achieve their investment objectives.

Limitations on Exit Strategies. The Funds' investments in commercial debt instruments will be subject to the risk that the Adviser (and the General Partners) will be unable to implement their exit strategy in the open market at an attractive price before the end of the term of the Funds. Consequently, there can be no assurance that the Funds will achieve their investment objectives because the Funds may need to sell such investments at an additional discount or may need to extend the term of a Fund.

Risks of Prepayments and Sales of Mortgage Loans. The Funds may invest in commercial mortgage-backed securities ("CMBS"). Prepayments of mortgage loans that underlie CMBS and the results of any hedging arrangements entered into with respect to CMBS are susceptible to capital losses due to: (i) principal that is not fully amortized at the time of payment; and (ii) lower yields in the case of interest only loans. Generally, the values of CMBS have an inverse relationship to interest rates. Like other interest-bearing securities, the values of CMBS generally fall when interest rates rise, and when interest rates fall, their potential for capital appreciation is limited due to the existence of the prepayment feature and the extent of any restrictions thereto. The rate of prepayments may accelerate due to several factors, including, without limitation, declining interest rates, economic vitality of the area in which the related properties are located, loanservicing, possible changes in tax laws, other opportunities for investment, the occurrence of casualties or natural disasters, and other economic, social, geographic, demographic and legal factors.

D. Investment Related Risks

The Funds invest primarily in commercial mortgage loans and CMBS and/or interests in other pools of commercial mortgage loans, including REITs and real estate mortgage investment conduits ("REMICs"). Risks specific to this type of investment may include, but are not limited to:

Failure to Meet Targeted Return. The Funds will make investments based upon the Adviser's projections of internal rates of return, which, in turn, will be based upon projections of future growth rates and interest rates of the Fund's investments and the applicable market, all of which are inherently uncertain. The actual performance of a Fund's investments will likely differ from the projections of the Adviser and may differ materially.

General Economic and Market Conditions. The success of a Fund's activities will be affected by general economic and market conditions, including but not limited to, interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, disruptions in the global debt markets, changes in laws (including laws relating to taxation of a Fund's investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may adversely affect a Fund's ability to source attractive investment opportunities, the pricing of such investment opportunities, the value of investments held by a Fund and the Fund's ability to exit or monetize its investments.

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A Fund's investments will be materially affected by conditions in the mortgage market, the commercial real estate markets and the financial markets and the economy generally. Delinquencies and losses with respect to commercial real estate loans generally have increased in recent years and may continue to increase. Although the Fund's investments may be acquired at favorable prices that already reflect these circumstances, a deterioration of the mortgage or real estate markets or the financial markets or the economy in general may nonetheless cause the Fund to experience losses related to its investments in real estate loans, CMBS investments and other real estate related assets.

Epidemics, Pandemics, Outbreaks of Disease and Public Health Issues. The Adviser's business activities and those of the Funds and its operations and investments could be adversely affected by outbreaks of disease, epidemics, pandemics and global public health issues, such as COVID-19 (and other coronaviruses), or other public health issues. A significant disruption in the real estate market may prevent the Adviser from executing on its investment strategy. A recurrence of an outbreak of any kind of epidemic, pandemic, communicable disease, virus or major public health issue could cause a slowdown in the levels of economic activity generally (or push the world or local economies into recession), which would be reasonably likely to adversely affect the business, financial condition and operations of the Adviser, its affiliates and the Funds.

Developments in Financial Markets and Government Intervention. In the past several years, market uncertainty and adverse market conditions in U.S. and other markets have increased dramatically. The financial markets continue to be subject to pervasive and fundamental disruptions and instability, including in the wake of the ongoing crisis of confidence over the ability of certain European countries to service their sovereign debt uncertainty over the future of the Euro, and the impact of a global pandemic on the financial markets ability to operate efficiently. Extensive governmental and regulatory intervention is likely to continue.

Concentration of Investments. A Fund's portfolio of investments may be concentrated in a few relatively large investments and any single loss may have a significant adverse impact on the Fund's overall returns. In addition, a Fund's investments are not required to be diversified by industry, geographical region, or type of security.

Equity Securities. A Fund may invest in preferred equity and equity-related securities, including in connection with a secured debt investment, because of a reorganization or because of loan foreclosure or foreclosure on the collateral securing such loans. Equity securities in general fluctuate in value in response to many factors. As a result, the Fund may suffer losses if it invests in equity instruments of issuers whose performance diverges from the Adviser's expectations or if equity markets generally move in a single direction.

Debt Securities. The Funds primarily invest in B-Piece Certificates and other debt instruments. B-Piece Certificates are subject to credit risk, price volatility, and market risk. With bonds and other fixed-income securities, a rise in interest rates typically causes a fall in values, while a fall in interest rates typically causes a rise in values. The risk of B-Piece Certificates and other debt instruments varies significantly depending upon factors such as the issuer and maturity.

Credit Risk Retention Requirements. The Funds primarily invest in the most subordinate classes of securities in the capital structure of a CMBS pool and other types of securitizations and are the first classes to incur losses when the pool has insufficient funds to pay all contractual interest or principal due on its securities. Current credit risk retention requirements generally require at least one of the sponsors (or any of their majority-owned affiliates) in a securitization to retain a minimum economic interest in the pool for a minimum holding period. Practices may develop in the securitization markets that require the Funds to invest more capital in individual CMBS transactions and in more senior portions of the capital structure than may be desired. Also, the minimum holding period requirement may require that the Funds hold its B-piece investments for longer periods than desired. Any of the foregoing requirements may materially adversely affect a Fund's investment strategy and returns.

