

XA Investments Q4 2023 Non-Listed CEF Market Update

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Notes: Non-listed CEFs include all interval and tender offer funds. Please contact our team if you have any questions about the listed CEF marketplace or the non-listed CEF marketplace. We would be happy to share information and insights. Please notify us with any errors or changes.

December 31, 2023

Executive Summary

What's New this Quarter?

- This quarter's report provides a look back at 2023, featuring insights on the following topics:
 - Success stories, both across funds and asset classes
 - M&A activity and the observed trend of sponsors acquiring new funds and / or alts investment expertise
 - Sponsors with multiple alternative products including non-listed REITs, non-listed BDCs, and non-listed CEFs
 - The limited success of direct-to-consumer funds
 - Funds in SEC registration process and anticipated fund launches in 2024

Winners & Losers of 2023

- Winners in the market were credit funds and PE focused funds
- Losers in the market were real estate and specialty funds
 - **Winners:** Cliffwater raised \$5.4bn across its two credit funds; Hamilton Lane raised \$540mm in its PE fund; and Stone Ridge's ILS fund had a 42.3% 1-yr return
 - **Losers:** Market leading real estate fund-of-funds suffered redemptions throughout 2023 due to valuation and performance concerns; SilverBay's ACAP fund experienced nearly \$1bn in redemptions; and several Hatteras funds reported poor 1-yr return performance

Time for Celebration

A growing number of non-listed CEFs celebrated their 3-year, 5-year and 10-year anniversaries in 2023. 36% of the market comprises newer funds that have yet to develop a 3-year track record. XAI observes that longer firm-specific track records are necessary for key RIA and wirehouse platform approvals

Market Growth

- **Fund Counts:** The non-listed CEF market is showing an acceleration in fund formations evidenced by the growth in the backlog of funds in the SEC registration process
- **AUM and Net Flows:** While marketwide AUM levels are higher at year-end 2023 than the year prior, the overall non-listed CEF market has experienced moderating net flows in recent quarters
- **Types of Fund Sponsors:** The market is fairly balanced between traditional and alternative fund sponsors. Several new market entrants are insurers, RIAs and institutional consultants who do not fit neatly in the traditional/alt sponsor categories

2024 Product Launches

There are several highly anticipated product launches by new entrants and repeat issuers. Secondaries and Infrastructure are anticipated to be an area of growth this year

Shareholder Liquidity

Unlike with non-listed REITs, proration concerns have not been a market-wide issue in 2023, but a handful of funds experienced slowing sales and increased demand for liquidity

Industry Improvement Idea

With the high demand for alternative income, we encourage fund sponsors to post their current distribution rates on their websites and factsheets. This is a customary practice in the listed CEF marketplace to inform advisors and investors about a key fund attribute and may help investors better understand the value of these funds' illiquidity premium

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Industry Highlights, News, and Research

Section Summary

- 16% asset growth in 2023 from strong demand for alternatives, especially private credit and private equity
- Credit asset class has grown leading XAI to create four credit sub-categories to ease fund classification and comparison
- Market continues to be dominated by the Top 20 funds with 64% market share and 57% of market wide LTM net flows
- 16 new firm entrants joined the alts party in 2023 – notably Brookfield, Fidelity, Jackson National and Nomura
- Market leadership is in the hands of first movers including Cliffwater, Partners Group, Alkeon and Bluerock
- Platforms continued to open access to non-listed CEFs by onboarding new funds (MS has the most with 17 non-listed CEFs)
- In 2023, we observed a few surprising trends:
 - more funds with income incentive or performance fees
 - more tender offer funds launching or in registration
 - development of a new infrastructure sub-category with 5 funds
 - more sub-advised funds in the fund formation process with experienced alternatives managers (i.e. Apollo)
- The fast pace of the SEC rulemaking and proposals is expected to continue in 2024



KPIs	Interval / Tender Offer Fund Market Key Performance Indicators			
Funds	199 Funds	+25 Funds Entered Market in 2023 -16 Funds Exited Market in 2023	4.7% Change in 2023 	200 – 235 Funds XAI YE Forecast (see page 32)
Assets	\$126bn Net Assets	+\$17bn Net Assets Growth in 2023	16.0% Change in 2023 	\$140 - \$165bn Net Assets, XAI YE Forecast (see page 32)
Market Share by Fund AUM	5 Largest Funds 37% Market Share	10 Largest Funds 49% Market Share	20 Largest Funds 64% Market Share	30 Largest Funds 74% Market Share
Market Share by Sponsor	 CLIFFWATER \$17.3bn Net Assets 13.7% Market Share	 Partners Group REALIZING POTENTIAL IN PRIVATE MARKETS \$14.2bn Net Assets 11.3% Market Share	 ALKEON CAPITAL MANAGEMENT \$6.8bn Net Assets 5.4% Market Share	 BLUEROCK™ \$5.9bn Net Assets 4.7% Market Share
Wirehouse Availability	 UBS 15 Funds on Platform	Morgan Stanley 17 Funds on Platform	 Merrill Lynch Bank of America Corporation 10 Funds on Platform	 WELLS FARGO 5 Funds on Platform

Sources: XA Investments; CEFData.com. All figures are latest publicly available as of 12/31/2023.

Non-listed CEF Market Overview

2023 Observations

	Market Size	\$145bn in total managed assets (\$126bn in net assets) across 199 interval and tender offer funds, which is a net increase of 3 funds and \$3bn QoQ, and a net increase of 9 funds and \$15bn YoY. • \$88bn in interval fund assets across 95 funds • \$57bn in tender offer fund assets across 104 funds
	New SEC Filings	39 N-2 filings currently in the SEC registration process.
	Market Leaders – Net Flows	The top 20 largest funds by total managed assets continue to dominate net flows, accounting for 57% of LTM (ending 9/30/2023) net flows. Credit and Venture / Private Equity continue to attract strong positive net flows, drawing approx. \$9.6bn and \$5.1bn, respectively, in LTM (ending 9/30/2023) net flows.
	1 st Movers	19 of the top 20 funds (ranked by AUM) were launched prior to 2020 and have 3+ year track records.
	New Fund Launches	25 funds launched in 2023
	Time in SEC registration	Funds launched in 2023 spent an average of 197 days in the SEC registration process prior to going effective
	Market Scale	• Each of the top 20 largest funds is over \$1.5bn in total managed assets. • 124 funds with over \$100mm in total managed assets (62% of total funds) • 32 funds with over \$1bn in total managed assets (16% of total funds)
	Market Entrants	Currently, there are 123 unique sponsors across 199 funds with 36 sponsors having two or more funds • 16 new fund sponsors entered market in 2023 • 9 fund sponsors with existing funds launched an additional fund in 2023 • 17 fund sponsors are in the SEC registration process to launch a second fund
	Performance Fees	46 funds or 23% of all 199 funds charge an income incentive fee or performance fee at the fund level. 7 funds or 28% of the 25 funds launched in 2023, charge an income incentive fee or performance fee at the fund level.

Sources: XA Investments; CEFDData.com; SEC Filings.

Note: All data as of 12/31/2023 or latest publicly available. QoQ represents quarter-over-quarter change from 9/30/2023 to 12/31/2023; YoY represents year-over-year change from 12/31/2022 to 12/31/2023.

Majority of Non-listed CEF Assets Are Coming From Alternative Asset Managers

Alternative asset managers dominate the market in AUM and number of funds compared to traditional asset managers and other specialty firms.

Overall Non-listed CEF Marketplace by Adviser Type



Adviser Type	AUM (\$bn)	% of AUM	Number of Funds	% of Funds
Alternative Asset Managers	107	74%	102	51%
Traditional Asset Managers	31	21%	72	36%
Other: RIAs, Distributors, Wires	7	5%	25	13%
Totals	145	100%	199	100%

Sources: XA Investments; CEFData.com; SEC Filings. Data reflects most recent publicly available as of 12/31/2023. AUM represents total managed assets.

Expansion of the Non-listed CEF Market in 2023

The non-listed CEF market has grown significantly in both managed assets and number of funds.

Overall Non-Listed CEF Market			
	12/31/2022	12/31/2023	% Change
Number of Funds	190	199	5%
Total Managed Assets	129,689	144,796	12%
Total Managed Assets of Top 20 (\$mm)	89,171	96,250	8%
Funds with \$1bn+ AUM (# of funds)	29	32	10%

Non-Listed CEFs Available on Wirehouse Platforms			
	12/31/2022	12/31/2023	% Change
Merrill Lynch	7	10	43%
Morgan Stanley	13	17	31%
UBS	11	12	9%
Wells Fargo	4	5	25%
Total Unique Funds	17	25	48%

Non-Listed CEFs by Asset Type				
Asset Type	12/31/2022		12/31/2023	
	#	\$mm	#	\$mm
Credit	56	44,789	62	53,197
Equity	5	14,869	4	14,317
ILS	5	2,024	5	2,077
Real Estate / Real Asset	28	27,688	30	25,275
Specialty / Other	48	16,066	48	17,824
Tax Free Bond	5	1,911	5	1,885
Venture / Private Equity	43	22,343	45	30,221
	190	129,690	199	144,796

12 Non-Listed CEFs in the 12/31/2022 Backlog Have Since Launched

Fund Name	Structure	Asset Class	Initial Filing	Effective Date	Months in Registration	Total Managed Assets (\$mm)	Net Assets (\$mm)
Pender Real Estate Credit Fund	Interval Fund	Real Estate / Real Asset	5/19/2022	3/13/2023	10	384	241
Redwood Real Estate Income Fund	Interval Fund	Real Estate / Real Asset	12/22/2022	6/23/2023	6	193	192
JPMorgan Private Markets Fund	Tender Offer	Venture / Private Equity	10/13/2022	6/15/2023	8	113	110
Nomura Alternative Income Fund	Interval Fund	Credit	9/13/2022	3/24/2023	6	103	103
Stone Ridge Art Risk Premium Fund	Interval Fund	Specialty / Other	9/2/2022	3/28/2023	7	93	81
Stone Ridge Art Risk Premium Fund	Interval Fund	Specialty / Other	9/2/2022	3/28/2023	7	93	81
StepStone Private Infrastructure Fund	Interval Fund	Real Estate / Real Asset	12/23/2022	7/13/2023	7	60	26
Fidelity Multi-Strategy Credit Fund	Interval Fund	Credit	10/11/2022	5/19/2023	7	28	27
Hartford Schroders Private Opportunities Fund	Tender Offer	Venture / Private Equity	1/21/2022	7/28/2023	18	12	12
Oxford Park Income Fund, Inc.	Tender Offer	Credit	12/22/2022	4/3/2023	3	5	4
Felicitas Private Markets Fund	Tender Offer	Specialty / Other	12/7/2022	11/30/2023	12	0	0
Kingsbarn Parallel Income Fund	Interval Fund	Specialty / Other	10/27/2022	4/13/2023	6	0	0
				Average	8	90	73

Sources: XA Investments; CEFData.com; SEC Filings. Data reflects most recent publicly available as of 12/31/2023. Unless otherwise stated, assets represents total managed assets.

Non-listed CEF Market Saturation and Product Diversity

From XAI discussions with prospective interval fund sponsors, the most frequently asked question is as follows:

Q: Is the non-listed CEF market too crowded?

A: No, the non-listed CEF market is not too crowded.

- The non-listed CEF market has 7 different asset class categories with 4 credit sub-categories.
- In 2023, we saw the emergence of new asset classes such as infrastructure with 5 funds now in the market or in the SEC registration process.
- Many new entrants such as RIAs and insurance firms are expanding the buyer base for non-listed CEFs.
- With this said, XAI believes that there will be a renewed focus on product differentiation.

XAI's Guidance on Product Development in 2024:

- Product Differentiation from Competitor Funds is Key, Especially in Credit
- Fewer Flagship Kitchen-Sink Credit Funds Expected; More Dedicated or Focused Mandates (i.e. Secondaries)
- Fund Naming Conventions Must Evolve to Speak Directly to Fund's Focus
- Addition of New Asset Categories (i.e. Infrastructure) is Key to Expanding the Market
- Creating Sub-Categories within each Asset Class will Help Investors/Advisors Categorize (i.e. real estate debt vs. real estate equity)

New to the Party: New Entrants Accounted for the Majority of Fund Launches in 2023 (64% of Total)

25 Total Funds Launched



16 New Entrants

Asset Class	Credit Sub-category	Sponsor	Effective Date
9 Credit Funds	Global Credit	Liquid Strategies, LLC	12/27/2023
	Global Credit	Jackson National	12/1/2023
	Loans / Structured Credit	Eaton Vance	9/1/2023
	Global Credit	Polen Capital Credit	8/21/2023
	Global Credit	Shepherd Kaplan Krochuk	5/30/2023
	Global Credit	Fidelity	5/19/2023
	Global Credit	Calamos Aksia	5/16/2023
	Loans / Structured Credit	Oxford Park	4/3/2023
	Global Credit	Nomura	3/24/2023
3 Real Estate / Real Asset Funds		Brookfield	9/15/2023
		Redwood	6/23/2023
		Pender	3/13/2023
2 Specialty / Other Funds		Skypoint	11/30/2023
		Kingsbarn	4/13/2023
2 Venture / Private Equity Funds		ALTI	8/28/2023
		Hartford Funds	7/28/2023

15 Funds Exited the Market¹

Funds	Inception Date	Last Reported Net Assets	Close Date ²
BlackRock Multi-Sector Opportunities Trust II ³	4/16/2019	80,114,795	11/13/2023
Finite Solar Finance Fund	12/31/2021	3,034,338	11/7/2023
NB Private Markets Fund II (TE) LLC	1/1/2012	1,123,781	10/16/2023
NB Private Markets Fund II (TI) LLC	8/10/2011	1,386,175	10/16/2023
Guggenheim Energy & Income Fund ³	8/13/2015	27,425,807	8/31/2023
Corbin Multi-Strategy Fund, LLC	1/2/2015	12,158,048	7/21/2023
Peak Income Plus Fund	12/6/2022	100,000	7/18/2023
AlphaCentric Prime Meridian Income Fund	12/31/2019	4,975,047	6/22/2023
Stone Ridge Residential Real Estate Income Fund I	12/12/2019	-4	6/22/2023
Thrivent Church Loan and Income Fund	5/31/2018	34,782,501	6/22/2023
Zazove Convertible Securities Fund	1/1/1999	42,588,715	5/30/2023
Zell Capital	6/8/2021	234,591	5/12/2023
Pioneer Securitized Income Fund	11/22/2019	20,999,338	3/26/2023
BNY Mellon Alcentra Opportunistic Global Credit Income Fund	10/7/2021	100,000	2/24/2023
Western Asset Middle Market Income Fund ³	8/26/2014	77,619,604	2/24/2023

Source: XA Investments; CEFData.com.

