Kinrise UK Cities II LP

Private Placement Memorandum

Date: November 2023

Important Information

This Memorandum

This confidential private placement memorandum (together with any supplement hereto, this "**Memorandum**") is being furnished by Kinrise Real Estate Ltd, a private company limited by shares incorporated in England and Wales with company registration number 09387387 ("**Kinrise**") on a confidential basis to prospective Investors in order to provide them with information regarding a proposed investment in the Fund (as defined below).

This Memorandum is non-public, confidential and proprietary in nature and the information contained herein may constitute trade secrets under applicable law with respect to the Fund and its investments, the disclosure of which could have adverse effects on the Fund and its investments. Any reproduction or distribution of this Memorandum, in whole or in part, or the disclosure of its contents, without the prior written consent of Kinrise, is prohibited. Each recipient (whether or not such recipient invests in the Fund) (a) agrees that it will keep confidential all information contained herein and not already in the public domain, (b) acknowledges that certain information contained herein may constitute material non-public information in respect of the Fund, Kinrise or any of its affiliates and may not be used to trade in securities or other financial interests on the basis of any such information and (c) agrees that it will use this Memorandum for the sole purpose of evaluating a possible investment in the Fund. By accepting this Memorandum, each recipient agrees to the foregoing. If any of such terms are not acceptable, this Memorandum must be promptly returned to Kinrise.

Notwithstanding anything in this Memorandum to the contrary, nothing herein shall prevent a prospective Fund Investor (as defined below) from voluntarily communicating with US state or federal law enforcement agencies or entities regarding possible violations of law or making other disclosures that are protected under the whistleblower provisions of US state or federal law, or from testifying, assisting or participating in any investigation, hearing or procedure conducted by any US federal or state governmental law enforcement agency, entity or court.

This Memorandum has been prepared on the assumption that the legal and tax structure required to conduct the activities of the Fund has already been fully implemented and that all regulatory, tax and other clearances have been obtained. However, this Memorandum is qualified in its entirety by reference to the Fund's governing agreements (including, without limitation, the Partnership Agreement, the principal constituting document of any feeder vehicle, parallel vehicle or alternative investment vehicle established from time to time, each Subscription Agreement and the constitutional documents of REITCo as amended, restated, and/or otherwise modified from time to time) (collectively, the "**Fund Agreements**"). The Fund structure will have been implemented prior to the Initial Closing Date of the Fund.

Defined terms used and not defined elsewhere in this Memorandum have the meaning given to them in Appendix C: Definitions of this Memorandum.

The Fund

This Memorandum relates to an offering of interests in Kinrise UK Cities II LP (the "**Partnership**"), a private fund limited partnership registered in England and Wales under registration number LP023287 and constituted by its limited partnership agreement, as may be amended, restated, supplemented and/or otherwise modified from time to time (the "**Partnership Agreement**").

References in this Memorandum to the "**Fund**" shall refer to the Partnership and/or, as applicable, any additional parallel funds, feeder vehicles and alternative investment vehicles established from time to time for specific investors or investments (each, a "**Fund Vehicle**").

Investors in the Partnership and/or any other Fund Vehicle are collectively referred to in this Memorandum as "**Investors**", "**Fund Investors**" or "**Limited Partners**", as the context may require. Interests in the Partnership and, as applicable, any such other Fund Vehicles are hereinafter referred to as "**Interests**", as the context may require.

The Partnership Agreement together with the principal constituting document of any other Fund Vehicle established from time to time are hereinafter collectively referred to as the "**Fund Agreements**". Investors will subscribe for Interests in the Partnership or any such other Fund Vehicle by entering into a subscription agreement (each, a "**Subscription Agreement**").

Kinrise General Partner II LLP, a limited liability partnership incorporated in England and Wales under registration number OC448197, acts as the general partner of the Partnership (the "**General Partner**").

The Fund is being established to invest solely in Kinrise UK Cities II Investment Holdings Limited, a private company limited by shares incorporated in England and Wales which intends to qualify as a UK REIT (or the principal company of a group UK REIT) ("**REITCo**"). It is expected that REITCo will in turn hold interests in underlying properties, either directly or indirectly through special purpose vehicles wholly owned by REITCo.

The Partnership is an alternative investment fund ("**AIF**") for the purposes of the UK Alternative Investment Fund Managers Regulations 2013, as amended (the "**UK AIFM Regulations**").

JTC Global AIFM Solutions Limited (the "**AIFM**"), a limited liability company incorporated in Guernsey, acts as the alternative investment fund manager of the Partnership with responsibility for the risk management and portfolio management functions in respect of the Partnership. The AIFM is licensed by the GFSC under the provisions of the Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended, to conduct certain restricted activities in relation to collective investment schemes.

Kinrise will act as asset manager in respect of the real property investments of the Partnership (in such capacity, the "**Asset Manager**"). Kinrise will also act as investment adviser to provide certain ad hoc regulated investment advisory services to the General Partner and the AIFM (in such capacity, the "**Investment Adviser**"). Kinrise (which is registered with the UK Financial Conduct Authority ("**FCA**") under firm reference number 709476) acts as an appointed representative of Robert Quinn Advisory LLP, which is authorised and regulated by the FCA with firm reference number 548030.

The Fund is conducting a private offering pursuant to Section 4(a)(2) of the US Securities Act of 1933, and the rules and regulations promulgated thereunder, as the same may be amended from time to time (the "**1933 Act**") and Regulation D thereunder. The General Partner expects that the Fund will not be subject to registration as an investment company under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), in reliance upon the exceptions afforded by Section 3(c)(5), although it reserves the right to rely upon other Investment Company Act registration exceptions.

Eligibility of Investors

The Fund is suitable for institutional, professional and other eligible investors looking to make a long-term investment. Interests in the Fund will be marketed and made available to these types of investors.

The distribution of this Memorandum and the offering of the Interests in certain jurisdictions may be restricted.

Persons into whose possession this Memorandum comes should inform themselves as to the legal requirements within their own countries for the acquisition of Interests, any foreign exchange restrictions to which they may be subject and the income and other tax consequences which may apply in their own countries relevant to the purchase, holding or disposal of Interests.

It is the responsibility of any persons wishing to subscribe for Interests to satisfy themselves as to full observance of the laws of any relevant territory in connection with any such subscription, including complying with any governmental requirements or other applicable formalities.

PROSPECTIVE INVESTORS SHOULD CAREFULLY REVIEW THE NOTICES IN Appendix A TO THIS MEMORANDUM.

The EU Regulation on Packaged Retail and Insurance-Based Investment Products (EU 1286/2014), as retained into UK law pursuant to the European Union (Withdrawal) Act 2018 (as amended and supplemented from time to time), as amended by The Packaged Retail and Insurance-based Investment Products (Amendment)(EU Exit) Regulations 2019, imposes pre-contractual disclosure requirements for the benefit of retail investors when they are considering the purchase of packaged retail investment products or insurance based products. Accordingly, Interests will not be offered, sold or otherwise made available to any retail investor in the UK or the EEA. For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID

II; or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Investors that are US persons as further discussed in this Memorandum must be "accredited investors" as defined in Rule 501(a) of Regulation D and "qualified purchasers," as defined under Section 2(a)(51)(A) of the Investment Company Act. All Fund Investors must meet additional criteria as determined by the General Partner. The Subscription Agreement for the Fund contains questions relating to these qualifications.

General information

Prospective Investors should carefully read this Memorandum before deciding whether to purchase the Interests offered hereby and should pay particular attention to the information under Section 7 – Certain Risk Factors and Potential Conflicts of Interest and Section 8 – Taxation of this Memorandum.

In making an investment decision, prospective Investors must rely on their own examination of the Fund and the terms of the offering of Interests described herein, including the merits and risks involved and the legality and tax consequences of such an investment. Prospective Investors should not construe the contents of this Memorandum as legal, tax, investment or other advice and each prospective Investor is urged to consult with its own advisers with respect to legal, tax, regulatory, financial, accounting, and other matters concerning an investment in the Fund. Prospective Investors should be aware that they may be required to bear the financial risks of their investment in the Fund for an indefinite period of time. Investment in the Interests will involve significant risks due to, among other things, the nature of the Fund's investments and the fact that there will be no public market for the Interests and the Interests will be subject to the restrictions on transfer contained in the Fund Agreements. Prospective Investors should have the financial ability and willingness to accept the risks that are characteristic of the investment in the Fund described herein.

There can be no assurance, representation or warranty that the Fund's investment objectives will be achieved or that Investors will receive a return of their capital. Investors could lose the entire value of their investment. Each prospective Investor is strongly urged to consult its legal, financial and tax advisers to determine the merits and risks of an investment in the Fund and is responsible for ensuring compliance by its advisers with the terms and conditions set forth herein.

Neither this Memorandum nor the Interests offered hereunder have been approved or recommended by any governmental, federal or state regulatory or supervisory authority, including the FCA, nor has any such authority confirmed the accuracy or adequacy of this Memorandum, and the information contained herein is subject to correction, completion, verification and amendment. Any representation to the contrary is a criminal offence.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy the Interests in any jurisdiction in which, or to any person to whom, it is unlawful to make such an offer or solicitation. This offering does not constitute an offer of Interests to the public, and no action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. By accepting and not immediately returning this Memorandum you warrant that you are an appropriate person to receive this Memorandum.

The Interests are offered subject to the right of the General Partner to reject any subscription in whole or in part.

The Interests offered hereby are subject to restrictions on transferability and resale and may not be transferred or resold except (a) as permitted under the Fund Agreements and (b) as permitted under any applicable legislation. There is no public market for the Interests and no such market is expected to develop in the future. See Section 6 – Summary of Principal Terms of this Memorandum for a description of the restrictions on transfer of Interests.

None of the General Partner, the AIFM, the Asset Manager, the Investment Adviser (or any of their respective directors, officers, employees, members, partners, shareholders or agents) or any of the Fund's advisers are making any representation or warranty to an Investor regarding the legality of an investment in the Fund by such Investor or about the consequences to them of such an investment. For answers to those questions, potential Investors should consult their personal legal counsel and tax advisers.

Investment in the Fund involves a high degree of risk (including the possible loss of a substantial part, or even the entire amount, of an investment) and lack of liquidity due to, among other things, the nature of the Fund's investments and potential risks and conflicts of interest that prospective Investors should carefully consider before purchasing any Interests. Investment in the Fund is suitable only for sophisticated investors. An investment in the Fund should be regarded as long term and should only form part of an otherwise diversified portfolio. No one should invest who cannot afford to lose their entire investment. See Section 7 – Certain Risk Factors and Potential Conflicts of Interest of this Memorandum, for a description of the risks of an investment in the Fund and the conflicts of interest affecting the AIFM, the General Partner, the Asset Manager, the Investment Adviser and their respective affiliated entities.

In addition, investment results may vary substantially on a monthly, quarterly or annual basis. Actual realised returns on unrealised investments will depend on, among other factors, future operating results, the value of the assets, market conditions at the time of disposition, legal and contractual restrictions on transfer that may limit liquidity, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the valuations used in the performance data contained in this Memorandum are based. Accordingly, the actual realised returns on unrealised investments may differ materially from the returns indicated in this Memorandum.

Each Investor's investment in the Fund will be denominated in Pounds Sterling (£) and, therefore, will be subject to any fluctuation in the rate of exchange between Pounds Sterling (£) and the currency of the Investor's home jurisdiction (if different). Such fluctuations may have an adverse effect on the value of, price of or income or gains from an Investor's investment in the Fund.

No person has been authorised in connection with this offering to give any information or to make any representations other than as contained in this Memorandum and, if given or made, such information or representations must not be relied upon as having been authorised by the General Partner, the AIFM, the Asset Manager, the Investment Adviser (or any of their respective directors, officers, employees, members, partners, shareholders or agents). Certain information contained herein has been obtained or is derived from sources prepared by third parties and in certain cases may not have been updated through the date of this Memorandum. While any such information is believed to be reliable for the purposes used in this Memorandum, none of the General Partner, the AIFM, the Asset Manager or the Investment Adviser has updated any such sources to be reliable for the purpose used in this Memorandum. None of the General Partner, the AIFM, the Asset Manager or the Investment Adviser (or any of their respective directors, officers, employees, members, partners, shareholders, professional advisers or agents) make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any of the information contained herein (including, but not limited to, economic, market or other information) obtained from third parties, and each expressly disclaims any responsibility or liability for any such information. The Fund has not investigated the accuracy of this information or independently verified the assumptions on which such information is based and has not updated any such information through the date hereof or undertaken any independent review of such information. Neither the delivery of this Memorandum nor any sale hereunder shall, under any circumstance, create an implication that the information herein is correct as of any time subsequent to such date.

Certain information contained in this Memorandum contains projections, forecasts, targeted returns, illustrative returns, estimates, beliefs and similar information ("**Forward Looking Information**") that can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "estimate", "intend", "continue", or "believe" or the negatives thereof or other variations thereon or comparable terminology. Furthermore, any projections or other estimates in this Memorandum, including estimates of returns or performance, are Forward Looking Information and are based upon certain assumptions that may change. Due to various risks and uncertainties, including those set forth under Section 7 – Certain Risk Factors and Potential Conflicts of Interest of this Memorandum, actual events or results or the actual performance of the Fund or its investments may differ materially from those reflected or contemplated in such Forward Looking Information. Moreover, actual events are difficult to project and often depend upon factors that are beyond the control of the General Partner, the AIFM, the Asset Manager and the Investment Adviser (and any of their respective directors, officers, employees, members, partners, shareholders or agents). Neither the delivery of this Memorandum at any time nor any sale hereunder shall under any circumstances create an implication that the information contained herein is correct as of any time after the earlier of the relevant date specified herein or the date of this Memorandum. None of the General Partner, the AIFM, the Asset Manager, the Investment Adviser (or any of their respective directors, officers, employees, members, partners, shareholders or agents) or any other person (i) assumes any responsibility for the accuracy and completeness of any Forward Looking Information or (ii) undertakes any obligation or undertaking to disseminate any updates or revisions to any Forward Looking Information contained herein to reflect any change in their expectation with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Prospective Investors must determine for themselves what reliance (if any) they should place on any Forward Looking Information and no responsibility is accepted by the General Partner, the AIFM, the Asset Manager or the Investment Adviser (or any of their respective directors, officers, employees, members, partners, shareholders or agents) in respect thereof.

Any prior investment results and returns ("**Past Performance Information**") contained herein are provided for illustrative purposes only and are not necessarily indicative of the Fund's potential investment results. There can be no assurance that the Fund will achieve comparable results, that targeted returns will be met, that the Fund will be able to avoid losses or that the Fund will be able to make investments similar to the existing and historical investments managed or advised by Kinrise or its affiliates or any of its group companies due to, among other things, economic conditions and the availability of investment opportunities.

The information in this Memorandum is subject to change at any time and the delivery of this Memorandum does not imply that the information in it is correct as at any time prior or subsequent to the date of this Memorandum.

If the descriptions in or terms, conditions or other provisions of this Memorandum are inconsistent with or contrary to the terms of the Fund Agreements, then the terms, conditions or other provisions of the Fund Agreements will prevail. A copy of the Partnership Agreement and any other relevant Fund Agreement (as applicable) will be furnished to any prospective Investor upon request.

For a description of the types of fees and expenses with respect to the Fund, see Section 6 – Summary of Principal Terms of this Memorandum.

Unless otherwise noted, all references in this Memorandum to "£" or "sterling" are to pounds sterling.

Unless otherwise specified, all data included in this Memorandum is as of 4 October 2023.

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Section 1 – Executive Summary

The Fund

The Fund's name is Kinrise UK Cities II LP. The Fund is a closed-ended fund designed for institutional, professional and other eligible investors and aims to deliver attractive risk-adjusted returns from a portfolio of iconic buildings in top UK cities.

The Fund's investment objective will be to invest in commercial properties in the UK which may include offices, retail, leisure, industrial, ancillary residential and associated uses. The Fund may also invest opportunistically in other UK commercial real estate opportunities.

The Fund's target financial return is to achieve a 14-16% internal rate of return (geared) net of management and advisory fees, after taxes at structure level but before taxes at investor level.[1]

The Fund's contractual term is six years from the Fund's Final Closing Date (extendable by up to two years).

Kinrise Real Estate Ltd ("**Kinrise**") will act as asset manager and investment adviser in respect of the Fund. The experienced investment team at Kinrise will be led by its two Managing Partners, Samuel Lawson Johnston and George Aberdeen, who will supported by the wider Kinrise team.

The Fund is targeting a £150,000,000 capital raise and a first close in Q3 2023.

Investment Policy and Restrictions

The Fund will not at any time invest in any real estate assets located outside the United Kingdom. For the avoidance of doubt, the foregoing will not preclude the Fund from investing directly or indirectly through any Portfolio Vehicle, whether located within or outside of the United Kingdom.

Unless otherwise approved by the Advisory Committee, with effect from the end of the Investment Period, the Fund will not invest:

1. more than 30% of the Fund's Commitments in any single property investment (and for such purposes a portfolio of property investments shall be deemed to comprise multiple investments); and
2. more than 30% of the Fund's Commitments in ground up development projects, excluding forward fundings which have planning permission and are at least 60% pre-let.

Unless otherwise approved by Advisory Committee, the Fund will not at any time invest in publicly traded securities, provided that the foregoing shall not preclude the Fund from entering into an initial public offering of the REITCo or any other Portfolio Vehicle.

Overview of Kinrise

Kinrise Real Estate Ltd, a private company limited by shares incorporated in England and Wales under company registration number 09387387, will act as asset manager in respect of the real property investments of the Fund and will also act as investment adviser to the General Partner and the AIFM.

Established in 2015, Kinrise is a UK based specialist real estate investment management business headquartered in London and employing c. 10 staff located in the UK and supported by a highly experienced

[1] Targeted returns are aspirational in nature and reflect, among other factors, Kinrise's underwriting criteria for Fund investments, assessment of the prospect of any current Fund investments, and views of available commercial opportunities, and assessment of prevailing market opportunities. There can be no assurance that the Fund will achieve return targets, or that investments will not decline in value. These determinations are often subjective and depend upon numerous factors, including many that lie beyond the control of the General Partner. Please see the discussion of "Targeted Returns" in Section 7 – Certain Risk Factors and Potential Conflicts of Interest and the general disclosures set forth in the Preamble to this Memorandum for further information regarding targeted returns and forward looking statements.

advisory board who bring insight from multiple sectors including politics, technology, education, public equities, private equity and real estate.

Further information on Kinrise and the Fund's key personnel is set out in Section 4 – Fund Management of this Memorandum, while further information on the roles and responsibilities of Kinrise in its capacity as the Asset Manager and the Investment Adviser is set out in Section 5 – Structure and Key Service Providers of this Memorandum.

Offering, Commitment and Drawdown Process

Interests in the Fund are being offered to Investors on terms described in this Memorandum and the Fund Agreements. Each Investor in the Fund will be required to commit a minimum initial amount of £5 million, subject to the discretion of the General Partner to accept Commitments either generally or in individual circumstances for lesser amounts.

The General Partner will accept applications for Commitments at one or more Closings commencing from the Initial Closing Date up to and including the Final Closing Date, being no later than 12 months after the Initial Closing Date (or such later date as approved by a Fund Investor Majority Consent).

Each Investor wishing to apply to make a Commitment to the Fund will be required to enter into a Subscription Agreement agreeing to advance their Commitment to the Fund in tranches. The General Partner reserves the right to accept or reject applications for Commitments in its absolute discretion.

Upon the receipt of a Drawdown Notice, Investors will be required to transfer the relevant drawn amount to the bank account of the Fund as specified in the Drawdown Notice in cleared funds by the payment date specified in the Drawdown Notice (which payment date will not be less than ten Business Days from the date of issue of the Drawdown Notice).

An executive summary of the Fund's key terms is set out in Section 3 – Key Fund Terms of this Memorandum, with a more detailed summary of the Fund's terms set out in Section 6 – Summary of Principal Terms of this Memorandum. These summaries should be read in conjunction with the full text of this Memorandum and are qualified in their entirety by reference to the detailed provisions of the Fund Agreements.

Section 2 – Directory

Partnership	Kinrise UK Cities II LP 2 Noel Street London United Kingdom W1F 8GB
General Partner	Kinrise General Partner II LLP 2 Noel Street London United Kingdom W1F 8GB
REITCo	Kinrise UK Cities II Investment Holdings Limited 2 Noel Street London United Kingdom W1F 8GB
Asset Manager; Investment Adviser	Kinrise Real Estate Ltd 2 Noel Street London United Kingdom W1F 8GB
AIFM	JTC Global AIFM Solutions Limited Ground Floor, Dorey Court Admiral Park St Peter Port Guernsey GY1 2HT
Administrator	JTC (UK) Limited The Scalpel, 18th Floor 52 Lime Street London United Kingdom EC3M 7AF
Legal and Tax Adviser	CMS Cameron McKenna Nabarro Olswang LLP Cannon Place 78 Cannon Street London United Kingdom EC4N 6AF

Section 3 – Key Fund Terms

An executive summary of the key terms of the Fund is set out below. Further details of the principal terms of the Fund are provided in Section 6 – Summary of Principal Terms of this Memorandum.

This summary should be read in conjunction with the full text of this Memorandum and is qualified in its entirety by reference to the detailed provisions of the Fund Agreements.

Investment Objective	The Fund's investment objective is to invest in UK commercial properties which may include offices, retail, leisure, industrial, ancillary residential and associated uses. The Fund may also invest opportunistically in other UK commercial real estate opportunities.
Fund	The Fund is a closed-ended private fund structure comprising Kinrise UK Cities II LP, a private fund limited partnership established and registered in England and Wales under registration number LP023287 (the "**Partnership**"), together with such feeder vehicles, parallel vehicles or alternative investment vehicles as may be organised to meet the needs of certain investors The Fund may hold its investments directly or through subsidiary vehicles, which may without limitation include companies (including REITCo), limited partnerships and trusts, in each case subject to appropriate tax and legal advice. It is anticipated that the Fund will invest solely in Kinrise UK Cities II Investment Holdings Limited, a private company limited by shares incorporated in England and Wales which intends to qualify as a UK REIT (or the principal company of a group UK REIT) ("**REITCo**"), which will in turn hold interests in underlying properties, either directly or indirectly through special purpose vehicles wholly owned by REITCo.
General Partner	Kinrise General Partner II LLP.
AIFM	JTC Global AIFM Solutions Limited.
Asset Manager	Kinrise Real Estate Ltd.
Investment Adviser	Kinrise Real Estate Ltd.
Term	Six years from the Final Closing Date, subject to extension by up to two years (one year at the discretion of the General Partner and a further one year with Advisory Committee approval).
Final Closing Date	No later than 12 months from the Initial Closing Date (or such later date as approved by Fund Investor Majority Consent).
Investment Period	Two years from the Final Closing Date, subject to extension or earlier termination (as further described in Section 6 – Summary of Principal Terms of this Memorandum).
Currency	Pounds Sterling (£ / GBP).
Minimum Commitment	£5,000,000, subject to discretion of the General Partner to accept lesser amounts.

Sponsor Commitment:	Kinrise and its respective members, officers and affiliates will make and maintain, whether directly or indirectly through a special purpose vehicle established for such purpose (the "**Sponsor Co-Investors**"), a Commitment of an amount equal to 1% of total Commitments (excluding Commitments of the Sponsor Co-Investors) from time to time, subject to a minimum of £1,000,000. The Sponsor Co-Investors shall not be required to bear (directly or indirectly) any part of the General Partner's Share or the Carried Interest.
Distributions	Distributions will be made in the following order of priority: 1. to the General Partner in payment of the General Partner's Share (see below); then 2. to the Limited Partners in repayment of their Contributions; then 3. to the Limited Partners in payment of an 8% IRR on their Contributions; then 4. 50% to the Limited Partners and 50% to the Special Limited Partner until the Special Limited Partner has received 20% of all distributions in excess of repayment of the Limited Partner's Contributions; then 5. 80% to the Limited Partners and 20% to the Special Limited Partner.
General Partner's Share	The General Partner will be entitled to receive the General Partner's Share from the Partnership of an amount equal to: • during the Investment Period, 1.5% per annum of aggregate Commitments; and • after expiry of the Investment Period, 1.5% per annum of total amounts drawn down as Contributions (whether or not repaid) or otherwise committed to pay the investment cost of all unrealised Investments, or such lesser amount as may be agreed with individual Investors from time to time.
Fees	In consideration of the provision of their respective services, the Asset Manager will be entitled to receive the Management Fee and the Investment Adviser will be entitled to receive the Investment Advisory Fee, in each case which shall be borne by the General Partner out of the General Partner's Share. The AIFM will be entitled to receive a fee for its services, the amount of which shall reduce the amount of the General Partner's Share to which the General Partner is entitled from time to time.
Investment Restrictions	The Fund will not at any time invest in any real estate assets located outside the United Kingdom. For the avoidance of doubt, the foregoing will not preclude the Fund from investing directly or indirectly through any Portfolio Vehicle, whether located within or outside of the United Kingdom. With effect from the end of the Investment Period, unless waived by the Advisory Committee, the Fund will not invest: • more than 30% of the Fund's Commitments in any single property investment (and for such purposes a portfolio of property investments shall be deemed to comprise multiple investments); and • more than 30% of the Fund's Commitments in or committed to ground up development projects, excluding forward fundings which have planning permission and are at least 60% pre-let. Unless waived by Advisory Committee, the Fund will not at any time invest in publicly traded securities, provided that the foregoing shall not preclude the Fund from entering into an initial public offering of the REITCo or any other Portfolio Vehicle.

Leverage Restrictions	With effect from the Final Closing Date, unless otherwise approved by Advisory Committee the total external borrowings of the Fund and its controlled subsidiaries will not exceed 70% of the Fund's gross asset value, measured as at the time of the relevant borrowings being incurred, but excluding any borrowings under a Subscription Credit Facility and any guarantees.

Section 4 – Fund Management

Kinrise

Kinrise Real Estate Ltd, a private company limited by shares incorporated in England and Wales under company registration number 09387387, will act as asset manager in respect of the real property investments of the Fund and as investment adviser to the General Partner and the AIFM in respect of the Fund.

Established in 2015, Kinrise is a UK-based specialist real estate investment management business, headquartered in London and employing c. 10 staff located in the UK. The team have built a portfolio of 12 buildings, creating 712,000 sq. ft. of iconic space, representing £257.0 million of investment commitment (as at Q3 2023). Kinrise is supported by a highly experienced advisory board, which brings insight from multiple sectors including politics, technology, education, public equities, private equity and real estate. Profiles of the advisory board members are available to view at the Kinrise website (https://kinrise.com/thecompany).

Kinrise is a specialist in creating highly activated, inspiring buildings, including high specification offices, designed specifically to meet the demands of hybrid working within a characterful setting. The genesis of the firm was in George Aberdeen and Sam Lawson Johnston having significant prior experience in UK and European commercial real estate, seeing an opportunity to build a portfolio of iconic buildings in the UK which would deliver attractive, risk adjusted financial returns and add societal value whilst tackling the challenge of decarbonisation.

Further information on the roles and responsibilities of Kinrise in its capacity as Asset Manager and Investment Adviser is set out in Section 5 – Structure and Key Service Providers of this Memorandum.

Key Personnel

The key Kinrise personnel in respect of the Fund are as follows:

Samuel Lawson Johnston – Managing Partner, Kinrise

Samuel is a founding partner of Kinrise. He is focused on investment strategy, innovation and design at Kinrise. He has worked in UK commercial real estate for 18 years, with former roles as an Investment Director and Partner at Cording Real Estate Group (now Edmond De Rothschild Real Estate). Samuel has an undergraduate degree from Durham University and post graduate masters from Reading University. He is also on the board of Charity Water and Saint Church (Hackney), and co-founded eyewear business Finlay London.

George Aberdeen (the Marquess of Aberdeen) – Managing Partner, Kinrise

George is a founding partner of Kinrise. He is focused on investment management and asset management at Kinrise. George has worked in UK commercial real estate for 18 years, starting his career at Knight Frank Investment Management and then becoming an Investment Director of FORE Partnership. George has a degree from Oxford Brookes University. He is also President of Field Lane charity, which has been helping vulnerable people since 1841.

The AIFM

JTC Global AIFM Solutions Limited, a limited liability company incorporated in Guernsey under company registration number 62964, is appointed by the General Partner to act as alternative investment fund manager in respect of the Partnership. In such capacity, the AIFM will have overall responsibility (inter alia) for the risk management and portfolio management functions of the Partnership and will oversee and monitor the performance by the Asset Manager and the Investment Adviser of their respective duties in respect of the Fund.

The AIFM is licensed by the GFSC under the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended, to conduct certain restricted activities in relation to collective investment schemes. The AIFM has three directors, being Kobus Cronje, Graham Taylor and Matt Tostevin. The AIFM also has the benefit of staff employed by its sister company in Guernsey, JTC Fund Solutions (Guernsey) Limited, which is also licensed and regulated by the GFSC and acts as the AIFM's corporate secretary and administrator. The AIFM's ultimate beneficial owner is JTC Plc, which is listed and traded on the London Stock Exchange's Main Market for Listed Securities.

The AIFM is a non-EU AIFM for the purposes of the AIFMD and a non-UK AIFM for purposes of the UK AIFM Regulations. The AIFM acts as alternative investment fund manager and/or investment manager of both publicly traded and private funds. As of 31 July 2023, the AIFM has £2.4 billion in assets under management.

Further information on the role and responsibilities of the AIFM is set out in Section 5 – Structure and Key Service Providers of this Memorandum.

Risk and Liquidity Management

The AIFM, in consultation with the Asset Manager and the Investment Adviser, will carry out the risk management function for the Fund and has implemented and will maintain adequate risk management systems to allow it to identify, measure, manage and monitor all material risks relevant to the Fund and to which the Fund is, or may be, exposed.

The AIFM will (i) determine the risk profile of the Fund and ensure that it is appropriate in light of the size, portfolio structure, strategy and investment objectives of the Fund, as set out in this Memorandum, (ii) ensure that the risks associated with each investment position of the Fund and their overall effect upon the Fund's portfolio can be properly identified, measured, managed and monitored on an ongoing basis, including through the use of appropriate stress testing procedures, (iii) maintain quantitative and qualitative risk limits for the Fund, taking into account all relevant risks and (iv) review the risk management systems at least annually and adapt them where necessary.

All Investments will be subject to ongoing oversight through regular review and discussion between the Fund's portfolio management team, the Asset Manager's Investment Committee and the AIFM.

The risk and liquidity management information detailed below will be set out in the Fund's periodic reports:

- the percentage of the Fund's assets which are subject to special arrangements (including liquidity management arrangements) arising from their illiquid nature;
- any new arrangements for managing the liquidity of the Fund; and
- the current risk profile of the Fund and the risk management systems employed by the AIFM to manage those risks.

Valuations

The AIFM is responsible for overseeing the Fund's valuation function in accordance with the valuation policies and procedures maintained in respect of the Fund from time to time. The AIFM's valuation function is functionally and hierarchically independent from the portfolio management function of the AIFM.

Net Asset Value

The General Partner shall procure that the Net Asset Value is calculated by the Administrator subject to the supervision of the AIFM.

The Net Asset Value shall be determined in accordance with UK GAAP and applying such additional guidelines as the General Partner (under the oversight of the AIFM) shall reasonably determine to be appropriate, taking into account the nature of the Investments.

The Net Asset Value will be reported to the Investors in the periodic reports of the Fund.

Valuation of the Fund assets

The value of the Fund's assets will be determined independently, prudently and in good faith in accordance with third party valuation standards and applicable regulatory requirements.

Property valuations will be conducted in alignment with the appraisal and valuation standards set by the Royal Institution of Chartered Surveyors ("**RICS**").

The AIFM will ensure that the Fund and its assets have been properly valued and will retain documentary evidence to this effect.