If a Fund is a sponsor of a securitization, it will either be responsible for satisfying the credit risk retention requirement or ensuring that another sponsor or a third-party investor satisfies such requirement. In certain cases, it may also be contractually obligated to retain a portion of the issued securities as part of another sponsor's compliance with the credit risk retention requirements.

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It is possible that over time, the credit risk retention requirements may affect the commercial real estate markets generally, including by reducing the amount of credit for commercial real estate transactions historically provided by CMBS. A contraction or reduced liquidity in the commercial real estate market could reduce opportunities for a CMBS Issuer to sell defaulted mortgage loans or real estate owned, which in turn could negatively impact the return on the CMBS and reduce the market value or liquidity of such CMBS. Any of these could have a material adverse effect on the Fund.

Risks of Repurchase Claims against Securitization Sponsors. Sponsors with respect to securitizations of commercial mortgage loans are typically required to make certain representations and warranties with respect to the mortgage loans that it sells to the securitization trust and are typically obligated to repurchase a sold mortgage loan if there is a material breach of a representation or warranty or if there is a material defect with respect to specified documents in the related mortgage file. Such sponsors are also obligated under the Exchange Act to periodically report their repurchase claims histories. If a Fund is a sponsor of a securitization, it will likely be subject to such repurchase liability, which may be substantial. In addition, if an affiliate of the Fund is a sponsor of a securitization, the Fund may serve as guarantor of the affiliate's repurchase obligations and consequently be subject to similar repurchase liability.

Subordination and Dilution. The Funds primarily invest in B-Piece Certificates of CMBS and other subordinate instruments of collateralized pools. There can be no assurance that the proceeds of any sale of collateral or other realization on collateral will be adequate to repay a Fund's investment in full, or at all after the repayment of senior securities in the CMBS. In addition, B-Piece Certificates generally receive interest distributions only after the interest distributions then due to more senior classes have been paid. As a result, investors in B-Piece Certificates will generally bear the effects of losses and shortfalls on the underlying commercial mortgage loans and unreimbursed expenses of the securitization vehicle before the holders of other classes of CMBS with a higher payment priority, with the concomitant potential for a higher risk of loss for such B-Piece Certificates. In addition, the prioritization of payments of principal to senior classes may cause the repayment of principal of such B-Piece Certificates to be delayed and/or reduced. Generally, all principal payments received on the mortgage loans will be first allocated to more senior classes of CMBS, in each case, until their respective principal balances are reduced to zero, before principal is allocated to the B-Piece Certificates. Therefore, B-Piece Certificates may not receive any principal for a substantial period. In addition, generally B-Piece Certificates will be subject to the allocation of "appraisal reductions" which will restrict their ability to receive any advances of interest that might otherwise be made by the related servicer.

To the extent that B-Piece Certificates represent a small percentage of the CMBS issued in relation to the underlying collateral, a small loss in the value of such collateral may result in a substantial loss for the holders of such B-Piece Certificates and may impact the performance of a Fund.

Risks of Investments in Debt Investments Secured by Real Estate. The Funds invest in debt investments secured by real estate. Special risks associated with such investments include change in the general economic climate or local conditions (such as an oversupply of space or a reduction in demand for space), competition based on rental rates, attractiveness and location of the properties, changes in the financial condition of tenants and changes in operating costs. Real estate values are also affected by such factors as governmental regulations (including those governing usage, improvements, zoning, and taxes), interest rate levels, the availability of financing and potential liability under changing environmental and other laws. Environmental risks may give rise to a diminution in the value of property (including real property securing any portfolio investment) or liability for cleanup costs or other remedial actions, which liability could exceed the value of such property or the principal balance of the related portfolio investment. In certain circumstances, a lender may choose not to foreclose on contaminated property rather than risk incurring liability for remedial actions. In addition, certain environmental laws also impose liability in connection with the handling of or exposure to toxic substances, pursuant to which third parties may seek recovery from owners of real properties for personal injuries associated with exposure to toxic substances. If a Fund becomes subject to significant environmental liabilities, the Fund's value could be materially and adversely effected.

Risks of Investments in Commercial Mortgage Loans, CMBS and Other Pools of Commercial Mortgage Loans. Most of the Funds' investments are expected to be allocated to commercial mortgage loans

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and CMBS and/or interests in other pools of commercial mortgage loans. CMBS and other pools of commercial mortgage loans in which the Funds invest are subject to all of the risks of the respective underlying commercial mortgage loans, including a greater risk of loss to the lender due to the size of loan attributable to a single borrower or groups of related borrowers, and the ability of the related real estate project to (i) generate income sufficient to pay debt service, operating expenses and leasing commissions and to make necessary repairs, tenant improvements and capital improvements, and (ii) in the case of commercial loans that do not fully amortize over their terms, retain sufficient value to permit the borrower to pay off the loan at maturity through a sale or refinancing of the mortgaged property.

Investments in CMBS and other pools of commercial mortgage loans are susceptible to the risk of the underlying borrower's ability to repay the loan. The borrower's ability to repay commercial mortgage loans typically depends upon the successful operation and/or, if applicable, construction or rehabilitation, of the related real estate project and the availability of financing. Several factors can affect the ability of the project to generate sufficient cash flow and can have a material adverse effect on the value of such loans. In addition, commercial properties often involve a single user or tenant or relatively few tenants. Commercial property specifications tailored to the requirements of users or tenants may result in a property that is difficult, costly and time consuming to liquidate or attract new tenants.