1. Goldman Sachs Credit Income Fund was excluded from the list because the fund never commenced investment operations before filing its Application for Deregistration (N-8F).
2. Close date is represented by N-8F Notices and Orders, as filed with the SEC.
3. Tender offer fund with a set termination date.
4. No publicly available data.

M&A Activity Driven by Desire for Semi-Permanent Capital and Investment Expertise

XAI observed M&A activity for several interval fund market sponsors in 2023. Acquiring companies were motivated to obtain investment expertise from boutique alternatives managers, expand their sales and distribution reach, or gain entry to the non-listed CEF market.



Polen Capital Acquires DDJ Capital Management¹

Date of Announcement: December 2021

Date of Close: January 2022; subsequent fund launch in August 2023

On January 31, 2022, Polen acquired 100% of DDJ. DDJ is an \$8.2bn boutique high yield, bank loan, private credit, and special situations manager. The acquisition aimed to expand Polen's existing capabilities in growth equity to income-oriented strategies. At the close of the acquisition, DDJ became a wholly-owned subsidiary of Polen. On February 9, 2022, DDJ was renamed to Polen Capital Credit, LLC. The Polen DDJ Strategic Income Plus Fund L.P. was the predecessor fund to Polen's newly launched interval fund, the Polen Credit Opportunities Fund, which became effective in August 2023.



Yieldstreet to Acquire Cadre²

Date of Announcement: November 2023

Date of Close: TBD

According to Yieldstreet's November 30, 2023 announcement, the company signed a definitive agreement to acquire Cadre. Cadre is a commercial real estate investment manager that provides investors with direct access to commercial real estate through its online investment platform. The strategic move aims to expand Yieldstreet's offerings and improve upon its existing investment platform. The acquisition will bring access to Cadre's institutional distribution channel, along with its expertise in commercial real estate. Anticipated timing of the closing of the acquisition was not disclosed. Cadre also filed for a new interval fund on November 10, 2022, the Cadre Horizon Fund.



North Square Investments to Acquire Evanston Capital Management's Tender Offer Fund³

Date of Announcement: November 2023

Date of Close: Anticipated Q1 2024

North Square to acquire Evanston's \$110mm tender offer funds - the Evanston Alternative Opportunities Fund (the "Fund"). The Fund was launched in July 2014 and invests substantially all its assets in hedge funds. The Fund will continue to be managed by Evanston, but North Square will become the investment adviser. The Fund will be renamed the North Square Evanston Multi-Alpha Fund, and the deal, expected to close in Q1 2024, will expand North Square's alternative investment offerings.

Sources:

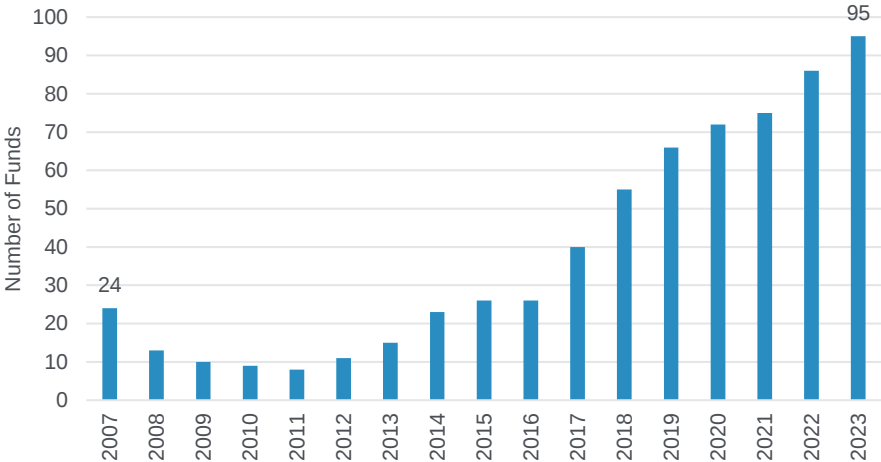
1. Source: Polen Credit Opportunities Fund Registration Statement dated 8/17/2023.
2. Source: Yieldstreet. "Yieldstreet To Acquire Online Investment Platform Cadre, Ushering in a New Era of Private Market Alternatives Investing," 11/30/2023.
3. Source: AlternativesWatch. "North Square to buy, distribute Evanston Capital 40 Act fund," 11/22/2023.

Historical Interval Fund Market Overview

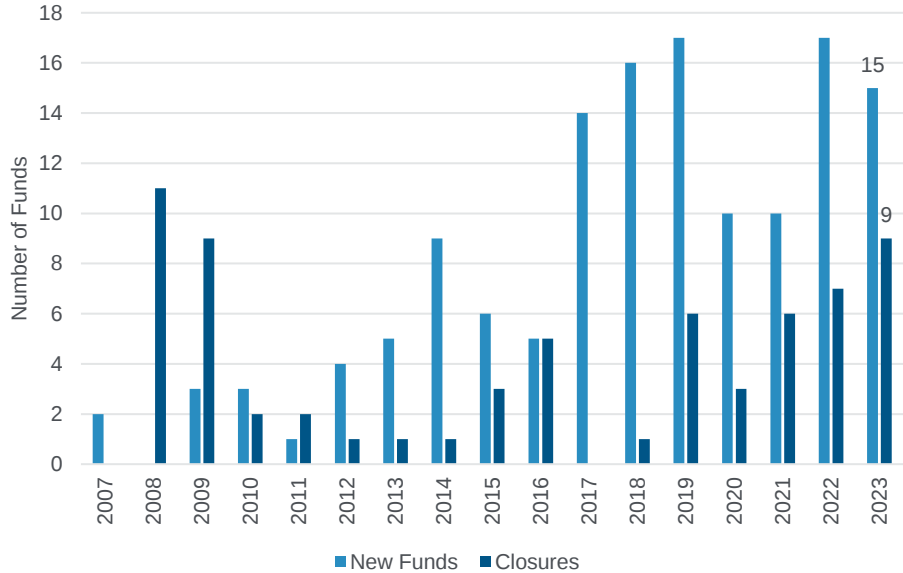
Interval Funds by Asset Type

Asset Type	#	Total Managed Assets (\$mm)	Net Assets (\$mm)	% of Net Assets
Credit	47	\$45,909	\$36,388	50%
Real Estate / Real Asset	23	\$21,063	\$19,640	27%
Equity	1	\$10,968	\$4,363	6%
Specialty / Other	9	\$4,516	\$2,058	3%
ILS	5	\$2,076	\$1,788	2%
Tax Free Bond	5	\$1,885	\$1,562	2%
Venture / Private Equity	5	\$1,570	\$6,793	9%
Total	95	\$87,986	\$72,591	100%

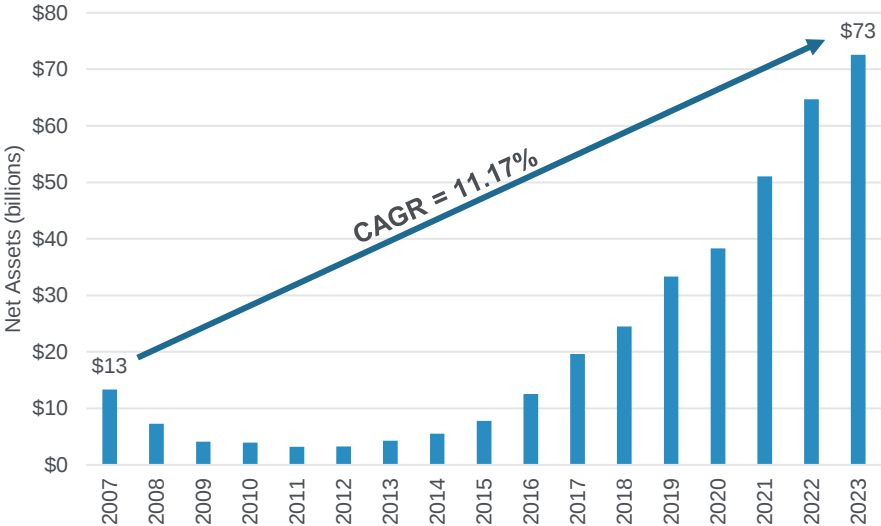
Interval Funds Outstanding by Year



Interval Fund Openings and Closures



Interval Fund Net Asset Growth



Sources: XA Investments; CEFDData.com
Notes: Data as of 12/31/2023 or latest publicly available. Detailed historical tender offer fund data is currently unavailable back to 2007.

By the Numbers: Private Credit Makes Its Mark in 2023

Private Credit Sub-category

- Due to the growth in the credit category, XAI has established 4 sub-categories within private credit and categorized funds according to strategy: asset-backed lending, direct lending, global credit, and loans/structured credit
- The private credit segment of the non-listed CEF market includes 62 funds, accounting for 31% of funds and \$53bn in AUM, or 37% of the market
- 14 new credit funds launched in 2023; 15 credit funds are currently in the SEC registration process
- Direct lending and asset-backed lending sub-groups both had strong AUM growth in 2023



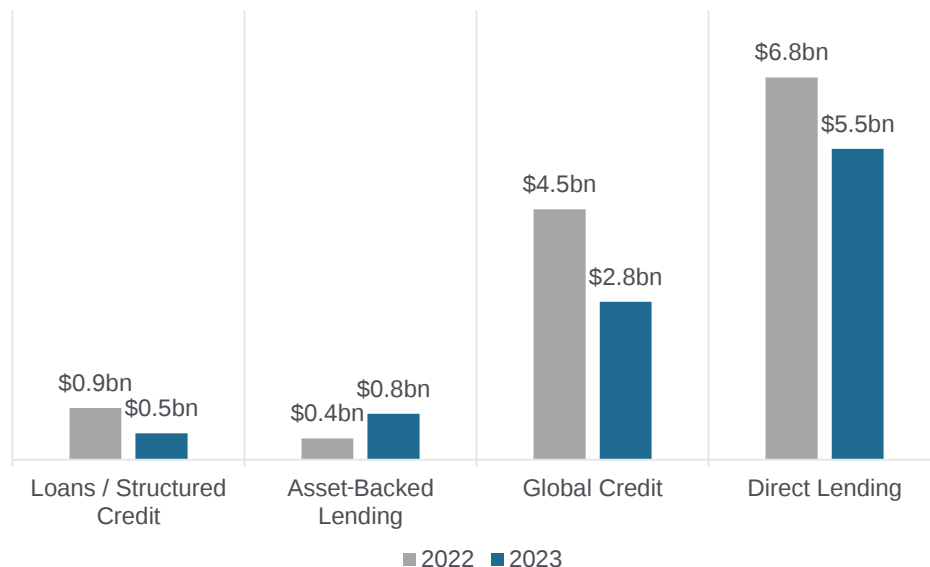
By the Numbers: Private Credit Makes Its Mark in 2023 (Cont'd)

The largest asset class in the market continues to attract new market entrants and robust net flows.