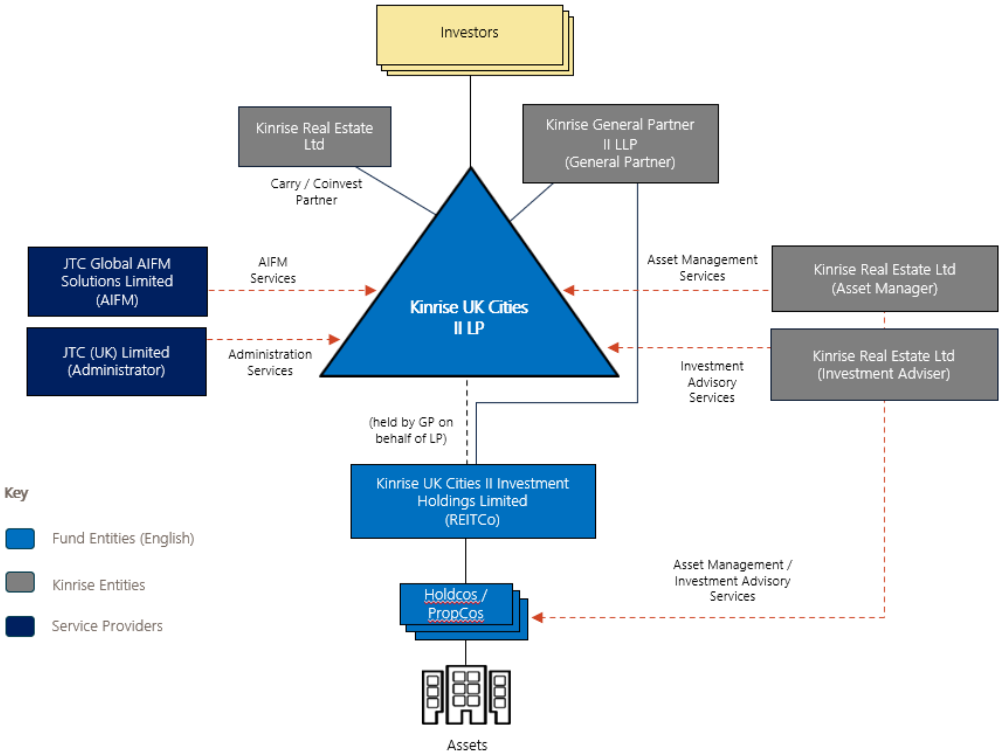
Sustainable Investment Disclosures

The Fund is not registered in the EU and is therefore not covered by the EU Sustainable Financial Disclosure Regulation (SFDR) or the EU Taxonomy Regulation. The Fund therefore does not follow, and is not required to follow, the relevant requirements under SFDR or the Taxonomy Regulation.

The Fund will however comply with any future UK requirements in relation to sustainable disclosures, including the UK Sustainable Disclosure Requirements (SDR), at the relevant time.

Section 5 – Structure and Key Service Providers

Structure



An indicative representation of the structure of the Fund is set out above, provided that the structure of the Fund remains subject to ongoing legal, tax and regulatory advice from time to time.

Fund

The Partnership is registered as a private fund limited partnership in England and Wales with registration number LP023287.

The Partnership is an alternative investment fund for the purposes of the UK AIFM Regulations.

General Partner

The general partner of the Partnership is Kinrise General Partner II LLP, an English private company limited by shares incorporated and registered in England and Wales under number OC448197, the registered office of which is at 2 Noel Street, London, United Kingdom W1F 8GB.

The General Partner is ultimately responsible for the day-to-day management of the affairs of the Partnership. With the exception of the functions reserved to the General Partner by law and the Partnership Agreement, the General Partner has procured that the management of the Partnership is carried out by the AIFM pursuant to the terms of the AIFM Agreement.

While the General Partner is liable for the debts and obligations of the Partnership, it will not be liable to the Investors if the Partnership's assets are not, at the relevant time, sufficient to repay their respective contributions to the Partnership.

The General Partner’s responsibilities include (without limitation) in respect of the relevant Partnership:

- Appointing and supervising the performance of the AIFM and representing the Partnership in its dealings with the AIFM or in relation to the protection of the Partnership's assets.

- Executing and entering into agreements on behalf of the Partnership.
- Considering and approving applications for Interests from prospective Limited Partners.
- Making calls on the Limited Partners in respect of undrawn Commitments.
- Calculation and payment of distributions to the Partners.
- Maintaining or procuring the maintenance of the books of record and account of the Partnership.
- Registration of certain matters in respect of the Partnership with the Registrar of Companies in England and Wales, as required by law.
- Communicating generally with the Partners.

The General Partner shall be entitled to receive the General Partner's Share from the Partnership, as further described in Section 6 – Summary of Principal Terms of this Memorandum.

REITCo

It is expected that the Fund will hold all underlying investments through Kinrise UK Cities II Investment Holdings Limited, a private company limited by shares incorporated in England and Wales with company registration number 15036300, and which intends to elect into the UK REIT regime.

The attention of prospective Investors is drawn to the paragraph of Section 6 – Summary of Principal Terms of this Memorandum headed "REITCo" for further information in respect of certain obligations and duties of the Investors which are attributable to the REIT status of REITCo.

A high-level summary of certain aspects of current UK law and HMRC practice relating to the UK REIT regime is set out in Section 8 – Taxation of this Memorandum.

Key Service Providers

AIFM

The General Partner has appointed JTC Global AIFM Solutions Limited, a limited liability company incorporated and registered in Guernsey under The Companies (Guernsey) Law, 2008, as amended, with company registration number 62964, to act as the alternative investment fund manager of the Partnership. In such capacity, the AIFM has been entrusted with the functions of portfolio management and risk management of the Partnership pursuant to the AIFM Agreement.

The AIFM is licensed by the GFSC under the provisions of the Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended, to conduct certain restricted activities in relation to collective investment schemes.

With the exception of (i) those functions reserved to the General Partner by law, the Fund Agreements and the AIFM Agreement and (ii) the functions attributed to the Asset Manager pursuant to the Asset Management Agreement, the AIFM has legal decision-making power and exclusive authority with regard to any decisions not specifically delegated or attributed to another entity or service provider and supervises the other service providers in the performance of their duties.

The AIFM's responsibilities include (without limitation) in respect of the Partnership:

- Portfolio management and risk management in relation to the Partnership.
- Overseeing the implementation of the Partnership's investment policy and investment strategy.
- Monitoring the Partnership's assets, including the portfolio mix, diversification and risk profile of the Partnership's assets.
- Ensuring compliance with all applicable regulations, including (as applicable in connection with the marketing of the Interests in the UK) the UK AIFM Regulations.
- Procuring the preparation and provision to Investors of the annual report and accounts of the Partnership together with quarterly and periodic reports, in accordance with the requirements of applicable regulations including the UK AIFM Regulations;
- Monitoring the Partnership's valuation processes and procedures and the appointment and termination of external valuers.
- Where required, attending meetings of the Investors and liaising with the Advisory Committee.

The AIFM may delegate certain of its functions, provided that any such delegation will only be done in accordance with the AIFM Agreement and applicable regulations and will not limit the AIFM's liability to the Partnership or the Investors, except as permitted by law.

The AIFM will at all times (i) retain sufficient facilities, personnel, experience and expertise necessary to fulfil its obligations under the AIFM Agreement, (ii) implement policies and procedures to ensure the fair treatment of Investors and, in this respect, will act in the best interests of investors and ensure that they are treated fairly (including, as the case may be, through meetings of the investors and the Advisory Committee, annual and periodic reporting to investors and the AIFM's active management of the Fund), (iii) have regard to its obligations to the Fund and under the GFSC's rules in relation to the identification, management and disclosure of conflicts of interest; and (iv) maintain sufficient own funds and/or professional indemnity insurance to cover its professional liability risks.

In consideration of the services to be provided by the AIFM, the AIFM shall be entitled to receive the AIFM Fee from the Partnership (the amount of which shall reduce the amount of the General Partner's Share to which the General Partner is entitled from time to time), while the expenses incurred by the AIFM in the proper performance of its functions shall be borne by the Fund, in each case as further described in Section 6 – Summary of Principal Terms.

Asset Manager

Kinrise Real Estate Ltd ("**Kinrise**"), a private company limited by shares incorporated in England and Wales under company registration number 09387387, will act as asset manager in respect of the real property investments of the Fund.

The Asset Manager's rights and obligations are as set out in the Asset Management Agreement and include:

- the provision of expert advice to the AIFM in respect of the real property portfolio of the Fund from time to time and making recommendations to the AIFM on the acquisition or disposal of properties;
- identifying, evaluating and negotiating the acquisition of property investments and conducting any appropriate due diligence;
- identification of opportunities to create additional value or protect existing value in respect of the property investments of the Fund;
- advising on and assisting in raising finance to acquire or develop Investments and on structuring Investments.
- procuring the appointment of and instructing third-party agents and professional advisers;
- preparation of business plans in respect of the property portfolio of the Fund;
- the management and oversight of the lettings, rent reviews, lease renewals, lease/head lease negotiations, refurbishment and developments in respect of the property portfolio of the Fund; and
- submission of regular written reports to the AIFM in an agreed format.

Except to the extent provided in the Asset Management Agreement, the Asset Manager has no final decision-making power or authority with regard to the investment decisions of the Fund, which authority rests with the AIFM in its capacity as the portfolio manager of the Partnership.

In consideration of the services to be provided by the Asset Manager, the Asset Manager shall be entitled to receive the Management Fee (which shall be borne by the General Partner out of the General Partner's Share), while the expenses incurred by the Asset Manager in the proper performance of its functions shall be borne by the Fund, in each case as further described in Section 6 – Summary of Principal Terms.

Investment Adviser

Kinrise will also act as investment adviser to the General Partner and the AIFM in respect of the Fund.

The Investment Adviser's rights and obligations are as set out in the Investment Advisory Agreement and are generally limited to the provision of certain ad hoc regulated investment advisory services to the General Partner and the AIFM.

The Investment Adviser has no final decision-making power or authority with regard to the investment decisions of the Fund, which authority rests with the AIFM in its capacity as the portfolio manager of the Partnership.

In consideration of the services to be provided by the Investment Adviser, the Investment Adviser shall be entitled to receive the Investment Advisory Fee (which shall be borne by the General Partner out of the General Partner's Share), while the expenses incurred by the Investment Adviser in the proper performance of its functions shall be borne by the Fund, in each case as further described in Section 6 – Summary of Principal Terms.

Administrator

JTC (UK) Limited has been appointed to act as the Administrator in respect of the Fund pursuant to the Administration Agreement.

JTC (UK) Limited is a private company limited by shares incorporated in England and Wales under company number 04301763.

The services to be provided by the Administrator include, among others: processing subscriptions and transfers of Interests; maintaining the Fund's books and records; providing Fund accounting services, including calculating the Fund's Net Asset Value; processing Fund disbursements; and coordinating with the Fund's Auditors and tax accountant for the preparation of the Fund's annual audit and tax filings. Prospective investors should note that it is not possible for the Administrator to provide any investment advice to the Fund or its investors.

In consideration of the services to be provided under the Administration Agreement, the Administrator will be entitled to receive a fee from the Fund as well as the reimbursement of its out of pocket expenses.

Valuer

The General Partner (under the overall responsibility of the AIFM) will from time to time procure the appointment of a reputable independent external valuer (the "**Valuer**") to undertake valuations of the property assets of the Fund.

In consideration of its services to the Fund, the Valuer will be entitled to receive a fee from the Fund.

For further details regarding the Fund's valuation procedures please refer to Section 4 – Fund Management.

Auditors

An independent and reputable professional services firm shall be appointed and notified to the Investors from time to time to act as the independent auditors to the Fund with responsibility for auditing the Fund's annual financial statements (the "**Auditors**").

In consideration of its services to the Fund, the Auditors will be entitled to receive a fee from the Fund.

Prime Broker

The Fund has not appointed, and does not intend to appoint, a prime broker.

Legal and Tax Adviser

CMS Cameron McKenna Nabarro Olswang LLP, a limited liability partnership incorporated and registered in England and Wales with registration number OC310335, acts as adviser to the Fund as to matters of English law and UK taxation.

CMS Cameron McKenna Nabarro Olswang LLP also acts as legal adviser as to matters of English law to the General Partner, the AIFM and the Asset Manager in connection with the offering of Interests described herein. In such respects the attention of Investors is drawn to the paragraph headed "*No Independent Legal Counsel*" in Section 7 – Certain Risk Factors and Potential Conflicts of Interest in this Memorandum.

Section 6 – Summary of Principal Terms

The information contained in this Section 6 – Summary of Principal Terms and other Sections of this Memorandum relating to the terms of the Fund Agreements are a summary of the principal features of the proposed placing of Interests in the Fund and should be read in conjunction with the full text of this Memorandum and the Fund Agreements. In some cases, the features summarised below are not repeated in greater detail elsewhere in this Memorandum but are set out in further detail in the Fund Agreements. In the event of any conflict between the text of this Memorandum and the Fund Agreements, the Fund Agreements shall prevail.

Fund	The Fund comprises Kinrise UK Cities II LP, a private fund limited partnership established and registered in England and Wales under registration number LP023287 (the "**Partnership**") and constituted pursuant to its limited partnership agreement, as amended and/or restated from time to time (the "**Partnership Agreement**"), together with such feeder vehicles, parallel vehicles or alternative investment vehicles as may be organised to meet the needs of certain investors. The Partnership and any feeder or parallel vehicles constituted pursuant to the Fund Documents are each individually referred to as a "**Fund Vehicle**" and are collectively referred to as the "**Fund**". Investors in the Partnership and any other Fund Vehicle are collectively referred to as the "**Limited Partners**" or the "**Fund Investors**", as the context requires. The General Partner, together with the general partner, manager, trustee or other decision-making person of each other relevant Fund vehicle, are collectively referred to as the "**Fund GPs**". The Fund may hold its investments directly or indirectly or through subsidiary special purpose vehicles, wherever established incorporated or resident, and which may without limitation include companies, limited partnerships, trusts, collective investment vehicles or any other person (each a "**Portfolio Vehicle**"), in each case subject to appropriate tax and legal advice. It is anticipated that the Fund will invest solely in Kinrise UK Cities II Investment Holdings Limited, a private company limited by shares incorporated in England and Wales which intends to qualify as a UK REIT (or the principal company of a group UK REIT) ("**REITCo**"), which will in turn hold interests in underlying properties, either directly or indirectly through special purpose vehicles wholly owned by REITCo. The Partnership is an alternative investment fund ("**AIF**") for purposes of the UK Alternative Investment Fund Managers Regulations 2013 (the "**UK AIFM Regulations**").
General Partner:	Kinrise General Partner II LLP, a limited liability partnership incorporated in England and Wales under registration number OC448197, will act as the general partner of the Partnership.
Special Limited Partner:	A special purpose vehicle established on behalf of Kinrise and its respective members, officers and affiliates will be entitled to receive a performance related carried interest from the Partnership.
AIFM:	The General Partner (on behalf of the Partnership) will be responsible for ensuring that the Partnership, as an AIF, is managed by an appropriately authorised alternative investment fund manager.

	The General Partner has appointed JTC Global AIFM Solutions Limited, a limited liability company incorporated in Guernsey under company registration number 62964, to act as the external alternative investment fund manager of the Partnership (the "**AIFM**"), with responsibility for the risk management and portfolio management functions in respect of the Partnership, pursuant to an alternative investment fund management agreement (the "**AIFM Agreement**"). The AIFM is licensed by the GFSC under the provisions of the Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended, to conduct certain restricted activities in relation to collective investment schemes.
Investment Adviser:	Kinrise Real Estate Ltd ("**Kinrise**"), a private company limited by shares incorporated in England and Wales under company registration number 09387387, will act as investment adviser and, in such capacity, will provide certain regulated investment advisory services to the AIFM and the General Partner pursuant to the investment advisory agreement entered into between the AIFM, the General Partner and the Investment Adviser (the "**Investment Advisory Agreement**"). Kinrise (which is registered with the UK Financial Conduct Authority ("**FCA**") under firm reference number 709476) acts as an appointed representative of Robert Quinn Advisory LLP, which is authorised and regulated by the FCA with firm reference number 548030.
Asset Manager:	Kinrise will also act as asset manager in respect of the direct property investments of the Fund and, in such capacity, will provide certain unregulated property asset management services to the AIFM and the General Partner pursuant to the asset management agreement entered into between the AIFM, the General Partner and the Asset Manager (the "**Asset Management Agreement**").
Investment Objective:	The Fund's investment objective is to invest in UK commercial properties which may include offices, retail, leisure, industrial, ancillary residential and associated uses. The Fund may also invest opportunistically in other UK commercial real estate opportunities.
Target Return:	The Fund will seek to provide Fund Investors with an internal rate of return of 14-16% on their investment (net of management / advisory fees and after taxes at structure level but before taxes at investor level).[2]
Target Fund Size:	The Fund is seeking commitments from investors ("**Commitments**") of up to £150,000,000. The Fund will not be entitled to accept aggregate Commitments in excess of this amount other than with the prior approval of a Fund Investor Special Consent.
Minimum Commitment:	£5,000,000 subject to the discretion of the General Partner (or as the case may be the applicable Fund GP) to accept Commitments either generally or in individual circumstances for lesser amounts.

[2] Targeted returns are aspirational in nature and reflect, among other factors, Kinrise's underwriting criteria for Fund investments, assessment of the prospect of any current Fund investments, and views of available commercial opportunities, and assessment of prevailing market opportunities. There can be no assurance that the Fund will achieve return targets, or that investments will not decline in value. These determinations are often subjective and depend upon numerous factors, including many that lie beyond the control of the General Partner. Please see the discussion of "Targeted Returns" in Section 7 – Certain Risk Factors and Potential Conflicts of Interest and the general disclosures set forth in the Preamble to this Memorandum for further information regarding targeted returns and forward looking statements.

Sponsor Commitment:	Kinrise and its respective members, officers and affiliates will make and maintain, whether directly or indirectly through a special purpose vehicle established for such purpose (the "**Sponsor Co-Investors**"), a Commitment of an amount equal to 1% of total Commitments (excluding Commitments of the Sponsor Co-Investors) from time to time, subject to a minimum of £1,000,000. The Sponsor Co-Investors shall not be required to bear (directly or indirectly) any part of the General Partner's Share or the Carried Interest.
Currency:	The reference currency of the Fund will be GBP Pounds Sterling (£). Accordingly, all amounts drawn down and any allocations and distributions to Partners will be in Pounds Sterling.
Term:	The term of the Fund will continue for a period of six years from the Final Closing Date (the "**Initial Term**"), provided that the General Partner may cause the Initial Term to be extended for up to an additional two years (one year at the discretion of the General Partner and for a further one year with the prior approval of the Advisory Committee). The Initial Term shall be subject to any automatic extension following the lifting of a Key Person Suspension (as described further under "Key Persons" below).
Investment Period:	The Investment Period will commence on the Initial Closing Date and expire on the earlier of: 1. the second anniversary of the Final Closing Date, unless extended by the General Partner (i) for a period of up to one year with the approval of the Advisory Committee, (ii) for such longer period with the approval of a Fund Investor Majority Consent, or (iii) following the lifting of a Key Person Suspension (as described further under "Key Persons" below); 2. the date that the General Partner determines that the Fund is in practical terms fully invested and provided that at least 90% of all Commitments (measured at the Final Closing Date) have been drawn down, committed, expended or reserved for investment, actual or contingent liabilities or expenses or other purposes of the Fund; 3. the date upon which the General Partner proposes, and the Advisory Committee agrees, to terminate the Investment Period, such period being the "**Investment Period**". At the end of the Investment Period until the liquidation of the Partnership, a Fund Investor may only be required to advance any part of its undrawn Commitment to the extent necessary to: 1. meet obligations under Drawdown Notices (defined below) served before the end of the Investment Period; 2. pay amounts owing or which may become due under any credit facilities of the Fund or any of its subsidiaries or to satisfy obligations under existing security guarantees, indemnities, covenants or other agreements or undertakings; 3. pay amounts required to (i) complete investments with respect to which the Fund or any of its subsidiaries has, prior to the end of the Investment Period, entered into a contract or other legally binding agreement, or any heads of terms, letter of intent, undertaking or agreement in principle to invest, provided that in such cases the acquisition of such investment is completed within 12 months after the end of the Investment Period and (ii) discharge obligations in respect of deferred payments for investments already completed

	prior to the end of the Investment Period (a "**Transaction In Progress**"); 4. maintain, repair or keep any investment in good and substantial repair; 5. meet the costs of any expenditure or guarantee in relation to any investment (including in respect of any development, redevelopment or refurbishment project in respect of an investment); 6. without prejudice to paragraph 5 above, effect follow-on or additional investments in existing Fund investments up to an aggregate maximum of 15% of aggregate Commitments ("**Follow-On Investments**"); 7. pay fees, costs, expenses, liabilities and other obligations of the Fund, or to create reserves to meet any such amounts which are anticipated, contingent or recurring, including for the purposes of paying (or making advances in respect of) the General Partner's Share; or 8. to repay any amounts drawn down under any Subscription Credit Facility after the end of the Investment Period in connection with paragraphs 1 to 7 above.
Closings:	The initial closing of the Fund will be on a date selected by the General Partner in its absolute discretion (the "**Initial Closing Date**"). The General Partner may accept further Commitments (whether from existing Fund Investors or additional investors to the Fund) at subsequent closings after the Initial Closing Date up to and including the Final Closing Date (each such date of acceptance being a "**Closing Date**"). The Final Closing Date will be no later than 12 months after the Initial Closing Date (or such later date as approved by a Fund Investor Majority Consent) (the "**Final Closing Date**"). The General Partner may accept or reject subscriptions in its absolute discretion.
Subsequent Closing Payments:	Where (i) Fund Investors are admitted to the Fund at any Closing Date subsequent to the Initial Closing Date, or existing Fund Investors increase their Commitment subsequent to the Initial Closing Date; and (ii) Commitments have already been drawn down from existing Fund Investors and have not been repaid, then each Fund Investor admitted (or increasing its Commitment) on such subsequent Closing Date will be required to pay to the Fund: 1. an amount, which will reduce the amount of its undrawn Commitment, equal to the amount of Contributions it would have made if all Fund Investors had been admitted on the Initial Closing Date and been drawn down pro rata from the Initial Closing Date; 2. an amount, which will reduce the amount of its undrawn Commitment, equal to the General Partner's Share on its Commitment from the Initial Closing Date to the date of its admission; and 3. an amount, in addition to and which will not reduce the amount of its undrawn Commitment, equal to interest at an annually compounded rate of 8% per annum on the amounts set out in (1) above and (unless waived by the General Partner) (2) above, in each case from the dates on which such amounts would have been payable had such Fund Investor been admitted or had made such increase of Commitment on the Initial Closing Date up to the date of payment (the "**Additional Payment**"). The foregoing amounts will (i) in respect of the amounts in (1) above and the Additional Payment on such amounts, be repaid to existing Fund Investors pro rata to their Commitments and shall, other than the Additional Payment,

	be available for further redraw and (ii) in respect of the amounts in (2) above and the Additional Payment on such amounts, be paid to the General Partner. Notwithstanding the foregoing, the General Partner (or as applicable the relevant Fund GP) may suspend the obligation of a Fund Investor admitted on a subsequent Closing Date to pay the foregoing amounts until it is determined that further cash funds are required by the Fund. In such a case, each Fund Investor admitted on a Closing Date subsequent to the Initial Closing Date will be required to pay the foregoing amounts and its undrawn Commitment will be drawn down in priority to existing Fund Investors until all Fund Investors have been drawn down pro rata, following which all future drawdowns will be made pro rata.
Drawdowns:	Commitments will be drawn down as capital contributions ("**Contributions**") from the Fund Investors on not less than 10 Business Days' prior written notice (except in respect of any Drawdown Notice issued to a Fund Investor on or around the Closing Date in respect of which such Fund Investor is admitted to the Fund or increases its Commitment, which may be subject to a shorter notice period) (a "**Drawdown Notice**"). Where a Contribution is made for the purposes of an investment and the acquisition of such investment is not completed, or a portion of the Contribution remains unused after completion of an acquisition, such amount may either be retained by the Fund or returned to the Fund Investors, and any amount so returned shall be available for further drawdown and shall, if returned within 90 calendar days of having been drawn down, not be counted as having been drawn down for the purposes of calculating the Preferred Return.
Default:	If any Fund Investor fails to advance its Contributions after the expiration of the applicable Drawdown Notice, or otherwise fails to meet any payment obligation under the terms of the Fund Documents, it will be deemed to be in default and the General Partner may charge the defaulting Fund Investor interest on any unpaid Contribution at an annually compounded rate equal to 12% per annum (or the maximum amount permitted by law if less) from the due date until the date of payment. The defaulting Fund Investor may also be required to pay all other costs and expenses of the Fund, the General Partner, the AIFM, the Asset Manager, the Investment Adviser and their respective affiliates (including, without limitation, interim financing costs, court costs, legal fees and internal time costs and expenses) incurred in collecting, or arising as a consequence of, its default. Whilst a Fund Investor is in default, it will not be entitled to attend (or count towards the quorum of) any meetings of the Partners or the Advisory Committee or to participate (or count towards the determination of) any decision of the Partners or the Advisory Committee, and all future distributions due to it will be applied in paying the default amount and associated interest and/or any other default costs. If a Fund Investor does not remedy a default within 10 Business Days of becoming a defaulting Fund Investor, the General Partner shall be entitled to exercise any available remedies against the defaulting Fund Investor including any of the following (or a combination of them): 1. the right to sell the defaulting Fund Investor's interest in the Fund in accordance with and subject to the provisions of the Fund Documents; 2. the right to forfeit the defaulting Fund Investor's interest in the Fund, following which the balance of the defaulting Fund Investor's undrawn Commitment shall be cancelled and its rights limited to the repayment of its outstanding Contributions on the winding up of the

	Fund and then only after all other Fund Investors have received a return of their Contributions plus the Preferred Return and the Special Limited Partner has received payment of any Carried Interest due to it; or 3. the right to permit one or more persons to assume responsibility for the entire unpaid balance of the defaulting Fund Investor's Commitment. The General Partner can require the non-defaulting Fund Investors to advance any amount that has not been subscribed for by a defaulting Fund Investor, subject to a maximum amount equal to their total outstanding Commitments. A Limited Partner will also be in default in certain other circumstances, including where it has materially breached (and not remedied such breach within 20 Business Days of notice from the General Partner requiring such remedy) any of the terms of the Fund Documents, where it has failed to make a material disclosure or has made a representation or statement which is or becomes (in the General Partner's reasonable opinion) incorrect or misleading and which has had or is likely to have, in the General Partner's reasonable opinion, a material adverse effect on the Fund or the Fund Investors, where it has violated any applicable laws in connection with its investment in the Fund, or where it becomes insolvent.
Seed Investments:	It is anticipated that the Fund will invest on or around the Initial Closing Date into certain assets that have been warehoused by Kinrise, its affiliates and/or certain entities managed or advised by Kinrise (each a "**Seed Investment**"). Any such Seed Investments will be acquired by the Fund for an amount equal to their gross investment cost, being the initial acquisition price plus the costs as determined by Kinrise associated with the acquisition, development, holding and transfer of any such assets to the Fund (including, without limitation, legal and other advisory expenses, brokerage fees, transaction and other taxes, interest costs and other financing and hedging expenses). Information relating to the Seed Investments and their valuation will be made available to prospective Fund Investors prior to their investment in the Fund.
Reinvestment:	During the Investment Period, all proceeds from the sale of an investment (or any debt refinancing) that are distributable to the Fund Investors and that would otherwise constitute a return of Contributions may either (i) be retained and reinvested by the Fund or (ii) distributed to the Fund Investors, in which case an amount equal to the Contributions of Fund Investors repaid out of such proceeds shall be added back to the uncalled Commitments and available for further drawdown. Contributions retained for a period of less than 90 calendar days shall for the purposes of calculating the Preferred Return be considered to have been distributed on the date of receipt by the Partnership and for such purposes shall not be considered to be redrawn until reinvested or otherwise reapplied by the Partnership, provided that Contributions retained for a period of 90 calendar days or more shall for the purposes of calculating the Preferred Return be deemed to have been drawn down from expiry of such 90 calendar day period. Reinvestment is not permitted following the end of the Investment Period, other than in respect of the proceeds of a refinancing of an investment which may be retained and reinvested by the Fund in existing Fund investments or Follow-On Investments. All net investment income available for distribution is expected to be distributed quarterly and shall not be available for reinvestment.
Investment Restrictions:	The Fund will not at any time invest in any real estate assets located outside the United Kingdom. For the avoidance of doubt, the foregoing will not

	preclude the Fund from investing directly or indirectly through any Portfolio Vehicle, whether located within or outside of the United Kingdom. With effect from the end of the Investment Period, unless otherwise approved by Advisory Committee, the following investment restrictions shall be met: 1. not more than 30% of the Fund's Commitments shall be invested in any single property investment (and for such purposes a portfolio of property investments shall be deemed to comprise multiple investments); and 2. not more than 30% of the Fund's Commitments shall be invested in or committed to ground up development projects, excluding forward fundings which have planning permission and are at least 60% pre-let. Unless otherwise approved by Advisory Committee, the Fund will not at any time invest in publicly traded securities, provided that the foregoing shall not preclude the Fund from entering into an initial public offering of the REITCo or any other Portfolio Vehicle.
Leverage:	The Fund, directly or indirectly through its controlled subsidiaries and whether on a secured or unsecured basis, may enter into any facility or credit arrangement (including any refinancing of any such arrangement) with any person that the General Partner deems appropriate (including a Subscription Credit Facility)) for any purposes of the Fund generally, including without limitation to acquire, refurbish or develop investments, for capital expenditure related to asset management of any of the Fund's investments and to meet the fees, costs, expenses and other liabilities and obligations of the Fund. With effect from the Final Closing Date, unless otherwise approved by Advisory Committee the total external borrowings of the Fund and its controlled subsidiaries will not exceed 70% of the Fund's gross asset value, measured as at the time of the relevant borrowings being incurred, but excluding any borrowings under a Subscription Credit Facility and any guarantees. For the avoidance of doubt, the Fund will not be in breach of the limit set out above where a potential breach has arisen due to a fall in the value of any assets. The Fund will also be entitled to refinance any existing borrowing up to the amount of the original amount borrowed even if this would put the Fund in breach of the above limit.
Subscription Credit Facility:	The Fund may seek to obtain a credit facility secured by way of an assignment to the lender of the General Partner's right to drawdown Commitments from the Fund Investors (a "**Subscription Credit Facility**"), including in order to finance investments or pay expenses in advance of drawing down Commitments from the Fund Investors. If any borrowings under a Subscription Credit Facility remain outstanding following 12 months of their incurrence, then for the purposes of calculating the Preferred Return, an amount equal to the amount by which any such borrowings remaining outstanding under the Subscription Credit Facility for more than 12 months in relation to any investment exceeds 70% of the fair value of such investment shall be deemed to have been drawn down from the Commitments from the date of expiration of such 12 months period until the date of repayment.
Distributions:	Distributions of available cash (after making appropriate provision or reserve for fees, costs, expenses, liabilities (actual and contingent) and working capital requirements of the Fund and any amounts retained for reinvestment) will be made at such times and with such frequency as the General Partner may determine, provided that it is the intention of the General Partner that:

	1. distributions of capital proceeds realised from the disposal of an investment (or a refinancing) will be made as soon as reasonably practicable following such realisation, taking into account all tax, structuring and other relevant considerations; and 2. distributions of any available net-investment income will be made quarterly as soon as reasonably practicable following the end of the quarter in which such income is received. Distributions will be made by the Partnership in the following order of priority: 1. to the General Partner in payment of the General Partner's Share (see below); then 2. 100% to the Limited Partners (on a pro rata basis) until each Limited Partner has received a return of its Contributions; then 3. 100% to the Limited Partners (on a pro rata basis) until each Limited Partner has received aggregate distributions in an amount sufficient to provide it with an 8% IRR on its Contributions (the "**Preferred Return**"); then 4. 50% to the Limited Partners (on a pro rata basis) and 50% to the Special Limited Partner until the Special Limited Partner has received 20% of all distributions in excess of repayment of Investors' Contributions; then 5. 80% to the Limited Partners (on a pro rata basis) and 20% to the Special Limited Partner (the amounts payable to the Special Limited Partner under paragraph 4 above and this paragraph 5 together being the "**Carried Interest**"). Notwithstanding the above, the Sponsor Co-investors shall not bear the General Partner's Share or the Carried Interest. All distributions will be made in cash unless a Fund Investor consents to a distribution in kind. If the total tax liability of the General Partner (in respect of the General Partner's Share) or the Special Limited Partner (in respect of its Carried Interest distributions) for any year exceeds the distributions made to the General Partner or the Special Limited Partner (as applicable), the General Partner shall be entitled to cause the Partnership to distribute an amount equal to the shortfall to the General Partner or the Special Limited Partner. Any such distribution will reduce by an equal amount the right of the General Partner or the Special Limited Partner to future distributions of the General Partner's Share or Carried Interest (as applicable) from the Fund. Cash distributed in connection with a liquidation of the Fund will be distributed as set out above.
General Partner's Share:	The General Partner will be entitled to receive the General Partner's Share from the Partnership (payable quarterly in advance) of an amount equal to: • during the Investment Period, 1.5% per annum of the aggregate Commitments of the Unaffiliated Limited Partners; and • after the expiry of the Investment Period, 1.5% of the total amounts drawn down as Contributions (whether or not repaid) of the Unaffiliated Limited Partners or otherwise committed to pay the investment cost of all unrealised Investments, or such lesser amount as may be agreed with individual Investors from time to time. The Sponsor Co-investors and the Special Limited Partner shall not bear the General Partner's Share. If the sum of net income and capital gains available for distribution in any accounting period is less than the General Partner's Share, the deficiency shall be paid to the General Partner by the Partnership as an interest free loan (such loan being satisfied by allocations of future net income or capital

	gains attributable to the General Partner's Share being applied against and reducing the outstanding amounts of the loan). The General Partner's Share shall be due from the Initial Closing Date regardless of the date on which any Investor is admitted. Commitments may be drawn down to pay the General Partner's Share where insufficient funds are otherwise available. The General Partner's Share in respect of any accounting period will be reduced by the amount of the Management Fee, the Investment Advisory Fee and the AIFM Fee paid by the Fund or any Portfolio Vehicle (as applicable) in such accounting period, together with any placement fees borne by the Fund.
True Up:	Upon the liquidation of the Fund or on a return of distributions by the Fund Investors pursuant to their giveback obligations under the Fund Documents, the Special Limited Partner will be required to return to the Fund any distributions of Carried Interest previously received by it (net of tax paid, assessed or assessable on such distributions) to the extent that the Fund Investors have not received their respective entitlements under the distribution provisions of the Fund Documents on an aggregate basis covering all distributions by the Fund. Any amounts so returned by the Special Limited Partner to the Fund will be distributed to the relevant Fund Investors (other than any defaulting Fund Investor) in proportion to their respective entitlements.
Organisational Expenses:	The Fund will bear all expenses incurred in connection with the establishment of the Fund and the offering of the interests in the Fund up to an amount equal to £1,000,000 (plus VAT). Organisational expenses in excess of this amount will be borne by Kinrise and its affiliates. To the extent any placement agent is engaged to provide services relating to the formation of the Partnership, Kinrise and its affiliates will be responsible for all fees due to such placement agent. The fees due to any placement agent may at the discretion of the General Partner be charged to the Partnership up to a maximum amount equal to the General Partner's Share, provided that the General Partner's Share will be reduced by a corresponding amount.
Operating Expenses:	The Fund will be responsible for all fees, costs, expenses and other amounts incurred (including any such amounts borne by the General Partner, the Asset Manager, the Investment Adviser and their affiliates) in the management, operation and administration of the Fund, its Portfolio Vehicles and the investments or in carrying out the purpose or business of the Fund, in each case accordance with and subject to the terms of the Fund Documents, including (without limitation) in connection with (i) reporting, valuation, accounting and regulatory requirements, (ii) borrowing, hedging and similar arrangements, (iii) meetings of the Limited Partners, Fund Investors and the Advisory Committee, (iv) insurance and litigation, (v) taxes and other amounts levied by governmental bodies, (vi) the investigation, acquisition, structuring, holding, management and disposal of investments (including proposed investments, whether or not they become investments) and the Portfolio Vehicles and (vii) lawyers, auditors, administrators, advisers, the AIFM, custodians, and other service providers to the Fund and its investments. The General Partner, the Asset Manager, the Investment Adviser and their respective affiliates will bear their ordinary overhead costs and expenses in providing office facilities, equipment and personnel to perform their obligations under the Fund Documents.