Some mortgaged properties securing commercial mortgage loans may not be readily convertible (or convertible at all) to alternative uses if those properties were to become unprofitable for any reason. Converting commercial properties to alternate uses generally requires substantial capital expenditures and in the case of designated historical sites, may require certain governmental approvals. The liquidation value of any mortgaged property can be substantially less than would be the case if the property were readily adaptable to other uses.

The CMBS pools may include a substantial amount of U.S. commercial mortgage loans with balloon payments that will come due over the next few years. Certain of such mortgage loans may have balloon payments more than their current property values. The foregoing factors may result in an increased rate of maturity defaults on commercial mortgage loans underlying CMBS which include such mortgage loans.

In addition, some of the underlying mortgage loans are secured in whole or in part by mortgaged properties for which limited, or no historical operating information is available. As a result, it may be difficult for the Fund, as an investor in CMBS, to analyze the historical performance of those mortgaged properties underlying the CMBS.

General Real Estate Risks. The value of real estate fluctuates depending on conditions in both the general U.S. and local economy and the real estate business. The factors that affect the value of real estate investments include, among other things: national, regional and local economic conditions; the condition of financial markets; developments or trends in a particular industry; competition from other available space; local conditions such as an oversupply of space or a reduction in demand for real estate in the area and, in the case of retail properties, the ongoing consolidation in the retail sector and increasing consumer purchases through the Internet; management of properties; the development and/or redevelopment of properties; changes in market rental and occupancy rates; the timing and costs associated with property improvements and rentals; changes in operating expenses; the financial condition of tenants; availability of obtaining financing on acceptable terms; fluctuations in interest rates; changes in zoning laws and taxation; government regulation; potential liability under environmental or other laws or regulations; and acts of God, terrorist attacks, social unrest and civil disturbances. The value of a Fund's investments in debt secured by real estate may decline because of adverse changes in any of these factors. In addition, adverse changes in the real estate market increase the probability of default, as the equity in the underlying property declines.

Investing in real estate-related instruments is subject to cyclicalities and other uncertainties. There can be no assurance as to a Fund's performance in a weaker market or weakened economy. The cyclicalities and leverage associated with real estate-related investments have historically resulted in periods, including significant periods, of adverse performance, including performance that may be materially more adverse than the performance associated with other investments.

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Concentration. The Funds' concentration of investments in the real estate industry, loans secured by property types, and/or geography may increase the volatility of a Fund's returns and will increase a Fund's exposure to the risk of downturns to a greater extent than if its portfolio were diversified across other sectors, other types of debt securitizations, and geography.

General Risks of Debt Investments. The Funds are expected to acquire performing, sub-performing and/or non-performing debt interests, and may acquire debt interests that become sub-performing or non-performing in the future. In addition to the risks of borrower default, the collateral may be mismanaged or otherwise may have declined in value and/or may in the future decline or further decline in value. Investments in debt are subject to the risk that, upon maturity of the real estate loans, replacement "takeout" financing will not be available. This is a significant risk for the Funds because depending upon the level of volatility of the U.S. credit markets, it may prove difficult for borrowers to refinance loans during the term of the Funds. In addition, the Funds may be exposed to additional risk arising from borrowers seeking bankruptcy protection against enforcement of foreclosure, and/or bringing claims for lender liability in response to actions to enforce loan obligations. Lender liability claims against a CMBS issuer or service provider may result in losses or shortfalls on the related CMBS. Often the exercise of remedies will not be led or controlled by the Fund but may be led or controlled by a holder of a different class of securities which may conflict with the interests of the Fund. As a lender, the Fund may also be subject to penalties for violations of state usury limitations, which may result in penalties assessed against the Fund or other liability to the Fund.

A Fund's investments in loans may involve workout negotiations, restructuring, the possibility of foreclosure and/or a discounted payoff. The Funds' investments may be exposed to risks of a substantial reduction in the interest rate and/or a substantial write-down of the principal of such loans, each of which may also have adverse tax consequences. A Fund may be unable to collect on guarantees and/or recover deficiencies from foreclosed borrowers or may be otherwise restricted from obtaining a deficiency judgement or enforcing a personal guaranty, which could have a material adverse effect on the Fund's anticipated return on certain loans.

In addition, a Fund, in connection with its investments in B-Piece Certificates, may elect to purchase non-performing loans underlying such B-Piece Certificates solely for purposes of restructuring or otherwise working out the loan. In such cases, the Funds will hold the loans directly, consequently, any risks associated with holding loans directly will be imputed to the Fund.

Any of the foregoing risks could materially adversely affect the return on a Fund's investments and could cause the loss of all or part of Limited Partners' investments in a Fund.

Risks of Repurchase Agreements. A Fund may enter into repurchase agreements, which involve either (i) the sale of any investment by the Fund to a financial institution and the Fund's agreement to repurchase the investment at a specified time and price (thereby financing the Fund's acquisition of such investment) or (ii) the purchase by the Fund of an investment with an agreement to resell it to the seller at a specified time and price.

If the counterparty to a repurchase agreement to whom a Fund investment is sold should default, the Fund could experience delays in liquidating the underlying investment, resulting in a lack of access to income on the underlying investment during this period and expenses in the Fund's enforcement of its rights. Ultimately, the Fund may not be able to recover the investments sold, which could result in a loss to the Fund if the value of such investments has increased over their repurchase price.

Warehousing Activities. A Fund may engage in warehousing activities, including the acquisition of certain investments, or the making of certain loans, in anticipation that the Fund's exposure will be reduced by transferring a portion of such investments or loans to securitization vehicles or other entities, or to third parties (including co-investors). If the Fund is unable to sell down the portion of certain warehoused investments that were acquired with the intent that they will be transferred, the Fund's investment portfolio may be more concentrated than it would had the Fund not engaged in such warehousing activities, which may have a material adverse effect on the performance of the Fund.