Credit Categories	12/31/2022		12/31/2023			
	# of Funds	AUM \$mm ¹	# of Funds	%	AUM \$mm ¹	%
Asset-Backed Lending	5	1,641	6	10%	2,633	5%
Direct Lending	3	15,970	3	5%	21,325	40%
Global Credit	26	17,259	28	45%	19,198	36%
Loans / Structured Credit	22	9,919	25	40%	10,098	19%
Totals	56	44,789	62	100%	53,254	100%

Credit Sub-Categories	Entered Market	Exited Market	In Registration
Asset-Backed Lending	1	0	1
Direct Lending	0	0	0
Global Credit	8	6	9
Loans / Structured Credit	5	2	5
Totals	14	8	15

Net Flows by Credit Strategy²



Private Credit Market Entrants, 2023	Inception Date	Structure	Sub-Category	Suitability	Minimum Investment (\$)
Flat Rock Enhanced Income Fund	1/3/2023	Interval	Loans / Structured Credit	No Restrictions	-
Lord Abnett Floating Rate High Income Fund	1/26/2023	Interval	Loans / Structured Credit	No Restrictions	2,500
Nomura Alternative Income Fund	2/13/2023	Interval	Global Credit	Accredited	25,000
SKK Access Income Fund	3/14/2023	Tender	Global Credit	Accredited	100,000
Oxford Park Income Fund	4/3/2023	Tender	Loans / Structured Credit	No Restrictions	2,500
KKR Asset-Based Income Fund	5/3/2023	Tender	Asset-Backed Lending	Accredited	5,000,000
Fidelity Multi-Strategy Credit Fund	5/19/2023	Interval	Global Credit	No Restrictions	2,500
Calamos Aksia Alternative Credit & Income Fund	6/8/2023	Interval	Global Credit	No Restrictions	2,500
Polen Credit Opportunities Fund	8/28/2023	Interval	Global Credit	No Restrictions	100,000
Eaton Vance Floating-Rate Opportunities Fund	9/29/2023	Interval	Loans / Structured Credit	No Restrictions	1,000
SEI Alternative Income Fund	10/17/2023 ³	Interval	Loans / Structured Credit	No Restrictions	10,000
Jackson Credit Opportunities Fund	12/1/2023 ³	Interval	Global Credit	No Restrictions	10,000
PGIM Credit Income Fund	12/6/2023 ³	Interval	Global Credit	No Restrictions	1,000
Niagara Income Opportunities Fund	12/27/2023 ³	Interval	Global Credit	No Restrictions	1,000

Notes:

- Figures represent the latest publicly available total managed assets.
- Flow data sourced from SEC filings. 2022 represents the period from 10/1/2021 – 9/30/2022. 2023 represents the period from 10/1/2022 – 9/30/2023.
- Indicates date of Notice of Effectiveness.

Interval and Tender Offer Fund Success Stories of 2023

In its contribution to a Citywire article, “Interval funds: 10 success stories from 2023”, XA Investments’ research team recognized 10 successful interval and tender offer funds, as measured across various dimensions of growth and performance.

Rank	Fund	Asset Class	Suitability Restrictions	Ticker	Inception Date	Current Net Assets, \$mm (as of) ¹	Beginning of Year Net Assets, \$mm (as of)*	Change in Net Assets, \$mm (as of)	Change in Net Assets (%)	NAV Frequency
1	Hamilton Lane Private Assets Fund	Private Equity	Qualified Clients	XHLDX	1/4/2021	1,204 (10/2)	502 (12/31)	701	140%	Monthly
2	AMG Pantheon Fund, LLC	Private Equity	Accredited	-	10/27/2015	2,470 (9/30)	1,369 (12/31)	1,101	80%	Monthly
3	Cliffwater Enhanced Lending Fund	Credit	Accredited	CELFX	7/1/2021	2,300 (10/31)	1,174 (12/31)	1,126	96%	Daily
4	StepStone Private Markets	Specialty / Other	Accredited	XPMIX	10/1/2020	1,600 (10/31)	904 (12/31)	696	77%	Daily
5	Pomona Investment Fund	Private Equity	Accredited	-	5/7/2015	1,200 (7/3)	831 (12/31)	369	44%	Quarterly
6	Lord Abbett Credit Opportunities Fund	Credit	None	LARAX	2/15/2019	1,480 (10/31)	1,171 (12/31)	309	26%	Daily
7	Bow River Capital Evergreen Fund	Private Equity	Accredited	BRE VX	1/1/2021	428 (10/31)	299 (12/31)	129	43%	Weekly
8	Carlyle Tactical Private Credit Fund	Credit	None	TAKIX	6/4/2018	2,171 (9/30)	1,409 (12/31)	762	54%	Daily
9	Variant Alternative Income Fund	Specialty / Other	Accredited	NICHX	10/2/2017	2,975 (10/31)	2,388 (12/31)	587	25%	Daily
10	Versus Capital Real Assets Fund	Real Estate	None	VCRRX	9/18/2017	3,073 (10/31)	2,918 (12/31)	155	5%	Daily

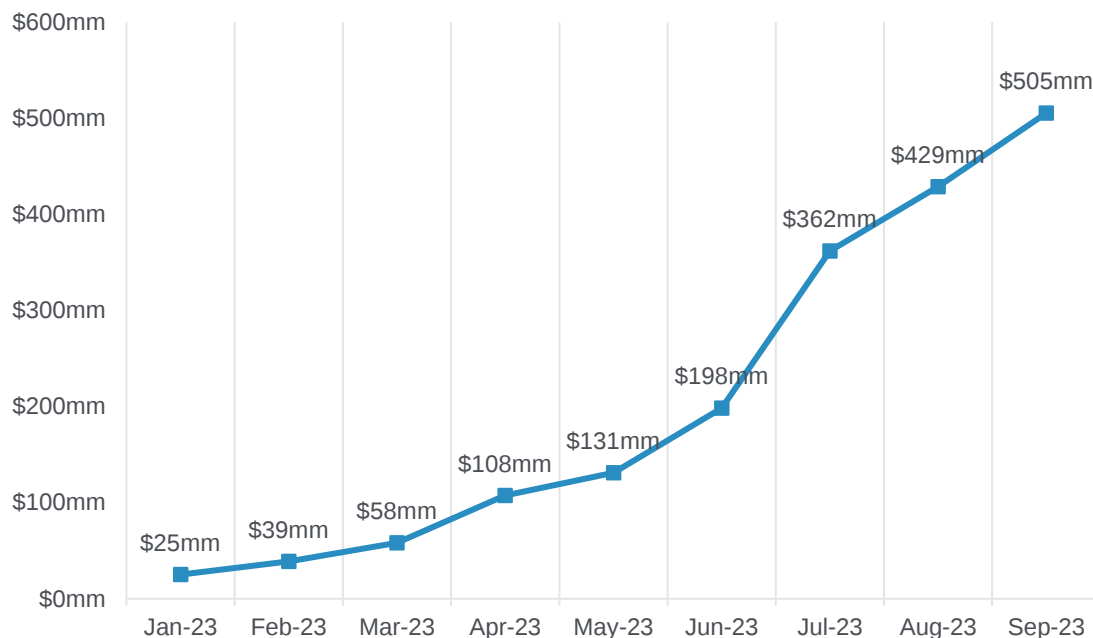
Sources: Fund websites and fact sheets; SEC filings.
*Indicates figure sourced from SEC NPORT filings.
Note: The above table represents a summary of fund features and size. XA Investments’ methodology for selecting and ranking the above list of funds considered factors such as: seed capital, seed capital as a proportion of net assets, net flows, proration and shares tendered as a percentage of net assets, and performance.
1. Figures were sourced from fund websites or fact sheets, unless otherwise noted.

Closer Look at a 2023 Success Story: Hamilton Lane Private Assets Fund

The private equity tender offer fund took the top spot on XAI's list of success stories. The fund achieved an impressive 139% growth in assets, along with strong performance.

Summary Terms	
Seed Capital	\$137mm
Total Managed Assets (TMA) ¹	\$1,321mm
Inception Date	1/4/2021
Structure	Tender Offer
Base Management Fee	1.50%
Management Fee Charged On	Total Managed Assets
Performance Fee	12.50%
NAV Frequency	Monthly
Redemptions	Quarterly: 0 - 5%
Minimum Investment	\$50,000
Suitability	Qualified Clients
YTD Change in TMA ²	\$768mm
YTD Growth in TMA	139%
YTD Net Flows (as of 9/30/23) ³	\$505mm
LTM Reported Performance ⁴	18.12%
Wirehouse Availability	Merrill Lynch

YTD Cumulative Net Flows



Fund Flows (\$mm)	31-Jan	28-Feb	31-Mar	30-Apr	31-May	30-Jun	31-Jul	31-Aug	30-Sep	Total
Sales	26.16	13.94	23.86	51.39	23.59	67.14	165.76	67.00	76.52	515.36
Dividend Reinvest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Redemptions	-1.00	-0.26	-4.48	-2.08	0.00	0.00	-2.17	0.00	0.00	-9.99
Net Flows	25.16	13.69	19.38	49.31	23.59	67.14	163.59	67.00	76.52	505.38

Source: XA Investments; CEFData.com; SEC filings.

1. Total managed assets represents total assets, including leverage. Figure sourced from SEC NPORT filings dated 9/30/2023.
2. Represents the change in total managed assets from 12/31/2022 to 9/30/2023, as sourced from SEC NPORT filings.
3. Net flow data sourced from SEC NPORT filings. YTD represents the period from 12/31/2022 to 9/30/2023.
4. Performance data sourced from SEC NPORT filings. LTM represents 10/1/2022 – 9/30/2023.

Upcoming Industry Conferences: Alternatives and Interval Funds Will Be in Focus

Conference	Organization	Date	Location	Details
Inaugural New York Sub-Advisory Symposium	Institutional Investor	2/1/2024	New York, NY	The Institutional Investor will hold its Inaugural New York Sub-Advisory Symposium, bringing together industry professionals in market research, asset managers, and other financial services. For more information and to register please visit www.iinow.com .
IPAConnect	IPA	2/4/2024-2/7/2024	Newport Beach, CA	The Institute for Portfolio Alternatives will hold its IPAConnect Conference on February 5-7 th in Newport Beach, CA. IPAConnect will offer managers the opportunity to showcase their investment opportunities and expand their network with key industry stakeholders. Go to www.ipa.com to register.
Blue Vault Bowman Alts Summit	Blue Vault	3/11/2024-3/13/2024	Frisco, TX	Blue Vault Partners will hold its 2024 Blue Vault Bowman Alts Summit on March 11-13 th , 2024, in Frisco, Texas. The Blue Vault Bowman Alts Summit is an annual conference that brings together essential voices in the growing alternative investments industry. Go to www.BlueVaultPartners.com to register.
2024 MMI Summit	Money Management Institute	3/13/2024-3/14/2024	Aventura, FL	The Summit is MMI's marquee annual leadership event that brings together the investment advisory industry's most senior business leaders from asset managers, wealth managers, and solutions providers. Join us for two days of elevated perspective, thought-provoking insights, and lots of dedicated time for small group, peer-to-peer discussions. Go to www.mmist.org to register.
2023 Investment Management Conference	ICI	3/17/2024-3/20/2024	Palm Desert, CA	The Investment Company Institute will hold its 2024 Investment Management Conference on March 17-20 th in Palm Desert, CA. The conference offers valuable programming and networking opportunities for industry professionals, including asset managers, service providers, board members, and legal and compliance personnel. Go to www.ici.org to register.
FutureProof Retreat	Future Proof	3/24/2024-3/27/2024	Colorado Springs, CO	Join 500+ wealth management CEOs, CIOs, CTOs, COOs, CMOs, and fast-growing financial advisors for an unconventional wealth management retreat in a serene alpine setting. Go to www.futureproof.com to register.
35 th FRA Sub-Advised Funds Forum	FRA	4/8/2024-4/9/2024	New York, NY	The 35 th Sub-Advised Funds Forum will be held on April 8-9 th in New York. The forum will bring together asset managers, wholesalers and distributors from banks, brokerage firms, insurance companies, mutual funds and liquid alternative funds to discuss and exchange critical information, ideas and insights in this lucrative market segment. Go to www.fraconferences.com to register.
ADISA 2024 Spring Conference	ADISA	4/8/2024-4/10/2024	Chicago, IL	ADISA, the Alternative & Direct Investment Securities Association, will hold its 2024 Spring Conference on April 8-10 th in Chicago. The conference will bring together the nation's leading alternative investment professionals to learn the latest industry trends, marketing recommendations and current regulations. Go to www.adisa.org to register.
19 th Annual East Coast Sub-Advisory Roundtable	Institutional Investor	4/30/2024-5/1/2024	Boston, MA	The Institutional Investor will hold its 19 th Annual East Coast Sub-Advisory Roundtable, bringing together industry professionals in market research, asset managers, and other financial services. For more information and to register please visit www.iinow.com .
IPASummit	IPA	5/1/2024-5/3/2024	Washington, DC	The Institute for Portfolio Alternatives will hold its IPASummit Conference on May 1-3 rd in Washington, DC. The conference offers to bring together global and boutique assets managers, financial intermediaries, and industry professionals to network, share ideas, and hear the latest legislative and regulatory insights. Go to www.ipa.com to register.
ICI's 2024 Leadership Summit	ICI	5/21/2024-5/23/2024	Washington, DC	The Investment Company Institute will hold its 2024 Leadership Summit on May 21-23 rd in Washington, DC. Go to www.ici.org to register.
ADISA 2024 Alts Research & Due Diligence Forum	ADISA	7/23/2024-7/24/2024	Boston, MA	ADISA, the Alternative & Direct Investment Securities Association, will hold its 2024 Alts Research & Due Diligence Forum on July 23-24 th in Boston. The conference will bring together the nation's leading alternative investment professionals to learn the latest industry trends, marketing recommendations and current regulations. Go to www.adisa.org to register.

Source: XA Investments

Legal and Regulatory Insights

In Q4 2023, the SEC shifted its focus to 2024 exam priorities and rulemaking agenda while undergoing review of its own administrative court.

2024 SEC Exam Priorities Align with 2023 Priorities

On October 16, the SEC's Division of Examinations released its 2024 examination priorities. The priorities were released earlier than in previous years, and only eight months after its 2023 examination priority release. Many of the priorities align with those from 2023, but also underscore the Commission's robust regulatory agenda over previous years. For investment advisers, the Division of Examinations plans to consider (i) firms' marketing practices, including advertisements; (ii) compensation arrangements, with a focus on fiduciary obligations, conflicts and alternative fee revenues; (iii) valuations matters, and for advisers to investment funds, compliance with obligations under Rule 2a-5; (iv) protection of client information; and (v) disclosure assessments and review of filings.