Fees:	<u>Management Fee</u> In consideration of its asset management services, the Asset Manager will be entitled to receive a fee (the “**Management Fee**”) from the General Partner (which shall be borne by the General Partner out of the General Partner’s Share). The General Partner shall also be entitled to direct that the Management Fee is paid (in whole or part) by any Portfolio Vehicle, in which case the amount of the General Partner’s Share shall be reduced by a corresponding amount. <u>Investment Advisory Fee</u> In consideration of its investment advisory services, the Investment Adviser will be entitled to receive a fee (the “**Investment Advisory Fee**”) from the General Partner (which shall be borne by the General Partner out of the General Partner’s Share). The General Partner shall also be entitled to direct that the Investment Advisory Fee is paid (in whole or part) by any Portfolio Vehicle, in which case the amount of the General Partner’s Share shall be reduced by a corresponding amount. <u>AIFM Fee</u> In consideration of its alternative investment fund management services, the AIFM will be entitled to receive a fee (the “**AIFM Fee**”) from the Partnership, the amount of which shall reduce the amount of the General Partner’s Share to which the General Partner is entitled from time to time. <u>Other Fees</u> Excluding the General Partner’s Share, the Management Fee, the Investment Advisory Fee and any fees payable under an Affiliate Service Contract (see below), none of the General Partner, the Asset Manager, the Investment Adviser or their respective affiliates will receive any fees from the Fund, including acquisition, disposal, financing or other similar fees, in connection with the management, operation and administration of the Fund and its investments.
Affiliate Service Contracts:	The Fund may engage affiliates of the General Partner, the Asset Manager and/or the Investment Adviser to provide necessary services relating to the Fund and its assets, including without limitation development, construction, leasing and other property management services (“**Affiliate Service Contracts**”). The Fund will not enter into any Affiliate Service Contract unless the relevant arrangement is on at least bona fide commercial arm’s length terms and rates and shall notify any such arrangement to the Advisory Committee. The fees under any Affiliate Service Contract shall be borne by the Fund and shall not reduce the amount of the General Partner’s Share, provided that the services under such Affiliate Service Contract do not fall within the core asset management or investment advisory functions to be provided by the Asset Manager or the Investment Adviser respectively.
Related Party Transactions:	Excluding any Affiliate Service Contract and as further described below under Long Term Vehicle, all other transactions entered into by the Fund with the General Partner, the Asset Manager, the Investment Adviser and their respective affiliates (each, a “**Related Party Transaction**”) will require the prior consent of the Advisory Committee, such consent not to be unreasonably withheld where the Related Party Transaction is on bona fide commercial arm’s length terms.
Advisory Committee:	The General Partner will establish an advisory committee for the Fund (the “**Advisory Committee**”).

	The Advisory Committee will comprise representatives of selected Fund Investors other than the Sponsor Co-Investors. Each such Fund Investor which has made and maintains a Commitment of at least £15,000,000 will have the right to appoint one representative, while the General Partner will be entitled (but not obliged) to appoint representatives of such other Fund Investors as it may select in its sole discretion. The General Partner will call a meeting of the Advisory Committee: 1. at least once each year (but not until the first year after the Final Closing Date unless deemed necessary by the General Partner); 2. at such other times as the General Partner considers necessary; and 3. if it is so requested by a simple majority of the members of the Advisory Committee. The primary functions of the Advisory Committee will be to: 1. meet periodically to discuss the Fund and its investment portfolio; 2. be consulted on any material conflicts that may arise with respect to the activities of the General Partner, the Asset Manager and the Investment Adviser; and 3. approve such matters as are expressly provided for in the Fund Documents. Save as expressly provided in the Fund Documents, the function of the Advisory Committee will be to consult with the General Partner, the Asset Manager and the Investment Adviser on matters relating to the Fund, and the General Partner, the Asset Manager and the Investment Adviser shall not be required to follow any advice or recommendation of the Advisory Committee. Meetings of the Advisory Committee may be held in person, by telephone or by video conference as determined by the General Partner. Each member of the Advisory Committee will have one vote. The quorum for any meetings shall be 50% of the eligible members of the Advisory Committee and decisions of the Advisory Committee will be made by simple majority of the members present. Decisions of the Advisory Committee may also be passed by written consent of a simple majority of all Advisory Committee members entitled to vote on the matter(s) to be determined. Fund Investors permitted to appoint a representative to the Advisory Committee will be entitled to remove an existing representative and appoint a replacement on written notice to the General Partner. The General Partner may remove a representative from the Advisory Committee where the representative's respective Fund Investor ceases to be a Fund Investor or is in default, or such representative member has acted fraudulently, recklessly, negligently, in bad faith or with wilful misconduct or is regularly absent from meetings. The Advisory Committee's reasonable expenses associated with attendance at Advisory Committee meetings will be reimbursed by the Fund but no fees will be paid to members of the Advisory Committee. The General Partner, the Asset Manager and the Investment Adviser will be entitled to receive notice of and attend meetings of the Advisory Committee but will not be entitled to vote. With respect to any matter for which the General Partner is entitled or obliged to seek a waiver, consent or approval from the Advisory Committee, the General Partner may (but shall not be obliged to) instead seek such waiver, consent or approval by way of a Fund Investor Majority Consent.
Investment Committee:	The investment committee will comprise select senior individuals within the Asset Manager's organisation or as otherwise nominated by the Asset Manager (the "**Investment Committee**"). The Investment Committee will

	evaluate and approve all investments and dispositions of the Fund, as well as monitoring the Fund's strategy and objectives and bank financing.
Key Persons:	Each of Samuel Lawson Johnston and George Aberdeen shall be designated as a "**Key Person**" in respect of the Fund. If during the Investment Period, any Key Person has ceased at any point in time to devote a sufficient amount of their business time to the business of the Fund for a continuous period of at least 3 months or has otherwise ceased to be any of a member, officer, consultant or employee of or otherwise engaged by the Asset Manager or its affiliates (a "**Key Person Departure**"), the General Partner shall promptly notify the Advisory Committee of such Key Person Departure. If by virtue of any Key Person Departure there has ceased to be at least one Key Person in office, a "**Key Person Event**" shall have occurred and the General Partner shall promptly notify the Advisory Committee of the occurrence of such Key Person Event. On the occurrence of a Key Person Event, no further Drawdown Notices shall be issued for the purposes of making new investments (other than Follow-On Investments or any Transaction In Progress as at the date of the Key Person Event) (a "**Key Person Suspension**"). A Key Person Suspension shall cease (i) on the Advisory Committee having approved (such approval not to be unreasonably conditioned, withheld or delayed) replacement Key Person(s) such that there shall be at least one Key Person in office or (ii) otherwise with the approval of the Advisory Committee. Following the lifting of a Key Person Suspension, the Investment Period and the Initial Term shall each be extended by a period of time equal to the lesser of (i) the duration of the Key Person Suspension and (ii) the portion of the Investment Period that was remaining immediately prior to the commencement of such Key Person Suspension. Where a Key Person Suspension has continued for a continuous period of 12 months or more, then Fund Investors by a Fund Investor Special Consent shall have a right to serve notice on the General Partner to terminate the Investment Period. Notwithstanding the foregoing, nothing in this section shall be deemed to restrict any Key Person in any capacity from devoting such time as in their absolute discretion is necessary in respect of obligations in respect of the Permitted Business. "**Permitted Business**" shall mean (i) the existing business carried on by Kinrise and its affiliates as at the Initial Closing Date, (ii) any other investment vehicles established from time to time with investment objectives, strategies and geographical focus that are not substantially similar to the Fund, (iii) the establishment and operation of any Long-Term Vehicle and (iv) subject always to the exclusivity obligations below, the business of acting as discretionary or non-discretionary manager or adviser of or to, or in any other capacity to, any other person or investment vehicle.
Exclusivity:	For so long as the General Partner is an affiliate of Kinrise, Kinrise and its affiliates will not act as general partner, manager or adviser on behalf of another discretionary pooled investment fund with principal objectives, investment strategy and geographic focus that are substantially the same as the principal objectives, investment strategy and geographic focus of the Fund until the earlier of: 1. the date on which at least 75% of the Commitments have been expended, invested, committed or reserved for investment or allocated or reserved to meet fees, costs, expenses or liabilities

	(whether actual or contingent) or otherwise reserved by the General Partner for the purposes of the Fund; or 2. the end of the Investment Period, without the prior approval of the Advisory Committee. For the avoidance of doubt, this will not preclude the General Partner, the Asset Manager, the Investment Adviser and their respective affiliates from: 1. establishing parallel funds, feeder vehicles or alternative investment vehicles for other investors to invest alongside the Fund; or 2. continuing to carry out the Permitted Business.
Investor Meetings:	An annual meeting of the Fund Investors shall be held in each year of the Fund commencing in the first year after the Final Closing Date, at which the General Partner, the Asset Manager and the Investment Adviser shall report to the Fund Investors on the progress of the Fund. The General Partner will also call a meeting of the Limited Partners or Fund Investors upon the written request of at least two Limited Partners or Fund Investors (as the case may be) collectively holding a minimum of 25% of total Commitments, by giving written notice of such meeting to each Limited Partner or Fund Investor (as applicable) not more than 10 Business Days after receipt by the General Partner of such request. Such meeting shall be held not less than 10 and not more than 60 Business Days following the date on which such notice shall have been given to the Limited Partners or Fund Investors (as applicable). The quorum for meetings of the Limited Partners or Fund Investors (as the case may be) shall be at least two (unless there is only one) Limited Partners or Fund Investors (as applicable) present in person or by proxy, provided that where any decision is to be made at the meeting the quorum shall be Limited Partners or Fund Investors (as applicable) who represent at least the requisite majority to pass the relevant resolution. Decisions at meetings of the Limited Partners or Fund Investors shall be conducted by poll and, unless otherwise specified, shall require the approval of Limited Partners or Fund Investors (as applicable) representing a simple majority of the Commitments. Decisions of the Limited Partners or Fund Investors may also be passed by written resolution (see “Consents” below). Representatives of the General Partner, the AIFM, the Asset Manager and the Investment Adviser shall be entitled to attend each meeting of the Partners.
Consents:	Unless expressly stated otherwise (and excluding consents of the Advisory Committee), all consents of the Limited Partners or the Fund Investors, as the case may be (a “**Consent**”), shall be determined by reference to Commitments and may be passed by a vote at a duly convened meeting of, or pursuant to a written consent of, the Limited Partners or Fund Investors (as applicable) and more specifically: 1. a “**Limited Partner Majority Consent**” shall mean the consent of more than 50% of the Limited Partners; 2. a “**Limited Partner Special Consent**” shall mean the consent of at least 75% of the Limited Partners; 3. a “**Fund Investor Majority Consent**” shall mean the consent of more than 50% of the Fund Investors; 4. a “**Fund Investor Special Consent**” shall mean the consent of at least 75% of the Fund Investors. A defaulting Limited Partner or defaulting Fund Investor shall not be entitled to vote on (or be counted in respect of) any Consent (or consent of the Advisory Committee).

	For so long as the General Partner is an affiliate of Kinrise, the votes of the Sponsor Co-Investors and their Commitments shall be excluded in determining whether any Consent has been obtained.
Transfers:	A Fund Investor may not sell, assign, exchange, pledge, encumber, hypothecate or otherwise transfer or dispose of all or any part of its interest in the Fund or its undrawn Commitment except with the prior written consent of the General Partner (or the relevant Fund GP), which shall not be unreasonably withheld or delayed in the case of a transfer to an affiliate of such Fund Investor. Without prejudice to the foregoing, the General Partner (or the relevant Fund GP) shall, without limitation, be entitled to withhold consent to any transfer of a Fund Investor's interest in certain circumstances, including (without limitation) where the General Partner considers such transfer would violate any applicable securities law or other law, regulation or governmental requirement or any term of the Partnership Agreement, present a material risk that following such transfer the assets of the Fund may be deemed to include "plan assets" for the purposes of ERISA (as defined in Section 9 "ERISA considerations"), or where the transferee would become a Substantial Shareholder or breach any term of the Fund Documents. A transferee must as a condition to the transfer agree to be bound by the terms of the Fund Documents. None of the General Partner or the Special Limited Partner may transfer their interest in the Fund other than to an affiliate of any of the General Partner, the Asset Manager, the Investment Adviser, the Special Limited Partner or any Sponsor Co-Investor, without the consent of a Limited Partner Majority Consent.
Withdrawal:	The General Partner may require that a Fund Investor withdraws (in whole or in part) from the Fund in limited circumstances as set out in the Partnership Agreement and on the terms set out in the Partnership Agreement, including (without limitation): 1. where a breach of any law or regulation applicable to the Fund, any Portfolio Vehicle, the General Partner, the Asset Manager or the Investment Adviser is likely to result without such withdrawal; 2. where there is a material likelihood that the Fund, any Portfolio Vehicle, the General Partner, the Asset Manager or the Investment Adviser will become subject to any liability to tax or denied a tax relief, in either case by virtue of that Fund Investor's participation in the Fund or such Fund Investor's failure to comply with its obligations to disclose information; 3. if, in the judgment of the General Partner, a significant delay, extraordinary expense, or material adverse effect on the Fund and/or the Investments is likely to result without such withdrawal; or 4. if such Limited Partner has failed to provide the General Partner upon reasonable notice with such evidence of its identity as the General Partner deems necessary to comply with applicable anti-money laundering and terrorist financing and equivalent laws and regulations and register of beneficial owner laws and regulations. Other than as provided above or as otherwise expressly provided for in the Fund Documents (including, as the case may be, to the extent necessary to avoid certain violations of ERISA (as defined in Section 9 "ERISA considerations")), no Fund Investor will be permitted to withdraw or redeem its interest in the Fund.
Long Term Vehicle(s):	Kinrise may form one or more investment vehicles (including any successor to the Fund) for the purpose of acquiring investments from the Fund (each, a

	"**Long Term Vehicle**") which will be managed or advised by Kinrise or any of its affiliates. Any such investments will be transferred to the Long Term Vehicle based on an independently appraised valuation which will be subject to the approval of the Advisory Committee (the "**Appraised Value**"). Each Fund Investor will be notified of the Appraised Value and the terms of the Long Term Vehicle prior to the transfer and will be offered the opportunity to participate in the Long Term Vehicle on a pro rata basis in proportion to their respective Commitments (each, an "**Electing Partner**"), provided that if Electing Partners represent less than 100% of the interests in the relevant investment then the General Partner may identify one or more third party investors (including Kinrise or its affiliates) to participate alongside the Electing Partners in the Long Term Vehicle. Each Electing Partner will be deemed to have received a cash distribution, in the amount that it would have received had the investment been sold for its Appraised Value and the cash proceeds distributed by the Partnership. The Special Limited Partner will be entitled to receive a cash distribution of any Carried Interest that would have been distributable to the Special Limited Partner by the Partnership in respect of the Electing Partners had the investment been sold for its appraised value, and the Electing Partners will be required to make cash contributions to the Long Term Vehicle on a pro rata basis as are sufficient to cover any distributions due to the Special Limited Partner and the Fund Investors that have not participated in the Long Term Vehicle (to the extent not funded through other means including contributions from other participating investors and/or third party financing). The terms of any Long Term Vehicle will be as agreed between Kinrise, the Electing Partners and any participating third parties, and may provide for payment of fees and promote to Kinrise and any of its affiliates which are different to the Fees and Carried Interest payable in respect of the Fund.
REITCo:	REITCo may become subject to an additional tax charge if it pays a dividend to, or in respect of, a Substantial Shareholder (as further described in in Section 8 – Taxation of this Memorandum). The General Partner may at any time require any Investor to deliver such information, certificates and declarations as the General Partner or REITCo may require to establish whether or not such Investor is a Substantial Shareholder for purposes of the REIT regime or to comply with any reporting obligation under the REIT regime. If the General Partner at any time determines that an Investor is a Substantial Shareholder, then (without prejudice to any other rights or remedies available to the General Partner under the Fund Agreements or as may be agreed between the General Partner and the applicable Investor): • the General Partner shall be entitled to require such Investor within no less than 60 days of notice (a "**Transfer Notice**") to transfer its interest in the Fund (including its Contributions and undrawn Commitment) in whole or in part to one or more affiliates of such Investor so that following such transfer the relevant Investor no longer qualifies as a Substantial Shareholder; and • for so long as an Investor is a Substantial Shareholder, the General Partner will be entitled to withhold payment of any distribution due to such Investor (to the extent any such distribution is attributable to the excessive holding of such Investor), and the relevant Investor will have no right or entitlement to any such distribution withheld, provided that the General Partner may cause such amount to be paid to the relevant Investor where the General Partner is satisfied in its sole discretion that the relevant Investor has ceased to be a Substantial Shareholder.

	If an Investor which is a Substantial Shareholder fails to comply with the terms of a Transfer Notice, then the General Partner shall be entitled in its sole discretion to (i) treat such Investor to be in default (in whole or in part) under the terms of the Fund Agreements, (ii) reduce the interest of such Investor in the Fund and/or (iii) to apply any distributions withheld from such Investor for the benefit of the Fund (excluding such Investor). Any reduction of the interest of a Fund Investor as described above shall be effected by way of the Partnership's purchase of some or all of the withdrawing Limited Partner's interests in the Partnership at the purchase price and in accordance with the procedures set out in the Partnership Agreement, in each case as is necessary to cause such Fund Investor to no longer qualify as a Substantial Shareholder. Each Investor which is a Substantial Shareholder and which has failed to provide the General Partner with the necessary information, certificates and declarations described above or to comply with the terms of a Transfer Notice shall indemnify (i) REITCo on demand against any tax, charges or other amounts payable in respect of distributions of REITCo attributable to the excessive holding of such Investor and (ii) the General Partner, the AIFM, the Asset Manager, the Investment Adviser, the Fund and REITCo for all fees, costs, expenses and other liabilities incurred in the recovery of any such taxes, charges or other amounts. The General Partner shall also be entitled to recover any such amounts from the relevant Investor by way of an offset against any distribution which would otherwise be due to the relevant Investor under the terms of the Partnership Agreement.
US Employee Benefit Plans and Arrangements:	Fund Investors subject to ERISA should consult their own advisers as to the effect of an investment in the Fund. The General Partner will use reasonable endeavours to operate the Fund so that the Fund's assets are not deemed to constitute "plan assets" subject to Title I of ERISA and/or Section 4975 of the Code. In all events, certain representations and assurances may be required of Fund Investors in connection with the General Partner's efforts to avoid the assets of the Fund from constituting "plan assets" and in connection with any request for transfer of an Interest in the Fund, the transferor and transferee will be required to provide assurances to the General Partner in connection with the enforcement of these limitations.
Co-Investments:	The General Partner may at its discretion, but will be under no obligation to, from time to time provide co-investment opportunities with regard to selected investments to one or more of the Fund Investors or third parties, either directly or indirectly through one or more additional collective investment vehicles or other arrangements formed for such purpose (a "**Co-investment Vehicle**"). The Fund may co-invest with any Fund Investor or third party without providing co-investment opportunities to other Fund Investors, as the General Partner may determine in its discretion including, without limitation, where such Fund Investor or third party provides investment opportunities, operating capabilities or other strategic or competitive opportunities or advantages. Investment terms for the Fund and the relevant co-investors participating in any underlying co-investment opportunity will be, as between the Fund and the relevant co-investors, no less favourable to the Fund than to the co-investors (subject, in each case, to any particular tax, legal, regulatory or constitutional concerns of such co-investors). Notwithstanding the foregoing, the terms of any Co-investment Vehicle will be as agreed between Kinrise and the relevant co-investors, and may provide for payment of fees and promote to Kinrise and any of its affiliates which are different to the Fees and Carried Interest payable in respect of the Fund.

Accounts, Reports:	The financial year of the Fund will end on 31 March (or such other date as the General Partner may from time to time determine and notify to the Fund Investors). The General Partner will procure the preparation of, approve, and arrange the provision to Fund Investors of: 1. within 60 days following the end of each quarter (other than the final quarter of the Fund's financial year), unaudited financial statements for the Fund (including a balance sheet, profit and loss account and statement of cashflows), (ii) a report on the Fund's investments (including portfolio and performance information, an update on Fund activity, including descriptions of new acquisitions and disposals and market commentary), (iii) the estimated net asset value ("**Net Asset Value**" or "**NAV**") of the Fund and (iv) a capital account statement for each Partner; and 2. within 120 days following the end of each financial year: (i) audited financial statements of the Fund (including a balance sheet, profit and loss account and statement of cashflows) along with the report of the Auditors and a statement of accounting policies, (ii) a report on the Fund's investments (including portfolio and performance information, an update on Fund activity, including descriptions of new acquisitions and disposals and market commentary), (iii) the audited Net Asset Value of the Fund and (iv) a capital account statement for each Partner. Accounts of the Fund shall be prepared and where applicable audited in accordance with generally accepted accounting principles in the UK ("**UK GAAP**").
Valuations:	The General Partner (under the overall responsibility of the AIFM) will procure the appointment of a reputable independent external valuer (the "**Valuer**"), to undertake one full annual valuation of the property assets of the Fund, with interim quarterly desktop valuations undertaken by the Asset Manager.
Net Asset Value:	The General Partner will appoint the Administrator, under the responsibility of the AIFM, to calculate the Net Asset Value of the Partnership as at the relevant time by: 1. taking the aggregate fair value of the Partnership's assets; 2. deducting the actual liabilities of the Partnership; 3. adding the amount of any prepayments made by the Partnership in respect of any period after the relevant time; 4. carrying-out the above calculations (and any calculations or underlying transactions that comprise such Net Asset Value calculations) in a manner consistent with UK GAAP; and applying such additional guidelines (including without limitation the INREV guidelines) as the General Partner shall from time to time determine appropriate.
Parallel or Feeder Vehicles:	The General Partner and/or its affiliates may, for legal, tax, regulatory, structuring, compliance, investment-specific or other considerations, establish one or more parallel or feeder vehicles for certain types of investors, provided that the terms of any such vehicle shall, subject to applicable tax, legal, regulatory and constitutional constraints, be substantially similar to the terms of the Partnership Agreement.
Alternative Investment Vehicles:	The General Partner (or as applicable any other Fund GP) and/or their affiliates may where it considers appropriate, including without limitation if the Fund encounters tax, legal, regulatory, constitutional or commercial constraints to the making of a potential investment, propose that any Fund

	Investor transfers a portion of its undrawn Commitment to one or more alternative investment vehicles which would not be subject to such constraints, provided that the terms of any such vehicle shall, subject to applicable tax, legal, regulatory and constitutional constraints, be substantially similar to the terms of the Partnership Agreement. A Fund Investor's undrawn Commitments shall not be transferred (in whole or part) to any such alternative investment vehicle without the prior written consent of such Fund Investor (such consent not to be unreasonably conditioned, withheld or delayed).
Indemnification:	None of the General Partner, the Asset Manager, the Investment Adviser, the AIFM, their respective affiliates, the members of the Investment Committee, or any of their respective shareholders, members, partners, directors, officers, partners, agents, advisers, consultants, delegates, employees and personnel (each an "**Indemnified Person**") will be liable to the Fund or the Fund Investors for any act or omission of such person relating to the Fund, other than in respect of (i) any matter where a competent court has handed down a final non-appealable judgment that such matter resulted from its or his fraud, wilful misconduct, bad faith or gross negligence or for a material (unless remedied) breach of its or his obligations, in each case that results in the Fund or the Fund Investors suffering material financial loss or (ii) any internal disputes between the General Partner, the Asset Manager, the Investment Adviser and any of their respective associates and employees. The Fund will indemnify each Indemnified Person out of the Fund's assets against all claims, damages, costs and expenses, including legal fees, judgments and amounts paid in settlement, and other liabilities incurred by them or threatened by reason of their activities in respect of or on behalf of the Fund or the Fund Investors, provided that such person shall not be indemnified in respect of (i) any matter where a competent court has handed down a final non-appealable judgment that such matter resulted from its or his fraud, wilful misconduct, bad faith or gross negligence or for or material (unless remedied) breach of its or his obligations, in each case that results in the Fund or the Fund Investors suffering material financial loss or (ii) any internal disputes between the General Partner, the Asset Manager, the Investment Adviser and any of their respective associates and employees. The members of the Advisory Committee (and the Fund Investors represented by such members) shall be entitled to be indemnified by the Fund out of the Fund's assets against all claims, costs, damages, expenses and liabilities, and shall be exculpated from any liability, in each case incurred by reason of having been a member of the Advisory Committee, other than in respect of any act or omission undertaken by such persons which constituted fraud, wilful misconduct or bad faith.
Limited Partner Giveback:	Each Fund Investor is obligated to contribute to the Fund from any distributions made to it, its proportionate share of any liability or obligation incurred by the Fund, to the extent that the Fund does not have sufficient available assets to satisfy such liability or obligation; provided that: 1. no Fund Investor shall be required to contribute an aggregate amount greater than the lesser of (i) the aggregate amount of distributions made to such Fund Investor; and (ii) 25% of such Fund Investor's Commitment; and 2. no Fund Investor shall be required to contribute any amounts after the third anniversary of the date of the relevant distribution, except to fund such liability that is in the process of being litigated, arbitrated or settled as of such third anniversary date.
Termination of the Fund:	The Fund may be terminated prior to the expiry of its term:

	1. by notice from the General Partner to the Fund Investors if the General Partner reasonably determines that to continue the Fund is illegal, impracticable, inadvisable or uneconomic, including (i) where the General Partner determines that the Fund's Net Asset Value has decreased to, or has not reached, an amount determined by the General Partner to be the minimum level for the Fund to be operated in an economically efficient manner, (ii) in case of a substantial modification in the political, economic or monetary situation, (iii) as a matter of economic rationalisation, (iv) following the occurrence of a specific cause of dissolution under law or (v) following a change in applicable law or regulation; or 2. following the removal of the General Partner (see "Removal of the General Partner" below), where the Fund is not reconstituted by the Fund Investors in accordance with the Partnership Agreement.
Liquidation of the Fund:	In the event of termination of the Fund as described above or following the expiry of its term, the General Partner shall procure that the Partnership is managed and operated with a view to the realisation of the remaining assets in a timely and orderly manner and the subsequent winding-up of the affairs of the Partnership and the distribution of the assets amongst the Partners, provided that the General Partner may in its sole discretion determine to defer the sale or other disposition of part or all of any investment (and the final liquidation of the Fund) if it determines to do so would be in the best interests of the Fund Investors (taking into account the nature of the relevant asset and prevailing market conditions).
Removal of the General Partner:	The Fund Investors will have the right to remove the General Partner for its Cause with the approval of a Fund Investor Majority Consent. "**Cause**" shall mean (i) a material unremedied breach by either the General Partner, the Asset Manager and/or the Investment Adviser of its respective obligations under the Fund Documents; or (ii) the General Partner, the Asset Manager or the Investment Adviser has committed any action relating to the performance of its duties in respect of the Fund that constitutes fraud, bad faith, wilful misconduct or gross negligence, in each case as determined by the final, non-appealable judgment of a court of competent jurisdiction and that results in the Fund or the Fund Investors suffering material financial loss. Cause will also be deemed to have arisen in respect of the General Partner on the insolvency of the General Partner, the Asset Manager or the Investment Adviser. If the General Partner is removed for Cause, then: 1. the General Partner shall be entitled to all unpaid amounts of the General Partner's Share up to and including the date of its removal; 2. the appointments of the Asset Manager and the Investment Adviser shall automatically be terminated at the same time and the Asset Manager and the Investment Adviser shall be entitled to receive payment of the Management Fee and the Investment Advisory Fee up to and including the date of removal; 3. the Special Limited Partner shall forfeit all entitlement to the Carried Interest and shall retire from the Fund; and the Sponsor Co-Investors will be entitled, at their option, to have their interest in the Fund purchased at their proportionate share of the Net Asset Value as at the date of removal (and if the Fund has insufficient funds to pay such amounts the Sponsor Co-Investors shall be entitled to a priority distribution from the Fund as soon as sufficient profits become available).
AIFM Removal:	The General Partner may terminate and replace the AIFM without the consent of the Fund Investors. The General Partner may terminate the AIFM as set out in the AIFM Agreement, including termination on notice if the Asset

	Manager, the Investment Adviser or any other Kinrise affiliate is or becomes authorised by the FCA to act as the AIFM of the Partnership.
Amendments to the Partnership Agreement:	The General Partner shall be entitled to amend the Partnership Agreement: 1. in connection with a change to the name of the Partnership; to ensure parity between all Fund Vehicles and Fund Investors and facilitate the continued operation and management of the Fund; to cure ambiguities and inconsistencies and to correct clerical errors or omissions; and to make changes negotiated with, or to accommodate the admission to the Fund of, prospective Fund Investors; and 2. otherwise in such manner and to such extent as it may consider expedient, provided that such amendment does not materially prejudice the rights of the Limited Partners and does not confer any material benefit on or operate to release the General Partner, the Asset Manager or the Investment Adviser from any material responsibility to any of the Partners. All other amendments to the Partnership Agreement will require the approval of a Limited Partner Majority Consent, provided that certain material amendments which materially adversely affect a particular Limited Partner shall require the affirmative consent of such Limited Partner in accordance with the Partnership Agreement.
Side Letters:	The General Partner, the Asset Manager, the Investment Adviser and their respective affiliates may from time to time enter into letter agreements (each a "**Side Letter**") with one or more Fund Investors that have the effect of establishing rights under, or altering or supplementing the terms of, the Fund Documents. Such rights or terms may include, without limitation, (i) certain rights which arise from, without limitation, governmental, quasi-governmental, constitutional, regulatory, legal or tax concerns or strategic, investment, reporting or informational policies or requirements to which such Fund Investor is subject; (ii) certain rights with respect to co-investments; (iii) special economic arrangements with respect to fees or other amounts that are to be paid or borne by such Fund Investor (or a member of its group); (iv) transfers; (v) rights in respect of the Advisory Committee, including the right to designate a representative or observer; (vi) rights which arise from such Fund Investor being admitted to the Fund on or before a certain date; (vii) rights or accommodations related to anti-money-laundering, know-your-customer, anti-bribery or corruption, political contributions or similar laws or regulations; (viii) rights or accommodations relating to matters of confidentiality or disclosure of information; and (vi) undertakings, representations and warranties to be given by the General Partner, the Asset Manager or the Investment Adviser. The General Partner, the Asset Manager and the Investment Adviser will not be required to offer such additional or different rights or terms to all Fund Investors, provided that Fund Investors may be entitled to receive disclosure of and to elect to take the benefit of certain Side Letter rights granted to other Fund Investors, in each case pursuant and subject to the terms of the Fund Documents.
Confidentiality Obligations:	Fund Investors will be subject to customary confidentiality restrictions with respect to confidential information regarding (i) the Fund and its actual and proposed investments, (ii) other Fund Investors, and (iii) the General Partner, the Asset Manager, the Investment Adviser and their affiliates.
Legal and Tax Adviser to the Fund:	CMS Cameron McKenna Nabarro Olswang LLP.