Servicing Risk. Most securitizations of pooled loans require a servicer to manage collections in each of the underlying loans. At times, responsibilities may be divided between a master servicer and a special or sub-servicer that is responsible only for loans once they have gone delinquent. Both default frequency and default

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severity of mortgage loans is highly dependent on the quality of the mortgage servicer. The Fund's mortgage servicers' loss mitigation efforts may be unsuccessful in limiting delinquencies, defaults, and losses, or may not be cost effective, which could materially adversely affect the Fund's business or result in significant losses for the Fund. In addition, actions may be taken by special servicer in connection with servicing mortgage loans that could adversely affect the Fund's interests. There may be a limited number of special servicers available, particularly those that do not have conflicts of interest.

Inability to Successfully Securitiz CRE Loans. Fund's ability to securitize CRE loans will be affected by several economic and loan-specific factors that could disrupt the securitization market and have a material adverse effect on a Fund's investments. In addition, a Fund's ability to execute securitizations may be impacted, delayed, limited or precluded by legislative and regulatory reforms applicable to asset-backed securities and the institutions that sponsor, service, rate or otherwise participate in, or contribute to the successful execution of a securitization transaction and could also reduce the returns a Fund's expected returns.

Inability to Profitably Execute Securitization Transactions. Several factors may determine whether a securitization transaction that the Fund executes or participates in is profitable. The price that investors pay for securities issued in the Fund's securitization transactions will also significantly affect the profitability margin to the Fund. In affecting the securitization transactions, a Fund may incur transaction costs or may be required to make reserves for any liability in connection with executing a transaction. Such costs can reduce the profitability of a transaction and adversely impact the Fund's investment performance. In addition, rating agencies could alter their rating processes or criteria in a manner that reduces the value of previously acquired loans or that requires a Fund to incur additional costs to comply with those processes and criteria.

Risks of Litigation in Connection with Securitizations. To the extent a Fund sponsors future securitizations, the Fund will participate in the preparation of disclosure documentation. If such disclosure documentation is alleged or found to contain inaccuracies or omissions, the Fund may be liable for damages to third parties that invest in these securitization transactions. The Fund may incur other expenses and costs in connection with disputing these allegations or settling claims.

Defending a lawsuit can consume significant resources and may divert the Adviser or the Fund's General Partner from the Fund's operations. The Fund may be required to establish reserves for potential losses from litigation, which could be material.

Valuation Risks. Certain of the securities or assets a Fund will purchase or originate will not be actively traded. In the absence of market comparisons, the Fund will be required to resort to other pricing methodologies. Such methodologies may not prove to be accurate and the Fund's inability to accurately price securities or assets may adversely affect the return on the Fund's investments. There can be no assurance that the Adviser's assessment of the values of the Fund's investments will be accurate or generate positive returns for the Fund.

Risk of Lack of Liquidity of the Fund's Investments. Investments in CMBS, loans or other assets that are thinly traded or that are subject to legal or other restrictions on transfer are generally difficult or impossible to sell at prices comparable to the market prices of similar securities that are publicly traded. There is no active secondary market for certain types of securities or loans that the Fund intends to make or acquire or for certain equity or debt participation rights of the kind that the Fund might acquire and no such markets are expected to develop. The market prices, if any, for such assets tend to be volatile, and may fluctuate due to a variety of factors that are inherently difficult to predict. In the absence of market comparisons, the Fund will be required to resort to other pricing methodologies. Such methodologies may not prove to be accurate and the Fund's inability to accurately price securities or assets may adversely affect the return on the Fund's investments. There can be no assurance that the Adviser's assessment of the fair values of the Fund's investments in CMBS or other illiquid assets will be accurate or generate positive returns for the Fund.

The Fund also cannot predict the length of time needed to find a willing and suitable purchaser. A Fund may not be able to sell assets when the Fund desires to do so or to realize what the Fund believes to be the fair value of its assets in the event of a sale. Investments in illiquid assets and restricted securities may delay or restrict the disposition of a Fund's investments or reduce the amount of proceeds that a Fund might otherwise realize,

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which may adversely affect returns to investors in a Fund or cause a loss of all or a portion of Limited Partners' investments in the Fund.

Risk of Delinquency, Foreclosure and Bankruptcy. Commercial mortgage loans that a Fund may indirectly own are secured (directly or indirectly) by multifamily or commercial property and are subject to risks of delinquency and foreclosure. With respect to CMBS purchased on the secondary market, certain of the underlying mortgage loans may include mortgage loans that are either delinquent or have been delinquent in the past and may be at risk of future delinquencies. Certain mortgaged properties may have been previously involved with loan defaults or restructuring or bankruptcy proceedings. The ability of a borrower to repay a loan secured by an income-producing property typically is dependent primarily upon the successful operation of such property, which is subject to the risks related to the ownership of real estate, as described above. In the event of any default under a real estate loan indirectly held by the Fund or its affiliate, a Fund will bear a risk of loss of to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the real estate loan, which could have a material adverse effect on the Fund's cash flow from operations and limit amounts available for distribution to the Fund's investors.

It is likely that the servicers may find it necessary or desirable to foreclose on some, if not many, of the real estate loans a Fund may indirectly hold. The foreclosure process is often lengthy and expensive. The expense and delay associated with foreclosure of a mortgage loan could have a substantial negative effect on the Fund's anticipated return on the foreclosed mortgage loan.