For investment funds, the Division of Examinations will continue to critically assess (i) policies and procedures related to fee calculations, with particular focus on differing fees charged to various share classes or vehicles, along with high fees relative to peers; (ii) derivatives compliance with Rule 18f-4 and relevant policies and procedures; (iii) valuation matters, including the aforementioned 2a-5 and investment adviser roles; and (iv) fund compliance with exemptive order conditions. The Division of Examinations noted that it continues to prioritize examinations of newly registered funds and those that have not yet been examined.

SEC Enforcement Process Reviewed by the Supreme Court

On November 29, the U.S. Supreme Court heard arguments in a case that could have a substantial impact on the SEC's enforcement process as it relates to the Commission's use of its own administrative court system. The case, *Securities and Exchange Commission v. Jarkesy*, will have the Supreme Court decide whether SEC administrative court proceedings violate certain constitutional rights, including the right to a jury trial. The results of the decision could be far-reaching beyond the SEC's administrative trial courts as well, so while this case may have particular interest to the investment industry, other federal agencies will be impacted by the outcome.

On November 14, the SEC announced its fiscal year [2023 enforcement results](#), noting that the regulator filed 784 enforcement actions and obtained orders for nearly \$5 billion in financial remedies. Investment adviser and fund enforcement actions totaled 139 during the year, outpaced by securities offering (167) and broker dealer actions (140). For funds, those priorities will include the aforementioned valuation matters, but also (i) fees, with particular focus on differing fees charged to various share classes or vehicles; (ii) Rule 18f-4 and derivatives policies and compliance; and (iii) exemptive order compliance.

SEC Rulemaking Agenda to Focus On Compensation, Diversity, Accredited Investor Definition and Disclosures

The SEC Staff released the 2024 rulemaking agenda on December 6, 2023, and as expected, it includes several items that will impact registered funds and their investment advisers. Additional information regarding the new proposals and previous proposals, for which the SEC Staff is expected to propose final rules, can be found [here](#). Here are the highlights of the expected *new* proposals:

Incentive-Based Compensation Arrangements—Division of Trading and Markets may recommend to the Commission (along with various bank and credit union regulators) to propose regulations and guidelines around incentive-based compensation for financial institutions that have \$1 billion or more in total assets. The idea behind this derives from Dodd Frank and incentivized excessive risk taking in the eyes of regulators.

Reg D and Form D—Division of Corporate Finance may recommend updates to Reg D and Form D, including updates to the accredited investor definition.

Human Capital Management and Board Diversity Disclosure—Division of Corporate Finance may recommend proposals to enhance human capital disclosures by firms; separately, the Division may also seek proposals that also enhance disclosures regarding board and nominee diversity.

Fund Fee Disclosure—Division of Investment Management may consider a proposal to update and potentially reform registered fund fee disclosures.

Exchange-Traded Products (ETPs)—Division of Trading and Markets is considering proposals regarding ETPs; the key to look for here is some proposed additional consistency across products and their disclosures.

Sources: XA Investments; SEC.

Legal and Regulatory Insights – Summary of SEC Amendments to the Names Rule

On December 11, 2023, amendments to Rule 35d-1 (the “Names Rule”) became effective.

What Is the Purpose of the Names Rule?

- The Names Rule acknowledges that a fund’s name is a key piece of information that investors might use in making investment decisions. The Names Rule was established to ensure that certain funds invest at least 80 percent of the value of their assets in a manner consistent with the investment focus implied by certain fund names. The amendments to the Names Rule aim to further enhance investor protections.

Expansion of 80 Percent Investment Policy Requirement

- The expansion includes fund names containing terms suggesting the fund focuses on investments that have, or investments whose issuers have, “particular characteristics.” However, the SEC did not define “particular characteristics”, instead opting to include a non-exclusive list of examples it would consider to indicate “particular characteristics”: “growth”, “value”, names with ESG factors and terms, and names with thematic terms.
- For funds that employ derivatives, the notional value of the contracts must be used (instead of market values) in determining compliance with the 80% Policy.

Enhanced Prospectus Disclosure, Form NPORT Reporting, and Recordkeeping

- Funds with an 80% Policy must define any terms used in the fund’s name, including the criteria used to select the investments described by such terms.
- Terms used in fund names must be consistent with plain English meanings or established industry use.
- Amendments to form NPORT will require funds to report whether each investment is in the fund’s 80 percent basket, the value of the fund’s 80 percent basket as a percentage of the fund’s assets, and the definitions of terms used in the fund’s name, along with specific criteria for inclusion.

Temporary Departures from a Fund’s 80 Percent Investment Policy

- The amendments require that funds review the treatment of assets under the 80% Policy at least quarterly.
- If a departure from the 80% Policy exists, funds will generally have 90 days to re-align portfolio holdings back to compliance.

Particular Applicability to Non-listed CEFs and BDCs

- The amendments generally prohibit non-listed CEFs and BDCs from changing their 80% Policy without a shareholder vote.
- Subject to certain conditions, funds may change their 80% Policy without a shareholder vote provided it occurs after a tender or repurchase offer.

Update to Notice Requirement

- The amendments will update the Names Rule’s notice requirement to expressly address funds that electronically deliver information to their shareholders and incorporate additional specificity about the content and delivery of the notice.

Source: XA Investments; SEC. The above summary is not exhaustive. For a detailed overview of the amendments, please refer to SEC guidance.

Market Overview

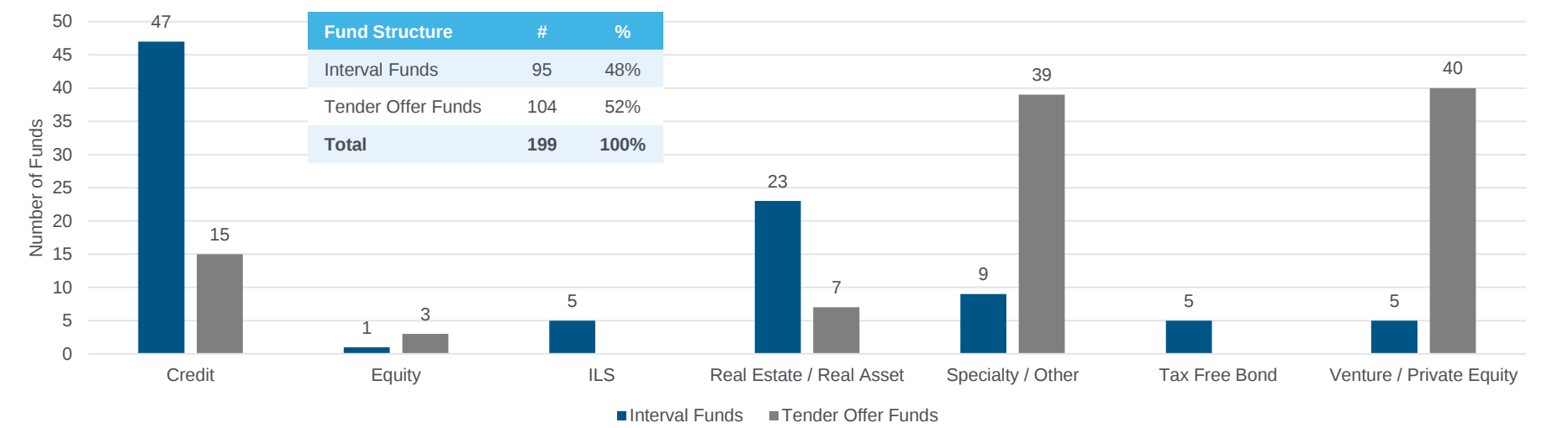
Section Summary

- The interval fund structure continues to be a more popular vehicle for capital raising
- All market-leading funds (Top 20) have scaled up beyond \$1.5bn
- Central Park Group (8), First Trust (7), and PIMCO (5) lead in terms of quantity of funds in the non-listed CEF market
- Wirehouse platforms have onboarded a variety of private credit funds and have begun to onboard other less liquid asset classes such as real estate and private equity
- Legacy funds, such as the Partners Group Private Equity Fund and the ACAP Strategic Fund, have a head start in wirehouse capital raising
- Only 5 alternative market leaders have launched a full menu of retail products including Non-Listed REITs, non-listed BDCs and non-listed CEFs
- Direct-to-consumer funds, besides the Fundrise Real Estate Interval Fund, have had very little success
- By year-end 2024, XAI expects the non-listed CEF market to grow up to \$153bn in net assets and 235 total funds

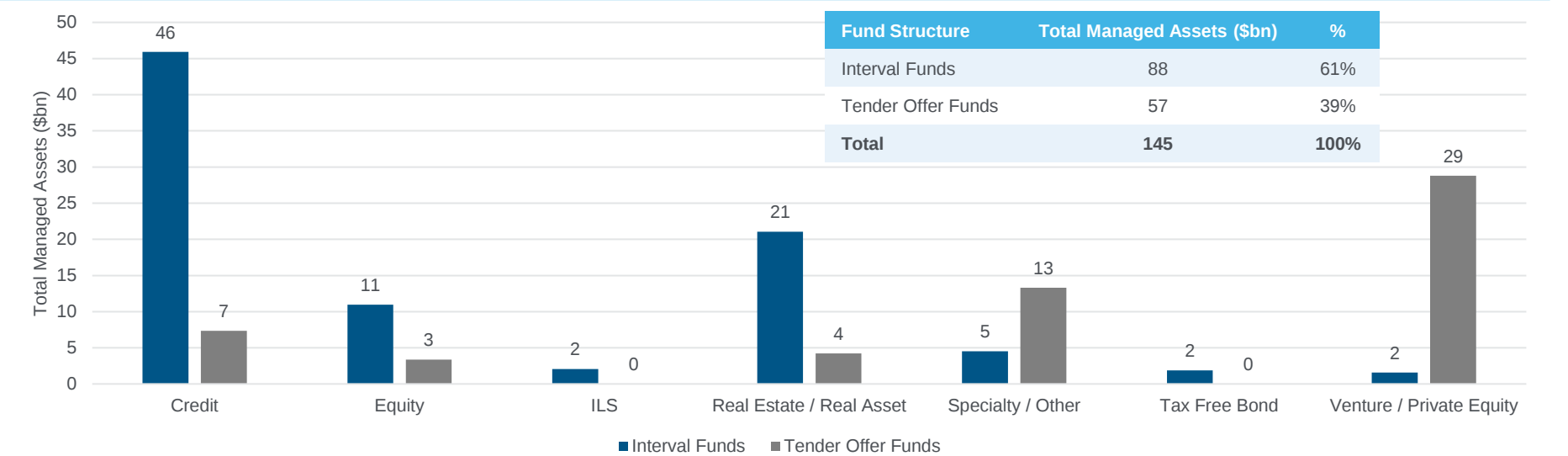


Despite Fewer Funds, Interval Funds Lead the Market in Total Managed Assets

Interval vs Tender Offer Funds Asset Class Breakdown: Total Number of Funds



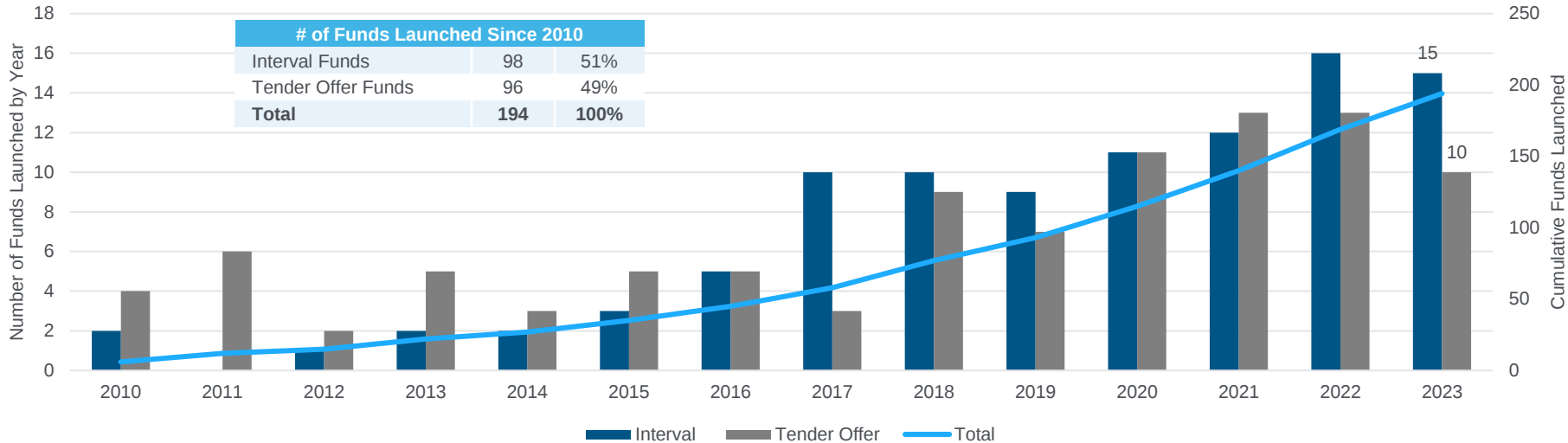
Interval vs Tender Offer Funds Asset Class Breakdown: Total Assets Under Management