Section 7 – Certain Risk Factors and Potential Conflicts of Interest

Certain Risk Factors

Prospective Investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of the Interests.

There can be no assurance that the Fund will meet its investment objectives and target returns or successfully execute its investment programme. An investment in the Fund involves a high degree of risk and requires a long-term commitment. The Fund's returns may be unpredictable and prospective Investors should only invest in the Fund as part of an overall investment strategy and if able to withstand a total loss of amounts invested.

The risk factors set out below are not and do not purport to be a comprehensive list of the actual and potential risks and conflicts of interest relating to an investment in the Fund or the risks to which the Fund will be exposed. Prospective Investors must rely upon their own review of the Fund and its investments and related risks, and appropriate professional advice.

General

Past performance does not guarantee return on investment

There is no assurance that the Fund will be able to generate returns or that the returns will be commensurate with the risks of investing, through the Fund, in the types of properties or entities and transactions described herein. There can be no assurance that any Investor will receive any distribution from the Fund. All investments involve the risk of loss of capital. Accordingly, an investment in the Fund should only be considered by persons who can afford a loss of their entire investment. The past performance of the General Partner, the AIFM, the Asset Manager, the Investment Adviser, their respective affiliates and other investment entities associated with such persons and/or the Fund's investment professionals is not necessarily indicative of future results or performance and provides no assurance of future results.

Projections and Opinions

Statements contained in this Memorandum that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of the Asset Manager as of the date of this Memorandum. Such statements involve known and unknown risks, uncertainties and other factors, and reliance should not be placed on them. No assurance can be given that the Fund will achieve the returns that it is targeting.

Risks Associated with the Fund's Management and Operations

Reliance on the General Partner, the AIFM, the Asset Manager and the Investment Adviser

The Fund and its investments will be managed and/or advised by the General Partner, the AIFM, the Asset Manager and the Investment Adviser, and Investors will not be able to make any investment or other decisions on behalf of the Fund. There can be no assurance that the executives of the General Partner, the AIFM, the Asset Manager and/or the Investment Adviser possess all of the skills necessary in order to carry out successfully the investment and divestment strategies of the Fund.

Track record

Although the Asset Manager, the Investment Adviser and their investment professionals have experience in sourcing, acquiring and managing real estate investments, the Fund has no operating history and any prior investment results of the AIFM, the Asset Manager, the Investment Adviser and their respective affiliates are not indicative of the Fund's future investment results. The nature of, and risks associated with, the Fund's future investments may differ substantially from the investments and strategies undertaken historically by such persons or entities. There can be no assurance that the Fund's investments will perform as well as any past investments of the AIFM, the Asset Manager, the Investment Adviser and any of their respective affiliates or market indices or that the Fund will be able to avoid losses. No representation is made as to any return that Investors will earn on their investment in the Fund and there can be no assurance that information contained in this Memorandum will be in any respect indicative of how the Fund will perform (either in terms of profitability or success) in the future.

Inability to execute business plan

There can be no assurance that the General Partner, the AIFM, the Asset Manager and the Investment Adviser will be able to execute the business plan for the Fund or any or all of the Investments. Unforeseen factors may arise that the General Partner, the AIFM, the Asset Manager and/or the Investment Adviser are not in a position to control, which may interrupt the Fund's investment program and/or negatively impact returns on the Investments. For example, opportunities to renegotiate or restructure existing, unfavourable debt with respect to an Investment may be limited due to the existence of conflicting priorities of lenders or other third parties. Furthermore, an applicable tax regime or regulation that may have made a particular Investment desirable upon acquisition may be subsequently varied or amended and, as a consequence, the Investment may no longer achieve the same returns as originally anticipated.

Competition with other owners of commercial property

The Fund will face significant competition from other developers, owners and operators of real estate properties in the same markets. This competition may affect the Fund's ability to lease or dispose of its assets. In addition, the Fund may invest in real estate that requires refurbishment and/or repurposing. As such, the Fund will face competition from other developers, owners and operators of UK real estate in the wider market. This competition may affect the Fund's ability to acquire appropriate investment opportunities, thus reducing the number of opportunities available to, and adversely affecting the terms upon which investments can be made by, the Fund. This may limit the growth potential of the Fund and potentially delay the timeframe for investing monies raised.

Absence of management rights and approvals

Subject to certain limitations contained in the Fund Agreements, the General Partner (and, as applicable, the other Fund GPs) will be solely responsible for the management, control and investment strategy of the Fund and, accordingly, will have the sole discretion to select those investments in which to invest the Fund's capital. Consequently, prospective Investors will not be able to evaluate for themselves the merits of particular investments prior to or after the Investor's subscription for Interests or prior to or after the Fund's investment in a particular investment, nor will Investors be entitled to participate in any manner in the decisions regarding financing or divestiture of the Fund's investments. Investors will not be able to make investment decisions on behalf of the Fund nor will they have the opportunity to evaluate or approve specific assets prior to investing. Even in situations where the Fund Investors or Advisory Committee vote on matters affecting the Fund, the concentrations of voting power and/or Advisory Committee membership will change as the Fund conducts closings or Fund Investors transfer their Interests.

Targeted Returns

Targeted and other aspirational returns have certain inherent limitations. Such results are hypothetical and do not represent actual investments, and thus may not reflect material economic and market factors, including liquidity constraints, movements in interest rates, or factors that affect individual properties held in a fund's portfolio that may affect investment decision-making relating to particular investments, or an overall portfolio. No representation is made that a client will achieve results similar to those expressed herein.

In considering the aspirational, targeted performance information contained herein, prospective investors should bear in mind that such hypothetical targeted performance does provide an assurance of future results. The Fund's return targets are hypothetical and are neither guarantees nor predictions or projections of future performance. There can be no assurance that targeted returns will be met, that the Fund will achieve comparable results or be able to implement its investment strategy and investment approach. Actual gross and net returns for the Fund, and individual Fund Investors participating directly or indirectly in the Fund, may vary significantly from the targeted returns set forth herein. Targeted returns described herein have been prepared by Kinrise on the basis of estimates and assumptions about performance believed to be reasonable; actual results and events may differ materially from the assumptions underlying such targeted returns.

These targeted returns are inherently subject to significant economic, market and other uncertainties that may adversely affect the performance of the Fund or such investments, including those discussed in elsewhere in this Section 7 – Certain Risk Factors and Potential Conflicts of Interest. Accordingly, such targeted results are not to be relied upon as facts and there can be no assurance that such results will be achieved. Unless otherwise indicated, all internal rates of return are presented on a "net" basis (i.e., they reflect the management and advisory fees, Carried Interest distributions, taxes, transaction costs in connection with the disposition of unrealised investments and other expenses to be borne by investors in the Fund; for a description of the Fund's fees, "carried interest" and expenses, see Section 6 – Summary of Principal Terms of this Memorandum).

Lack of complete control by the General Partner over investments

Under certain circumstances Investments may be subject to the approval of the Advisory Committee or a vote of the Fund Investors. As described below in "Possible Risks Associated with Potential Conflicts of Interest – Advisory Committee", the members of the Advisory Committee do not have a duty to act in the best interest of the Fund and, as such, may reject certain opportunities that the General Partner (or, as applicable, the other Fund GPs) believes to be in the Fund's best interests. Consequently, the General Partner (and the other Fund GPs) may not in all cases be solely in control of the acquisition, financing or disposition of all investments in the Fund's portfolio and the portfolio's construction may be negatively impacted as the Fund's investment strategy and targeted returns are premised upon the opportunity to assemble, manage, finance, retain and harvest a complete and balanced portfolio.

Reliance on key personnel

The success of the Fund's investment strategy is dependent on the expertise of key personnel of the General Partner, the Asset Manager and the Investment Adviser. The loss of one or more individuals may have a material adverse effect on the performance of the Fund. In addition, the key personnel currently, and may in the future, manage or advise other investment funds besides the Fund and the key personnel may need to devote substantial amounts of their time to the investment activities of such other funds, which may pose conflicts of interest in the allocation of the time of the key personnel.

Transfer by Sponsor

To the extent the General Partner, the Asset Manager, the Investment Adviser or their officers, partners and/or affiliates commit to make a direct or indirect investment in or alongside the Fund, a participation in or a portion of such investment may thereafter be transferred to others, subject to any express limitations thereon in the Partnership Agreement.

Limited net worth of the General Partner

The General Partner is a special purpose vehicle in the form of an English limited liability partnership formed solely for the purpose of acting as general partner of the Partnership and, except for its interest in the Partnership, has, and is expected to continue to have, only a nominal net worth.

Limitation of Recourse and Indemnification

The Fund Agreements will seek to limit the circumstances under which the General Partner, the AIFM, the Asset Manager, the Investment Adviser, their respective affiliates and others can be held liable to the Fund.

The General Partner, the AIFM, the Asset Manager, the Investment Adviser, their respective affiliates, officers, employees and others generally will not be held liable with respect to their actions or inactions unless such exculpation from liability is expressly precluded under the terms of the Fund Agreements (see Section 6 – Summary of Principal Terms – Indemnification of this Memorandum). As a result, Investors may have a more limited right of action in certain cases than they would have in the absence of such provision. In addition, the Partnership Agreement will provide that the Fund will indemnify the General Partner, the AIFM, the Asset Manager, the Investment Adviser, their respective affiliates, officers, employees and others for certain claims, losses, damages and expenses arising out of their activities on behalf of the Fund. Such indemnification obligations could materially impact the returns to Investors.

Litigation

In the ordinary course of its business, the Fund may be subject to litigation from time to time. The outcome of such proceedings may materially adversely affect the value of the Fund and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the time and attention of the General Partner, the AIFM, the Asset Manager and/or the Investment Adviser, and that time and the devotion of those resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Use of feeder vehicles, parallel funds or alternative investment vehicles

The Fund may use feeder vehicles, parallel vehicles or alternative investment vehicles and, subject to the terms of the Fund Agreements, cause the Investors to fund a portion of their Commitments through such entities in a manner that provides similar economic terms, management terms, and the liability protection afforded by investments made through the Fund. These vehicles may involve additional costs of formation, structuring and operation.

Currency and exchange rate risk

The Fund will be denominated in Pounds Sterling and returns will be distributed in Pounds Sterling. Investors may incur transaction costs associated with the conversion of Pounds Sterling into their local currency. Any currency fluctuation between Pounds Sterling and any other currency for those Investors whose functional currency is not Pounds Sterling will be a risk for such Investors. In addition, restrictions imposed to prevent capital flight may make it difficult or impossible to exchange or repatriate foreign currency.

Hedging policy

In connection with the consummation of certain Investments, the Fund may, but will be under no obligation to, employ hedging techniques designed to protect the Fund against adverse movements in interest rates. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks and costs, including the possibility of default by the counterparty to the hedging transaction, difficulty in valuation and exposure to significant valuation swings caused by price changes in underlying assets, unforeseen economic developments and the illiquidity of the instrument acquired by the Fund relating thereto. Therefore, while the Fund may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates and securities prices may result in a poorer overall performance for the Fund than if it had not entered into such hedging transactions. Nothing will require the Fund to hedge interest rate risk.

Risks Associated with Fund Issues

Lack of liquidity

Interests should be considered an illiquid investment. There is no public or established market for the Interests, and none is expected to develop. There are substantial restrictions upon the transferability of the Interests under the Partnership Agreement and applicable securities laws. Investors generally may not withdraw amounts paid for Interests. The Interests have not been listed and are not currently expected to be listed on any recognised investment or securities exchange. An Investor may therefore be unable to realise its investment readily and may encounter difficulty ascertaining the market value of its Interests. Consequently, Investors may not be able to liquidate their investments prior to the end of the Fund's term. An investment in the Fund is therefore only appropriate for Investors able to commit their investment for the expected duration of the Fund.

An Investor may be required to withdraw from the Fund with respect to all or a portion of its Interest on the terms and in the circumstances set forth in the Partnership Agreement, including to avoid certain violations of ERISA (as defined in Section 9 – Certain US Legal Considerations) by the Fund.

The Interests will not be registered under the securities laws of any jurisdiction and will be subject to restrictions on resales under applicable securities laws

Interests may only be sold or transferred to persons who are experienced qualified investors under applicable regulatory law and who must be aware of the risks attaching to the investment in an undertaking for collective investment into real estate such as the Fund. Representations will be required from Fund Investors that they are, amongst others, sufficiently qualified or a suitable Fund Investor under applicable securities law and that they are acquiring Interests for investment purposes and not with a view to resale or distribution. The General Partner's prior written consent (which generally may be granted or withheld in its sole discretion other than in respect of transfers to affiliates) is required to any transfer of an Interest which additionally is subject to the terms of the Fund Agreements.

Dilution from subsequent closing

Investors subscribing for Interests in the Fund after the first closing of the Fund will participate in the existing investments of the Fund, which will dilute the Interests of existing Investors. Although such subsequent Investors will contribute their pro rata share of drawn down Commitments (plus certain additional amounts), there can be no assurance that this contribution will reflect the fair market value of the Fund's existing Investments at the time that such additional Investors subscribe for Interests.

Failure to make Contributions

If a Fund Investor defaults with respect to any payments required to be made under the Fund Agreements, it may be difficult for the Fund and the non-defaulting Fund Investors to make up the shortfall from other sources. If an Investor fails to fund any of its Commitment when required, such Investor's Interest and its investments may be diminished and/or forfeited. To the extent that one or more Investors do not honour their Commitments, the Fund may make capital calls on the remaining Investors based on their Commitments earlier than it otherwise would. Should an Investor default or fail to make a timely payment to the Fund in respect of its Commitment as called, the Fund may lose investment opportunities that would otherwise be available if the Fund had the anticipated proceeds on hand. In addition, the Fund may incur substantial costs and liabilities in connection with failing to meet its contractual obligations. In addition to general liability for the non-defaulting party's damages and potential forfeitures of assets, the Fund may be exposed to substantial legal expenses in connection with such default. The receipt of significantly less capital than anticipated may also affect the ability of the Fund to meet its diversification objectives.

Unpredictability of distributions and use of capital

Distributions to Investors will be made only if, as and when declared by the General Partner. The Fund cannot make assurances as to when or whether cash distributions will be made to Investors, the amount of any such distribution, or the availability of cash for any such distribution, since the ability to make distributions will be dependent upon the cash flow, financial condition and other factors relating to the Fund's Investments. Such factors include the ability to generate sufficient cash from operations to pay expenses, service debt and to satisfy other liabilities as they come due. Furthermore, the General Partner, in its sole discretion, has the authority to use or set aside distributable cash for working capital purposes, or for the funding of present or future reserves or contingent liabilities, taxes, investment activities, actual or anticipated incentive allocations and other purposes. Accordingly, the payment of cash distributions is subject to the discretion of the General Partner. Neither the General Partner nor any of its affiliates is obligated to support or guarantee any level of distributions.

Liability for return of distributions

If the Fund is otherwise unable to meet its obligations, then the Fund Investors may, under the Fund Agreements or applicable law, be obligated to return cash distributions with interest previously received by them if such distributions are deemed a return of their capital contributions or a wrongful payment to them. In addition, a Fund Investor may be liable under applicable bankruptcy or insolvency laws to return distributions made during or prior to any period of insolvency.

Controlling person liability

The exercise of control over an entity can impose additional risks of liability for environmental damage, failure to supervise management, violation of government regulations (including securities laws) or other types of liability in which the limited liability characteristic of business ownership may be ignored. If these liabilities were to arise, the Fund might suffer a significant loss.

Governing law, jurisdiction and enforcement of judgments

The Partnership is established under and is subject to the laws of England and Wales. The Partnership Agreement entered into in relation to the Partnership will be governed by the laws of England and Wales and the courts of England and Wales will have exclusive jurisdiction to settle any dispute, arising from or connected with the Partnership Agreement. The laws of England and Wales may be different to the law to which prospective Investors are accustomed and could make bringing actions under the laws of England and Wales more difficult than under their national law.

Sovereign Immunity

Certain investors admitted to the Fund and who hold Interests may enjoy sovereign or other immunities and privileges under England and Wales or foreign law, may claim to be or insist on being restricted in their ability to submit to the jurisdiction of particular courts and tribunals. These factors may make it substantially more difficult for the General Partner or the other parties to the Partnership Agreement to enforce the contractual obligations of such an investor (including in the event of a default by any such investor), if necessary, by obtaining a judgment or arbitration award and by enforcing that judgment or award against the investor's assets in England and Wales or elsewhere. The laws of England and Wales may be different to the law to which prospective Investors are accustomed and could make bringing actions under England and Wales law more difficult than under their national law.

Liability of Investors

The Partnership will be a private fund limited partnership registered under the UK Limited Partnerships Act 1907 (the "**1907 Act**"). As such, and without prejudice to the provisions of the Fund Agreements, the liability of the Investors under English law as limited partners of the Partnership is limited to the amount of their capital contributed to the Partnership. However, limited liability will be lost if the Partnership ceases to be duly registered under the 1907 Act or if an Investor takes part in the management of the Partnership's business.

Public disclosure obligations

The Fund may be required by law, regulation or government authority to disclose information in respect of the identity of the Investors, including beneficial investors in an Investor. In addition, the Fund may be required to disclose confidential information relating to its Investments and its financial results to third parties that may request such information if and to the extent required by federal, state or local law or regulation applicable to the Fund or any of its Investors, including those Investors that are public agencies or governmental bodies. Such disclosure obligations may adversely affect certain Investors, particularly Investors who are not otherwise subject to public disclosure of information relating to the private holdings of funds in which they invest.

Fund Investors' restrictions

Potential Investors whose activities are subject to legal investment laws and regulations, regulatory capital requirements or to review by certain regulatory authorities may be subject to restrictions or prohibitions on making an investment in the Fund. Any such Investor should consult its own legal advisers in determining whether and to what extent it is able to invest within the Fund. The General Partner does not make any representation as to the proper characterisation of the Interests or the investments to be made by the Fund for legal investment or any other purposes, or as to the ability of particular Investors to invest in the Fund.

Side agreements

The General Partner, the Asset Manager and the Investment Adviser may enter into a side letter or other similar agreement with a particular Investor in connection with its subscription to the Fund without the approval of any other Investor, which would have the effect of establishing rights under or altering or supplementing the terms of the Fund Agreements with respect to such Investor in a manner that is more favourable to such Investor than to other Investors. Such rights or terms in any such side letter or other similar agreement may include, without limitation, (i) certain rights which arise from, without limitation, governmental, quasi-governmental, constitutional, regulatory, legal or tax concerns or requirements or strategic, investment or reporting policies or requirements to which such investor is subject; (ii) certain rights with respect to co-investments; (iii) special economic arrangements with respect to fees or carried interest that are to be paid or borne by such investor (or a member of its group); (iv) transfers; and (v) undertakings, representations and warranties to be given by the General Partner, the Asset Manager and/or the Investment Adviser.

Such side agreements may permit such Investors to take actions on the basis of information not available to other Investors that do not have the benefit of such agreements. Any rights or terms so established in a side letter with an Investor will govern solely with respect to such Investor (but not any of such Investor's assignees or transferees unless so specified in such side letter) and will not require the approval of any other Investor notwithstanding any other provision of the Partnership Agreement.

Lack of separate representation

CMS Cameron McKenna Nabarro Olswang LLP has acted and will act as counsel in England and Wales to the Fund, the General Partner, the Asset Manager and the Investment Adviser in connection with the formation of the Fund and the Interests offered and transactions contemplated by this Memorandum.

CMS Cameron McKenna Nabarro Olswang LLP is not representing any other Investors or rendering any legal advice to any other Investors, in connection with their investment in the Fund and the transactions contemplated by this Memorandum. Accordingly, Investors are strongly urged to consult their own tax and legal advisers with respect to the tax and other legal aspects of an investment in the Fund and the transactions contemplated by this Memorandum, and with specific reference to their own personal financial and tax situation.

Risks Associated with the Fund's Investments

Future investments unspecified

The Fund has no prior operating history and, except for the general investment guidelines and restrictions provided in this Memorandum and the Partnership Agreement, there is no information as to the nature and terms of any additional investments that a prospective Investor can evaluate when determining whether to invest in the Fund. Investors will not have an opportunity to evaluate for themselves or to approve the Investments. Investors will be relying on the ability of the General Partner, the AIFM, the Asset Manager and the Investment Adviser to identify, evaluate and execute Investments. As the Investments may occur over a substantial period of time, the Fund faces the risks of changes in interest rates and adverse changes in the real estate markets. Even if the Investments are successful, the returns may not be realised by the Investors for a period of several years.

Investment performance

Fund Investors have no assurance that the Investments will yield the returns estimated or projected, or that the Fund will be able to source additional investments which will allow it to assemble an entire portfolio. The Fund may not be successful in identifying suitable assets that meet its investment criteria or in consummating acquisitions of Investments on satisfactory terms. Failures in identifying or consummating additional investments on satisfactory terms could reduce the number of investments that are completed and slow the Fund's growth. In addition, subsequent to the Fund's acquisition of a particular investment, management may adjust targeted returns to reflect changes in market conditions. There can be no assurance that the Fund will make a profit on Investments or even be able to recover its invested capital during any anticipated period of time.

The Fund intends to evaluate its potential additional investments, keeping in mind its target return objectives, based on a number of relevant factors as determined by the General Partner. The General Partner believes that the Fund's net performance targets reflect in part a measure of risk that the Fund will be taking with respect to the investments it makes. Past performance is no guarantee of future results, and there can be no assurance that target returns on Investments will be met. And gross and net performance targets included herein are for the sole purpose of illustration and are based on numerous assumptions and projections regarding future events. Actual events and circumstances may vary significantly from underwritten projections and assumptions and no inference should be drawn as to whether the Fund may, in the future, achieve the targets stated.

Investments may be longer than the Fund's term or than expected

It may be difficult to dispose of properties held by the Fund towards or at the end of the planned life of the Fund at their stated portfolio values on account of market conditions, the size or value of the overall portfolio or the nature of the properties in question. It may prove necessary to dispose of properties at values which the General Partner considers are reasonable in the circumstances, but which represent discounts to book valuations, in order to manage an orderly winding-up of the Fund.

Additionally, the Fund may acquire Investments with the intention of refinancing a portion of that Investment. However, if the Fund is unable successfully to complete such a refinancing, this could lead to increased risk for Investors as a result of the Investment being held indirectly by the Fund for an unintentionally long period. This may also affect the ability of the Fund to meet its diversification objectives.

Need for Follow-On Investments

Following its initial investment in any Investment, the Fund may decide to invest additional funds in such Investment or may have the opportunity to increase its investment in such Investment by investing in additional real estate assets related thereto (whether for opportunistic reasons, to fund the needs of the Investment, as an equity cure under applicable debt documents or for other reasons) ("**Follow-On Investments**"). There is no assurance that the Fund will make Follow-On Investments or that the Fund will have sufficient funds to make all or any of such investments (including an event of default under applicable debt documents in the event an equity cure cannot be made). Any decision by the Fund not to make Follow-On Investments or its inability to make such investments may have a substantial negative effect on a particular real estate asset in need of such an investment.

Investments in underperforming assets

The Fund may make investments in non-performing assets, poorly managed assets, temporarily out of-favour assets and/or assets in temporarily out-of-favour markets. By their nature, these investments will involve a higher degree of financial risk and there can be no assurance that the Fund's rate of return objectives will be realised or that there will be any return of capital.

Risks of property ownership

The Fund will be subject to the general risks incidental to the ownership of real property, including changes in market conditions leading to an oversupply of space or a reduction in tenant demand; changes in interest rates and the availability of mortgage funds; changes in property tax rates and landlord/tenant or planning laws; credit risks of joint venture or operating partners or tenants; environmental factors; quality of property available; the ability to maintain the recoverability of expenditure and to control the cost of these items; the risk that one or more purchasers may be unable to meet their obligations to the Fund or the Fund may not be able to sell existing or new properties on favourable terms and the potential illiquidity of property investments, particularly in times of economic downturn. The marketability and value of any properties owned indirectly by the Fund will, therefore, depend on many factors beyond the control of the Fund and there is no assurance that there will be either a ready market for any of the properties of the Fund or that such properties will be sold at a profit or will yield a positive cash flow. The Fund may assume all property ownership risks in relation to each property, including, without limitation, environmental and third-party liability risk.

Potential environmental risks

The Fund may be exposed to substantial risk of loss from environmental claims arising from Investments involving undisclosed or unknown environmental problems, health or occupational safety matters or problems with inadequate reserves, insurance or insurance proceeds for such matters that have been previously identified. An owner of real property may be held liable under local laws for the costs of removal or remediation of hazardous or toxic substances, including asbestos, on or in such property. Such laws may impose joint and several liability, which can result in a party being obligated to pay for greater than its share, or even all, of the liability involved. Such liability can be imposed without regard to whether the owner knew of, or was responsible for, the presence of such hazardous or toxic substances and the person bearing liability may incur substantive costs in defending claims of liability. The liability of any owner for such remediation is not generally limited and could exceed the value of the relevant property and/or the aggregate assets of the owner. The presence of such substances or the failure to properly remediate contamination from the property may adversely affect the owner's ability to operate such property, sell the real estate or to borrow using such property as security, which could have an adverse effect on the Fund's return from such Investment. Environmental claims with respect to a specific Investment may exceed the value of such Investment, and under certain circumstances, subject the other assets of the Fund to such liabilities. In addition, even in cases where the Fund is indemnified by the seller with respect to an Investment against liabilities arising out of violations of environmental laws and regulations, there can be no assurance as to the financial viability of the seller to satisfy such indemnities or the ability of the Fund to achieve enforcement of such indemnities. In addition, some environmental laws create a lien on contaminated property in favour of governments or government agencies for costs they may incur in connection with the contamination.

The ongoing presence of environmental contamination, pollutants or other hazardous materials on a property (whether known at the time of acquisition or not) could also result in personal injury (and associated liability) to persons on the property and persons removing such materials, future or continuing property damage (which may adversely affect property value) or claims by third parties, including as a result of exposure to such materials through the spread of contaminants. In addition, the Fund's operating costs and performance may be adversely affected by compliance obligations under environmental protection statutes, rules and regulations relating to Investments of the Fund, including additional compliance obligations arising from any change to such statutes, rules and regulations. Statutes, rules and regulations may also restrict development, refurbishment and use of property. Certain clean-up actions brought by country and local agencies and private parties may also impose obligations in relation to Investments and result in additional costs to the Fund.

Valuation risk

Real estate and real estate related companies and assets are inherently difficult to value. Valuations are, to a degree, based upon the subjective approach of the valuer involved. As a result, valuations are subject to substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sale price even where such sales occur shortly after the valuation date. The value of real estate and the value of Interests can go down as well as up. A valuation is not a guarantee of a realisable price. The value of real estate may be materially affected by a number of factors, including without limitation, its location and the degree of competition from other real estate owners in its immediate vicinity, the financial condition of occupational tenants of a property and physical matters arising from the state of repair and condition of the property.

Development and refurbishment risks

As part of its investment strategy, the Fund may invest in real estate that requires development, refurbishment and/or repurposing prior to its leasing to tenants. To the extent that the Fund invests in such activities, it will be subject to the risks normally associated with such activities. The risks of development or refurbishment include, but are not limited to, market or site deterioration after acquisition, the timely receipt of zoning and other regulatory approvals, the cost, delays and timely completion of construction and/or project, the possibility of cost overruns, poor quality workmanship and/or design, insolvency of building contractors and professional teams, inability to lease or dispose of the properties at a level sufficient to generate profits, and delays due to various factors (including risks beyond the control of the Fund, such as weather or labour conditions or material shortages) and the availability of both construction and permanent financing on favourable terms. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of the development or refurbishment activities once undertaken, any of which could have a material adverse effect on the financial condition and results of operations of the Fund and on the amount of funds available for distribution to Investors. Properties under development or refurbishment or properties acquired for development or refurbishment may receive little or no cash flow from the date of acquisition through the date of completion of development or refurbishment and may continue to experience operating deficits after the date of completion. In addition, market conditions may change during the course of development or refurbishment that make such development or refurbishment less attractive than at the time it was commenced.

Rental operations

The Fund's revenue deriving from rental income is subject to many risks, including decreasing rental rates, increased competition for tenants, increased lease default rates and increased tenant turnover, and will be subordinate to property management fees, irrespective of the performance of the properties. As a result of various factors, including competitive pricing pressure or adverse conditions in target markets, a general economic downturn and the desirability of the properties compared to other properties in target markets, the Fund may be unable to realise its desired asking rents across the properties in its portfolio, which will negatively affect the Fund's ability to generate cash flow. In addition, rental rates for expiring leases or sub-leases may be higher than starting rental rates for new leases or sub-leases. The ownership and management of such properties is diffuse and often highly localised, and some operators may have lower operating costs. This competitive environment could have a material adverse effect on the Fund's ability to lease or sub-lease its properties as well as on the rents it may charge. As a result, no warranty is or can be made as to the future operations, or the amount of future income, loss or cash flow for distributions.

Tenants

The Fund's performance returns and cash distributions will depend in large part upon the Fund's ability to attract and retain qualified tenants for the Fund's properties. This will depend, in turn, upon the ability to screen applicants and avoid tenants who may default on their obligations under their applicable lease or sub-lease and all applicable rules and regulations. For example, tenants may default on payment of rent, make unreasonable and repeated demands for service or improvements, make unsupported or unjustified complaints to regulatory or political authorities, make use of the Fund's properties for illegal purposes, damage or make unauthorised structural changes to properties which may not be fully covered by security deposits, refuse to leave the property when the lease or sub-lease is terminated, disturb nearby residents with noise, waste, odours or eyesores or sub-lease to less desirable individuals in violation of the Fund's leases or sub-leases. The process of evicting a defaulting tenant can be adversarial, protracted and costly. In addition, the Fund may incur turnover costs associated with re-leasing the properties such as marketing and brokerage commissions and will not collect revenue while the property sits vacant. Such tenants may not only cause the Fund not to achieve its financial objectives for the relevant properties, but may subject the Fund to liability, and may damage the reputation of the Fund, the Asset Manager and its affiliates with other tenants and prospective tenants and in the communities where the Fund does business. These events and others could reduce the amount of distributions available to Fund Investors, reduce the value of the Fund's properties and cause the value of the Interests to decline.

Casualty and condemnation

Investments in real estate are subject to the risks of partial or total condemnation in accordance with applicable law or regulation and casualty, whether arising from destruction by fire, earthquake, flood, and hurricane or otherwise. In either case, the Investments may be subject to one or more of the following liabilities: (i) lenders may require prepayments of outstanding loans with any proceeds arising from a casualty or condemnation recovery event (i.e., insurance coverage), (ii) insurance coverage may not be sufficient to cover renewal of an Investment, (iii) renovations or developments with respect to an Investment may be delayed and (iv) a seller may bear the risk of loss for such casualty or condemnation in connection with the disposition of an Investment through the date of disposition.

Undisclosed or contingent liabilities

The Investments will involve private negotiations where protection for the Fund can to an extent be afforded by way of due diligence and covenants provided by the sellers. However, there can be no guarantee that an Investment does not carry with it significant undisclosed or contingent liabilities which could have a material adverse effect on the value of the Fund's assets. Unknown or contingent liabilities might include liabilities for or with respect to liens attached to properties, unpaid real estate tax or utilities for which a subsequent owner remains liable, clean-up or remediation of environmental conditions, claims of customers, vendors or other persons dealing with the acquired entities and tax liabilities, among other things. As a result, the total amount of costs and expenses that the Fund may incur with respect to liabilities associated with acquired properties and entities may exceed expectations, which may adversely affect the Fund's operating results and financial condition. Additionally, these properties may be subject to covenants, conditions or restrictions that restrict the use or ownership of such properties. The General Partner may not discover such restrictions during the acquisition process and such restrictions may adversely affect the Fund's ability to operate such properties as intended.

Concentration risk of diversification

While the Fund intends to build a diversified portfolio of assets and is subject to investment restrictions which seek to mitigate diversification risk, the Fund's investments will be concentrated in a single asset class (real estate). As such, any effect on the real estate markets may have a concentrated effect on the Fund.

Counterparty risk

The Fund is not restricted from dealing with any particular counterparty or from concentrating its transactions with one counterparty, subject to any limitations in the Fund Agreements. In addition, although in the majority of its purchase and sale transactions the Fund expects to transact with well-capitalised credit-worthy counterparties, there can be no assurance that such will be the case in every transaction (or that the counterparties will perform their obligations).

Risks of investments in securities

Among the Investments that the Fund may consider are investments in unquoted securities for the purpose of gaining control of a company's underlying real estate assets. Unquoted securities are illiquid investments by nature, since it is rare to find a secondary market for unquoted securities and disposal of such securities may not be possible at a price which nominally corresponds with their value as stated in the Fund's portfolio or the acquisition cost of such securities.