The bankruptcy of a real estate loan borrower can involve substantial legal, professional, and administrative costs, be subject to unpredictable and lengthy delays and negatively impact the underlying property and consequently, on a Fund's return. The debt of entities in bankruptcy will, in most cases, not pay current interest and may not accrue interest during bankruptcy, and their assets may suffer an erosion of value. Such investments can result in a total loss of principal.

Financial Institution Risk; Distress Events. An investment in a Fund is subject to the risk that one of the Fund's banks, brokers, hedging counterparties, lenders or other custodians of some or all of the Fund's assets (each, a "Financial Institution") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank and Signature Bank in March 2023 (each, a "Distress Event"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, the Adviser, the Funds and/or their portfolio investments may not be able to access deposits, borrowing facilities or other services for an extended period or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation ("FDIC"), in the case of banks, or the Securities Investor Protection Corporation ("SIPC"), in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of the Adviser to manage the Funds and their investments, and on the ability of the Adviser, any Fund and/or portfolio investments to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Such losses have the potential to require a Fund to pay fees and expenses in the event the Fund is not able to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of investors to make capital contributions or otherwise), as well the inability of a Fund to acquire or dispose of investments at prices that the relevant General Partner believes reflect the fair value of such investments and/or the inability of portfolio companies to make payroll, fulfill obligations and maintain operations. Although the Adviser expects to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays.

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Many Financial Institutions require, as a condition to using their services or otherwise, that the Adviser and/or the relevant Fund maintain all or a set amount or percentage of their respective accounts or assets with the Custodian, which heightens the risks associated with a Distress Event with respect to such Custodians. Although the Adviser seeks to do business with Custodians that it believes are creditworthy and capable of fulfilling their respective obligations to the Funds, the Adviser is under no obligation to use a minimum number of Custodians with respect to any Fund, or to maintain account balances at or below the relevant insured amounts.

Availability of Insurance. There are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, terrorism or acts of war, outbreak of disease epidemics or pandemics that may be uninsurable or not economically insurable. Inflation, changes in building codes and ordinances, environmental considerations, and other factors, including terrorism or acts of war, also might make the insurance proceeds insufficient to repair or replace a property if it is damaged or destroyed. Under these circumstances, the insurance proceeds received might not be adequate to restore the Fund's economic position with respect to the affected property. Any uninsured loss could result in the loss of cash flow from, and the asset value of, the affected property. Adverse market or economic conditions in a particular country, state or region where the Fund has significant investments may disproportionately increase the risk of higher vacancy rates and lower rental rates at properties, that tenants do not pay their rent and/or that borrowers in that country, state or region are unable to make their loan payments. In addition, the market value of the real estate securing the investment could be adversely affected by adverse market and economic conditions in that country, state, or region. Any sustained period of increased foreclosures, losses or payment delinquencies caused by adverse market or economic conditions or natural disasters in that country, state or region could adversely affect the value of the Fund's investments.

Underlying Collateral Vulnerable to Natural Disasters; Adequacy and Availability of Insurance Coverage. The debt investments in which the Funds may invest will be secured by commercial property and related assets and will be subject to risks relating to natural disasters and catastrophes or other casualty event risks. While the servicer who services these loans will generally require that the borrower have adequate insurance coverage to fully repair and/or replace the collateral securing the investments, there can be no assurance that such insurance coverage will provide the borrower and/or the lender with sufficient insurance proceeds to fully repair and/or replace the collateral. Moreover, the insurance carrier(s) providing the insurance could contest payment in the event of a casualty event and resolving any such dispute may result in delays in recovering insurance proceeds and losses to the Fund.

Also, the absence of affordable insurance coverage may adversely affect the general real estate lending market, lending volume and the market's overall liquidity and may reduce the number of suitable investment opportunities available to the Funds and the pace at which a Fund is able to make investments. If the properties underlying a Fund's investments are unable to obtain affordable insurance coverage, the value of those investments could decline, and in the event of an uninsured or inadequately insured loss, a Fund could lose all or a portion of its investment.

Projections. The Funds may rely upon projections developed by the General Partners or the Adviser concerning a Fund's portfolio investment's future performance and cash flow. Projections are inherently subject to uncertainty and factors beyond the control of the General Partners, the Adviser and the Fund's portfolio investment. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values and cash flow.

Investment Due Diligence and Investment Research. When conducting due diligence and investment research, a General Partner may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants, and investment banks may assist the General Partner in the due diligence and investment research process to varying degrees depending on the type of investment. The due diligence investigation and investment research that a General Partner carries out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity, may lead to inaccurate or incomplete

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conclusions, or may be manipulated by fraud. Moreover, such an investigation will not necessarily result in the investment being successful.

Item 9 - Disciplinary Information

The Adviser does not have any legal, financial, or other disciplinary items to report.

Item 10 - Other Financial Industry Activities and Affiliations

A. Material Relationships with Affiliates

The Adviser's primary business is providing investment advisory services to the Funds by leveraging the Adviser's substantial experience and history to source and evaluate investment opportunities. The Adviser organizes and sponsors the Funds, and the Adviser's affiliates serve as General Partners of and control the Funds. A Fund's General Partner may cause a Fund to aggregate distressed, dislocated or newly originated CRE loans for possible securitization and act as sponsor of the securitization of such loans. Through repurchase transactions or warehousing activities, a Fund may finance loans or pools of loans, in which a Fund could purchase the B-piece certification upon securitization.

Neither Adviser, its affiliates nor its related persons are obligated to allocate any specific amount of time or investment opportunities to a Fund. The Adviser, its affiliates and its related persons intend to devote as much time as they deem necessary for the conduct of each Fund's operation and portfolio management.