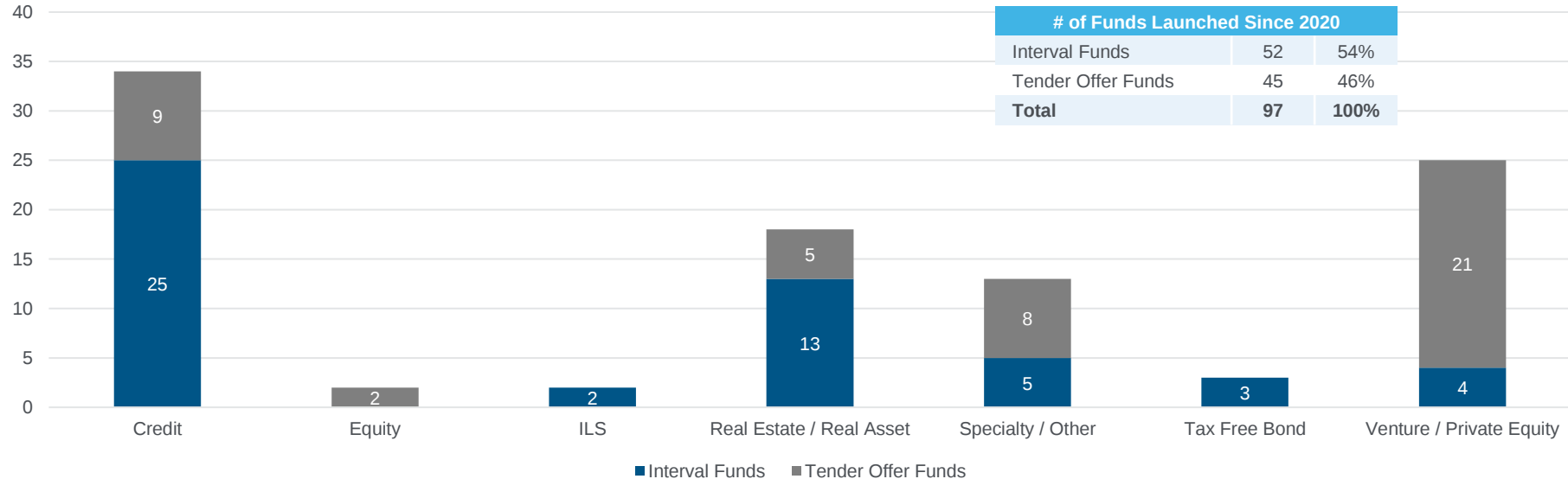
Source: XA Investments; CEFDData.com.
Data as of 12/31/2023 or latest publicly available.

Growth in the Market Has Been Driven by Credit and Private Equity

Interval vs Tender Offer Funds Asset Class Breakdown: New Launches by Fund Structure (Since 2010)



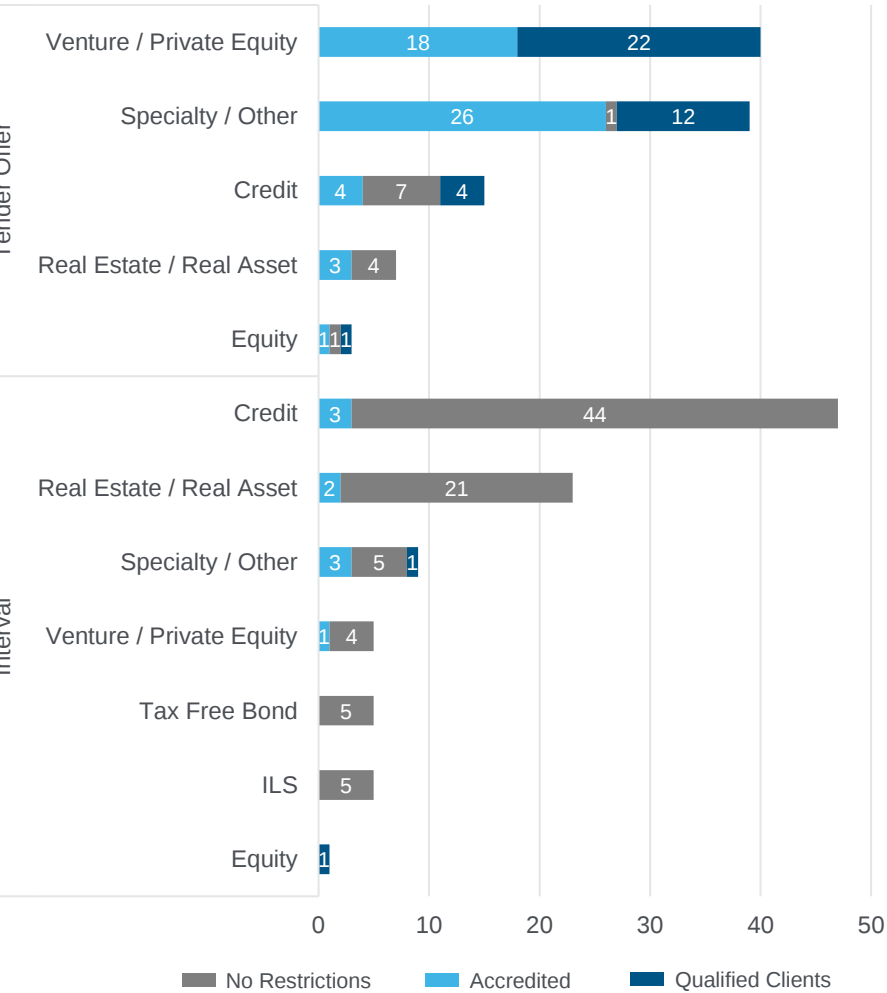
Interval vs Tender Offer Funds Asset Class Breakdown: New Launches by Asset Class (Since 2020)



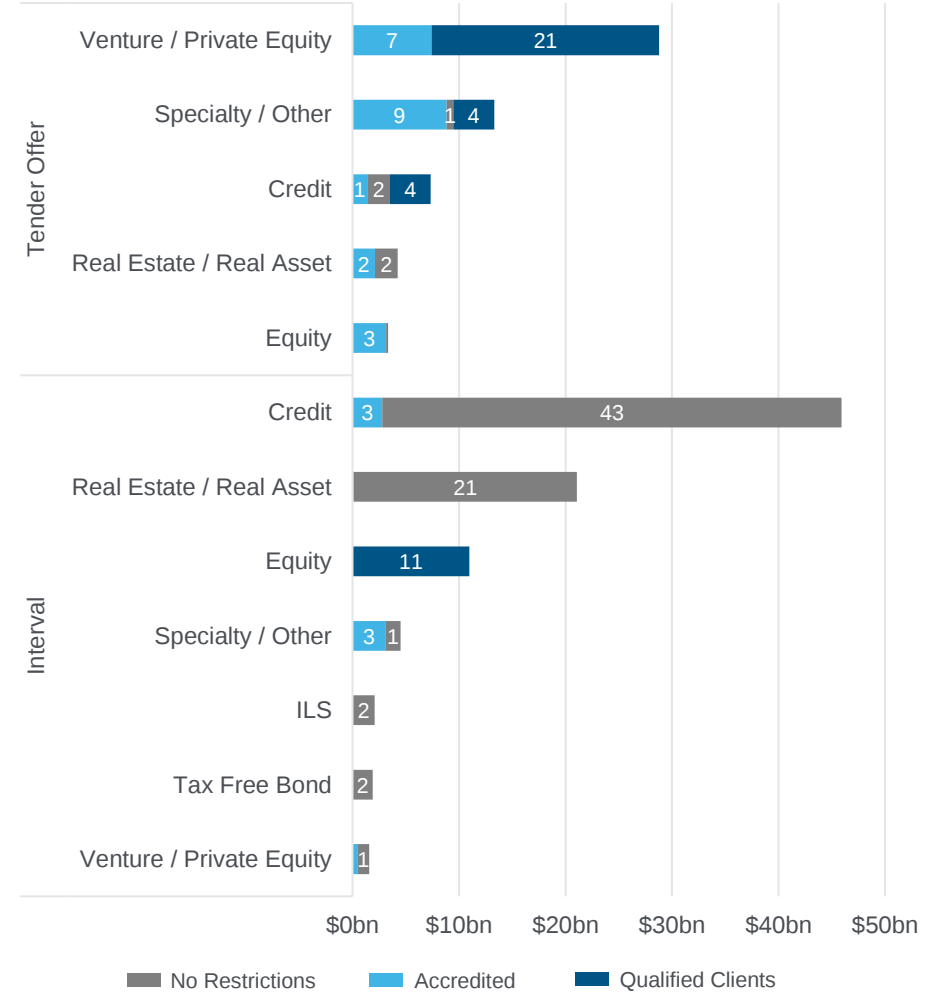
Data as of 12/31/2023 or latest publicly available.
Source: XA Investments; CEFData.com; Bloomberg.

Funds Without Suitability Restrictions Lead the Market in Both Number of Funds and Assets

Interval vs Tender Offer Funds Suitability Breakdown: Number of Funds			
	No Restrictions	Accredited	Qualified Client
# of Funds	97	61	41
% of Funds	49%	31%	21%



Interval vs Tender Offer Funds Suitability Breakdown: Total Assets			
	No Restrictions	Qualified Clients	Accredited
\$bn	\$75.6	\$40.1	\$29.4
%	52%	28%	20%



Data as of 12/31/2023 or latest publicly available. Source: XA Investments; CEFDData.com.
Note: No restrictions represents funds that have no suitability restrictions imposed at the fund level.

Market Leading Funds Have at Least \$1.5bn+ in Total Managed Assets

#	Inception Date	Fund Name	Fund Structure	Asset Class	Sponsor	Sub-Advisers	Suitability	Wirehouse Platform	Total Managed Assets (\$mm)	Net Assets (\$mm)	Net Expense Ratio (%) ¹
1	6/5/2019	Cliffwater Corporate Lending Fund	Interval	Credit	Cliffwater	N/A	No Restrictions	-	18,336	14,900*	1.17%
2	7/1/2009	Partners Group Private Equity (Master Fund), LLC	Tender Offer	Venture / Private Equity	Partners Group	N/A	Qualified Clients	ML, MS, WF	14,675	14,206*	1.85%
3	3/1/2010	ACAP Strategic Fund	Interval	Equity	SilverBay Capital	N/A	Qualified Clients	ML, MS, UBS, WF	10,968	6,793*	1.64%
4	10/22/2012	Bluerock Total Income (plus) Real Estate Fund	Interval	Real Estate / Real Asset	Bluerock	Mercer; RREEF	No Restrictions	MS, UBS^	6,519	5,826*	1.70%
5	6/30/2014	Apollo Diversified Real Estate Fund	Interval	Real Estate / Real Asset	Apollo	Aon; CenterSquare	No Restrictions	MS, UBS^	4,960	4,742*	1.62%
6	2/22/2017	PIMCO Flexible Credit Income Fund	Interval	Credit	PIMCO	N/A	No Restrictions	ML, MS, UBS, WF	4,633*	2,747	2.22%
7	1/26/2017	CION Ares Diversified Credit Fund	Interval	Credit	CION Ares Management	Ares	No Restrictions	MS, UBS, WF	4,400*	3,557	4.08%
8	5/4/1999	Advantage Advisers Xanthus Fund, L.L.C.	Tender Offer	Equity	Oppenheimer	Alkeon	Accredited	-	3,162	2,020*	4.26%
9	6/4/2018	Carlyle Tactical Private Credit Fund	Interval	Credit	Carlyle	N/A	No Restrictions	MS	3,035*	2,171	6.40%
10	10/2/2017	Variant Alternative Income Fund	Interval	Specialty / Other	Variant Investments	N/A	Accredited	-	3,028*	2,975	1.67%
11	9/18/2017	Versus Capital Real Assets Fund LLC	Interval	Real Estate / Real Asset	Versus Capital	Brookfield; Lazard	No Restrictions	-	2,939	2,888*	1.29%
12	6/1/2016	Stone Ridge Alternative Lending Risk Premium Fund	Interval	Credit	Stone Ridge Asset Management	N/A	No Restrictions	-	2,810	2,031*	6.75%
13	10/27/2015	AMG Pantheon Fund, LLC ²	Tender Offer	Venture / Private Equity	Pantheon	N/A	Accredited	MS	2,550	2,550*	0.11%
14	7/1/2021	Cliffwater Enhanced Lending Fund ²	Interval	Credit	Cliffwater	N/A	Accredited	-	2,541	2,400*	1.23%
15	1/1/2011	Ironwood Multi-Strategy Fund LLC	Tender Offer	Specialty / Other	Ironwood	N/A	Qualified Clients	ML	2,519	2,502*	1.37%
16	7/9/2012	Versus Capital Multi-Manager Real Estate Income Fund LLC	Interval	Real Estate / Real Asset	Versus Capital	Principal; Security Capital	No Restrictions	-	2,278	2,170*	1.45%
17	1/11/2019	John Hancock GA Mortgage Trust	Tender Offer	Real Estate / Real Asset	John Hancock / Manulife	N/A	Accredited	-	1,907	1,833*	0.36%
18	10/1/2020	StepStone Private Markets ²	Tender Offer	Specialty / Other	StepStone	StepStone	Accredited	-	1,700	1,691*	2.48%
19	8/1/2007	SEI Structured Credit Fund	Tender Offer	Credit	SEI Investments	N/A	Qualified Clients	-	1,691	1,610*	0.12%
20	2/15/2019	Lord Abbett Credit Opportunities Fund ²	Interval	Credit	Lord Abbett	N/A	No Restrictions	UBS, ML	1,597	1,560*	1.39%

Sources: XA Investments; CEFDData.com; sponsor websites and prospectuses. Data as of 12/31/2023 or latest publicly available.

Notes: Data is listed in order of total managed assets, highest to lowest. No Restrictions indicates funds with no fund-level investor suitability restrictions.