Reliance on third party contractors

Where the Fund seeks to create value by acquiring assets which require renovation or adaptation or by forward purchasing or forward funding assets, the Fund is dependent on the performance of third party contractors and sub-contractors. Whilst the Fund will seek to negotiate contracts to contain appropriate warranty protection, any failure to perform against contractual obligations on the part of a contractor (and any resulting disputes with a contractor) could increase the Fund's expenses, adversely impact the value of the Fund's property assets and/or result in delays in development of those assets. The Fund could be exposed to an element of risk where, for example, the relevant developing entity fails and is unable to complete the development in question and the Fund has to appoint another developer. These risks may, in turn, have a material adverse effect on the Fund's performance, financial condition and business prospects.

Liabilities related to sales of assets

In connection with the disposition of a property or property securities, the Fund may make certain representations about the business and financial affairs of the property or the relevant Subsidiary. The Fund may also indemnify purchasers against losses to the extent that any representations made by the Fund turn out to be inaccurate. These arrangements may result in the incurrence of contingent liabilities, which may require the Fund to maintain reserves to meet such a contingency or which might ultimately have to be funded by the Investors before or after the termination of the Fund.

Insurance may not cover all losses

The Fund intends to maintain insurance on its properties (which may include interests in any Subsidiary) as is customary for similarly situated assets. However, there can be no assurance that insurance will be available or sufficient to cover any such risks. There are certain types of losses, however, such as earthquakes, flooding or acts of war or terrorism, which now or in the future may be uninsurable or not economically insurable. Inflation, changes in building or planning codes and ordinances, environmental considerations, and other factors may also make it unfeasible to use insurance proceeds to replace an asset if it is damaged or destroyed. In addition, there can be no assurances the particular risks that are currently insurable will continue to be insurable on an economically affordable basis. If an uninsured property loss or a property loss in excess of insured limits was to occur, the Fund could lose its capital invested as well as the anticipated future revenues from such real property. The Fund would also continue to be obligated to repay any mortgage indebtedness or other obligations related to the property.

Insolvency considerations

Under certain circumstances, payments to a subsidiary in respect of certain investments in real estate and real estate related assets operating in workout mode or under applicable bankruptcy or corporate insolvency laws, and distributions to the Fund, may be challenged or reclaimed in insolvency if any such payment or distribution is later determined to have been, for example, a transaction to defeat creditors or a preference under applicable bankruptcy or corporate insolvency laws. Numerous other risks also arise in workout and insolvency contexts.

Reliance on property managers

Although the General Partner, the AIFM, the Asset Manager and the Investment Adviser intend to monitor and oversee the performance of the Investments, it will be primarily the responsibility of the appointed property managers to manage the properties on a day-to-day basis. The Fund's results of operations will depend in large part on the ability of each property manager to operate such properties on economically favourable terms. There can be no assurance that each property manager will be able to operate the relevant Investments successfully. The property managers may provide management and other property services to properties owned by others that compete with one or more Investments. As a result, the property managers may at times face conflicts of interests in the management of Investments and properties owned by third parties. The fees paid to the property managers, whether paid to a third-party or affiliated property manager, will not reduce any fees payable to the General Partner, the AIFM, the Asset Manager, the Investment Adviser and any of their respective affiliates.

Co-Investment; reliance on third-party joint venture partners

The General Partner will be authorised in its discretion to offer co-investment opportunities through partnerships, joint ventures or other entities to one or more third parties, including an Investor, as a co-venturer or partner. Such Investments may involve risks not present in Investments where a third party is not involved, including the possibility that: (i) the Fund and such co-venturer may reach an impasse on a major decision that requires the approval of both parties; (ii) a co-venturer or partner of the Fund may at any time have economic or business interests or goals that are inconsistent with those of the Fund; (iii) the co-venturer or partner may encounter liquidity or insolvency issues or may become bankrupt or may default on an Investment; (iv) the co-venturer or partner may be in a position to take action contrary to the Fund's investment objective; (v) the co-venturer or partner may take actions that subject a property to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances the Fund may be liable for actions of its co-venturers or partners. The co-venturer or partner may also be entitled to receive payments from, or allocations or performance-based compensation (e.g., promote) from the Fund, as well as with respect to investments, and in such circumstances, any such amounts may be treated as Fund expenses and will not be deemed paid to or received by the General Partner, the Asset Manager, the Investment Adviser or their affiliates. Moreover, the General Partner, the Asset Manager, the Investment Adviser and/or their respective affiliates may receive fees associated with capital invested by a co-venturer or partner relating to investments in which the Fund participates. In addition, the Fund may co-invest with non-affiliated co-investors or partners whose ability to influence the affairs of the entities in which the Fund invests may be significant, and even greater than that of the Fund and as such, the Fund may be required to rely upon the abilities and management expertise of such co-venturer or partner. It may also be more difficult for the Fund to sell its interest in any joint venture, partnership or entity with other owners than to sell its interest in other types of investments (and any such investment may be subject to a buy-sell right). The Fund may grant co-venturers or partners joint approval rights with respect to major decisions concerning the management and disposition of an Investment, which would increase the risk of deadlocks or unanticipated exits from an Investment. To the extent that the Fund offers any co-investment opportunity to any Investors or third parties, some or all of the risks described above may also apply to such co-investments.

Contribution of seed Investments

The General Partner, the Asset Manager, the Investment Adviser or any of their respective affiliates may contribute to the Fund one or more seed or subsequent Investments. By virtue of entering into a Subscription Agreement with the Fund, an Investor consents to the potential contribution of such Investments to the Fund by the General Partner, the Asset Manager, the Investment Adviser and their respective affiliates and the agreements and arrangements entered into by the Fund in connection therewith. Certain conflicts of interest are inherent in the foregoing transactions between the Fund and the General Partner, the Asset Manager, the Investment Adviser and their respective affiliates, including not only the price of each Investment, but also non-economic terms of the contributions such as representations, warranties, indemnities, remedies and other arrangements.

Risks Related to Borrowing and Leveraged Investments

General risks related to borrowing

The Fund intends to employ property-level leverage in the acquisition, development, refurbishment, operation and ownership of the Fund's Investments and may refinance the Investments, if desirable. Debt could take the form of mortgage or other financing at the property level. Leverage may be secured on the Fund's property assets. Such use of leverage generally magnifies the Fund's opportunities for gain and its risk of loss from a particular Investment. Leverage exposes the Fund to movements in loan interest rates and the possibility that if the values of properties fall, the Fund's capital repayment commitments may exceed the capital value of the Fund's assets. The ability to obtain financing quickly and on reasonable terms is important to the success of the Fund and such availability is uncertain. No assurance can be given that the leverage contemplated will be available at commercially acceptable rates. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage by the Fund will also result in interest expense and other costs to the Fund that may not be covered by distributions made to the Fund or appreciation of the Investments. A failure of the Fund or a Subsidiary to perform its obligations under any financing documents would permit lenders to demand early repayment of their loans and to realise their security. Break fees and penalties may become payable under borrowing arrangements. The Fund may, under some circumstances, be required to liquidate assets to service the interest and principal obligations on its borrowings. If the Fund defaults on indebtedness secured by a particular property, since the interests of the lender will be senior to the Interests, the lender may foreclose, and the Fund could lose its entire investment in the property. Furthermore, should the credit markets be limited or costly at the time the Fund determines that it is desirable to sell all or a part of an Investment, the Fund may not achieve an exit capitalisation rate consistent with its forecasts.

Restrictive and financial covenants

It is anticipated that any credit facility entered into by the Fund will contain a number of common covenants that, among other things, might restrict the ability of the Fund to: (i) acquire or dispose of assets or businesses; (ii) incur additional entity-level indebtedness; (iii) make capital expenditures; (iv) make cash distributions; (v) create liens on assets; (vi) enter into leases, investments or acquisitions; (vii) engage in mergers or consolidations; (viii) make drawdowns, (ix) consent to transfers of Interests of Investors; (x) make amendments to the governing documents of the Fund; or (xi) engage in certain transactions with affiliates, and otherwise restrict corporate activities of the Fund (including its ability to acquire additional investments, businesses or assets, certain changes of control and asset sale transactions) without consent of the lenders. In addition, such a credit facility may require the Fund to maintain specified financial ratios and comply with tests, including minimum interest coverage ratios, maximum leverage ratios, minimum net worth and minimum equity capitalisation requirements. If real estate assets owned by the Fund decrease in value, such covenants could be breached, and the impact of such an event could include: an increase in borrowing costs; a call for additional capital from the lender; payment of a fee to the lender; a sale of an asset; or a forfeiture of any asset to a lender. This could result in a total or partial loss of equity value for each specific asset, or indeed the Fund as a whole.

Risks Related to Markets and the Economy

General economic and market conditions

The real estate industry generally and the success of the Fund's investment activities in particular will both be affected by general economic and market conditions, such as interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in applicable laws and regulations (including laws relating to taxation of the Investments), trade barriers, currency exchange controls, and national and international political, environmental and socioeconomic circumstances in the UK. These factors may affect the level and volatility of securities prices and the liquidity of the Investments, which could impair the Fund's profitability or result in losses. In addition, general fluctuations in the market prices of securities and interest rates may affect the Fund's investment opportunities and the value of the Investments. The financial condition of the General Partner, the AIFM, the Asset Manager and/or the Investment Adviser may be adversely affected by a significant general economic downturn and they may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on their businesses and operations (including those of the Fund). A recession, slowdown and/or sustained downturn in the global or UK economy or the UK real estate market (or any particular segment thereof) or a weakening of credit markets (including a perceived increase in counterparty default risk) will have a pronounced impact on the Fund and could adversely affect the Fund's profitability, impede the ability of the Fund to perform under or refinance its existing obligations, and impair the Fund's ability to effectively deploy its capital or realise Investments on favourable terms and may have an adverse impact on the availability of credit to businesses generally, which in turn may have an adverse impact on the business and operations of the Fund. The General Partner, the AIFM, the Asset Manager and/or the Investment Adviser could also be affected by difficult conditions in the capital markets and any overall weakening of the financial services industry. Any of the foregoing events could result in substantial or total losses to the Fund in respect of certain Investments, which losses will likely be exacerbated by the presence of leverage in a portfolio company's capital structure.

General conditions of the commercial real estate markets in the UK

The commercial real estate markets in the UK have in recent years been adversely impacted by the global financial markets, with property values, including the value of commercial real estate, demonstrating substantial volatility. The Fund cannot predict whether and to what extent economic conditions will continue to impact these markets adversely, or to what degree economic conditions will improve or deteriorate. In addition to general economic conditions, the commercial real estate markets in the UK are also affected by a number of other factors which may significantly impact the value of commercial real estate investments, including interest rates and credit spreads, levels of prevailing inflation, the availability of financing, the returns from alternative investments as compared to real estate and changes in planning, environmental, leasehold, and tax laws and practices. In particular, the value of commercial real estate is dependent on, among others, current values and sale rates, prospective growth, leasehold lengths and investment yields (which are, in turn, a function of interest rates, the market appetite for property investments in general and with reference to the specific property in question) together with the nature, location and physical condition of the property concerned. Sale revenues and value of commercial real estate are also affected by factors specific to each local market in which the property is located, including the supply of available space, demand and competition from other available space. Market conditions, such as another global economic downturn, could decrease demand and thereby increase vacant space and exert pressure on the Fund to provide incentives to purchasers or lessees resulting in a decrease in the rental income, rental growth and property values of the Fund's portfolio, which could have a material adverse effect on its business, financial condition, results of operations and future prospects. As a result of the above or other factors, the Fund's ability to maintain or increase the sale values of its properties may be adversely affected. In addition, significant expenditures associated with each property, such as real estate taxes, new regulations, compliance works and renovation and maintenance costs, are generally not reduced in proportion to any decline in revenue from that property. If revenue from a property declines while the related costs do not decline, the Fund's income and cash receipts could be adversely affected. Any significant deterioration in economic conditions or conditions in the commercial real estate market which contributes to a decline in sale revenues and income revenues at any property or further decline in market values of the Fund's assets may materially adversely affect the business, results of operations and financial condition of the Fund.

Competitive market

The activity of identifying, completing and realising attractive real estate related investments has from time-to-time been highly competitive and involves a high degree of uncertainty. The Fund may be competing for investment opportunities with other real estate investment vehicles, as well as individuals and other investors, several of which may have greater economic and personnel resources than the Fund. Over recent years, an increasing number of real estate funds have acquired assets in, or been formed for the purpose of investing in, the UK commercial real estate market. Other funds with a similar investment strategy to that of the Fund may be formed by other unrelated parties and further consolidations may occur (resulting in larger funds and vehicles). Consequently, it is possible that competition for appropriate investment opportunities may increase, thus reducing the number of investment opportunities available to the Fund and adversely affecting the terms upon which Investments can be made.

United Kingdom Exit from the European Union ("Brexit")

On 23 June 2016, the UK voted via referendum to exit from the EU and such exit took place on 31 January 2020. Despite the UK's secession from the EU, there remain uncertainties in relation to the terms of the UK's exit, which may materially and adversely affect the operational, regulatory, insurance and tax regimes to which the Fund and its counterparties are currently subject. The effect of these risks could also be to increase compliance and operating costs for the Fund. The uncertainty created may also lead to heightened levels of market volatility and adversely affect investor confidence. Any of these risks, taken singularly or in the aggregate, could have a material adverse effect on the Fund's business, financial position and performance of its investments.

Cybersecurity risks

Recent events have illustrated the ongoing cybersecurity risks to which businesses are subject. To the extent that an asset owned by the Fund is subject to cyber-attack or other unauthorised access is gained to such asset's systems, such asset may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or company financial information; (iii) company software, contact lists or other databases; (iv) company proprietary information or trade secrets; or (v) other items. In certain events, a party's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Any of such circumstances could subject a party, or the Fund, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorised access is directed at the General Partner, the AIFM, the Asset Manager, the Investment Adviser or one of their respective affiliates or advisers or service providers holding its financial or investor data, they may also be at risk of loss.

Risk of pandemics/epidemics

Occurrences of pandemics and epidemics, depending on their scale, may cause different degrees of damage to the national and local economies within the Fund's target geography. Global economic conditions may be disrupted by widespread outbreaks of infectious or contagious diseases, and such disruption may adversely affect the Fund and its potential returns. For example, the COVID-19 virus (also known as novel coronavirus or coronavirus disease 2019) has spread to many countries throughout the world, including throughout the UK. This outbreak of COVID-19 has seen a series of lockdowns imposed on a number of regions and countries. It is impossible to determine the scope of this outbreak and any future outbreaks or their impact on the Fund. COVID-19 and any future outbreaks may have an adverse effect on the value, operating results and financial condition of some or all of the Fund's Investments, the ability of the Fund to source, execute, value, operate, let and realise investments and the ability of the General Partner, the AIFM, the Asset Manager and/or the Investment Adviser to perform their respective duties and obligations in respect of the Fund and its Investments.

Risks Related to Certain Regulatory and Compliance Matters

Regulation

The Partnership is an AIF for the purposes of the UK AIFM Regulations and an unregulated collective investment scheme for the purposes of FSMA.

As an AIF and an unregulated collective investment scheme, the Partnership itself has not been and will not be authorised or approved by or otherwise subject to regulation by the FCA or any other supervisory authority in any jurisdiction.

The AIFM is the alternative investment fund manager of the Partnership for the purposes of the UK AIFM Regulations (as applicable). The UK AIFM Regulations regulate the activities of certain private fund managers undertaking fund management activities or marketing fund interests to Investors within the UK. The Partnership is a "UK AIF" and the AIFM (being resident in Guernsey) is a "third country AIFM" (in each case as such terms are defined in Regulation 2 of the AIFM Regulations).

As a third country AIFM of a UK AIF, the AIFM has submitted a notification to the FCA in respect of the marketing of Interests in the Partnership to investors in the UK pursuant to Regulation 59 of the UK AIFM Regulations. In connection with such notification, the AIFM is subject to certain compliance obligations and requirements under the UK AIFM Regulations including, but not limited to, the following: (i) the AIFM will be subject to certain disclosure and reporting obligations under the UK AIFM Regulations, which will result in the Fund incurring additional costs and expenses; and (ii) the AIFM may be required to make certain information relating to the Partnership and its investments available to the FCA and other third parties.

The regulatory regimes of the UK, including the UK AIFM Regulations and FSMA, and other jurisdictions may potentially be reformed during the life of the Fund. This may adversely affect Investors' expected returns and may have an impact on the structuring of the Fund.

GDPR

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the General Data Protection Regulation or "**GDPR**") came into force on 25 May 2018. From that date, it replaced most existing EU data protection legislation. Notwithstanding the UK's exit from the EU on 31 January 2020 (and the end of the related transition period on 31 December 2020), the UK government has largely replicated the GDPR into UK law through the implementation of the UK Data Protection Act 2018 ("**DPA**") and the incorporation into UK law of "**UK GDPR**" as such term is defined in the European Union (Withdrawal) Act 2018 as amended by the European Union (Withdrawal Agreement) Act 2020.

The GDPR, the DPA and UK GDPR substantially increase the data protection obligations that apply to Controllers (as defined therein), impose obligations on Processors (as defined therein) for the first time and strengthen the rights of individuals in relation to their personal data. The General Partner will ensure compliance with the GDPR, the DPA and UK GDPR (as applicable) in respect of any personal data processed by them in connection with the Fund. This includes (non-exclusively) actions required in relation to: privacy notices and consent mechanisms; procedures for responding requests to exercise individual rights; contractual arrangements with suppliers and other third parties; security measures; accountability; arrangements for overseas data transfers and record keeping and reporting policies and procedures.

Corruption

Corruption can result in huge economic losses due to fraud, theft and waste. Moreover, corruption can corrode critical public institutions, such as the courts, law enforcement and public pension administration, thereby undermining property rights, public confidence and social stability. The United Kingdom has implemented the UK Bribery Act of 2010 and other jurisdictions have adopted similar anti-corruption laws, many of which have extraterritorial effect. Although the Fund will undertake an in-depth due diligence on potential investments, it may acquire an Investment with risks related to prior non-compliance with any one of those statutes which may expose Investors to the potential costs and risks of corruption. Furthermore, although the Fund has robust compliance programs in place, should persons acting on behalf of the Fund engage in conduct that violates one or more of these statutes, then the Fund could suffer significant losses from the cost of defence, interruption to ordinary operations and fines and penalties.

Impact of governmental regulation and legislative changes

Governmental authorities at all levels are actively involved in the promulgation and enforcement of regulations relating to financial services, taxation, land use, zoning, planning restrictions, environmental protection and safety and other matters. The institution and enforcement of such regulations could have the effect of increasing the expense and lowering the income or rate of return from, as well as adversely affecting the value of, the Fund's assets.

Any legislation and its interpretation, and the legal and regulatory regimes which apply in relation to the Fund and/or an investment in the Fund, may change during the life of the Fund. Accounting practice may also change, which may affect, in particular, the manner in which the Fund's Investments are valued and/or the way in which income or capital gains are recognised and/or allocated by the Fund.

There is uncertainty about the pace and local impacts of climate change, including the need for buildings and related infrastructure to be able to accommodate extreme weather conditions, flooding and subsidence. Changes in the policy, legal and regulatory regime which support environmentally responsible property investment may occur during the life of the Fund which may increase competition or alter relative location or building-type advantages or have other adverse effects on the Fund or its Investments.

There is also uncertainty about the future costs of energy and other resource costs, security of energy and resource supplies, and the rate and scope of increased governmental regulations and market response which may have the effect of smoothing or amplifying energy and resource price changes or responding to problems with availability or market liquidity.

United States Securities Laws

The offer and sale of the Interests will not be registered under the 1933 Act in reliance upon the exemption from registration provided by Section 4(a)(2) thereof and Regulation D promulgated thereunder, as well as representations made by the Fund Investors pursuant to the Subscription Agreements. As a result, each potential investor that is a "US person" must be an "accredited investor" (as defined in Rule 501(a) of Regulation D) and a "qualified purchaser", as defined under Section 2(a)(51)(A) of the Investment Company Act. In order to establish compliance with such exemption, each investor must furnish certain information to the Fund and represent, among other customary private placement representations, that it is acquiring its Interests for investment purposes and not with a view towards resale or distribution.

US Investment Company Act and US Investment Advisers Act of 1940

It is anticipated that the Fund will be exempt from the provisions of the Investment Company Act in reliance upon one or more of the exceptions from the registration requirements thereof. As of the date hereof, the General Partner expects that the Fund will rely upon the exception from registration afforded by Investment Company Act Section 3(c)(5), although it reserves the right to rely upon other Investment Company Act registration exceptions. No investor will be admitted to the Fund that will, by investing in the Fund, require the Fund to register with the US Securities and Exchange Commission (the "SEC") as an investment company under the Investment Company Act or, in the General Partner's judgment, violate applicable law. The Fund will obtain appropriate representations and undertakings from subscribers for the Interests to assume that the conditions of the Fund's applicable Investment Company Act exemption will be met on an ongoing basis. None of the General Partner, the AIFM, the Asset Manager or the Investment Adviser is currently registered with the SEC as an investment adviser under the 1940 Act.

Risks associated with Tax Matters

General taxation risk

An investment in the Fund involves a number of complex tax considerations.

Changes in domestic tax regimes, international tax rules and/or double taxation agreements or their interpretation may occur during the life of the Fund, which may have an adverse effect on Fund Investors, the Fund, REITCo or its investments, and may affect the returns achieved by the Fund and Fund Investors (and may have retroactive effect). No assurance can be given regarding the actual level of taxation that may be imposed upon Investors in the Fund, REITCo or its investments.

Prospective Fund Investors should seek their own advice on the taxation consequences of an investment in the Fund.

Tax liability

Fund Investors may have additional tax liabilities in their jurisdiction of tax residence or in another jurisdiction in which they have a taxable presence. This could have the effect of decreasing the post-tax return on their investment in the Fund. Fund Investors may be required to take into account their allocable shares of the Partnership's profits or gains without regard to whether they have received or will receive any distributions from the Partnership. Accordingly, a Fund Investor's tax liability for any tax year associated with an investment in the Fund may exceed the cash distribution to that Fund Investor during the relevant tax year.

There may be negative tax implications for the Fund and Fund Investors if REITCo fails to maintain its REIT status

The Fund expects that REITCo will operate its business (and procure that each member of any group of which REITCo is the principal company operates its business) as a REIT for the purposes of Part 12 CTA 2010 and it is expected that REITCo will give notice to HMRC for it and its subsidiaries to become a group UK REIT. REITCo will need to comply with certain on-going regulations and conditions in order to qualify and maintain its status as a REIT. If REITCo fails to obtain, or ceases to maintain, its REIT status each member of REITCo would be taxed in accordance with normal principles of UK taxation and subject to the normal rates of UK tax on income and chargeable gains from its property rental business, which could adversely affect the group's financial performance and REITCo's ability to provide returns to the Fund and, in turn, Fund Investors. It may also fundamentally change the basis of taxation of any Fund Investor's indirect shareholding in REITCo.

The requirements for maintaining REIT status are complex. The Fund cannot guarantee that REITCo will attain REIT status or that it will maintain continued compliance with all of the REIT conditions. Specifically, REIT status may be lost if the close company condition is not met by the end of the first three accounting periods starting from the date REITCo and its subsidiaries entered the regime (see further Section 8 – Taxation of this Memorandum).

There is also a risk that the REIT Regime may cease to apply in some circumstances; for example, HMRC may require REITCo to exit the REIT Regime if:

- it regards a breach of the conditions relating to the REIT Regime (including in relation to the Property Rental Business), or an attempt to obtain a tax advantage, as sufficiently serious; or
- a member of REITCo's group or REITCo has committed a certain number of breaches of the conditions in a specified period; or
- HMRC has given REITCo or a member of REITCo's group two or more notices in relation to the obtaining of a tax advantage within a ten-year period of the first notice having been given.

In addition, if the conditions for REIT status relating to the share capital of REITCo and the prohibition on entering into loans with results dependent or non-commercial returns are breached or REITCo ceases to be UK resident, becomes dual resident or an open-ended investment company, or (in certain circumstances) ceases to satisfy the close company condition or the listing condition, REITCo will automatically lose REIT status.

Prospective Fund Investors should note that it is possible that REITCo could lose its status as a REIT as a result of actions by third parties or other circumstances outside the Fund's and REITCo's control. Additionally, future changes in legislation may cause REITCo to lose its REIT status.

If REITCo fails to maintain its status as a REIT or suffers a delay in obtaining REIT status, it may be subject to UK tax on its property rental income profits and any chargeable gains on the sale of some or all properties or shares in Portfolio Vehicles. This would reduce the reserves available to make distributions to the Fund and could result in lower levels of dividends on REITCo's ordinary shares. In addition, incurring a UK tax liability might require REITCo and its subsidiaries to borrow additional funds, liquidate some of its assets or take other steps that could negatively affect its operating results.

If REITCo or a member of REITCo's group were to be required to leave the REIT Regime within ten years of joining, HMRC has wide powers to direct how it would be taxed, including in relation to the date on which REITCo and each other member of REITCo would be treated as having exited the REIT Regime, which date could be retrospective. REITCo and other members of REITCo's group could, in such circumstances, be subject to significantly higher tax charges. Failure to maintain REIT status could thus have a material adverse effect on the financial condition and results of operations of REITCo and other members of REITCo's group and, as a result, on the Fund's returns.

REITCo's status as a UK REIT may restrict distributions from REITCo and/or the Fund to, or in respect of, some Fund Investors

REITCo may become subject to an additional tax charge if it pays a "property income distribution" or "PID" to, or in respect of, a Substantial Shareholder, that is broadly a company which is beneficially entitled (directly or indirectly) to 10% or more of the distributions or shares, or controls at least 10% of the voting rights other than where such company is a person to whom a payment of a distribution must be made without deduction of income tax in accordance with regulation 7 of the Real Estate Investment Trusts (Assessment and Recovery of Tax) Regulations 2006.

This additional tax charge will not be incurred, however, if REITCo has taken reasonable steps to avoid paying PIDs to a Substantial Shareholder. As a result, the REITCo Articles and the Partnership Agreement contain restrictive provisions to address this requirement, which include (amongst other things) restricting the ability of the Fund or Fund Investor (as the case may be) to receive a distribution from REITCo.

Certain Fund Investors may become Substantial Shareholders

In the event of any transfer of Interests in the Fund, there is a risk that certain Fund Investors may become Substantial Shareholders notwithstanding the restrictive provisions in the REITCo Articles and Partnership Agreement to mitigate such risk. Amongst other things, the ability of such Fund Investors to receive distributions from the Fund may be restricted, as laid out in the preceding Risk Factor, titled "*REITCo's status as a UK REIT may restrict distributions from REITCo and/or the Fund to, or in respect of, some Fund Investors*".

Disposal of properties may have unfavourable tax consequences

Although REITCo will not be trading in real estate assets, if REITCo or a member of REITCo's group disposes of a property in a manner indicative of trading in real estate assets rather than investing, the property may be treated as having been disposed of in the course of a trade, and any profit will be subject to corporation tax at regular corporate rates.

Assessment of whether a company is trading is a multi-factorial and fact-sensitive process. However, by way of example, acquiring a property with a view to develop and sell, followed by a disposal on completion of the development would indicate a trading activity, whereas a disposal of a property as part of a normal variation of a property rental portfolio after development with a view to retain as part of that portfolio, would not.

Further, under the REIT Regime, where development of a property has occurred following acquisition and the costs of the development exceeds 30% of the fair value of the asset at any of the following times (whichever gives the greatest result): (i) the date on which the relevant company becomes a member of a REIT, (ii) the date of the acquisition of the development property, and (iii) the beginning of the accounting period in which development commenced, and the REIT sells the development property within three years of completion of the development to a person other than a member of the group UK REIT, the property will be treated as being disposed of in the course of the company's Residual Business. Any profit will be chargeable to corporation tax.

If REITCo or a member of REITCo's group is deemed to have disposed of real estate assets in the course of a trade or in the course of its Residual Business, a higher taxation obligation may materially adversely affect REITCo's results of operations and distributions to the Fund.

Tax Information

The Fund's ability to provide timely tax information with respect to its investments may be dependent on the timely provision of relevant information by certain third parties. If such third parties do not provide such information in a timely manner, certain Investors may be required to file extensions with respect to, or otherwise delay the filing of, their tax returns.

OECD tax reforms

Prospective Investors in the Fund should be aware that the Organisation for Economic Co-operation and Development (OECD) published its final reports in relation to its Action Plan on Base Erosion and Profit Shifting (BEPS) on 5 October 2015, which were endorsed at the G20 summit in November 2015. Jurisdictions are now considering their domestic responses to BEPS. Depending on how BEPS is introduced, changes to tax laws based on recommendations made by the OECD in relation to BEPS may, for example, result in: the restriction or loss of existing access by the Fund or its Portfolio Vehicles to tax relief under applicable double taxation agreements; or restrictions on permitted levels of deductibility of expenses (such as interest) for tax purposes. Such effects could lead to additional tax being suffered by the Fund or its investments which may adversely affect the value of the investments held by Investors in the Fund. There could also be additional tax reporting and disclosure obligations.

A number of jurisdictions have already implemented certain BEPS measures. For example, the UK has introduced anti-hybrid legislation and rules restricting the extent to which companies within the charge to UK corporation tax may obtain relief for interest expenses. These rules are highly complex, and may give rise to additional corporation tax for a company in the UK, potentially adversely affecting the value of investments held by Investors in the Fund.

In addition, the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting, which was the subject of a signing ceremony on 7 June 2017, is intended to facilitate the speedy introduction by participating states of double tax treaty-related BEPS recommendations. This may limit the extent to which Investors in the Fund are able to obtain treaty benefits.

On 1 July 2021, the OECD announced a two pillar solution to address the tax challenges arising from the digitalisation of the economy. In late 2021 the OECD published a detailed implementation plan in relation to the two pillar solution and model rules in relation to certain aspects of “Pillar Two” along with commentary on the “Pillar Two” model rules, published on 14 March 2022. The proposals are supported by 137 jurisdictions. The proposals are complex and remain subject to consultation and implementation in each relevant jurisdiction, but, in high level terms, it is expected that:

- “Pillar One” will re-allocate some taxing rights over multinational enterprises (MNEs) from their home countries to the markets from which they derive revenue of at least €1m (or, for smaller jurisdictions with GDP lower than €40 billion, at least €250,000), regardless of whether they have a physical presence there. MNEs will potentially be within the scope of Pillar One if they have a global turnover above €20 billion and profitability above 10%. The turnover threshold is to be reduced to €10 billion, contingent on successful implementation; and
- “Pillar Two” will include Global anti-Base Erosion Rules (GloBE) under which a global minimum tax rate of at least 15% is to be introduced for MNEs that meet the €750m threshold for country-by-country reporting, subject to various exclusions. In addition to the GloBE proposals, Pillar Two will introduce new rules allowing jurisdictions to impose limited source taxation on certain related party payments that will be subject to tax below a minimum rate.

Depending on how the proposals for the two pillars are implemented by various jurisdictions, there may be a material impact on the taxation of the Fund and/or its investments, and the taxation of returns to investors. The OECD intends Pillar One and Pillar Two to be implemented by jurisdictions and to take effect by 2024.

Tax considerations differ for each Investor

The tax position of Investors in the Fund may differ according to each Investor’s particular financial and tax situation. The tax structuring of the Fund and/or its investments may not be tax efficient for any particular prospective Investor. No undertaking is given that amounts distributed or allocated to Investors will have any particular characteristics or that any specific tax treatment will be enjoyed. Further, no assurance is given that any particular investment structure in which the Fund has a direct or indirect interest will be suitable for all Investors and, in certain circumstances, such structures may lead to additional costs or reporting obligations for some or all of the Investors.

In judging whether to invest in interests in the Fund, a prospective investor should consider the tax consequences including the likelihood that certain Investors may be required to take into account their allocable shares of the Fund's items of income, gain, loss, deduction and credit, without regard to whether they have received or will receive any distributions with respect to their interests in the Fund, and that an Investor's tax liability with respect to such amounts may exceed the amount of cash available for distribution.

Prospective Investors should consider their own tax position in relation to acquiring, holding and potentially disposing of an interest in the Fund, consulting their own tax counsel as appropriate. None of the General Partner, the Asset Manager, any of their affiliates, or any officer, director, member, partner, employee, adviser or agent of any of them can take responsibility in this regard.

Status of Investors

Increasingly, the tax position of REITCo or any Portfolio Vehicle may be influenced by the status of the Investors. Fund returns may be prejudiced if Investors fail to provide information requested under reporting regimes. In addition, investing collectively with others through the Fund may prove to be less efficient than if an Investor had invested by themselves.

Reporting obligations

Reporting to tax authorities has become increasingly burdensome for investment funds, and tax authorities may impose penalties, interest, and ultimately withholding taxes for failure to comply with reporting obligations. Consequently, the Fund has powers to require Investors to provide information to it, to enable the Fund to report to tax authorities. An Investor who fails to comply with such a request could suffer material adverse consequences. In addition, the General Partner and the Asset Manager may require Investors to provide information in connection with other applicable tax laws.