B. SCH Trading Affiliate Services

Agency CMBS Program

With respect to the Agency CMBS Program, the Adviser may purchase and aggregate CUSIP securities and enter into "repo" arrangements with a warehouse bank until the securities can be securitized or otherwise sold. SCH Trading will provide the Fund a no-loss guaranty and a guaranteed return on its capital outlay with respect to the Agency CMBS Program. The Fund will beneficially own the securities (subject to the creditors' rights of the warehouse lender) during the aggregation period. When the Fund sells such CUSIP securities into a securitization vehicle there may be a profit or a loss on the transaction, depending upon several factors including prevailing interest rates and market conditions. The Fund will receive a guaranteed rate of return from SCH Trading and SCH Trading will have the right to retain any profits above the rate of return paid to the Fund. The Fund will beneficially own the securities (subject to the creditors' rights of the warehouse lender) during the warehouse period. When the beneficial owner of the securities sells such loans into a securitization vehicle there may be a profit or a loss on the transaction, depending upon several factors including prevailing interest rates and market conditions. The Fund will receive a guaranteed rate of return from SCH Trading and SCH Trading will have the right to retain any profits above the rate of return paid to the Fund.

C. Potential Conflicts of Interest

Investors should be aware that, over the term of a Fund's investments, potential and actual conflicts of interest may arise between investors in a Fund, on the one hand, and the General Partner, the Adviser and/or their respective affiliates, on the other. The foregoing is not intended to be exhaustive; prospective investors in a Fund are advised to review the applicable Offering Memorandum for additional potential conflicts of interest associated with and specific to an investment in a Fund.

Carried Interest. The existence of a 20% carried interest may create an incentive for the General Partner to make more speculative investments on behalf of the Fund than it would otherwise make in the absence of such incentive-based compensation. The size of the General Partner Commitment, the "total return" nature of the Fund's distribution waterfall and the General Partner's claw-back obligation should tend to reduce this incentive.

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Management Fees. Management Fees will be paid to the Adviser without regard to the overall success of or income earned, by the Fund. As a result of this fee structure, the General Partner may have an incentive to hold on to investments for a longer period than it otherwise might have in the absence of such fee structure.

Other Fees. The Adviser may receive asset management fees and other fees with respect to the CMBS which issue the B- Piece Certificates to be purchased by the Fund, either directly or indirectly through the REIT. Such services will be provided in the ordinary course of business and on terms deemed to be on an arm's length basis. But because the Fund is expected to be a ready buyer for the B-Piece Certificates, the Adviser may be incentivized to make more loans for acquisition by the CMBS which might not otherwise be made absent a ready buyer for these B-Piece Certificates. In addition, because the Adviser and/or one or more of their beneficial owners may own direct or indirect interests in a Fund, the REIT, the General Partner, and/or the Adviser, there is an inherent conflict of interest that may arise in certain circumstances.

Dedication of Sabal Personnel Time to the Fund. Subject to the terms of the Governing Documents, the investment professionals and other related persons of the Adviser and employees affiliated with the Adviser will be permitted to spend a portion of their business time on activities other than the Fund and portfolio investments, including, without limitation, the activities related to the management of other funds managed by the Adviser with different investment strategies as the Fund (collectively, the "Other Sabal Funds") and/or any successor funds of the Fund. As a result, such persons may spend less time on Fund activities than may be required under certain circumstances.

Diverse Limited Partner Group. A Fund's Limited Partners are expected to be diverse and may include taxable investors and tax-exempt investors, U.S. governmental plan investors, benefit plan investors and other regulated investors. A Fund's Limited Partners may include both natural persons and entities. Given the possible diverse nature of the Fund's Limited Partners, it is possible, even likely, that the Limited Partners will have conflicting tax, regulatory and other objectives in respect of the Fund's investment program. These conflicting interests may relate to or arise from, among other things, the nature of investments selected by the Fund, the structure of such investments and the Fund's exit from such investments. As a result, certain investments and investment structures selected by the General Partner on behalf of the Fund may be more advantageous to certain Limited Partners than others. In selecting and structuring investments for the Fund, the General Partner will be guided principally by the overall investment objectives of the Fund and interest of the Partners as a whole and it will not be obligated to consider the tax, regulatory or other objectives of any Limited Partner (or group of Limited Partners).

Board of Advisors. A Fund's Board of Advisors is comprised of representatives of investors selected by the General Partner. The General Partner may (but is not required to) consult the Board of Advisors, as appropriate, with respect to certain material issues involving actual or potential conflicts of interest between the interests of the Fund, on the one hand, and the General Partner, the Adviser and/or their respective affiliates, on the other, to the extent required by the Fund's Governing Documents. The General Partner will not consult with the Board of Advisors if it has been advised by counsel that disclosure of such conflicts or potential conflicts is, or is reasonably likely to be, prohibited for regulatory or legal reasons, in which case, where the conflict cannot be satisfactorily resolved, the applicable transaction may not be consummated. The Board of Advisors will consist of members representing specific Limited Partners and will not owe any duties to other Limited Partners, whether individually or as a group.

Transactions with Affiliates. The Fund, either directly or indirectly through the REIT, may participate in transactions in which the General Partner, the Adviser and/or their respective officers, employees, partners, or affiliates are, directly or indirectly, interested ("Related Transactions"). Such transactions will include (i) securitizations that will enable the Funds to invest in B-Piece Certificates, (ii) and investments that have been structured by SCH Trading. In connection with such transactions, the Fund, on the one hand, and the General Partner, the Adviser and/or their respective officers, employees, partners, or affiliates, on the other, may have conflicting interests. The General Partner may request that a Fund's Board of Advisors review and approve such transactions, but it is not required to do so.