*Denotes whether the fund charges its management fee on net or total managed assets, SEI Structured Credit Fund does not charge a management fee at the fund level.

^Funds are not eligible for purchase (hold only).

1. Represents the most recently published, lowest net expense ratio across share classes for each fund.

2. Represents new funds in the top 20 compared to 2022 year-end.

Leading Sponsors Double Down: 36 Sponsors Have Two or More Funds

	Unique Sponsors	Total Funds	Total Managed Assets (\$bn)
All Fund Sponsors	123	199	145
Fund Sponsors with 2+ Interval or Tender Offer Funds	36	112	83
Fund Sponsors with 2 Interval or Tender Offer Funds in the Top 20	2	4	26

#	Sponsor	Number of Funds	Total Managed Assets (\$mm)
1	Cliffwater	2	20,878
2	Bluerock	2	6,626
3	PIMCO	5	6,100
4	Apollo	2	5,895
5	Versus Capital	2	5,217
6	Stone Ridge Asset Management	4	4,064
7	Central Park Group	8	3,127
8	Variant Investments	2	3,083
9	KKR	3	2,747
10	John Hancock / Manulife	3	2,522
11	Neuberger Berman ¹	11	2,101
12	StepStone	3	2,099
13	Fundrise	3	2,059
14	SEI Investments	2	1,691
15	Lord Abbett	2	1,612

#	Sponsor	Number of Funds	Total Managed Assets (\$mm)
16	Voya	2	1,551
17	First Trust	7	1,427
18	Morgan Stanley	4	1,393
19	SkyBridge Capital	2	1,202
20	Invesco	2	950
21	BlackRock	4	940
22	Nuveen	2	829
23	Flat Rock Global	3	744
24	Amundi Asset Management	2	683
25	UBS Hedge Fund Solutions	3	624
26	Aetos	3	603
27	City National Rochdale	2	483
28	J.P. Morgan	3	406
29	Grosvenor	3	401
30	Union Square Capital Partners	2	315
	Total ²	112	83,060

Source: XA Investments; CEFData.com.
Notes: Data as of 12/31/2023 or latest publicly available.
1. Neuberger Berman fund count includes master / feeder funds.
2. Represents all 36 sponsors with 2+ interval or tender offer funds.
3. Data represents only active funds and does not include funds in SEC registration.

Credit Funds Account for Over Half of Funds Available on Wirehouse Platforms

Non-listed CEFs Available in the Wires

#	Fund Name ¹	Inception Date	Fund Structure	Asset Class	Total Assets (\$mm)	Merrill Lynch	Morgan Stanley	UBS	Wells Fargo
1	Partners Group Private Equity (Master Fund), LLC ²	7/1/2009	Tender Offer	Venture / Private Equity	14,206	X	X		X
2	ACAP Strategic Fund ²	3/1/2010	Interval	Equity	6,793	X	X	X	X
3	Bluerock Total Income (plus) Real Estate Fund	10/22/2012	Interval	Real Estate / Real Asset	5,826		X	*	
4	Apollo Diversified Real Estate Fund ³	6/30/2014	Interval	Real Estate / Real Asset	4,742		X	*	
5	CION Ares Diversified Credit Fund ²	1/26/2017	Interval	Credit	3,557		X	X	X
6	PIMCO Flexible Credit Income Fund	2/22/2017	Interval	Credit	2,747	X	X	X	X
7	AMG Pantheon Fund, LLC	10/27/2015	Tender Offer	Venture / Private Equity	2,550		X		
8	Ironwood Multi-Strategy Fund LLC	1/1/2011	Tender Offer	Specialty / Other	2,502	X			
9	Carlyle Tactical Private Credit Fund ²	6/4/2018	Interval	Credit	2,171		X		
10	Lord Abbett Credit Opportunities Fund	2/15/2019	Interval	Credit	1,560	X		X	
11	Pomona Investment Fund	5/7/2015	Tender Offer	Venture / Private Equity	1,417		X		
12	KKR Real Estate Select Trust Inc. ²	7/2/2020	Tender Offer	Real Estate / Real Asset	1,400		X		
13	Hamilton Lane Private Assets Fund	1/4/2021	Tender Offer	Venture / Private Equity	1,350	X			
14	PIMCO Flexible Municipal Income Fund	3/15/2019	Interval	Tax Free Bond	1,287	X	X	X	X
15	AIP Alternative Lending Fund P	10/1/2018	Tender Offer	Credit	685		X		
16	KKR Credit Opportunities Portfolio	2/28/2020	Interval	Credit	638	X	X	X	
17	Clarion Partners Real Estate Income Fund Inc.	9/27/2019	Tender Offer	Real Estate / Real Asset	626		X		
18	FS Credit Income Fund	11/1/2017	Interval	Credit	616		X	*	
19	BlackRock Credit Strategies Fund	2/28/2019	Interval	Credit	440		X	X	
20	Invesco Senior Loan Fund	2/18/2005	Interval	Credit	390			X	
21	Nuveen Enhanced High Yield Municipal Bond Fund	6/30/2021	Interval	Tax Free Bond	293	X		X	
22	Blackstone Floating Rate Enhanced Income Fund	1/18/2018	Interval	Credit	230		X	X	
23	1WS Credit Income Fund	3/4/2019	Interval	Credit	181			X	
24	Voya Credit Income Fund	4/2/2001	Interval	Credit	118			X	
25	PIMCO California Flexible Municipal Income Fund	6/27/2022	Interval	Tax Free Bond	61	X			

Total	10	17	12 / 3*	5
Credit	3	8	10	2
Real Estate / Real Asset	0	4	2	0
Tax Free Bond	3	1	2	1
Venture / Private Equity	2	3	0	1
Equity	1	1	1	1
Specialty / Other	1	0	0	0

Sources: XA Investments; CEFData.com; sponsor websites; Bloomberg. If you learn of platform additions, please let us know and we will update our matrix. Thank you in advance.

Notes: Data as of December 31, 2023, or latest publicly available. *Funds are not eligible for purchase (hold only).

1. Funds are listed in order of assets. Wires listed in alphabetical order from left to right.

2. Fund charges an income incentive or performance fee.

3. Formerly the Griffin Institutional Access Real Estate Fund.

Market Leaders Offer Full Menu of Alternative Product Structures

Market leaders are using a variety of structures including non-listed REITs, non-listed BDCs, and interval / tender offer funds to deploy their strategies.

All Sponsors With All 3 Alternative Product Structures

Sponsor	Non-listed REITs	Non-listed BDCs	Interval / Tender Offer Funds
Apollo	Apollo Realty Income Solutions	Apollo Debt Solutions BDC	Apollo Diversified Real Estate Fund Apollo Diversified Credit Fund
Ares	Ares Real Estate Income Trust Ares Industrial Real Estate Income Trust	Ares Strategic Income Fund	Ares Private Markets Fund CION Ares Diversified Credit Fund
Blackstone	Blackstone Real Estate Income Trust (BREIT)	Blackstone Private Credit Fund	Blackstone Floating Rate Enhanced Income Fund
Brookfield	Brookfield Real Estate Income Trust	Oaktree Gardens OLP, LLC Oaktree Strategic Credit Fund	Brookfield Infrastructure Income Fund Inc. Oaktree Diversified Income Fund
Nuveen	Nuveen Global Cities REIT	Nuveen Churchill Direct Lending Corp. Nuveen Churchill Private Capital Income Fund	Nuveen Enhanced High Yield Municipal Bond Fund NC SLF Inc.

Non-listed REITs Ranked by AUM

Inception Date	Fund Name	Total Managed Assets (\$mm as of 12/31/2022)	Current Total Managed Assets (\$mm)	Current Net Assets (\$mm)
1/1/2017	Blackstone Real Estate Income Trust (BREIT)	142,687	116,981 ¹	62,000
11/1/2017	Ares Industrial Real Estate Income Trust	7,223	8,900	5,580 ¹
9/30/2012	Ares Real Estate Income Trust	4,174	5,200	3,427 ¹
1/1/2018	Nuveen Global Cities REIT	2,670	2,700	2,214 ¹
12/1/2019	Brookfield Real Estate Income Trust	2,150	2,200	1,100
12/22/2022	Apollo Realty Income Solutions	137	458	434

Sources: XA Investments; CEFData.com; SEC filings; sponsor websites.
Notes: Data as of 12/31/2023 or latest publicly available.

1. Estimated from fund leverage ratios.

Sponsors with Non-listed REITs, Non-listed BDCs, and Interval / Tender Offer Funds (cont.)

Non-listed BDCs Ranked by AUM

Inception Date	Fund Name	Sponsor	Sub-Adviser	Total Managed Assets (\$mm)	Net Assets (\$mm)
10/5/2020	Blackstone Private Credit Fund	Blackstone	N/A	51,690	26,150
1/7/2022	Apollo Debt Solutions BDC	Apollo	N/A	5,824	3,239
12/5/2022	Ares Strategic Income Fund	Ares	N/A	2,132	1,260
6/18/2019	Nuveen Churchill Direct Lending Corp.	Nuveen	Churchill Asset Management LLC	1,539	639
2/3/2022	Oaktree Strategic Credit Fund	Brookfield	N/A	1,408	1,015
2/8/2022	Nuveen Churchill Private Capital Income Fund	Nuveen	Nuveen Asset Management, LLC	462	302
6/8/2023	Oaktree Gardens OLP, LLC	Brookfield	N/A	141	103

Interval / Tender Offer Funds Ranked by AUM

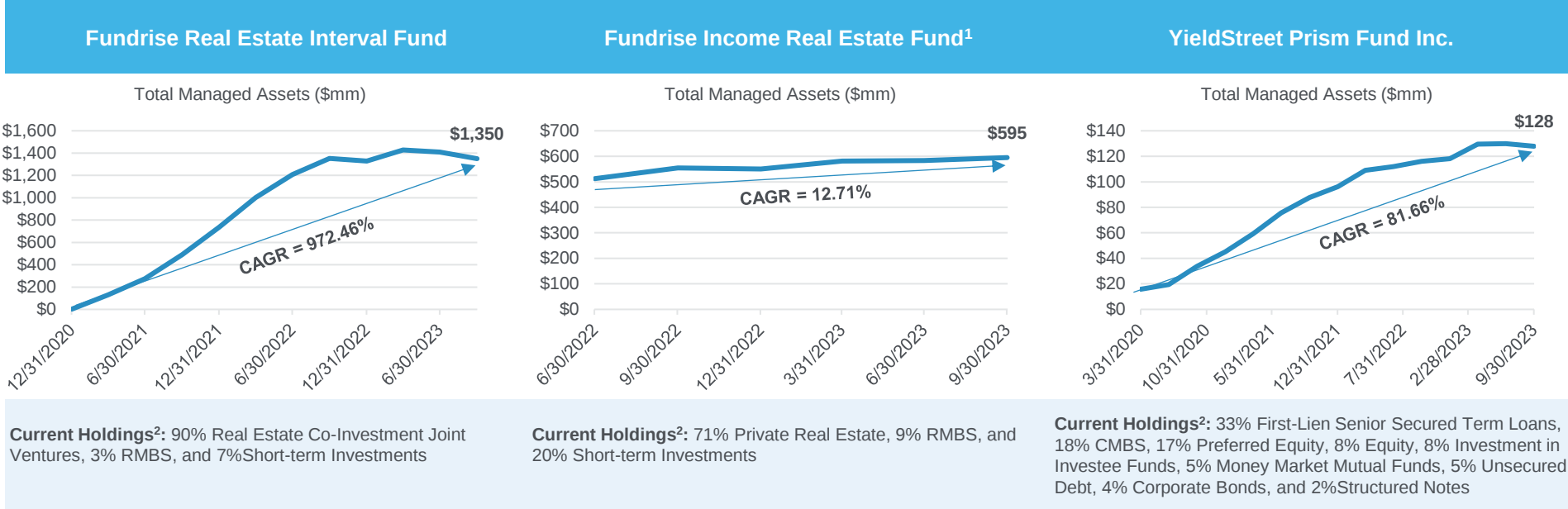
Inception Date	Fund Name	Structure	Asset Class	Sponsor	Sub-Adviser	Suitability ¹	Total Managed Assets (\$mm)	Net Assets (\$mm)	Net Expense Ratio
6/30/2014	Apollo Diversified Real Estate Fund	Interval	Real Estate / Real Asset	Apollo	Aon Investments / CenterSquare	No Restrictions	4,960	4,742	1.62%
1/26/2017	CION Ares Diversified Credit Fund	Interval	Credit	CION / Ares	Ares	No Restrictions	4,400	3,557	4.08%
11/1/2023	Brookfield Infrastructure Income Fund Inc.	Tender Offer	Real Estate / Real Asset	Brookfield	Brookfield Public Securities Group	No Restrictions	1,700	1,600	2.66%
4/3/2017	Apollo Diversified Credit Fund	Interval	Credit	Apollo	N/A	No Restrictions	935	656	0.97%
4/1/2022	Ares Private Markets Fund	Tender Offer	Venture / Private Equity	Ares	N/A	Qualified Clients	456	447	3.30%
4/16/2021	NC SLF Inc.	Tender Offer	Credit	Nuveen	N/A	Qualified Clients	447	323	2.31%
6/30/2021	Nuveen Enhanced High Yield Municipal Bond Fund	Interval	Tax Free Bond	Nuveen	Nuveen	No Restrictions	383	293	1.37%
1/18/2018	Blackstone Floating Rate Enhanced Income Fund	Interval	Credit	Blackstone	N/A	No Restrictions	337	230	2.74%
11/1/2021	Oaktree Diversified Income Fund	Interval	Credit	Brookfield	N/A	No Restrictions	246	219	2.10%

Sources: XA Investments; CEFData.com; SEC filings; sponsor websites.
Notes: Data as of 12/31/2023 or latest publicly available.
1. No Restrictions indicates funds with no fund-level investor suitability restrictions.