Potential Conflicts of Interest

Situations may arise in which the interests of the General Partner, the AIFM, the Asset Manager, the Investment Adviser and/or their respective affiliates may potentially or actually conflict with the interests of the Fund and the Investors. While the General Partner, the AIFM, the Asset Manager and the Investment Adviser intend to avoid and effectively manage situations involving conflicts of interest, the following highlights certain potential interests, among others, that should be evaluated before making an investment in the Fund. Additional conflicts may exist that are not presently known to the General Partner, the AIFM, the Asset Manager, the Investment Adviser and/or their respective affiliates or are deemed immaterial. In addition, as the investment program of the Fund develops and changes over time, an investment in the Fund may be subject to additional and different actual and potential conflicts of interest. Prospective Investors should consult with their own advisers regarding the possible implications on their investment in the Fund of the conflicts of interest described herein.

Fees to affiliates of the General Partner, the Asset Manager and the Investment Adviser

Subject to the Fund Agreements, the Fund may engage and pay fees (on arm's length terms and at market rates) to certain affiliates of the General Partner, the Asset Manager and the Investment Adviser in connection with the Investments, including (without limitation) for the provision of any property or similar management services in respect of Investments. Any such fee is not expected to reduce or be offset against the General Partner's Share, the Management Fee or the Investment Advisory Fee, and the interests of such engaged affiliates may conflict with the interests of the Fund and the Investors.

Acquisitions of Investments by affiliates of the General Partner, the Asset Manager and the Investment Adviser

Subject to the Partnership Agreement, affiliates of the General Partner, the Asset Manager and the Investment Adviser may from time to time acquire investments from, or sell investments to, the Fund. Any sale of any Investment to, or purchase of any Investment from, any affiliate of the General Partner, the Asset Manager or the Investment Adviser or any other fund, segregated mandate or separate account established or managed by any affiliate of the General Partner, the Asset Manager or the Investment Adviser, will require the prior consent of the Advisory Committee, such consent not to be unreasonably withheld where the relevant transaction is on bona fide commercial arm's length terms.

Provision of Services and Allocation of Personnel

The services to be provided by the Asset Manager and the Investment Adviser to the Fund shall not be provided on an exclusive basis and the Asset Manager, the Investment Adviser and their respective affiliates (including their directors, members, officers, agents, employees or connected persons) will be free to render similar services for others and, without limitation, may act as a general partner, alternative investment fund manager, manager or investment adviser in or of other investment funds, accounts and/or mandates or as discretionary fund manager for any other person, or engage in any other activity, and may retain any benefit received for so doing, in each case in accordance with and subject to the terms of the Fund Agreements.

The Asset Manager, the Investment Adviser, the other key service providers to the Fund as set out in Section 5 – Structure and Key Service Providers and their respective affiliates engage in a broad spectrum of activities which are not exclusive to the Fund. Instances may arise where the interests of such entities conflict with the interests of the Fund. If such a conflict of interest arises, the General Partner and the AIFM will endeavour to ensure that it is resolved fairly in accordance with the agreements entered into with such entities on behalf of the Fund, taking into account the respective interests of the entities involved.

The investment professionals of the AIFM, the Asset Manager and the Investment Adviser will allocate such time and attention as is deemed appropriate and necessary to carry out the management and operation of the Fund effectively, subject to the requirements of the Fund Agreements. Notwithstanding the foregoing, certain personnel connected with the AIFM, the Asset Manager and the Investment Adviser work on and are expected to continue to work on other projects and on behalf of clients other than the Fund; conflicts may, therefore, arise in the allocation of certain personnel and other resources.

No Independent Legal Counsel

CMS Cameron McKenna Nabarro Olswang LLP (the "**Legal Counsel**") are representing the General Partner, the Asset Manager, the Investment Adviser and their respective affiliates in connection with the formation of the Fund and the Interests offered and transactions contemplated by this Memorandum. It is not anticipated that, in connection with the organisation or operation of the Fund, the Fund will engage counsel separate from the Legal Counsel. In connection with the offering of Interests and subsequent advice to the General Partner, the Asset Manager, the Investment Adviser and their respective affiliates, the Legal Counsel are not representing any other prospective Investors or rendering any legal advice to any other prospective Investors in connection with their investment in the Fund and the transactions contemplated by this Memorandum. Accordingly, prospective Investors are strongly urged to consult their own tax and legal advisers with respect to the tax and other legal aspects of an investment in the Fund and the transactions contemplated by this Memorandum, and with specific reference to their own personal financial and tax situation.

Co-investment Opportunities

From time to time pursuant to the terms of the Partnership Agreement, the General Partner or the AIFM may, but shall not be obligated to, offer one or more Investors the opportunity to co-invest in the Investments alongside the Fund, without necessarily providing the opportunity to other Investors.

The terms on which certain co-investors may invest may differ to those applicable to the Fund, provided that the General Partner will generally seek to ensure that the Fund and any co-investors participate in any co-investment and any related transactions on comparable terms to the extent practicable.

Although the General Partner expects that the interests of the Fund and any such co-investors will generally be aligned, there is a possibility that such co-investors may have economic or business interests or goals that are inconsistent with those of the Fund, or be in a position to take action contrary to the Fund’s investment objectives. As a result, the Fund may be unable to fully realise its expected return on any such Investment.

Advisory Committee

The members of the Advisory Committee will be under no obligation to act in the best interests of the Fund as a whole and a member may act only in the best interests of the Investors with which such member is affiliated. In addition, Advisory Committee members may receive information regarding the proposed investment activities of the Fund that is not generally available to other Fund investors. There will be no obligation on the part of any member of the Advisory Committee to make available for use by the Fund any information or strategies known to or developed by it and, in certain cases, they may be prohibited from doing so.

Exclusivity

In accordance with the exclusivity restrictions set forth in the Fund Agreements, the Fund is intended to be the exclusive vehicle for investment opportunities which are presented to the Fund that are consistent with the investment objectives and strategy described in the marketing documents relating to the Fund, so long as the Fund has sufficient Commitments and/or debt finance available. If any investment opportunity is not consistent with the investment objectives or strategy requirements described in the Partnership Agreement, or if the Fund does not have sufficient Commitments and/or debt finance available, other entities controlled or managed by the General Partner, the AIFM, the Asset Manager or their Associates may invest in such investment opportunity.

Investor Due Diligence Information

The Asset Manager will make available to each prospective Investor prior to its applicable Closing the opportunity to ask questions of, and receive responses from, a representative of the Asset Manager concerning the terms and conditions of this offering and to obtain any additional information, if the applicable Asset Manager representative possesses such information or can acquire it without unreasonable effort or expense, necessary to verify the accuracy of the information set forth herein. Due to the fact that potential Investors may ask varying questions and/or request varying information, the Asset Manager may provide certain information to one or more prospective Investors which is not provided to all prospective Investors. None of the responses or additional information provided is or will be integrated into this Memorandum, and no prospective Investor may rely on any such responses or information (whether given orally, in writing or otherwise) in making its decision to subscribe for Interests in the Fund.

Section 8 – Taxation

The summary of the UK tax treatment of the Fund, REITCo and its Investors below is intended to be a general guide only and constitutes a high-level summary of the Asset Manager's understanding of certain aspects of current UK tax law and HMRC practice (which may not be binding on HMRC), both of which are subject to change, possibly with retrospective effect. It is not an exhaustive summary of all applicable legislation.

UK Tax Treatment of the Fund

The Partnership is treated as transparent for the purposes of UK tax on income and should not be subject to UK tax on income. Distributions relating to the profits or gains of the Property Rental Business of REITCo (as determined by Part 12 of the CTA 2010 and often referred to as "**property income distributions**" or "**PIDs**") received by the Fund from REITCo should be treated as arising directly to the Fund Investors, as partners of the Partnership, and the Fund Investors will be liable for tax on their respective share, regardless of whether or not that property income is distributed by the Fund. Normal distributions paid by REITCo that are not PIDs (including dividends relating to the Residual Business) ("**Non-PID Distributions**") and received by the Fund should similarly be treated as arising directly to the Fund Investors, as partners of the Partnership.

The Fund is treated as transparent for the purposes of UK tax on capital gains and should not be subject to UK tax on capital gains arising. Capital gains arising on disposals by the Fund will be treated as arising directly to the Fund Investors and the Fund Investors will be liable for tax on their respective share of the capital gains, regardless of whether or not such capital gains are distributed by the Fund.

The Partnership is intended to be an investment fund acquiring and holding assets as investments.

UK Tax Treatment of Fund Investors

The statements below relate only to certain limited aspects of the UK tax treatment of, and are intended to apply only to, Fund Investors who are resident solely in the UK for UK tax purposes, except where the position of non-UK resident Fund Investors is referred to expressly. They apply only to Fund Investors who hold Interests in the Fund as investments and who are the absolute beneficial owners of such interests and any distributions paid on them. The statements may not apply to certain classes of person such as (but not limited to) trustees, persons acquiring Interests in connection with an office or employment, persons holding Interests through trust arrangements, dealers in securities, banks, insurance companies, pension funds, charities and collective investment schemes.

It does not address all technical aspects of the taxation of Fund Investors and potential Fund Investors should familiarise themselves with – and where appropriate consult their own professional advisers on – the overall tax consequences of investing in the Fund. Any person who is in any doubt as to their tax position, or who is subject to tax in any jurisdiction other than the UK, should consult their professional advisers.

PIDs should be treated as UK property income in the hands of UK Fund Investors (but generally treated as dividends for the purposes of double taxation agreements) and Fund Investors within the charge to UK corporation tax will be subject to tax accordingly at the current rate of 25% (with credit for any withholding tax as described below). PIDs are subject to the deduction of withholding tax at the basic rate of income tax (currently 20%) unless Fund Investors are entitled to receive them gross (see below). Non-UK Fund Investors may be able to reclaim part or sometimes all of the withholding tax under an applicable double taxation agreement (generally the dividend article) or due to sovereign immunity.

In certain circumstances REITCo must not withhold income tax at source from a PID. These circumstances include where REITCo reasonably believes that the person beneficially entitled to the PID is: (i) a company resident for tax purposes in the UK; (ii) a charity; or (iii) a company resident for tax purposes outside the UK which is trading through a permanent establishment in the UK and is required to bring the PID into account in computing its taxable profits. They also include where REITCo reasonably believes that the PID is paid to a scheme administrator of a registered pension scheme, the sub-scheme administrator of certain pension sub-schemes, the accounting manager of an Individual Savings Account (ISA), or the account provider for a child trust fund, in each case provided REITCo reasonably believes that such PID will be applied for the purposes of the relevant fund, scheme or account. Furthermore, REITCo must not withhold where the payment is made to a partnership (including a limited partnership) each member of which would itself be entitled to receive the PID free of withholding tax if the distribution were made to it directly. In addition, where a partnership includes members which would itself be entitled to receive the PID free of withholding tax, REITCo may elect not to withhold tax on such amounts as reflect those members' proportionate entitlement.

A dividend paid by REITCo relating to profits or gains of the Residual Business (i.e. a Non-PID Distribution) should be treated for UK tax purposes like any other dividend received from UK companies that are not REITs. REITCo should not be required to withhold tax when paying a Non-PID Distribution. Fund Investors within the charge to UK corporation tax that are "small companies" for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 should not be subject to UK corporation tax on any dividend income received from REITCo provided certain conditions are met (including an anti-avoidance condition). Fund Investors within the charge to UK corporation tax that are not "small companies" for this purpose will not be subject to UK corporation tax on any dividend income received from REITCo so long as the dividend falls within an exempt class and certain conditions are met.

If the conditions for exemption are not met or cease to be satisfied, or such Fund Investor elects for an otherwise exempt dividend to be taxable, the Fund Investor will be subject to UK corporation tax on dividends received from REITCo at the rate of corporation tax applicable to that Fund Investor (the main rate of corporation tax is currently 25%).

Each Investor in the Fund will be treated for UK tax purposes as having a direct shareholding in REITCo determined in accordance with the provisions of the Partnership Agreement. Accordingly, UK resident investors will be liable to UK tax on capital gains arising on their disposals of interests in the Fund and on their respective proportions of gains realised on any disposal by the Fund of shares in REITCo, according to their particular circumstances.

REITCo will qualify as a collective investment vehicle and a UK property rich entity for the purposes of UK non-resident capital gains tax so any non-UK resident direct Investors in the Fund will fall within the UK non-resident capital gains tax regime and will be chargeable to UK capital gains tax on any disposal of an interest in the Fund, or on a disposal of shares in REITCo by the Fund (subject to the application of a relevant double taxation agreement).

The UK REIT Regime

On the basis that the Fund expects to hold the shares in a REITCo, which, in turn, will hold subsidiary companies and expects REITCo to submit a notice for it and such subsidiary companies to become a group UK REIT for the purposes of the REIT Regime (such group UK REIT being the "**Kinrise REIT**"), the comments below relate to the tax position that would apply to a group UK REIT. References in this Memorandum to the "Kinrise REIT" are to REITCo and such of its subsidiary companies that together constitute a group UK REIT pursuant to the REIT Regime.

Overview

Investing in property through a UK taxable corporate investment vehicle (such as a UK company) has the disadvantage that, in comparison to a direct investment in property assets, some categories of shareholder may effectively bear tax twice on the same income: first, indirectly, when the corporate investment vehicle pays direct tax on its profits, and secondly, directly (subject to any available exemption or the benefit of a tax credit) when the shareholder receives a distribution. UK non-tax paying entities, such as UK pension funds, bear UK tax indirectly when investing through a UK taxable closed-ended corporate vehicle that is not a REIT, which they would not suffer if they were to invest directly in the property assets.

Members of the Kinrise REIT will not pay UK direct taxes on income and capital gains from its Property Rental Business, provided that certain conditions are satisfied. Instead, the REIT Regime requires the principal company of the Kinrise REIT (being REITCo) to withhold tax at the basic rate of income tax (currently 20%) on payments of PIDs. Such distributions in respect of the tax-exempt Property Rental Business will be treated for UK tax purposes as UK property income in the hands of shareholders.

Gains arising on the disposal of shares in UK property rich entities which hold (directly or indirectly) property used wholly and exclusively for the purposes of the Property Rental Business should also be exempt from UK corporation tax on chargeable gains provided that certain conditions are satisfied. However, gains arising in UK resident companies on the disposal of shares in a non-UK property rich company may be subject to UK corporation tax. In addition, REITCo will remain subject to UK direct taxes in respect of any income and gains from its businesses not included in the Property Rental Business (the "**Residual Business**").

Whilst within the REIT Regime, the Property Rental Business will be treated as a separate business for corporation tax purposes from the Residual Business, and a loss incurred by the Property Rental Business cannot be set off against profits of the Residual Business (and vice versa).

Both PIDs and Non-PID Distributions may be satisfied by the issue of share capital in lieu of a cash distribution.

In this Section 8 – Taxation of this Memorandum, references to a company's accounting period are to its accounting period for UK corporation tax purposes. This period can differ from a company's accounting period for other purposes.

Qualification as a REIT

A group becomes a group UK REIT by serving notice on HMRC before the date from which it wishes to become a group UK REIT under the REIT Regime. In order for the group to qualify as a group UK REIT, REITCo and the Kinrise REIT as a whole must satisfy certain conditions set out in Part 12 CTA 2010. A non-exhaustive summary of the material conditions is set out below.

Conditions relating to tax residence and corporate form

REITCo, as the principal company of a group UK REIT, must be solely UK resident for tax purposes and must not be an open-ended investment company.

The listing condition

REITCo, as the principal company of a group UK REIT, must meet the listing condition. Such condition requires the principal company of a group UK REIT's ordinary share capital to be either (i) admitted to trading on a recognised stock exchange (which includes, for example, the Main Market of the London Stock Exchange and The International Stock Exchange) or (ii) at least 70% owned by one or more institutional investors (limb (ii) being the "**Listing Condition Relaxation**"). For the purposes of the Listing Condition Relaxation, a person "owns" ordinary share capital if the person owns it directly, indirectly, or partly directly and partly indirectly and a person is an "institutional investor" if it falls into one of the categories of person defined by section 528(4A) CTA 2010. The definition of "institutional investor" includes, amongst other things a person acting on behalf of a limited partnership which is a collective investment scheme (as defined in section 235 of the Financial Services and Markets Act 2000) and which meets the genuine diversity of ownership condition.

The General Partner acting on behalf of the Partnership is expected to be a person acting on behalf of a limited partnership which is a collective investment scheme for these purposes. The Partnership is expected to meet the genuine diversity of ownership condition.

On the basis of the above, it is expected that at least 70% of the shares forming REITCo's ordinary share capital will be owned by one or more institutional investors, being the General Partner acting on behalf of the Partnership. The General Partner therefore expects REITCo to meet the listing condition by virtue of the Listing Condition Relaxation.

For completeness, where the listing condition is met by virtue of REITCo's ordinary share capital being admitted to trading on a recognised stock exchange, such shares must also either be listed on a recognised stock exchange throughout each accounting period or traded on a recognised stock exchange in each accounting period.

The close company condition

The principal company of a group UK REIT (i.e. REITCo) must also not be a close company for UK tax purposes in order to satisfy the close company condition. In summary, the close company condition amounts to a requirement that the company cannot be under the control of 5 or fewer participators (meaning generally shareholders or loan creditors), or of participators who are directors, subject to certain exceptions. Alternatively, the close company condition is also met if REITCo is a close company only because it has as a participator an "institutional investor", such term in this context having broadly the same definition as in the Listing Condition Relaxation.

An "institutional investor" includes a person acting on behalf of a limited partnership which is a collective investment scheme (as defined in section 235 of the Financial Services and Markets Act 2000). In this context, the collective investment scheme limited partnership does not need to satisfy the genuine diversity of ownership condition to qualify as an "institutional investor". The General Partner acting on behalf of the

Partnership is expected to be a person acting on behalf of a limited partnership which is a collective investment scheme for these purposes. However, it is understood that HMRC would nevertheless look at the identity of the partners in such a partnership to determine whether the close company condition was met (in other words, there should be 5 or fewer partners effectively having in aggregate a majority holding in the partnership, or if there are, one or more should be an institutional investor). On that basis, the General Partner does not expect the close company condition to be satisfied. However, the close company condition is relaxed for the company's first three accounting periods. If the close company condition is not met by the end of the first three accounting periods (and there has been no relevant change in law), the Kinrise REIT will lose REIT status.

Share capital restrictions

REITCo, as the principal company of a group UK REIT, must have only one class of ordinary share in issue. The only other shares it may issue are particular types of non-voting restricted preference shares.

Borrowing restrictions

REITCo, as the principal company of a group UK REIT, must not be party to any loan in respect of which the lender is entitled to interest which exceeds a reasonable commercial return on the consideration lent or where the interest depends to any extent on the results of any of its business or on the value of any of its assets (subject to exceptions). In addition, the amount repayable must either not exceed the amount lent or must be reasonably comparable with the amount generally repayable (in respect of an equal amount lent) under the terms of issue of securities listed on a recognised stock exchange.

A group UK REIT is also required to meet an interest cover test, which is described below.

Conditions for the Property Rental Business (including the balance of business conditions)

A group UK REIT must satisfy, amongst other things, the following conditions in respect of each accounting period:

- the group UK REIT's Property Rental Business must (i) involve at least three properties, and no one property may represent more than 40% of the total value of the properties involved in the group UK REIT's Property Rental Business, or (ii) involve at least one property, the value of which is equal to, or exceeds, £20 million at entry into the regime or such time as (i) is no longer met, and which is designed, fitted or equipped for the purpose of being rented, and is rented or available for rent, as a commercial unit;
- the profits arising from the group UK REIT's Property Rental Business must represent at least 75% of the group UK REIT's total profits for the accounting period (the "**profits condition**"); and
- at the beginning of the accounting period the value of the assets in the group UK REIT's Property Rental Business must represent at least 75% of the total value of assets held by the group UK REIT (the "**assets condition**"). Cash held on deposit and gilts may be added to the value of assets relating to the group UK REIT's Property Rental Business for the purposes of meeting the assets condition, but interest or other income arising on such deposits or gilts do not form part of the group UK REIT's Property Rental Business.

Distribution condition

REITCo, as the principal company of the group UK REIT, will be required (to the extent permitted by law) to distribute to shareholders (by way of cash or stock dividend), on or before the filing date for REITCo's tax return for the accounting period in question, at least 90% of its profits (broadly, calculated using normal UK corporation tax rules) in respect of the group UK REIT's Property Rental Business (the "**90% distribution condition**") together with all of the group UK REIT's profits which are UK REIT investment profits (broadly dividends received from other REITs in which the group UK REIT holds shares). For the purpose of satisfying the 90% distribution condition, any dividend withheld in order to comply with the 10% rule (as described below) will be treated as having been paid.

Failure to meet the distribution condition will result in a tax charge calculated by reference to the extent of the failure, although in certain circumstances where the profits of the period are increased from the amount originally shown in the financial statements delivered to HMRC, this charge can be mitigated if an additional dividend is paid within a specified period which brings the amount of profits distributed up to the required level.

Investment in other REITs

Any distribution of profits or gains of the Property Rental Business of one REIT to another REIT are treated as tax-exempt profits of the Property Rental Business of the investing REIT. The investing REIT is required to distribute 100% of the distributions to its shareholders. The investment by one REIT in another REIT will effectively be treated as a Property Rental Business asset of the investing REIT for the purposes of the assets condition.

Effect of becoming a REIT

Tax exemption

As a REIT, a group UK REIT will not pay UK corporation tax on profits and gains from the Property Rental Business and gains on the sale of shares in a UK property rich company which holds (directly or indirectly) property used wholly and exclusively for the purposes of the Property Rental Business, subject to satisfying certain conditions. Corporation tax will still apply in the normal way in respect of the Residual Business.

Corporation tax could also be payable if the shares in a member of a group UK REIT which is not UK property rich are sold (as opposed to property involved in the Property Rental Business). A REIT will also continue to pay all other applicable taxes including VAT, stamp duty land tax, stamp duty, rates and payroll taxes (including national insurance contributions) in the normal way.

Dividends

PIDs will be subject to withholding tax at the basic rate of income tax (currently 20%), however this tax may be reduced for certain Fund Investors where such Fund Investors are eligible for reclaim (see "*UK tax treatment of Fund Investors*" above).

If the group UK REIT ceases to be a REIT, dividends paid by REITCo may nevertheless be PIDs to the extent they are paid in respect of profits and gains of the Property Rental Business whilst the group UK REIT was within the REIT Regime.

Interest cover ratio

A tax charge may arise if, in respect of any accounting period, the ratio of the group UK REIT's profits in respect of the Property Rental Business (subject to certain adjustments) to financing costs incurred in respect of the Property Rental Business is less than 1.25. The ratio is based on the cost of debt finance taking into account, amongst other things, interest, amortisation of discounts or premiums and the financing expense implicit in payments made under finance leases. The amount (if any) by which the property related financing costs exceeds the amount of such costs which would cause the ratio to equal 1.25 (subject to a cap of 20% of the group UK REIT's profits of the Property Rental Business) is chargeable to corporation tax.

HMRC has the power to waive such corporation tax charge if they are satisfied that the principal company of the group UK REIT was in severe financial difficulties at a time in the relevant accounting period, the result that the profits do not exceed the property related financing costs by a multiple of at least 1.25 is because of circumstances that arose unexpectedly and in those circumstances the principal company could not reasonably have taken action to avoid such result.

The 10% rule

REITCo, as the principal company of a group UK REIT, may become subject to an additional tax charge if it pays a dividend to, or in respect of, a Substantial Shareholder, being a company or body corporate (within section 553 CTA 2010) beneficially entitled, directly or indirectly, to 10% or more of REITCo's distributions or share capital or that controls, directly or indirectly, 10% or more of the voting rights in REITCo. Prospective Investors should note that this tax charge only applies where a dividend is paid to persons that are companies or are treated as bodies corporate in accordance with the law of an overseas jurisdiction with which the UK has a double taxation agreement, or in accordance with such a double taxation agreement. It does not apply where the person who would otherwise meet the conditions to be a Substantial Shareholder is a person to whom a payment of a distribution must be made without deduction of income tax in accordance with regulation 7 of the Real Estate Investment Trusts (Assessment and Recovery of Tax) Regulations 2006. It also does not apply where a nominee has such a 10% or greater holding unless the persons on whose behalf the nominee holds the shares meets the test in their own right.

The additional charge will not be imposed on the principal company of a group UK REIT where it has taken "reasonable steps" to prevent paying dividends to, or in respect of, a Substantial Shareholder. HMRC guidance describes certain actions that a REIT may take to show it has taken such "reasonable steps". One of these actions is to include restrictive provisions in the REITCo Articles to address this requirement, including (amongst other things) restricting the ability of REITCo's shareholders to receive a distribution from REITCo. The REITCo Articles (together with certain corresponding terms of the Partnership Agreement) are consistent with such provisions as described in the HMRC guidance.

Property development and property trading by a REIT

A property in relation to which development has been undertaken by a group UK REIT can be within the Property Rental Business provided certain conditions are met. However, broadly, if the costs of the development exceed 30% of the fair value of the asset at at any of the following times (whichever gives the greatest result): (i) the date on which the relevant company becomes a member of a REIT, (ii) the date of the acquisition of the development property, and (iii) the beginning of the accounting period in which development commenced, and the REIT sells the development property within three years of completion of the development to a person other than a member of the group UK REIT, the property will be treated as being disposed of in the course of the company's Residual Business. Any profit will be chargeable to corporation tax.

If a group UK REIT disposes of a property (whether or not a development property) in the course of a trade, the property will be treated as never having been within the Property Rental Business for the purposes of calculating any profit arising on disposal of the property. Any profit will be chargeable to corporation tax.

Movement of assets in and out of Property Rental Business

In general, where an asset owned by a group UK REIT and used for the Property Rental Business begins to be used for the Residual Business, there will be a tax-exempt step up in the base cost of the property. Where an asset owned by a group UK REIT and used for the Residual Business begins to be used for the Property Rental Business, this will generally constitute a taxable market value disposal of the asset for UK corporation tax purposes, except for certain capital allowances purposes.

Joint ventures

The REIT Regime also make certain provisions for corporate joint ventures. If a group UK REIT is beneficially entitled to at least 40% of the profits available for distribution to equity holders in a joint venture company and at least 40% of the assets of the joint venture company available to equity holders in the event of a winding up, that joint venture company (or its subsidiaries) is carrying on a Property Rental Business which satisfies the profits condition and the assets condition and certain other conditions are satisfied (the "**JV company**"), the principal company may, by giving notice to HMRC, elect for the assets and income of the JV company to be included in the Property Rental Business for tax purposes (on a proportionate basis). In such circumstances, the income and assets of the joint venture company will count towards the 90% distribution condition and the profits condition, and its assets will count towards the assets condition to the extent of the REIT's interest in the JV company. These rules also apply to joint venture groups.

Certain tax avoidance arrangements

If HMRC believes that a REIT has been involved in certain tax avoidance arrangements, it may cancel the tax advantage obtained and, in addition, impose a tax charge equal to the amount of the tax advantage.

Exit from the REIT Regime

REITCo, as the principal company of a group UK REIT, can give notice to HMRC that it wants to leave the REIT Regime at any time. The directors of REITCo will retain the right to decide that REITCo should exit the REIT Regime at any time in the future without shareholder consent if they consider this to be in the best interests of REITCo.

If a group UK REIT (or a member of a group UK REIT) voluntarily leaves the REIT Regime within ten years of joining and within two years of leaving disposes of any property that was involved in its Property Rental Business, any uplift in the base cost of the property as a result of the deemed disposals on entry into and exit from the REIT Regime (or as a movement from the Property Rental Business to the Residual Business) is disregarded in calculating the gain or loss on the disposal.

It is important to note that it cannot be guaranteed that REITCo or the Kinrise REIT will comply with all of the REIT conditions and that the REIT Regime may cease to apply in some circumstances. Specifically, REIT status may be lost if the close company condition is not met by the end of the first three accounting periods starting from the date REITCo and its subsidiaries entered the regime (see further *the close company condition* above).

In addition, for example, HMRC may require the Kinrise REIT to exit the REIT Regime if:

- it regards a breach of the conditions relating to the REIT Regime (including in relation to the Property Rental Business), or an attempt to obtain a tax advantage, as sufficiently serious; or
- the Kinrise REIT has committed a certain number of breaches of the conditions in a specified period; or

- HMRC has given the Kinrise REIT two or more notices in relation to the obtaining of a tax advantage within a ten year period of the first notice having been given.

In addition, if the conditions for REIT status relating to the share capital of REITCo and the prohibition on entering into loans with results dependent or non-commercial returns are breached or REITCo ceases to be UK resident, becomes dual resident or an open-ended investment company, or (in certain circumstances) ceases to satisfy the close company condition or the listing condition, REITCo will automatically lose REIT status. Where REITCo automatically loses REIT status or is required by HMRC to leave the REIT Regime within ten years of joining, HMRC has wide powers to direct how it is to be taxed, including in relation to the date on which REITCo is treated as exiting the REIT Regime.

Prospective Fund Investors should note that it is possible that REITCo could lose its status as a REIT as a result of actions by third parties or other circumstances outside the Fund's and REITCo's control.

Tax Information Reporting Regimes

The provisions of the Foreign Account Tax Compliance Act ("**FATCA**") of the US Hiring Incentives to Restore Employment Act were enacted in the United States in 2010 and came into effect on 1 July 2014. The US Treasury Regulations impose certain information reporting requirements on non-US financial institutions, which must be met for that financial institution to be seen as compliant. The penalty for non-compliance with FATCA under the US Treasury Regulations may include a punitive 30% withholding tax being levied on certain payments of US source income.

In addition to the provisions enacted under US law, various governments have entered into Intergovernmental Agreements ("**IGAs**") with the United States from which additional local law has followed in the respective jurisdiction. As a consequence, under the terms of the IGAs, tax resident entities are obliged to comply with the provisions of FATCA as enacted by the local legislation implementing the IGAs rather than directly complying with the US Treasury Regulations implementing FATCA. The UK has entered into such an IGA with the United States. Under the terms of the IGA, UK resident financial institutions that comply with the requirements of the local FATCA legislation will be treated as compliant with FATCA and, as a result, should not be subject to withholding tax under FATCA on certain payments they receive and will not be required to withhold under FATCA on payments of non-US source income.

In addition to FATCA, the OECD has enacted an information reporting regime similar to FATCA, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the "**Common Reporting Standard**" or "**CRS**"). The UK has enacted local legislation implementing the CRS in the UK. The CRS information reporting regime gives rise to a reporting obligation only and does not give rise to a withholding risk in the event of non-compliance.

The Fund is expected to fall within the definition of a financial institution (Investment Entity) for FATCA and CRS purposes. The Partnership is considered to be managed by a financial institution and is expected to meet the financial asset test (the Partnership's gross income is expected to be primarily attributable to investing, reinvesting and trading in financial assets). As a UK resident financial institution, the Partnership will be required to comply with the requirements of the FATCA and CRS legislation implemented in the UK. Additionally, the General Partner will determine whether intermediate holding entities (including REITCo and its subsidiaries) may be considered financial institutions or non-financial entities for FATCA and CRS purposes. The General Partner intends to ensure that the Fund and REITCo fully comply with FATCA and CRS information reporting regimes.

Under FATCA and CRS, the Partnership will be required to (i) obtain certain information regarding each investor to determine which investors are to be reported for FATCA and CRS purposes (ii) provide annually to the relevant tax authorities certain information with respect to reportable investors and (iii) comply with any other requirements, as required. Additionally, under FATCA, the Partnership will be required to register with the US Internal Revenue Service to obtain a Global Intermediary Identification Number.

In order to avoid any penalty or withholding or other adverse consequence resulting from the Fund's failure to comply with its tax transparency reporting obligations, the Fund may require investors to disclose certain documents, tax certifications or other information to the Fund.

Prospective Investors should consult their personal legal and tax advisers regarding all aspects of FATCA and Common Reporting Standard as it affects their particular circumstances.

Mandatory Disclosure Rules ("MDR")

The UK's MDR (The International Tax Enforcement (Disclosable Arrangements) Regulations 2023, SI 2023/38) oblige intermediaries and, in some cases, taxpayers to report information to HMRC about reportable arrangements, being those that relate to: (i) CRS avoidance; or (ii) opaque offshore structures. Information so reported to HMRC will be provided by HMRC to tax authorities in certain other jurisdictions. More extensive MDR provisions, requiring information regarding a wider range of arrangements to be disclosed to tax authorities, exist in the EU pursuant to EU Council Directive 2011/16 (as implemented in member states). Other MDR provisions in other jurisdictions may be applicable. The application of MDR to arrangements entered into by the Fund, REITCo or any Portfolio Vehicle and to arrangements entered into by Investors in the Fund will need to be considered in detail. Prospective Investors should consider their own position in relation to MDR, consulting their own tax counsel as appropriate.