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The involvement of the Adviser's affiliate in Related Transactions in which a Fund participates presents certain actual or potential conflicts of interest. A Fund's participation in Related Transactions enablesthe transactions to occur and for the Adviser's affiliates to earn compensation therefrom.

Section 206(3) of the Advisers Act provides that it is unlawful for any investment adviser, directly or indirectly "acting as principal for his own account, knowingly to sell any security to or purchase any security from a client, or acting as broker for a person other than such client, or knowingly to effect any sale or purchase of any security for the account of such client, without disclosing to such client in writing before the completion of such transaction the capacity in which he is acting and obtaining the consent of the client to such transaction." Because of the potentially extensive involvement SCH Trading in certain of the Related Transactions, the acquisition of interests by a Fund in certain Related Transactions may constitute principal transactions or raise conflicts of interest similar to those that arise with respect to principal transactions (each such transaction, a "Conflicted Transaction")

In determining whether a Related Transaction is a Conflicted Transaction the General Partner is expected to consider the profitability or loss on the transaction and whether the profit or loss is commensurate with similar transactions provided by unaffiliated entities providing similar services. To mitigate concerns relating to such conflicts and to satisfy the disclosure and consent requirement of Section 206(3) of the Advisers Act, when applicable, the Fund has adopted certain procedures to be used in connection with the Fund's acquisition of a portfolio investment that constitutes a Conflicted Transaction. In that connection, the Subscription Agreement of each Limited Partner provides that such Limited Partner consents and agrees that if the General Partner determines that any Conflicted Transaction either is, or should be treated as if it is, subjectto the disclosure and consent requirements of Section 206(3) of the Advisers Act, such requirements will be satisfied with respect to the Fund if the following procedures are followed.

With respect to any Conflicted Transaction in which the General Partner has determined, in its sole discretion, that consent should be sought, the Fund's Board of Advisors will grant or deny the consent request. The Board of Advisors will be asked to confirm that the price to be paid for the relevant portfolio investment is no less favorable to the Fund than would be the case if unaffiliated third parties were to serve in roles comparable to those of SCH Trading or one or more of its affiliates. The Adviser will generally provide the Board of Advisors with sufficient information to analyze the transaction resulting in the Conflicted Transaction. The Board of Advisor's consent will be based on its review of the Adviser's document package relating to the Conflicted Transaction, approximate cash flow models and any proposed prices relating to the proposed portfolio investment. The Board of Advisors will also be empowered to request additional information and ask questions of the Adviser regarding the Conflicted Transaction if it determines that its confirmation will require such additional data.

D. Resolution of Conflicts of Interest

A Fund's Governing Documents typically govern conflicts of interest and resolution thereof and the Adviser has the duty to comply with the procedures described in such agreements with respect to potential conflict of interest situations. Such Governing Documents may explicitly permit certain transactions that involvea conflict of interest, in which event the Adviser may (or cause a Fund to) enter into such transactions. Additionally, a Fund's Board of Advisors will meet periodically to advise and consult with the Adviser concerning, among other things, issues involving potential conflicts of interest.

In the event a Fund's Governing Documents does not address conflicts of interest, the Adviser shall, in its best judgement, resolve the conflicts using those factors it determines to be relevant, considering its fiduciary duty and disclosure obligations. The Adviser may seek the advice of certain other persons (including internal legal counsel, external legal counsel, or senior principals) to assist in identifying, assessing, mitigating,resolving, and monitoring actual, potential or perceived conflicts of interest.

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Client Brochure****Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

The Adviser has adopted a Code of Ethics pursuant to the Advisers Act Rule 204A-1 (the “Code”), which sets forth fiduciary principals and certain standards of business conduct that must be followed by, among others, all directors, officers or partners (or any person performing similar functions) or any person directly or indirectly controlling or controlled by the Adviser, including officers, managers, members, and employees (collectively, “Access Persons”). The Code provides guidelines for professional conduct and personal trading procedures, including pre-clearance and reporting obligations and regarding adherence to securities laws generally. Access Persons and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Fund, subject to the terms of the Code. To maintain a high standard of conduct, the Code requires that all such transactions be carried out in a way that does not endanger the interests of any client.

In addition, the Code requires that all Access Persons report Code violations and provides the potential for sanctions for such violations. Access Persons who violate the Code may be subject to remedial actions, including, but not limited to, profits discouragement, fines, censure, demotion, suspension, or dismissal. Access Persons are required to promptly report any violation of the Code of which they become aware. Access Persons are also required to undergo training on the Code and certify compliance with the Code annually. A copy of the Code shall be provided to a client or prospective client upon its request and such information will be provided free of charge.

Item 12 - Brokerage Practices

The Adviser does not currently have a contractual relationship with or utilize the services of any securities broker-dealers in connection with the real estate debt investments in which it engages on behalf of the Funds or REITs. The Adviser’s advisory business generally does not involve securities broker-dealers or directing clients to execute transactions (through broker dealers or otherwise), nor does the Fund direct the Adviser to engage securities broker dealers.

The Adviser and its affiliates do not engage in any trade aggregation practices. The Adviser does not receive “soft dollars” in connection with any of a Fund’s investments. The Adviser does not use a Fund’s commission money to compensate or otherwise reward any brokers for client referrals.