Direct-to-Consumer Non-listed CEFs Have Seen Varying Degrees of Success

Although a developing segment of the market, many direct-to-consumer funds have struggled to grow.

Top 3 Direct to Consumer Funds by Total Managed Assets



Inception Date	Fund Name	Structure	Asset Class	Sponsor	Sub-Adviser	Suitability ³	NAV Frequency	Repurchase Amount	Total Managed Assets (\$mm)	Net Expense Ratio
1/1/2021	Fundrise Real Estate Interval Fund ⁴	Interval	Real Estate / Real Asset	Fundrise	N/A	No Restrictions	Daily	Quarterly: 5 - 25%	1,350	1.10%
4/1/2022	Fundrise Income Real Estate Fund	Interval	Real Estate / Real Asset	Fundrise	N/A	No Restrictions	Daily	Quarterly: 5 - 25%	595	1.27%
3/9/2020	YieldStreet Prism Fund Inc.	Tender Offer	Credit	YieldStreet	N/A	No Restrictions	Quarterly	Quarterly: 0 - 5%	128	2.72%
7/25/2022	Fundrise Growth Tech Fund	Tender Offer	Equity	Fundrise	N/A	No Restrictions	Monthly	Quarterly: 5 - 25%	114	3.00%
4/22/2022	CrowdStreet REIT I, Inc.	Tender Offer	Real Estate / Real Asset	CrowdStreet	N/A	Accredited	Quarterly	No Right of Redemption	41	4.05%
9/1/2022	Ark Venture Fund	Interval	Venture / Private Equity	ARK Invest	N/A	No Restrictions	Daily	Quarterly: 5 - 25%	23	2.90%
4/13/2022	Sweater Cashmere Fund	Interval	Venture / Private Equity	Sweater	N/A	No Restrictions	Daily	Semi-annually: 5 - 25%	13	4.05%
N/A ⁵	Poolit Horizon Fund I	Tender Offer	Venture / Private Equity	Poolit	Meketa	Accredited	Quarterly	Quarterly: 0 - 5%	-	-
N/A ⁵	Poolit Imagine Fund I	Tender Offer	Venture / Private Equity	Poolit	Meketa	Accredited	Quarterly	Quarterly: 0 - 5%	-	-

Sources: XA Investments; CEFDData.com; SEC; sponsor websites.

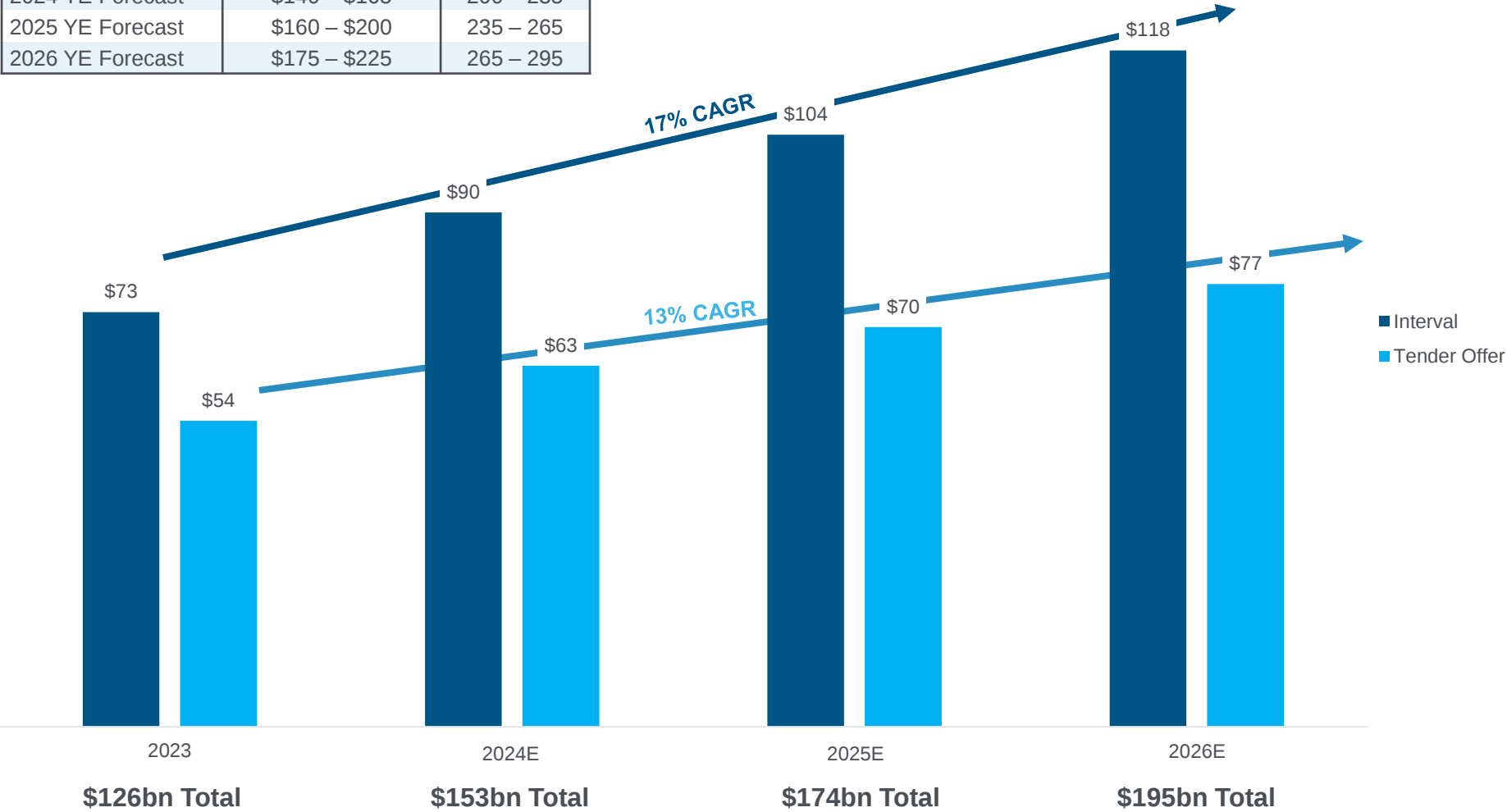
Notes: Data as of 12/31/2023 or latest publicly available.

1. The Fundrise Income Real Estate Fund merged six different REITs shortly after commencing operations. 2. Current holdings are sourced from latest shareholder reports. 3. No Restrictions means no suitability restrictions at the fund level. 4. The Fund commenced investment operations on January 1, 2021. 5. The Poolit funds have yet to commence operations.

XAI Expects Interval Fund Growth in 2024 and Beyond Will be Led By Private Credit

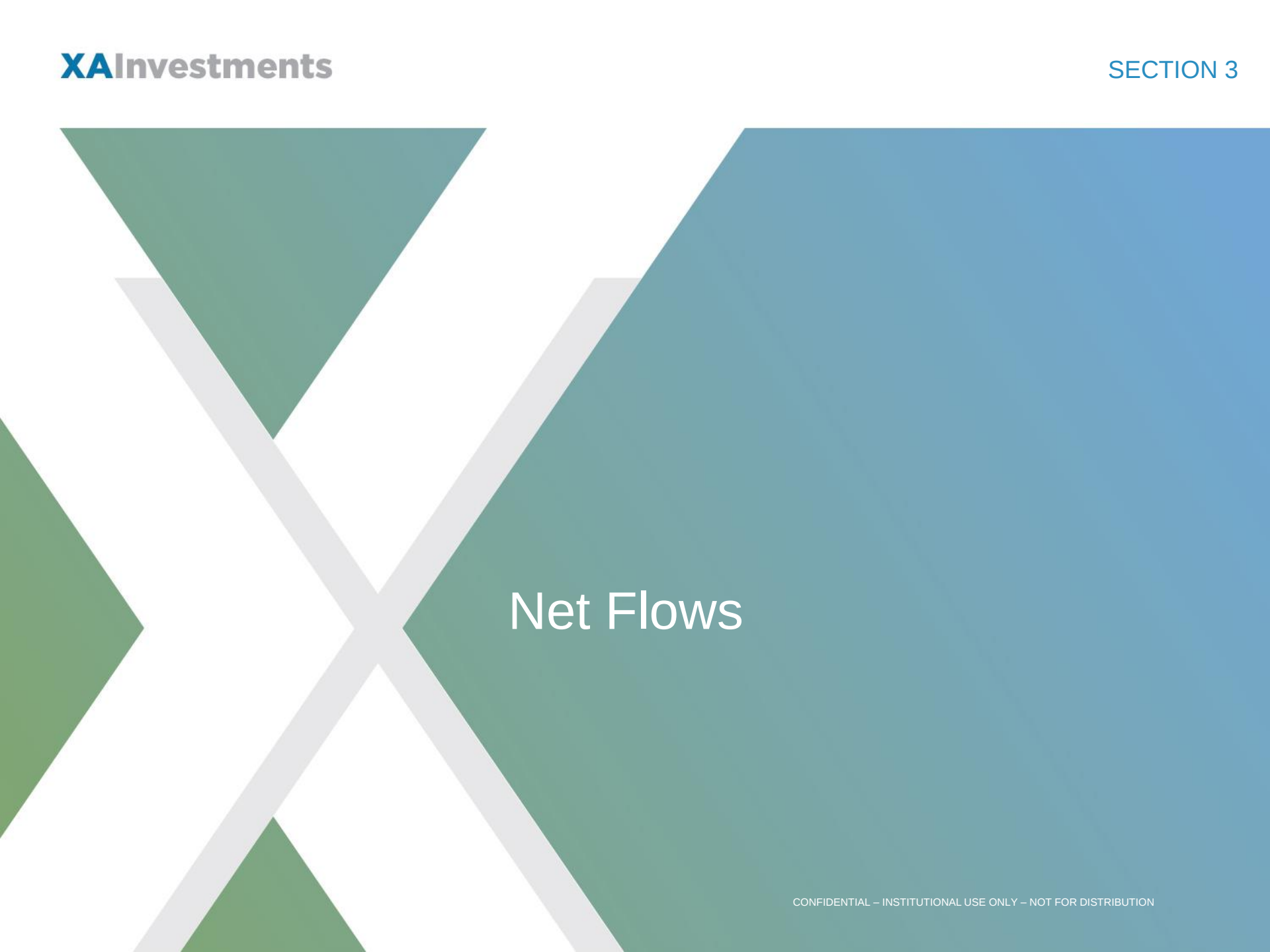
	Net Assets (\$bn)	# of Funds
12/31/2023	\$126	199
2024 YE Forecast	\$140 – \$165	200 – 235
2025 YE Forecast	\$160 – \$200	235 – 265
2026 YE Forecast	\$175 – \$225	265 – 295

XAI Forecast for the Non-listed CEF Market



E = Estimated

Source: XA Investments.
Note: XAI's forecast uses estimates of future net flows, fund launches, and growth in recently launched funds. XAI expects continued growth in interval and tender offer fund net assets.
1. Net assets above represents total managed assets net of any liabilities, including leverage. 2023 actual figures are latest publicly available as of 12/31/2023.



Net Flows

Section Summary

- Thank you to participating firms for submitting net flow data monthly to Cerulli Associates. We are working to expand the group of reporting firms
- Credit, with the benefit of Cliffwater, dominates capital raising in 2023 for the last 6- and 12-month periods
- Private equity funds also attracted capital in 2023
- Non-listed CEFs that are widely accessible (daily NAV and no suitability restrictions) also took in the most new money
- 2023 sales successes include Cliffwater, Carlyle, AMG Pantheon, KKR, Hamilton Lane, StepStone, Variant, and First Trust
- For market leaders, new purchases have offset redemptions. XAI does not currently have industry-wide proration concerns. Certain smaller or sub-scale funds have faced large redemptions and may need to restructure or close

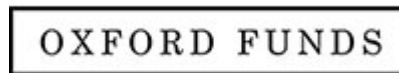


Big thanks to the sponsors who have submitted monthly AUM and flow data to Cerulli.

Thank You!