Certain US Federal Income Tax Considerations for US Investors

The following discussion summarises certain US federal income tax considerations relating to an investment in the Partnership by a US Investor (as defined below). This discussion is based upon the US Internal Revenue Code of 1986, as amended (the "**Code**"), US Department of the Treasury regulations promulgated thereunder ("**Treasury Regulations**"), administrative rulings, court cases, and other applicable law, each as now in effect and all of which are subject to change, possibly with retroactive effect. This discussion is general and does not address aspects of income taxation that may be relevant to certain types of Limited Partners in light of such Limited Partner's particular circumstances or to certain types of Limited Partners subject to special treatment under the Code, including, without limitation, entities or arrangements treated as partnerships for US federal income tax purposes, private foundations, banks, real estate investment trusts, regulated investment companies, insurance companies, brokers or dealers in securities or currencies, investors that do not own their Interests as capital assets, persons holding an Interest as part of a hedging or conversion transaction or a straddle, persons subject to special tax accounting rules under Section 451(b) of the Code, persons subject to alternative minimum tax, persons who have a functional currency other than the US Dollar and, except as specifically discussed under "—US Tax-Exempt Investor," US Tax-Exempt Investors (as defined below). This discussion does not address the US federal income tax consequences relating to an investment in the Partnership by a Limited Partners that is not a US Investor. Furthermore, this discussion generally does not address all of the US federal income tax considerations relating to an investment in the Partnership, since these depend upon each particular Limited Partner's situation. In addition, the discussion does not address any other US federal, state, local or non-US tax considerations relating to an investment in the Partnership, other than those described in this summary. No ruling will be sought from the US Internal Revenue Service (the "**IRS**") with respect to any statement or conclusion in this summary, and there can be no assurance that the IRS will not challenge any particular statement or conclusion in this summary or, if challenged, that a court will uphold such statement or conclusion. Prospective Limited Partners are urged to consult with their own tax advisers before making an investment in the Partnership.

For the purpose of this discussion, a "**US Investor**" is a Limited Partner that is, for US federal income tax purposes, (i) an individual who is a citizen or resident of the United States; (ii) a corporation that is either created or organised in or under the laws of the United States or any political subdivision thereof; (iii) an estate, the income of which is subject to US federal income taxation regardless of its source; or (iv) a trust that (A) is subject to the primary supervision of a court within the United States and the control of one or more "US persons" (as described in Section 7701(a)(30) of the Code) or (B) has a valid election in effect under applicable Treasury Regulations to be treated as such a US person. A "**US Tax-Exempt Investor**" is a US Investor that is a "qualified" pension or profit sharing plan, individual retirement account or other entity that is exempt from US federal income tax under Section 401(a) or Section 501(a) of the Code.

If an entity or arrangement classified for US federal income tax purposes as a partnership holds Interests in the Partnership, the tax treatment of a partner of such partnership generally will depend upon the status of the partner and the activities of such partnership and the Partnership. Each partnership (and its partners) contemplating an investment in the Partnership should consult its own tax adviser.

Prospective Limited Partners should consult their own professional advisers regarding the tax implications of investing in the Partnership based on their particular circumstances. Neither the General Partner, the Asset Manager, the Investment Adviser nor any of their associates, officers, members, directors, employees, agents or advisers can take any responsibility in this regard.

Partnership Classification for US Federal Income Tax Purposes

A non-US entity that has two or more members and at least one member that does not have limited liability, such as a private fund limited partnership registered in England and Wales, is generally classified as a partnership for US federal income tax purposes, unless such entity elects otherwise. The General Partner intends to treat the Partnership as a partnership and not as an association taxable as a corporation. Additionally, the Partnership intends to file a protective election with the IRS to be classified as a partnership and not as an association taxable as a corporation for US federal income tax purposes. The election will confirm the Partnership's classification as a partnership for US federal income tax purposes unless the Partnership is considered a "publicly traded partnership" ("**PTP**"). A partnership generally will be considered a PTP if its interests are (i) traded on an established securities market or (ii) readily tradable on a secondary market or the substantial equivalent thereof. The Partnership intends to obtain and rely on representations and undertakings from each Limited Partner and conduct the activities of the Partnership, including by limiting the transfers of Interests, in a manner that will prevent the Interests from being treated as readily tradable on the substantial equivalent of a secondary market. If the Partnership were treated as a PTP, then it would be taxable as a corporation unless 90% or more of its gross income for each taxable year consisted of "qualifying income," including interest, dividends and gain from the sale of capital assets. It is possible that 90% or more of the Partnership's income will be "qualifying income," but no assurances can be given that it will be.

The following discussion assumes that the Partnership will be classified in its entirety as a partnership for US federal income tax purposes.

US Federal Income Taxation of the Partnership and US Investors

General

Assuming the Partnership is classified as a partnership for US federal income tax purposes, the Partnership generally will not be subject to any US federal income tax. Rather, each US Investor will be required to take into account, as described below, its distributive share of items of income, gain, loss, deduction and credit of the Partnership, as determined for US federal income tax purposes, for each taxable year of the Partnership ending with or within the US Investor's taxable year. US Investors must report those items without regard to whether any distribution has been or will be received from the Partnership. Accordingly, it is possible that a US Investor will have a greater amount of taxable income allocable to it from the Partnership for a taxable year than the amount of cash distributed to it from the Partnership and may be required to pay taxes on its share of the Partnership's taxable income using cash from other sources. Each item generally will have the same character and source (either US or non-US) as though the US Investor had realised the item directly.

For US federal income tax purposes, a US Investor's allocable share of items of income, gain, loss, deduction or credit of the Partnership will be governed by the Partnership Agreement if such allocations have "substantial economic effect". Under the Partnership Agreement, items of income, gain, loss, deduction and credit will be allocated among the Limited Partners in a manner that is intended to be consistent with the economic arrangement among the Limited Partners and to comply with the applicable Treasury Regulations. Nonetheless, it is possible that the IRS could assert that, for US federal income tax purposes, such allocations should not be given effect. If the IRS successfully challenged the allocations made pursuant to the Partnership Agreement, the re-determination of the allocations to a particular US Investor for US federal income tax purposes could be less favourable than the allocations set forth in the Partnership Agreement.

Basis

In general, each US Investor will (subject to certain limits as discussed below) be entitled to deduct its allocable share of the losses of the Partnership to the extent of the US Investor's tax basis in its Interest at the end of the tax year in which such losses are recognised. A US Investor's tax basis in its Interest is, in general, equal to the amount of cash such US Investor has contributed to the Partnership, increased by the Investor's proportionate share of income and liabilities of the Partnership, and decreased by the US Investor's proportionate share of cash distributions, losses and reductions in liabilities.

Distributions

If cash (including in certain circumstances "marketable securities") distributed to a US Investor in any year, including for this purpose any reduction in that US Investor's share of the liabilities of the Partnership, exceeds that US Investor's share of the taxable income of the Partnership for that year, the excess will constitute a return of capital and will be applied to reduce the tax basis of that US Investor's Interest. Any distribution in excess of such basis will result in taxable gain (and such gain may be ordinary under certain circumstances).

Such capital gain will be long-term capital gain if the US Investor held its Interest for more than one year as of the date of such distribution, provided that the holding period of a US Investor's Interest may be fragmented into multiple partial holding periods based, in part, on the timing of capital contributions made to, and distributions received from, the Partnership. In general, distributions (other than liquidating distributions) of property other than cash and, in certain circumstances, "marketable securities" will reduce the basis (but not below zero) of the US Investor's Interest by the amount of the Partnership's basis in such property immediately before its distribution but will not result in the realization of taxable income to the US Investor.

Medicare Tax on Unearned Income

Certain Limited Partners that are individuals, estates or trusts will be subject to a 3.8% Medicare tax on the lesser of (i) the Limited Partner's "net investment income" for the relevant taxable year ("undistributed net investment income" in the case of an estate or trust), which generally includes, among other things, the Investor's allocable share of the Partnership's interest, dividends and rents (other than such income that is derived in the ordinary course of a trade or business other than a passive trade or business), and (ii) the excess of the Limited Partner's modified adjusted gross income (or, in the case of an estate or trust, adjusted gross income) for the taxable year over a certain threshold (which in the case of individuals will be between $125,000 and $250,000 depending on the individual's circumstances). Limited Partners who are individuals, estates or trusts should consult their own tax advisors regarding the applicability of the 3.8% Medicare tax to their income and gains in respect of their investment in the Partnership.

Treatment of Partnership Investments

The Partnership expects to act as a trader or investor, and not as a dealer, with respect to its investments. A trader and an investor are persons who buy and sell property for their own account. A dealer, on the other hand, is a person who purchases property for resale to customers rather than for investment or speculation. If the IRS were to successfully assert that the Partnership were a dealer with respect to its property, the tax treatment would be different than described below, with potentially significant adverse tax and economic consequences for US Investors.

Generally, the gains and losses realised by a trader or investor on the sale of assets are capital gains and losses. Thus, subject to certain exceptions (including, without limitation, certain currency exchange gains, as discussed below), the Partnership expects that its gains and losses from its investments typically will be capital gains and capital losses. These capital gains and losses may be long-term or short-term, depending, in general, upon the length of time that the Partnership maintains a particular investment position, and, in some cases, upon the nature of the transaction. Property held for more than one year generally will be eligible for long-term capital gain or loss treatment. The Partnership also will realise ordinary income from interest and rental income.

The maximum ordinary income tax rate for individuals currently is 37% and, in general, the maximum individual income tax rate for "qualified dividends" (as defined in the Code to include dividends from certain US corporations, and from certain non-US corporations that are either eligible for the benefits of a comprehensive income tax treaty with the United States or are readily tradable on an established securities market in the United States, assuming certain holding period requirements are met) and long-term capital gains currently is 20%, although in all cases the actual rates may be higher due to the phase out of certain tax deductions, exemptions, and credits. The excess of capital losses over capital gains may be offset against the ordinary income of an individual taxpayer, subject to an annual deduction limitation of $3,000. Capital losses of an individual taxpayer may generally be carried forward to succeeding tax years to offset capital gains and then ordinary income (subject to the $3,000 annual limitation). For corporate taxpayers, the current income tax rate is 21%. Capital losses of a corporate taxpayer may be offset only against capital gains, but unused capital losses may be carried back three years (subject to certain limitations) and carried forward five years.

Limits on Deductions for Losses and Expenses

Prospective US Investors who are individuals or certain closely held corporations should be aware that they could be subject to various limitations on their ability to use their allocable share of deductions and losses of the Partnership against other income. Such limitations include those relating to "passive losses," amounts "at risk", "investment interest" and, for taxable years beginning after December 31, 2020 and before January 1, 2026, "excess business loss" limitations.

The Partnership will pay a General Partner's Share and management fee and may also pay (or reimburse) certain operating costs and expenses of the General Partner, the AIFM, the Asset Manager and the Investment Adviser. US Investors who are individuals (and certain other taxpayers, depending on the limitation in question) are subject to numerous limitations on the deductibility of expenses, which could reduce or eliminate any tax benefits associated with these expenses. All miscellaneous itemised deductions are disallowed under current law for taxable years beginning before January 1, 2026, preventing individuals from deducting many previously deductible (subject to applicable limitations) investment fees and expenses. The Partnership may take the position that it is in a business for this purpose; however, it is possible that the organizational expenses of the Partnership, the management fee, the general partner share and any other amounts treated as compensation paid to the General Partner and/or its affiliates and other expenses of the Partnership, to the extent otherwise deductible, may be treated in whole or in part as miscellaneous itemised deductions subject to the foregoing rule, depending on the nature of the Partnership's activities and the structure of its investments.

Prospective US Investors should consult their own tax advisers regarding the application of these rules and other limitations that may be applicable to them with respect to their investment in the Partnership.

Sale or Exchange by US Investors of Interests

A US Investor that sells or otherwise disposes of its Interest in a taxable transaction generally will recognise gain or loss equal to the difference, if any, between the adjusted basis of its Interest and the amount realised from the sale or disposition (although such gain may be treated as ordinary income in certain circumstances). The amount realised will include the US Investor's share of the Partnership's liabilities outstanding at the time of the sale or disposition. If the US Investor holds its Interest as a capital asset, gain or loss will generally be treated as capital gain or loss to the extent a sale of assets by the Partnership would qualify for such treatment and the gain or loss will generally be long-term capital gain or loss if the US Investor has held the interest for more than one year on the date of such sale or other disposition; provided that the holding period of a US Investor's interest in the Partnership may be fragmented into multiple partial holding periods based, in part, on the timing of capital contributions made to, and distributions received from, the Partnership, which could cause part of such gain or loss to be short-term. Gain from the sale or other disposition of an Interest will be treated as ordinary income to the extent of the US Investor's distributive share of any items treated as "unrealized receivables" or "inventory items" of the Partnership.

Adjustment of Basis of Partnership Assets

For US federal income tax purposes, under Section 754 of the Code, the Partnership generally may elect to adjust the basis of its assets in the event of a distribution of Partnership property to an Investor, or a transfer of an Interest. Such an election, if made, could either increase or decrease the value of an Interest to the transferee because the election would increase or decrease the basis of the Partnership's assets for purposes of computing the transferee's distributive share of Partnership income, gains, losses and deductions. The Partnership must make these basis adjustments in the case of (i) a transfer of an Interest, if the Partnership has a built-in loss of more than $250,000 immediately following the transfer; or (ii) a distribution of Partnership property, if the recipient acquires a basis in the property that exceeds by more than $250,000 the basis the Partnership had in the property, or where the distributee Limited Partner recognises a loss of more than $250,000. To determine whether the mandatory basis adjustment rules will be triggered upon a Limited Partner's transfer or withdrawal from the Partnership, the General Partner may require such Limited Partner to provide certain information, including information regarding its tax basis in its Interest. The Partnership will be exempt from making the mandatory basis adjustment if it elects to be an "electing investment partnership". There can be no assurance that the Partnership will be eligible to make such an election or, if the Partnership is eligible to make such an election, that such an election will be made.

Investments in Non-US Entities

US Controlled Foreign Corporations:

It is anticipated that the Partnership will invest solely in REITCo, which will be treated as a corporation for U.S. federal income tax purposes. Due to its classification as a non-US corporation for US federal income tax purposes, REITCo may be treated as a "controlled foreign corporation" for US federal income tax purposes (a "**US CFC**"). Further, the Partnership may hold other equity interests in other non-US corporations treated as US CFCs for US federal income tax purposes. Special rules apply to a US person that owns, directly or indirectly (applying certain attribution rules), 10% or more of the total combined voting power or value of all classes of stock of a non-US corporation that is a US CFC (such US person with respect to any such US CFC, a "**United States Shareholder**"). Under these rules, among other things, gain realised by a United States Shareholder of a US CFC attributable to the direct or indirect disposition of an equity interest in such US CFC may be recharacterized as a dividend or, in certain cases, as ordinary income. In addition, a United States Shareholder of a US CFC may be required to include its share of certain tax items realised by the US CFC in such United States Shareholder's US federal taxable income. A CFC is, in general, a non-US corporation more than 50% of the stock of which is owned by United States Shareholders.

Passive Foreign Investment Companies:

As mentioned above, it is anticipated that the Partnership will invest solely in REITCo, which will be treated as a corporation for U.S. federal income tax purposes. Due to its classification as a non-US corporation for US federal income tax purposes, REITCo may be treated as a "passive foreign investment company" ("**PFIC**"). The Partnership may also invest in the stock of other non-US corporations that also are classified as PFICs for US federal income tax purposes. If the Partnership were to invest in a PFIC, any gain on disposition of stock of the PFIC, as well as income realised on certain "excess distributions" by the PFIC, generally would be treated as though realised ratably over the shorter of a US Investor's holding period of its Interest or the Partnership's holding period for the PFIC. Such gain or income would be taxed as ordinary income. In addition, an interest charge would be imposed on the Investor based on the tax deferred from prior years. Lastly, a US Investor that is an individual will not be eligible for the reduced rates of taxation on any dividends if the payor is a PFIC in the taxable year in which such dividends are paid or in the preceding taxable year.

If the Partnership were to invest in a PFIC and a US Investor were to make an election to have the PFIC treated as a qualified electing fund ("**QEF**"), in lieu of the foregoing treatment, such Investor would be required to include in gross income for each taxable year (1) as ordinary income, such Limited Partner's pro rata share of the ordinary earnings of the QEF for such year and (2) such Limited Partner's pro rata share of the net capital gain of the QEF for such year. These amounts will be included in the gross income of the Limited Partner even if the QEF does not distribute cash or other property in respect of such income to the Partnership. If the PFIC realises a net loss in a particular year, under the QEF rules, that loss will not pass through to the Limited Partner nor will it be netted against the income of any other PFIC with respect to which a QEF election has been made. Moreover, the loss also cannot be carried forward to offset income of the PFIC in subsequent years. Moreover, any net short-term capital gains of the PFIC will not pass through as capital gains, but will be taxed as ordinary income.

To make a QEF election, among other things, the IRS would have to be supplied with information provided to the Partnership by the PFIC in an annual information statement. There can be no assurance that the Partnership will be able to obtain information from any PFICs in which it invests to enable Limited Partners to make QEF elections with respect to such PFICs, and the Partnership has not committed to obtaining such information on behalf of the Limited Partners. It is the responsibility of each Limited Partner to make a separate QEF election with respect to each PFIC for which the Partnership obtains such QEF information.

Alternatively, an election may be made in the case of certain "marketable stock" to "mark to market" the stock of a PFIC on an annual basis. Pursuant to such an election, a Limited Partner would include in each year as ordinary income the excess, if any, of the fair market value of such stock over its adjusted basis at the end of the taxable year. There can be no assurance that a company in which the Partnership invests will be eligible for the "mark to market" election. The rules for determining whether a non-US company is a PFIC, and the rules applicable to the taxation of PFICs, are highly complex and involve the determination of various factual matters that may not be within the Partnership's control. Accordingly, certain adverse and unintended tax consequences could arise to US Investors from the Partnership's investment in certain non-US companies.

Non-US Partnerships:

If a non-US company is classified as a partnership for US federal income tax purposes, its items of income, gain, loss and deduction will be included in the taxable income of the Partnership and allocated to the Partners as described above under "—US Federal Income Taxation of the Partnership and US Investors—General".

Cash/income Differences

Due to potential timing differences between income recognition for US federal income tax purposes and actual cash distributions, it is possible that a US Investor may incur US federal income tax liabilities in excess of actual cash distributions made prior to the date the liability arises or the tax is due. For instance, the Partnership may hold debt securities with original issue discount, hold preferred equity or invest in US CFCs, all of which could result in taxable income being recognised by US Investors prior to the receipt of any cash. In that case, US Investors will generally need to use cash from other sources to pay their tax liabilities attributable to such income.

Non-US Tax Credit Limitations

A Limited Partner's share of non-US taxes incurred by the Partnership, if any, may give rise to "foreign tax credits", the use of which is subject to a complex set of limitations and restrictions. Pursuant to the Treasury Regulations promulgated under Section 704(b) of the Code, foreign tax credits must be allocated in proportion to a Limited Partner's distributive share of income to which the foreign tax credits relate. Subject to the requirements and limitations imposed by the Code, Limited Partners may elect to claim their allocable share of any such non-US taxes paid by the Partnership as a foreign tax credit against their US federal income tax liability. Limited Partners who do not elect to claim a foreign tax credit may claim a deduction for their allocable share of such non-US taxes (subject to other applicable limitations on the deductibility of such taxes). An electing Limited Partner may use foreign tax credits to offset only the portion of its US federal income tax liability that is attributable to foreign-source income. This limitation on the use of foreign tax credits applies separately with respect to separate categories of foreign source income. US Investors should consult their own tax advisers with respect to the extent to which they may deduct, or claim a credit with respect to, their shares of the non-US taxes borne by the Partnership.

Non-US Currency Gain or Loss

Limited Partners whose functional currency is the US Dollar should expect to recognise "foreign currency" gain or loss in connection with their investment in and ownership of Interests in the Partnership. In addition, the Partnership may engage directly or indirectly in transactions involving currencies other than US Dollars, in which case the Partnership could recognise foreign currency gain or loss that will be allocated to Limited Partners. Generally, foreign currency gain or loss is treated as ordinary income or loss and is subject to separate, complex rules regarding timing and source. Investors should consult their own tax advisers with respect to the tax treatment of non-US currency gain or loss.

Reporting Obligations and Elections

Any US Investor owning 10% or more (taking certain attribution rules into account) interest in a non-US partnership, such as the Partnership, will likely be required to file an information return with the IRS containing certain disclosure concerning the filing Limited Partner, other Limited Partners and the Partnership. In addition, a US Investor that transfers cash or other property to a non-US partnership will likely be required to report the transfer to the IRS if (i) immediately after the transfer, such US Investor holds (directly, indirectly or by attribution) at least 10% interest in the Partnership or (ii) the amount of cash or other property transferred by such US Investor (or any related person) to such partnership during the twelve-month period ending on the date of the transfer exceeds $100,000.

Furthermore, certain US Investors may have to file IRS Form 8886 with their US federal income tax return, and submit a copy of IRS Form 8886 with the Office of Tax Shelter Analysis of the IRS if the Partnership engages in certain "reportable transactions". Under certain circumstances, the IRS may designate a transaction as a reportable transaction after the close of the year in which the Partnership participated in the transaction, in which case certain US Investors may have to file IRS Form 8886 with respect to that transaction 90 days after the IRS makes the designation. In certain situations, there may also be a requirement that a list be maintained of persons participating in such reportable transactions, which could be made available to the IRS at its request. Moreover, if a US Investor recognises a loss upon a disposition of its Interest, such loss could constitute a "reportable transaction" for such US Investor, and such US Investor would be required to file IRS Form 8886. A significant penalty is imposed on taxpayers who fail to make the required disclosure. The maximum penalty is generally $10,000 for natural persons and $50,000 for other persons (increased to $100,000 and $200,000, respectively, if the reportable transaction is a "listed" transaction).

Certain US Investors also will be required to attach IRS Form 8938 (Statement of Specified Foreign Financial Assets) to their US federal income tax returns for any year in which the aggregate value of all "specified foreign financial assets" held by such Investor exceeds certain specified thresholds (generally, $50,000 on the last day of the taxable year or $75,000 at any time during the taxable year (higher thresholds apply for certain married individuals filing joint returns)). A "specified foreign financial asset" generally includes, among other items, an interest in a non-US partnership.

US Investors that own an indirect interest in a non-US corporation (as determined for US federal income tax purposes), including a US CFC or PFIC, may be required to file an IRS Form 8621 (Information Return by a Shareholder of a PFIC or QEF) or IRS Form 5471 (Information Return of US Persons with Respect to Certain Foreign Corporations).

The Partnership has not committed itself to provide the information about the Partnership or its Limited Partners needed to complete any information return or other required disclosures. US Investors are urged to consult their tax advisers regarding applicable reporting obligations as a result of an investment in the Partnership.

Tax Reporting by the Partnership

The Partnership may be required to prepare US federal partnership returns on IRS Form 1065. Additionally, upon the reasonable written request of a US Investor (and at such US Investor's expense), the Partnership will furnish as soon as reasonably practicable to such US Investor any information in the Partnership's possession that is reasonably required to enable such US Investor to complete its US federal income tax returns. Because the Partnership cannot provide this information until it has all necessary information with respect to its investments, a US Investor may be required to file for tax extensions in order to allow sufficient time for the Partnership to receive such information with respect to its investments.

US Tax-Exempt Investors

A US Tax-Exempt Investor is generally exempt from US federal income taxation pursuant to Section 501(a) of the Code but is subject to taxation with respect to any unrelated business taxable income ("**UBTI**"). UBTI is defined for these purposes as gross income from any unrelated trade or business regularly carried on by the US Tax-Exempt Investor, less any deductions attributable thereto and less a specific de minimis deduction of $1,000. Under Section 513 of the Code, an unrelated trade or business consists of any trade or business where the conduct of which is not substantially related to the US Tax-Exempt Investor's exempt purpose or function. UBTI does not, in general (subject to the rule described below with respect to "acquisition indebtedness"), include dividends, interest, royalties or gains from the sale, exchange, withdrawal or other disposition of property other than inventory or property held primarily for sale to customers in the ordinary course of a trade or business. To the extent that the Partnership, or any other partnership for US federal income tax purposes that the Partnership invests in, generates UBTI, a US Tax-Exempt Investor's allocable share of such income generally will constitute UBTI to such Limited Partner. If a US Tax-Exempt Investor's acquisition of its Interest is debt-financed, or the Partnership incurs "acquisition indebtedness" that is allocated to the acquisition of an investment, then all or a portion of the income attributed to the debt-financed property would be included in UBTI regardless of whether such income would otherwise be excluded as dividends, interests, rents, gain or loss from sale of eligible property or similar income. In the case of debt incurred by the Partnership, such treatment would apply, in the case of ordinary income, in tax years in which the Partnership had indebtedness outstanding or, in the case of a sale, if the Partnership had indebtedness outstanding at any time during the 12-month period prior to the sale. The Partnership may incur indebtedness, including under a credit facility. Accordingly, US Tax-Exempt Investors should expect to incur UBTI in connection with an investment in the Partnership, and the amount of UBTI could be material.

Income derived by the Partnership from an equity investment in a flow-through entity that holds operating assets or that itself has incurred "acquisition indebtedness," will generally be treated as UBTI. In addition, fee income actually received or deemed to be received by the Partnership or US Tax-Exempt Investors may be treated as UBTI in certain circumstances.

UBTI may be adjusted by deductions for certain expenses attributable to the unrelated trade or business. US Tax-Exempt Investors are required compute UBTI separately for each unrelated trade or business, generally preventing a US Tax-Exempt Investor from applying losses from one unrelated trade or business against income derived from another unrelated trade or business. US Tax-Exempt Investors should be aware that the requirement to compute UBTI separately for each unrelated trade or business may increase their overall UBTI. Generally, a US Tax-Exempt Investor may aggregate its UBTI from an interest in a single partnership with multiple trades or businesses or from interests in multiple partnership provided that certain ownership limitation tests and other requirements are satisfied with respect to the US Tax-Exempt Investor's interest in such partnership(s). Each prospective US Tax-Exempt Investor is urged to consult with its own tax advisers regarding the application of the UBTI rules to the prospective US Tax-Exempt Investor's investment in the Partnership.

As described above, certain investments by the Partnership may cause certain US Investors to have imputed income under the US CFC and PFIC provisions of the Code. In general, however, a US Tax-Exempt Investor's allocable share of such income would not be treated as UBTI unless the Partnership's interest in the US CFC or PFIC, or the US Tax-Exempt Investor's interest in the Partnership, is debt-financed.

The General Partner offers no assurance that the Partnership or the underlying companies in which the Partnership invests will not generate UBTI for US Tax-Exempt Investors and the General Partner is making no covenants that the Partnership will avoid investments that may generate UBTI.

If a transaction in which a US Tax-Exempt Investor participates is treated as a "prohibited tax shelter transaction" (which includes listed transactions and certain other categories of reportable transactions), such US Tax-Exempt Investor may be subject to US excise taxes with respect to such transaction, and such excise taxes could be significant. US Tax-Exempt Investors could be subject to such excise taxes if they engage in a prohibited reportable transaction with respect to their investment in the Partnership, or, under limited circumstances, if the Partnership engages in a prohibited reportable transaction. A US Tax-Exempt Investor that is a party to a prohibited tax shelter transaction will be required to file IRS Form 8886-T (Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction), in addition to filing IRS Form 8886 (Reportable Transaction Disclosure Statement).

A US private foundation (or an entity subject to certain rules applicable to private foundations) considering an investment in the Partnership should be aware that, if such a foundation acquires a sufficiently large interest, such interest could become an “excess business holding” that could subject the foundation to a US excise tax. A private foundation should consult its own tax advisers regarding the excess business holdings provisions of the Code and other provisions of Chapter 42 of the Code that could affect the consequences to such foundation of acquiring and holding an interest in the Partnership.

Prospective Investors should consult their own tax advisers regarding the application of these rules to their investment in the Partnership, including UBTI and the applicability of the prohibited tax shelter transaction rules.

Partnership Tax Audits

The General Partner (or its designee) will act as the “partnership representative” of the Partnership and will have exclusive authority to bind all partners to any US federal income tax proceeding. Furthermore, in the event of a US federal income tax audit of the Partnership, the Partnership, rather than the Partnership’s Limited Partners, could be liable for the payment of certain taxes, including interest and penalties, or, if the Partnership elects a certain procedure, the Limited Partners could be liable for the tax but be required to pay interest at a higher rate than would otherwise apply to underpayments.

US State and Local Taxes

In addition to the US federal income tax consequences described above, prospective US Investors should consider potential US state and local tax consequences of an investment in the Partnership.

PROSPECTIVE LIMITED PARTNERS SHOULD CONSULT WITH THEIR OWN TAX ADVISERS AS TO THE SPECIFIC US FEDERAL, STATE, LOCAL, ALTERNATIVE MINIMUM AND NON-US INCOME, ESTATE AND OTHER TAX CONSEQUENCES OF AN INVESTMENT IN THE PARTNERSHIP.

Section 9 – Certain US Legal Considerations

This Section 9 – Certain US Legal Considerations should be carefully read by each prospective Investor that is a US Person, as such term is defined below.

US securities law matters

The Interests have not been and will not be registered under The US Securities Act of 1933, as amended (the "**1933 Act**"), or with any securities regulatory authority of any state or other jurisdiction of the US and therefore cannot be sold, transferred, or pledged to any US Person or in, into or within the US, in the absence of such registration or the availability of an exemption therefrom. The offering and sale of Interests to or for the account or benefit of any US Person is being made solely to selected investors who qualify as "accredited investors" as defined in Rule 501(a) of Regulation D promulgated under the 1933 Act (an "**Accredited Investor**"), in reliance on: (i) the exemptions from registration for non-public offerings of securities provided in Rule 506 of Regulation D and/or section 4(a)(2) of the 1933 Act; and (ii) appropriate exemptions from US state securities registration and qualification requirements, where available. The offering and sale of Interests to or for the account or benefit of any Investor that is not a US Person shall either be effected in an "offshore transaction", as such term is defined in Regulation S promulgated under the 1933 Act, or, if not effected in an "offshore transaction", shall be made in compliance with the exemptions from registration provided in Rule 506 of Regulation D and/or section 4(a)(2) of the 1933 Act. Each prospective Investor who is a US Person or who does not acquire the Interests in an "offshore transaction" will be required to make representations and warranties in its Subscription Agreement as to the Investor's status as an Accredited Investor and its general suitability for an investment in the Fund.

US Investment Company Act matters

The Fund is not registered under the US Investment Company Act, in reliance upon an exemption from registration provided by the Investment Company Act, and it is not intended that the Fund will operate as a registered investment company under the Investment Company Act. As of the date hereof, the General Partner expects that the Fund will rely upon the exceptions from registration afforded by Investment Company Act Section 3(c)(5), although it reserves the right to rely upon other Investment Company Act registration exceptions. Therefore, the Fund will not be subject to regulation under the Investment Company Act, which includes rules for the protection of investors that, among other things: (i) require investment companies to have a majority of disinterested directors, (ii) mandate segregation of securities held in custody from the securities of any other person, and (iii) regulate the relationship between an investment adviser and an investment company. Pursuant to current interpretations issued by the SEC, the Investment Company Act exempts from such registration any non-US issuer all of the outstanding securities of which are beneficially owned either by persons who are not US Persons, by US Persons that are "qualified purchasers" as defined under section 2(a)(51) of the Investment Company Act and the rules promulgated under the Investment Company Act, by fewer than 100 US Persons, or in the event the non-US issuer invests in real estate and related assets, as contemplated by Investment Company Act Section 3(c)(5). Investors who are US Persons will be required to make certain representations and warranties in their Subscription Agreement as to their status for Investment Company Act purposes. In addition, in order to establish compliance with such exemption, each Investor must furnish certain information to the Fund and represent, among other customary private placement representations, that it is acquiring its Interests for investment purposes and not with a view towards resale or distribution.

US Investment Advisers Act matters

None of the General Partner, the AIFM, the Asset Manager or the Investment Adviser is registered as an investment adviser under the 1940 Act and there is no guarantee that any such registration will be made in the future. The 1940 Act imposes certain disclosure and reporting obligations and compensation and other restrictions on registered investment advisers that are intended to protect registered investment advisers' clients, and such obligations or restrictions will not apply with respect to the Fund or its Investors unless the

General Partner, the AIFM, the Asset Manager or the Investment Adviser registers as an investment adviser under the 1940 Act.

Restrictions on transfer

The Interests offered are subject to restrictions on transferability and resale, as more fully described in this Memorandum and as set out in the Fund Agreements, and may not be transferred or resold except (a) with the prior written consent of the General Partner (or the equivalent entity in respect of any other Fund Vehicle) in accordance with the terms of the Fund Agreements, and (b) as permitted under the 1933 Act and applicable US state securities laws pursuant to registration of the Interests or an applicable exemption from registration. There is not, and there is not expected to be, a public market for the Interests and no such market is expected to develop in the future. Prospective Investors must therefore be prepared to bear the economic risk of an investment in the Fund for an indefinite period of time.