The investment strategies pursued by the Adviser does not result in extensive trading on behalf of the Funds. Nevertheless, the Adviser may engage in certain activities related to the trading function that are governed by policies and procedures required or suggested by Rule 206(4)-7 (the SEC’s general compliance rule). For example, the Adviser will be mindful of the following non-exhaustive list of trading issues:

- Best execution related sales transactions
- The mitigation or elimination of any conflicts of interest associated with trading processes
- Trade ticket/order memoranda must be created to document the intent of the Investment Company in executing securities transactions as required by Rule 204-2(a)(3) (the SEC’s trade ticket rule)

Item 13 - Review of Accounts**A. Periodic Account Review**

The Adviser’s Investment Committee is responsible for oversight of a Fund’s investment and financing strategies. The Adviser’s investment portfolio on behalf of a Fund is private, illiquid, and long-term in nature, accordingly the Adviser’s review of it is not directed towards a short-term decision to dispose of its holdings. However, the Adviser’s investment professionals provide ongoing oversight and supervision of those individuals responsible for the asset management and ongoing operations of the investments. The Adviser’s investment professionals periodically review the investments held by a Fund to ensure compliance with the applicable investment guidelines and restrictions.

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Each Fund has a committee of representatives of investors, which meets from time to time upon request of the General Partner, but in any event, at least once a calendar year, to consult with the General Partner on various matters, including: (i) investment and financing strategies; (ii) variations from Client investment guidelines; (iii) status of outstanding investments; (iv) transactions involving the General Partner or other conflict situations, including transactions subject to Section 206(3) of the Advisers Act; (v) asset valuations and valuation methodologies; (vi) co-investment opportunities; and (vii) financial statements and reporting format.

B. Fund Reporting

Subject to a Fund's Governing Documents, Fund investors typically receive, among other things, a copy of the Fund's audited financial statements within 120 days after fiscal year end. The Adviser and/or the General Partner will from time to time, in its sole discretion, provide additional information relating to a Fund's portfolio to one or more Fund investors as they deem appropriate.

Item 14 - Client Referrals and Other Compensation

The Adviser has entered into an agreement with an independent marketer ("Placement Agent"). The agreement provides for the Placement Agent to receive a fee from the Adviser that is based upon a portion of the Adviser's investment management fees if the Placement Agent is responsible for introducing the client to the Adviser. The fee paid to the Placement Agent varies depending on the agreement but in no instance does the fee arrangement increase the fee that a Fund pays. The agreement contains provisions to ensure compliance with applicable provisions of the Advisers Act and specifically with amended Rule 206(4)-1 thereunder (i.e., the SEC's "new" marketing rule). At a minimum, the Adviser ensures that the Placement Agent provides clients with a current copy of the Adviser's Brochure. The Closed Funds utilized a Placement Agent which was compensated with placement agent fees in compliance with Rule 206(4)-3 under the SEC's cash solicitation rule in effect prior to the November 4, 2022 effective date of amended Rule 206(4)-1. Placement Agent fees paid by the Closed Funds were disclosed to investors. For any new funds launched by Sabal or its affiliates, should SIH enter into an agreement with a Placement Agent, SIH will disclose material facts of the arrangement to investors and take any additional actions to comply with amended Rule 206(4)-1 under the Advisers Act.

Item 15 - Custody

The Adviser has entered into an arrangement with an independent public accountant pursuant to which each Fund will be subject to an annual audit. In addition, as described in Item 13 B above, the Adviser will provide a copy of the audited financial statements to investors for each Fund in which they are invested. In accordance with Rule 206(4)-2, copies of the Fund's financial statements are distributed to the Fund's investors within 120 days of the Fund's fiscal year end.

Item 16 - Investment Discretion

The Adviser maintains authority to manage a Fund's assets on a discretionary basis, subject to the overall supervision of the General Partner, in accordance with the investment guidelines, limitations, other provisions and terms set forth in a Fund's Governing Documents. Investment advice is provided directly to the Fund, and not individually to Fund investors, unless such investor has entered into a separate agreement with the Adviser for investment advisory services and fees that are separate and distinct from those the Adviser provides and charges to the Fund.

The Adviser may provide investment advisory services on a discretionary basis to clients other than the Funds subject to the strategy and restrictions set forth in such client's applicable Governing Documents.

Item 17 - Voting Client Securities

The Adviser and its affiliated General Partner invest on behalf of a Fund solely in real estate debt instruments. It is not anticipated that the Adviser will be required to vote a Fund's securities by proxy. If the

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Adviser is required to vote proxies, it will do so consistent with the best economic interests of the Fund and pursuant to its proxy voting policies.

The Adviser maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting, monitoring corporate actions, and disclosing any potential conflicts of interest as well as making information available to a client about the voting of proxies for their portfolio securities and maintaining relevant and required records. Clients retain the right to direct the vote on any security or issue held in its account. A client who wishes to exercise the right to vote a proxy related to any security in its account, must contact the Adviser in writing.

Copies of relevant proxy logs identifying how proxies were voted in connection with a client and copies of the Adviser's voting policies and procedures are available to any client or prospective client upon written request to the Chief Compliance Officer, Sabal Investment Advisors, LLC, 2211 Michaelson Drive, Suite 620, Irvine, CA 92612 and such information will be provided at no charge.

Item 18 - Financial Information

Form ADV, Part 2 requires an investment adviser to disclose any financial condition reasonably likely to impair its ability to meet its contractual commitments to clients. The Adviser has not been the subject of a bankruptcy petition at any time since its formation. Currently, the Adviser does not believe there are any financial conditions that are reasonable likely to impair its ability to meet contractual commitments to the Funds.

Item 19 - Requirements for State-Registered Advisers

The Adviser is registered with the SEC and is not required to be registered at the State level.

End of ADV Part 2A