Definition of "US Person"

The term "US Person" is defined as:

(i) any natural person resident in the US;
(ii) any partnership or corporation organised or incorporated under the laws of the US;
(iii) any estate of which any executor or administrator is a US Person;
(iv) any trust of which any trustee is a US Person;
(v) any agency or branch of a foreign entity located in the US;
(vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;
(vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the US; and
(viii) any partnership or corporation if: (a) organised or incorporated under the laws of any foreign jurisdiction and (b) formed by a US Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by "accredited investors" (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the foregoing paragraphs (i) through (viii):

(a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the US shall not be deemed to be a "US Person";
(b) any estate of which any professional fiduciary acting as executor or administrator is a US Person shall not be deemed to be a "US Person" if (i) an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by foreign law;
(c) any trust of which any professional fiduciary acting as trustee is a US Person shall not be deemed to be a "US Person" if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person;
(d) an employee benefit plan established and administered in accordance with (i) the laws of a country other than the US and (ii) the customary practices and documentation of such country shall not be deemed to be a "US Person"; and
(e) any agency or branch of a US Person located outside the US shall not be deemed a "US Person" if the agency or branch (i) operates for valid business reasons and (ii) is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

Furthermore, none of the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, or their agencies, affiliates and pension plans, or any other similar international organisation, or its agencies, affiliates and pension plans, shall be deemed to be a "US Person".

ERISA considerations

THE ADVICE SET FORTH HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING US FEDERAL TAX PENALTIES THAT

MAY BE IMPOSED ON THE TAXPAYER. THE FOLLOWING DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTION(S) OR MATTER(S) ADDRESSED HEREIN. PROSPECTIVE INVESTORS THAT MAY BE SUBJECT TO ERISA (AS DEFINED BELOW) SHOULD SEEK ADVICE BASED UPON THE PROSPECTIVE INVESTOR'S PARTICULAR CIRCUMSTANCES FROM A KNOWLEDGEABLE INDEPENDENT ADVISER.

The US Employee Retirement Income Security Act of 1974, as amended or replaced from time to time ("**ERISA**"), imposes certain requirements on employee benefit plans (as defined in section 3(3) of ERISA) subject to the provisions of Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of investment prudence and diversification. In addition, ERISA requires the fiduciary of an ERISA Plan to maintain the indicia of ownership of the ERISA Plan's assets within the jurisdiction of the US district courts. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment, the fact that the Fund has no history of operations, none of the Fund's Investments have been selected as of the date of this Memorandum and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of Interests.

Section 406 of ERISA and section 4975 of the US Internal Revenue Code of 1986, as amended (the "**Code**") prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "**Plans**")) and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to non-deductible excise taxes and other penalties and liabilities under ERISA and the Code, and the transaction might have to be rescinded.

Governmental plans and certain church plans, while not subject to the fiduciary responsibility or other provisions of Title I of ERISA or the provisions of section 4975 of the Code, may nevertheless be subject to local, state or other federal laws that are substantially similar to the foregoing provisions of ERISA and the Code. Fiduciaries of any such plans should consult with their counsel before purchasing an Interest.

The plan assets

The US Department of Labor has issued a regulation, 29 CFR section 2510.3-101 (as modified by section 3(42) of ERISA, the "**Plan Assets Regulation**"), describing what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of certain provisions of ERISA, including the fiduciary responsibility provisions of Title I of ERISA, and section 4975 of the Code. Under the Plan Assets Regulation, if a Plan invests in an "equity interest" of an entity (which is defined as an interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features) that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or that "benefit plan investors" hold less than 25% of the equity interests in the entity. The Interests would constitute an "equity interest" in the Partnership for purposes of the Plan Assets Regulation, and the Interests will not constitute "publicly offered securities" for purposes of the Plan Assets Regulation. In addition, the Partnership will not be registered under the Investment Company Act.

The 25 per cent limit

Under the Plan Assets Regulation, and assuming no other exemption applies, an entity's assets would be deemed to include "plan assets" subject to ERISA on any date if, immediately after the most recent acquisition of any equity interest in the entity, 25 per cent or more of the value of any class of equity Interests in the entity is held by "benefit plan investors" (the "**25% Limit**"). For purposes of this determination, the value of equity Interests held by a person (other than a benefit plan investor) that has discretionary authority or control with respect to the assets of the entity or that provides investment advice for a fee with respect to such assets (or any affiliate of such a person) is disregarded. The term "benefit plan investor" is defined in the Plan Assets Regulation as:

(a) Any employee benefit plan (as defined in section 3(3) of ERISA) that is subject to the provisions of Title I of ERISA.
(b) Any plan that is subject to section 4975 of the Code.
(c) Any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (to the extent of such plan's investment in the entity).

Therefore, while the assets of the Partnership would not be considered to be "plan assets" for purposes of ERISA so long as the 25% Limit is not exceeded, no assurance can be given that the 25% Limit will not be exceeded.

Reasonable endeavours will be used to conduct the affairs and operations of the Partnership so that the Partnership's assets will not be deemed to constitute "plan assets" subject to Title I of ERISA and/or Section 4975 of the Code by limiting investment in the Partnership by "benefit plan investors" (as determined in accordance with the Plan Assets Regulation) to less than 25% of each class of equity interests in the Partnership (as determined in accordance with the Plan Assets Regulation).

Consequences of "plan asset" status

If the Partnership's assets are deemed to constitute "plan assets" under ERISA, certain of the transactions in which the Partnership might normally engage could constitute a non-exempt "prohibited transaction" under ERISA or section 4975 of the Code. In such circumstances, the General Partner in its sole discretion may void or undo any such prohibited transaction, and may require each Investor that is a "benefit plan investor" to withdraw from the Partnership upon terms described in the Partnership Agreement. In addition, if the Partnership's assets are deemed to be "plan assets", the General Partner and/or the AIFM may be considered to be a fiduciary under ERISA.

A fiduciary of an ERISA plan or other plan that proposes to cause such entity to purchase an Interest should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and section 4975 of the Code to such an investment, and to confirm that such investment will not constitute or result in a non-exempt prohibited transaction or any other violation of ERISA. The sale of an Interest to a Plan is in no respect a representation by the Partnership, the General Partner, the AIFM, the Asset Manager, the Investment Adviser or any other person associated with the offering of Interests that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

Fiduciaries of Plans should be aware that none of the Partnership, the General Partner, the AIFM, the Asset Manager or the Investment Adviser is undertaking to provide impartial investment advice or to give advice in a fiduciary capacity in connection with the offering or purchase of Interests and that the General Partner, the AIFM, the Asset Manager and the Investment Adviser have financial interests associated with the purchase of Interests including the fees and other allocations and distributions they may receive from the Fund as a result of the purchase of Interests by a Plan.

Form 5500

Plan administrators of ERISA Plans that acquire an Interest in the Partnership may be required to report compensation, including indirect compensation, paid in connection with the ERISA Plan's investment in the Partnership on Schedule C of Form 5500 (Annual Return/Report of Employee Benefit Plan). The descriptions in this Memorandum of fees and compensation, including the fees and other amounts paid to the General Partner, the AIFM, the Asset Manager or the Investment Adviser, are intended to satisfy the disclosure requirement for "eligible indirect compensation" for which an alternative reporting procedure on Schedule C of Form 5500 may be available.

Section 10 – Certain Other Legal and Regulatory Matters

Anti-Money Laundering

As a result of legislation in force in the UK to deter money laundering, the General Partner is required to request and obtain information and documentation from Investors for verification purposes. By submitting an application to invest, an Investor undertakes to provide the General Partner (and any applicable delegate) with such documentation, representations, warranties, information and other evidence as they may require to satisfy the verification of identity requirements. In the event of any delay or failure by an applicant to produce any documentation, representations, warranties, information and other evidence as may be required for verification purposes, the General Partner may refuse to accept the application. Failure to provide documentation, representations, warranties, information or other evidence requested by the General Partner (and any applicable delegate) may result, inter alia, in the withholding of any distribution and/or realisation proceeds.

The General Partner (and any applicable delegate) will not be held responsible for any losses suffered by applicants as a result of delays or failures to process subscriptions caused by an applicant's delay or failure to provide sufficient information to enable the completion of the know your client and anti-money laundering due diligence protocols.

Data Protection

Prospective Investors and Investors are referred to the Fund's privacy notice (the "**Privacy Notice**"), a copy of which is appended to the Subscription Agreement.

The Privacy Notice explains how the General Partner process personal data about (i) the directors, officers and ultimate beneficial owners of any entities which invest in the Fund and/or who apply to invest in the Fund and (ii) any individuals who invest in the Fund and/or who apply to invest in the Fund.

The General Partner may update the Privacy Notice from time to time. The latest version of the Privacy Notice is available upon request from the General Partner.

By signing the Subscription Agreement, prospective Investors confirm having received and read the Privacy Notice.

Side Letters

The General Partner, the Asset Manager and/or the Investment Adviser (and the equivalent of any feeder vehicles, parallel funds and alternative investment vehicles) may, in their sole discretion and subject to applicable law, enter into side letters which grant preferential treatment (or the right to obtain preferential treatment) to certain Investors. These customised rights or terms may result in preferential treatment, with respect to, among other things: the fee structure, the offering of co-investment opportunities; the reporting obligations of the Fund; the right to transfer Interests in the Fund; the right to appoint a representative to the Advisory Committee, if applicable; the right to disclose certain information to underlying investors or to public authorities; structuring rights with respect to certain types of investments; or other rights or accommodations relating to specific governmental, quasi-governmental, constitutional, regulatory, legal or tax concerns or strategic, investment or reporting policies or requirements to which such Investor may be subject.

In deciding whether to accord Investors customised rights or terms, the General Partner, the Asset Manager and the Investment Adviser (and the equivalent of any feeder vehicles, parallel funds and alternative investment vehicles) will consider such factors as they consider to be appropriate in their discretion (and always having regard to the fair and equitable treatment of all Investors), which may include, among other things: the size of the Commitment made by an Investor (either individually or when aggregated with other Investors to which it is affiliated); the date of an Investor's subscription to the Fund; and/or the governmental, quasi-governmental, constitutional, regulatory, legal or tax status of an Investor.

None of the General Partner, the Asset Manager or the Investment Adviser (or, as applicable, the equivalent of any feeder vehicles, parallel funds and alternative investment vehicles) has any obligation to notify or offer to a prospective Investor any such additional rights or terms, except to the extent required by law or as expressly required by the terms of the Fund Agreements.

AIFM Leverage Limitations

Pursuant to the UK AIFM Regulations, the AIFM has established for the Partnership a maximum level of leverage, expressed as a ratio of the Partnership's total exposure to its Net Asset Value, of 250% under the gross method and 300% under the commitment method.

Documents available for inspection

Copies of the Partnership Agreement, the Fund's latest annual report and accounts (the first of which will be prepared and made available to Investors following the first financial year of the Fund as further described in Section 6 – Summary of Principal Terms – Accounts; Reports of this Memorandum) and the interim reports and accounts are available to Investors upon request to the General Partner.

As at the date of this Memorandum, the Fund does not have any historical performance. In due course, details of the Fund's historical financial performance will be provided to Investors in the Fund's annual reports and accounts, which will be available as described above.

Appendix A: Notices to Investors

Additional notices for investors

The information contained in this Memorandum has not been tailored to the specific needs (including, amongst other things, investment, financial, tax or legal needs) of any particular person in any given jurisdiction. Each potential Investor should obtain independent advice on a proposed investment in the Fund.

Notice to UK investors

The Fund is an unregulated collective investment scheme for the purposes of the Financial Services and Markets Act 2000 ("**FSMA**"), and distribution of this Memorandum is therefore restricted in accordance with FSMA. **The content of this promotion has not been approved by an authorised person within the meaning of FSMA. Reliance on this promotion for the purpose of engaging in any investment activity may expose you to a significant risk of losing all of the property or other assets invested or of incurring additional liability.**

The distribution of this Memorandum is exempt from the general restriction in section 21 of FSMA on the communication of invitations or inducements to engage in investment activity because it is being distributed only to selected persons who (i) fall within Article 19 (Investment professionals), Article 49(2)(a) to (d) (High net worth companies etc.), or Article 50 (Sophisticated investors) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**FPO**") or (ii) are persons to whom this document may otherwise lawfully be communicated (each such person being referred to as a "**relevant person**"). The distribution of this Memorandum is exempt from the restriction on the promotion of unregulated schemes in section 238 of FSMA on the grounds that the distribution of this Memorandum, and the investment activity to which it relates will only be made to persons outside the UK or in the UK to the following persons: (i) investment professionals (being persons having professional experience in matters relating to investments in unregulated schemes) within the meaning of Article 14 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (as amended) (the "**CIS Order**"); (ii) high net worth bodies corporate, unincorporated associations or partnerships or the trustees of high value trusts within the meaning of Article 22 of the CIS Order; (iii) certified sophisticated investors within article 23(1) of the CIS Order; and (vi) to any other person to whom this Memorandum may lawfully be communicated.

A sophisticated investor is a person who has a current certificate signed by an authorised person to the effect that he is sufficiently knowledgeable to understand the risks associated with this investment, and who has signed, within the period of twelve months ending with the date on which this communication is made, a statement complying with Article 50 of the FPO. A current certificate is one dated not more than three years prior to the date the communication is made.

Any investment or investment activity to which this Memorandum relates is only available to and will only be engaged in with such persons.

By accepting and not immediately returning this Memorandum, recipients in the United Kingdom warrant that they fall within at least one of the categories listed above. Transmission of this Memorandum to any other person in the United Kingdom is unauthorised. No person within the United Kingdom who receives this Memorandum (other than a person falling within the above exceptions) should rely on or act upon it. If the intended recipient does not have professional experience in matters relating to investments in unregulated collective investment schemes they should not rely on this Memorandum and if they are in any doubt about the investment to which this Memorandum relates they should consult an authorised person specialising in advising on investments or participation in unregulated collective investment schemes.

Notice to US investors

ANY US TAX MATTER CONTAINED IN THIS MEMORANDUM SHOULD NOT BE CONSTRUED AS ADVICE OR OPINION PROVIDED TO ANY PROSPECTIVE INVESTOR AND SHOULD NOT BE RELIED UPON BY SUCH PROSPECTIVE INVESTOR.

The offer and sale of the Interests will not be registered under the US Securities Act of 1933, as amended (the "**1933 Act**"), including state securities or "blue sky" laws. Interests will be offered and sold to US Persons or within the United States of America ("**US**") (as such terms are defined in Rule 902 of Regulation S under the 1933 Act) for investment purposes only in reliance upon the exemption from registration provided by Section 4(a)(2) thereof and/or Regulation D promulgated thereunder and in compliance with the applicable securities laws of each state or other jurisdiction in which the offering will be made. Each prospective Investor that is within the United States or a US Person must be both (i) an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the 1933 Act and (ii) (A) a "qualified purchaser" as the term is defined under Section 2(a)(51) of the US Investment Company Act of 1940, as amended (the "**Investment Company Act**") and the rules and regulations promulgated thereunder or (B) a "knowledgeable employee" as the term is defined in Rule 3c-5(a)(4) promulgated under the Investment Company Act. Outside of the United States, the Interests are being offered to non-US Persons in reliance on Regulation S promulgated under the 1933 Act. Each Investor will be required to make customary private placement representations, including that such investor is acquiring Interests for its own account for investment and not with a view to resale or distribution. Further, each Investor must be prepared to bear the economic risk of the investment in the Interests for an indefinite period of time, since the Interests cannot be transferred or resold except as permitted under the 1933 Act and any applicable state or non-US securities laws pursuant to registration or an exemption therefrom. It is unlikely that the Interests will ever be registered under the 1933 Act.

The Fund will not be subject to registration as an investment company under the Investment Company Act, in reliance upon one or more exclusions or exemptions afforded by Section 3(c) thereof. Investors in the Fund will therefore not receive the protections afforded by the Investment Company Act to investors in a registered investment company. As part of its efforts to rely upon one or more of the exclusions from the definition of "investment company", the Fund will not make a public offering of the Interests, and will limit the participation of US Persons to persons that qualify as "accredited investors" and "qualified purchasers" (as such terms are defined above). If the Fund is deemed to be an investment company that is required to register under the Investment Company Act, such requirement could prohibit the Fund from operating in its intended manner and could have a material adverse effect on the Fund.

None of the General Partner, the AIFM, the Asset Manager or the Investment Adviser will be registered as an investment adviser under the US Investment Advisers Act of 1940 (the "**1940 Act**"), as amended and such registration is not contemplated. Accordingly, neither the Fund nor any Investor in the Fund will be afforded the protections of such registration.

For Florida residents only

The Interests have not been registered under the Florida Securities Act.

If the investor is not a bank, a trust company, a savings institution, an insurance company, a dealer, an investment company as defined in the Investment Company Act, a pension or profit-sharing trust, or a qualified institutional buyer (as defined in Securities Act Rule 144A), the investor acknowledges that any sale of Interests to the investor is voidable by the investor either within three days after the first tender of consideration is made by the investor to the Fund, or an agent of the Fund, or within three days after the availability of that privilege is communicated to the investor, whichever occurs later.

The Interests are not insured or guaranteed by any governmental agency of any country. The Interests are not deposits or other obligations of any bank or other financial institution, and are not guaranteed by any bank or other financial institution. The Interests are subject to investment risks, including the possible loss of the entire amount invested. The Interests are suitable only for investors who do not require immediate liquidity for their investments, for whom an investment in the Fund does not constitute a complete investment program, and who fully understand and are willing to assume the risks involved in the Fund's investment program.

For Investors in other US States

In making an investment decision, investors must rely on their own examination of the Fund and the terms of the offering, including the merits and risks involved. The Interests have not been recommended by any US federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Memorandum. Any representation to the contrary is a criminal offense.

The Interests are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the 1933 Act and the applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

Appendix B: AIFM Disclosures under Fund 3.2.2R

*The documents relating to the Fund (including this Memorandum and the Partnership Agreement) contain, as identified below, the information required to be made available to investors in the Fund before they invest, pursuant to the requirements of Regulation 59(2)(b) of the UK AIFM Regulations and Chapter 3.2 of the Investment Funds sourcebook of the FCA Handbook ("**FUND 3.2.2R**").*

*References below to "**LPA**" are to the relevant provision of the Partnership Agreement, while references below to "**PPM**" are to the relevant section of this Memorandum.*

Regulatory reference		**Disclosure text**	**Reference**
AIFMD Art 23	**FUND 3.2.2R**		
(1a)	(1a)	a description of the investment strategy and objectives of the AIF;	PPM: Section 1 – Executive Summary. LPA: Clause 2.4.1 (Purpose). Schedule 1, Part 1 (Investment Objective).
(1a)	(1b)	if the AIF is a feeder AIF, information on where the master AIF is established;	Not applicable.
(1a)	(1c)	if the AIF is a fund of funds, information on where the underlying funds are established;	Not applicable.
(1a)	(1d)	a description of the types of assets in which the AIF may invest;	PPM: Section 1 – Executive Summary.
(1a)	(1e)	the investment techniques that the AIF, or the AIFM on behalf of the AIF, may employ and all associated risks;	PPM: Section 7 – Certain Risk Factors and Potential Conflicts of Interest.
(1a)	(1f)	any applicable investment restrictions;	PPM: Section 6 – Summary of Principal Terms – Investment Restrictions.
(1a)	(1g)	the circumstances in which the AIF may use leverage;	PPM: Section 6 – Summary of Principal Terms – Leverage. LPA: Clause 16.1 (Power to Borrow and Lend).

Regulatory reference		Disclosure text	Reference
AIFMD Art 23	FUND 3.2.2R		
(1a)	(1h)	the types and sources of leverage permitted and the associated risks;	PPM: Section 6 – Summary of Principal Terms – Leverage. Section 7 – Certain Risk Factors and Potential Conflicts of Interest – Risks Related to Borrowing and Leveraged Investments. LPA: Clause 16 (Borrowing).
(1a)	(1i)	any restrictions on the use of leverage and any collateral and asset reuse arrangements; and	PPM: Section 6 – Summary of Principal Terms – Leverage. LPA: Clause 16 .2 (Limitations on Borrowing).
(1a)	(1j)	the maximum level of leverage which the AIFM is entitled to employ on behalf of the AIF;	PPM: Section 6 – Summary of Principal Terms – Leverage. Section 10 – Certain Other Legal and Regulatory Matters – AIFM Leverage Limitations.
(1b)	(2)	a description of the procedures by which the AIF may change its investment strategy or investment policy, or both;	LPA: Clause 44 (Amendment of Partnership Agreement). Schedule 1 (Investment Objective and Investment Restrictions).
(1c)	(3)	a description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, the applicable law and the existence or absence of any legal instruments providing for the recognition and enforcement of judgments in the territory where the AIF is established;	PPM: Section 7 – Certain Risk Factors and Potential Conflicts of Interest – Risks Associated with Fund Issues – Governing law, jurisdiction and enforcement of judgments; Sovereign Immunity.
(1d)	(4)	the identity of the AIFM, the AIF's depositary, the auditor and any other service providers and a description of their duties and the investors' rights;	PPM: Section 5 – Structure and Key Service Providers.

Regulatory reference		Disclosure text	Reference
AIFMD Art 23	**FUND 3.2.2R**		
(1e)	(5)	a description of how the AIFM complies with the requirements (professional negligence) relating to professional liability risk;	PPM: Section 5 – Structure and Key Service Providers – AIFM.
(1f)	(6)	a description of:	
(1f)	(6a)	any AIFM management function delegated by the AIFM;	LPA: Clause 11.5 (Delegation of authority by the AIFM).
(1f)	(6c), (6d)	the identity of each delegate appointed in accordance with FUND 3.10 (Delegation); and any conflicts of interest that may arise from such delegations;	Not applicable.
(1f)	(6b)	any safe-keeping function delegated by the depositary;	Not applicable.
(1g)	(7)	a description of the AIF's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing any hard-to-value assets, in line with FUND 3.9 (Valuation);	PPM: Section 4 – Fund Management – Valuations. Section 6 – Summary of Principal Terms – Valuations; Net Asset Value. LPA: Clause 24 (Valuations).
(1h)	(8)	a description of the AIF's liquidity risk management, including the redemption rights of investors in normal and exceptional circumstances, and the existing redemption arrangements with investors;	PPM: Section 4 – Fund Management – Risk and Liquidity Management. Section 6 – Summary of Principal Terms – Transfers; Withdrawal. Section 7 – Certain Risk Factors and Potential Conflicts of Interest – Risks Associated with Fund Issues – Lack of liquidity. LPA: Clauses 20 (Assignment of Interests) and 38 (Withdrawal of Limited Partners).

Regulatory reference		Disclosure text	Reference
AIFMD Art 23	FUND 3.2.2R		
(1i)	(9)	a description of all fees, charges and expenses, and the maximum amounts directly or indirectly borne by investors;	PPM: Section 6 – Summary of Principal Terms – Fees; General Partner's Share; Distributions; Organisational Expenses; Operating Expenses.
(1j)	(10)	a description of how the AIFM ensures a fair treatment of investors;	PPM: Section 5 – Structure and Key Service Providers – AIFM.
(1j)	(11)	whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of: that preferential treatment; the type of investors who obtain such preferential treatment; and where relevant, their legal or economic links with the AIF or AIFM;	PPM: Section 10 – Certain Other Legal and Regulatory Matters – Side Letters.
(1k)	(14)	the latest annual report, in line with FUND 3.3 (Annual report of an AIF);	PPM: Section 10 – Certain Other Legal and Regulatory Matters – Documents available for inspectionSide Letters. LPA: Clause 23.2 (Annual Reports and Audited Accounts).
1(l)	(12)	the procedure and conditions for the issue and sale of units or shares;	PPM: Section 1 – Executive Summary – Offering, Commitment and Drawdown Process. Section 6 – Summary of Principal Terms – Minimum Commitment; Closings; Subsequent Closing Payments; Drawdowns; Transfers.
(1m)	(13)	the latest net asset value of the AIF or the latest market price of the unit or share of the AIF, in line with FUND 3.9 (Valuation);	PPM: Section 10 – Certain Other Legal and Regulatory Matters – Documents available for inspection (Side Letters).

Regulatory reference		Disclosure text	Reference
AIFMD Art 23	**FUND 3.2.2R**		
(1n)	(15)	where available, the historical performance of the AIF;	PPM: Section 10 – Certain Other Legal and Regulatory Matters – Documents available for inspection (Side Letters).
(1o)	(16a)	the identity of the prime brokerage firm;	PPM: Section 5 – Structure and Key Service Providers – Prime Broker.
(1o)	(16b)	a description of any material arrangements of the AIF with its prime brokerage firm and the way any conflicts of interest are managed;	Not applicable.
(1o)	(16c)	the provision in the contract with the depositary on the possibility of transfer and reuse of AIF assets; and	Not applicable.
(1o)	(16d)	information about any transfer of liability to the prime brokerage firm that may exist; and	Not applicable.
(1p)	(17)	a description of how and when the information required under FUND 3.2.5R and FUND 3.2.6R will be disclosed.	PPM: Section 4 – Fund Management – Risk and Liquidity Management. Section 6 – Summary of Principal Terms – Leverage. Section 10 – Certain Other Legal and Regulatory Matters – AIFM Leverage Limitations.

Appendix C: Definitions

Reference to a “**Section**” in this Appendix is a reference to the relevant section in this Memorandum.

10% rule	has the meaning set out in Section 8 – Taxation;
1933 Act	means The US Securities Act of 1933, as amended;
1940 Act	means The US Investment Advisers Act of 1940, as amended;
90% distribution condition	has the meaning set out in Section 8 – Taxation;
Administrator	has the meaning set out in Section 5 – Structure and Key Service Providers;
Administration Agreement	has the meaning set out in Section 5 – Structure and Key Service Providers;
Advisory Committee	has the meaning set out in Section 6 – Summary of Principal Terms;
AIF	means an alternative investment fund as defined in the UK AIFM Regulations;
AIFM	has the meaning set out in the preamble to this Memorandum;
AIFM Agreement	has the meaning set out in Section 6 – Summary of Principal Terms;
AIFM Fee	has the meaning set out in Section 6 – Summary of Principal Terms;
AIFMD	means the EU’s Alternative Investment Fund Managers Directive (Directive 2011/61/EU);
Asset Management Agreement	has the meaning set out in Section 6 – Summary of Principal Terms;
Asset Manager	has the meaning set out in the preamble to this Memorandum;
assets condition	has the meaning set out in Section 8 – Taxation;
Associate	means a parent undertaking or subsidiary of that person, or a subsidiary of a parent undertaking of that person, or a person under common control with that person;
Auditors	has the meaning set out in Section 5 – Structure and Key Service Providers;
Business Day	means a day (other than a Saturday or Sunday or a UK public holiday) on which banks are generally open for non-automated banking business in London;

Cause	has the meaning set out in Section 6 – Summary of Principal Terms;
Closing Date	has the meaning set out in Section 6 – Summary of Principal Terms;
the Code	has the meaning set out in Section 8 – Taxation;
Commitment	has the meaning set out in Section 6 – Summary of Principal Terms;
Common Reporting Standard or **CRS**	has the meaning set out in Section 8 – Taxation;
Contribution	has the meaning set out in Section 6 – Summary of Principal Terms;
CTA 2010	means the UK Corporation Tax Act 2010 (as modified, supplemented or replaced from time to time);
Drawdown Notice	has the meaning set out in Section 6 – Summary of Principal Terms;
EEA	means the European Economic Area;
ERISA	has the meaning set out in Section 9 – Certain US Legal Considerations;
ESG	means environmental, social and governance;
EU	means the European Union;
FATCA	has the meaning set out in Section 8 – Taxation;
FCA	means the UK Financial Conduct Authority or any successor body from time to time;
Final Closing Date	has the meaning set out in Section 6 – Summary of Principal Terms;
Forward Looking Information	has the meaning set out in the preamble to this Memorandum;
FSMA	means the UK Financial Services and Markets Act 2000, as amended;
Fund	has the meaning set out in the preamble to this Memorandum;
Fund Agreement	has the meaning set out in the preamble to this Memorandum;
Fund GP	has the meaning set out in Section 6 – Summary of Principal Terms;
Fund Investor	has the meaning set out in the preamble to this Memorandum;
Fund Investor Majority Consent	has the meaning set out in Section 6 – Summary of Principal Terms;
Fund Investor Special Consent	has the meaning set out in Section 6 – Summary of Principal Terms;

Fund Vehicle	has the meaning set out in the preamble to this Memorandum;
General Partner	has the meaning set out in the preamble to this Memorandum;
General Partner's Share	has the meaning set out in Section 6 – Summary of Principal Terms;
GFSC	means the Guernsey Financial Services Commission;
Gross Asset Value or **GAV**	means the aggregate fair value of all assets of the Fund or the Partnership (as applicable);
group UK REIT	means a "group UK REIT" for the purposes of section 523(5) of CTA 2010;
HMRC	means UK HM Revenue & Customs;
IGAs	has the meaning set out in Section 8 – Taxation;
Initial Closing Date	has the meaning set out in Section 6 – Summary of Principal Terms;
Interest(s)	has the meaning set out in the preamble to this Memorandum;
Investment	means any investment of the Fund, as more particularly described in the Partnership Agreement;
Investment Adviser	has the meaning set out in the preamble to this Memorandum;
Investment Advisory Agreement	has the meaning set out in Section 6 – Summary of Principal Terms;
Investment Advisory Fee	has the meaning set out in Section 6 – Summary of Principal Terms;
Investment Committee	has the meaning set out in Section 6 – Summary of Principal Terms;
Investment Company Act	means The US Investment Company Act of 1940, as amended;
Investment Objective	has the meaning set out in Section 6 – Summary of Principal Terms;
Investor	has the meaning set out in the preamble to this Memorandum;
JV company	has the meaning set out in Section 8 – Taxation;
Kinrise	has the meaning set out in Section 1 – Executive Summary;
Kinrise REIT	has the meaning set out in Section 8 – Taxation;
Legal Counsel	means CMS Cameron McKenna Nabarro Olswang LLP;
Limited Partner	has the meaning set out in the preamble to this Memorandum;
Limited Partner Majority Consent	has the meaning set out in Section 6 – Summary of Principal Terms;

Limited Partner Special Consent	has the meaning set out in Section 6 – Summary of Principal Terms;
Listing Condition Relaxation	has the meaning set out in Section 8 – Taxation;
Management Fee	has the meaning set out in Section 6 – Summary of Principal Terms;
Memorandum	means this confidential private placement memorandum relating to Kinrise UK Cities II LP, as amended, restated and/or supplemented from time to time;
MiFID II	means the Markets in Financial Instruments Directive (Directive 2014/65/EU) as amended or replaced from time to time;
Net Asset Value or **NAV**	means the net asset value of the Partnership or the Fund (as applicable);
Non-PID Distributions	has the meaning set out in Section 8 – Taxation;
Partnership	has the meaning set out in the preamble to this Memorandum;
Partnership Agreement	means the limited partnership agreement constituting the Partnership, as amended, restated, supplemented and/or otherwise modified from time to time;
Past Performance Information	has the meaning set out in the preamble to this Memorandum;
Portfolio Vehicle	has the meaning set out in Section 6 – Summary of Principal Terms;
Privacy Notice	has the meaning set out in Section 10 – Certain Other Legal and Regulatory Matters;
Professional Investor	means persons who are considered to be a "professional client" or may, on request, be treated as a "professional client" within the meaning of Annex II to MiFID II;
profits condition	has the meaning set out in Section 8 – Taxation;
property income distribution or **PID**	has the meaning set out in Section 8 – Taxation;
Property Rental Business	means a property rental business fulfilling the conditions in section 529 CTA 2010;
REIT	means a real estate investment trust as defined for the purposes of the REIT Regime;
REIT Regime	means Part 12 CTA 2010 and regulations made pursuant to or supplemental to it;
REITCo	has the meaning set out in the preamble to this Memorandum;
REITCo Articles	means the articles of association of REITCo, as adopted from time to time;
Residual Business	has the meaning set out in Section 8 – Taxation;

Subscription Agreement	means a subscription agreement to be entered into by each Investor under which such Investor will offer to subscribe, in a written, legally binding, irrevocable form, for a Commitment to the Fund;
Substantial Shareholder	means a company or body corporate within section 553 CTA 2010 which is beneficially entitled (directly or indirectly) to 10% or more of REITCo's distributions or shares, or controls at least 10% of the voting rights in REITCo other than where such company or body corporate is a person to whom a payment of a distribution must be made without deduction of income tax in accordance with regulation 7 of the Real Estate Investment Trusts (Assessment and Recovery of Tax) Regulations 2006;
UK or **United Kingdom**	means the United Kingdom of Great Britain and Northern Ireland;
UK AIFM Regulations	means the UK Alternative Investment Fund Managers Regulations 2013/1773, as amended;
UK GAAP	means generally accepted accounting principles in the UK;
UK GDPR	has the meaning set out in Section 7 – Certain Risk Factors and Potential Conflicts of Interest;
Unaffiliated Limited Partners	means any Limited Partner which is not a Sponsor Co-Investor;
US	means the United States of America;
US Person	has the meaning set out in Section 9 – Certain US Legal Considerations;
Valuer	has the meaning set out in Section 5 – Structure and Key Service Providers.