LORD ABBETT®

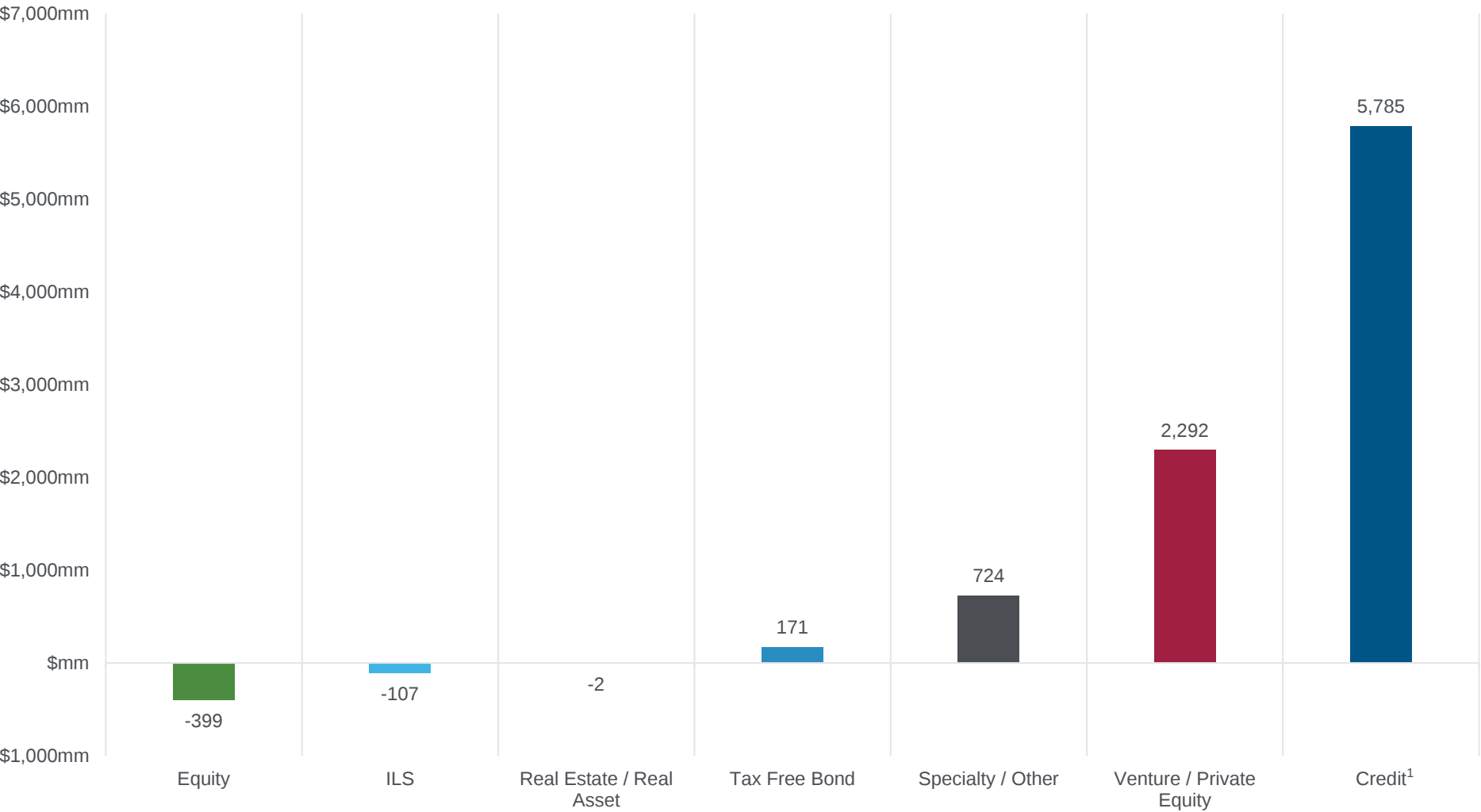


Goal: We want all interval / tender offer fund sponsors to participate.
To participate, or for further questions please email Daniil Shapiro at dshapiro@cerulli.com.
Note: Only participating firms will receive access to collected information.



Credit Dominates Net Flows by Asset Class

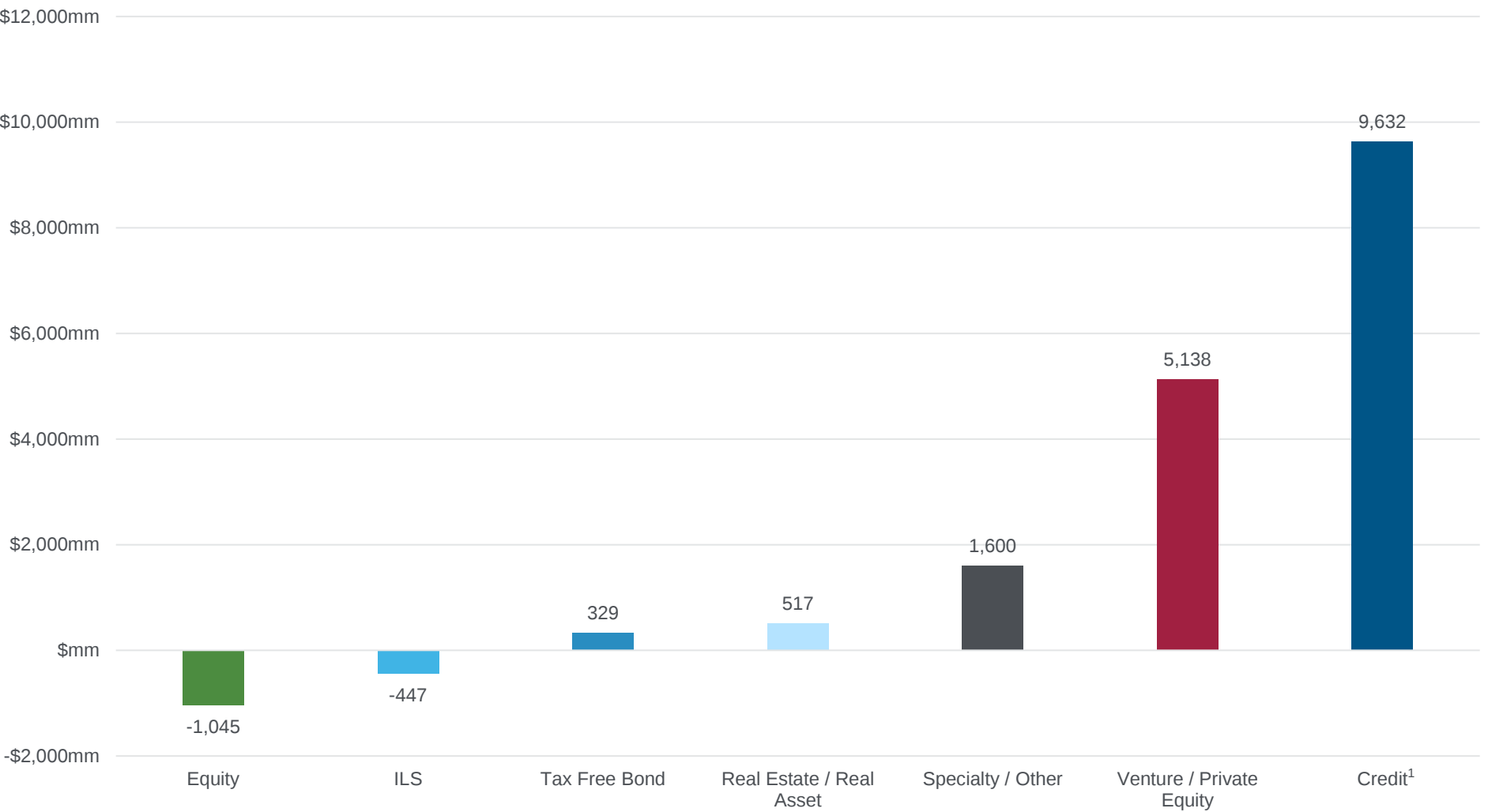
**\$8,464mm in Total Market Net Flows
(Over the Six Months Ended 9/30/2023)**



Sources: XA Investments; CEFDData.com. Flow data sourced from SEC filings.
1. Cliffwater funds had \$3,221mm in net flows during the period, representing 38% of total market flows and 56% of credit category flows.

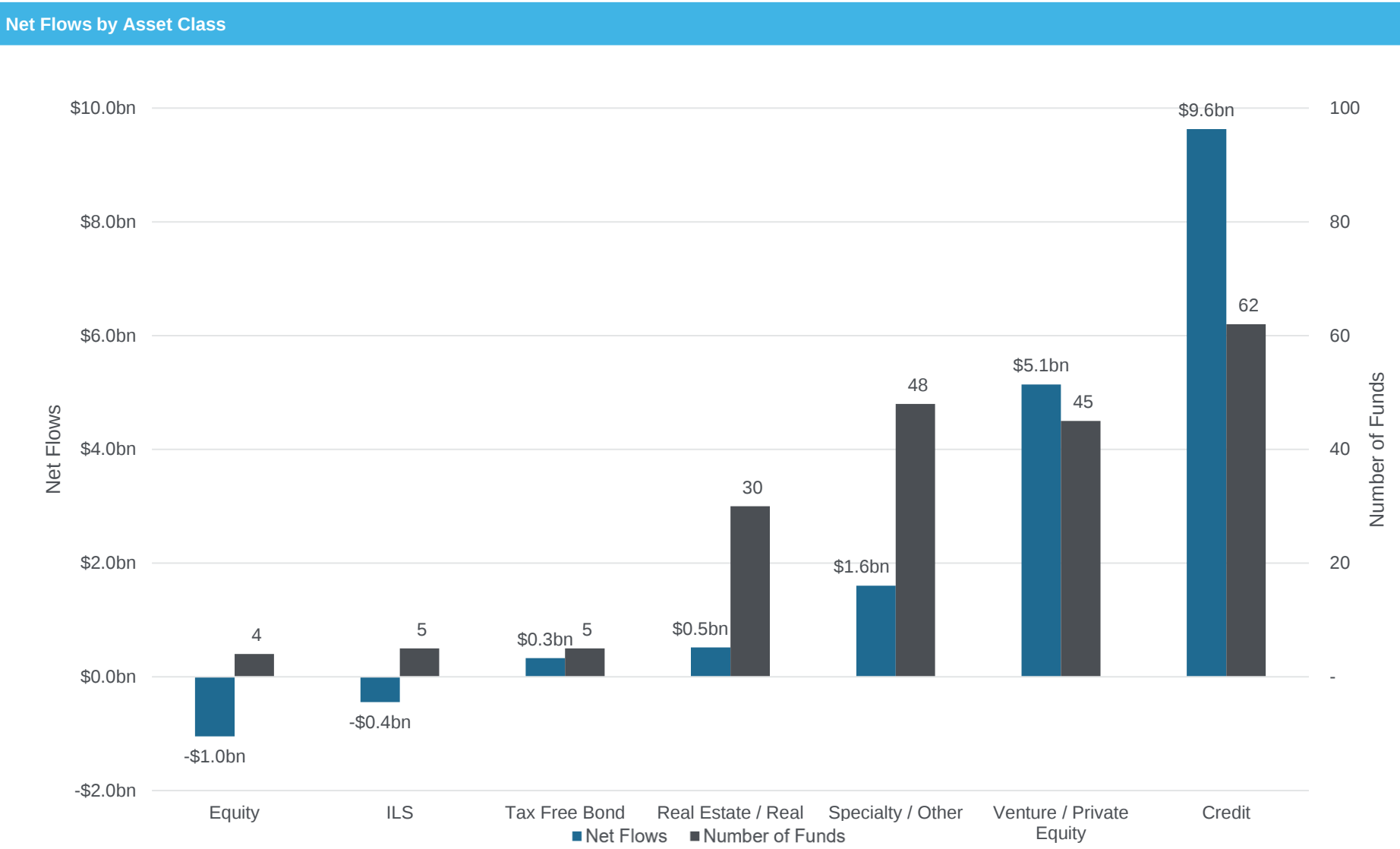
Credit Dominates Net Flows by Asset Class

**\$15,725mm in Total Market Net Flows
(Over the Twelve Months Ended 9/30/2023)**



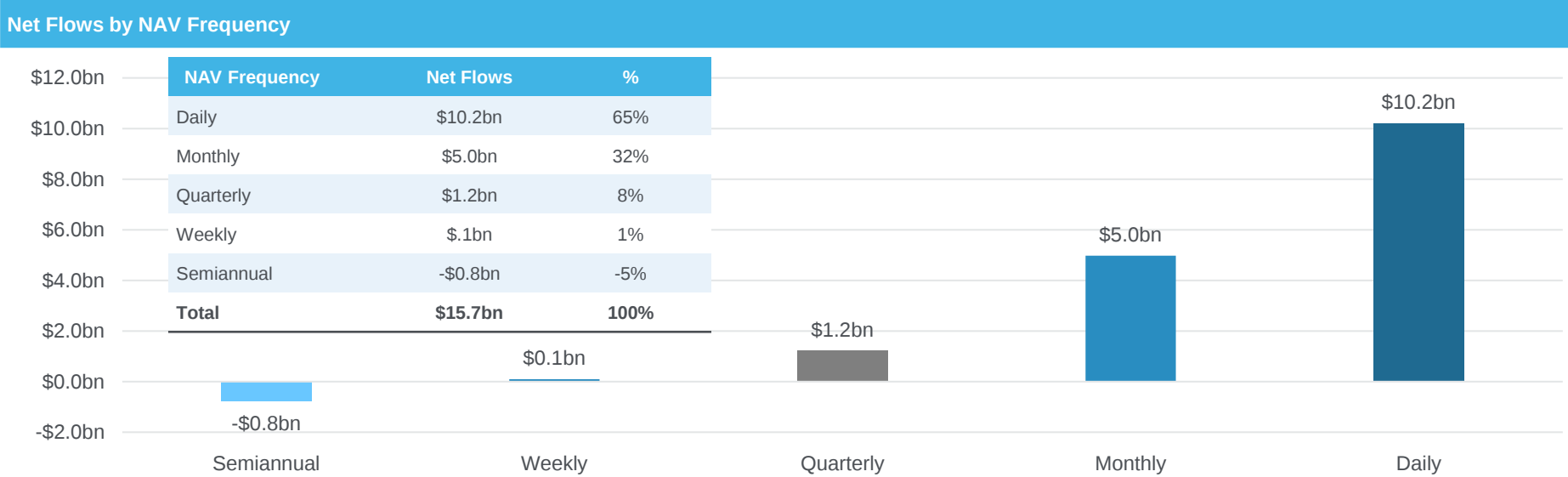
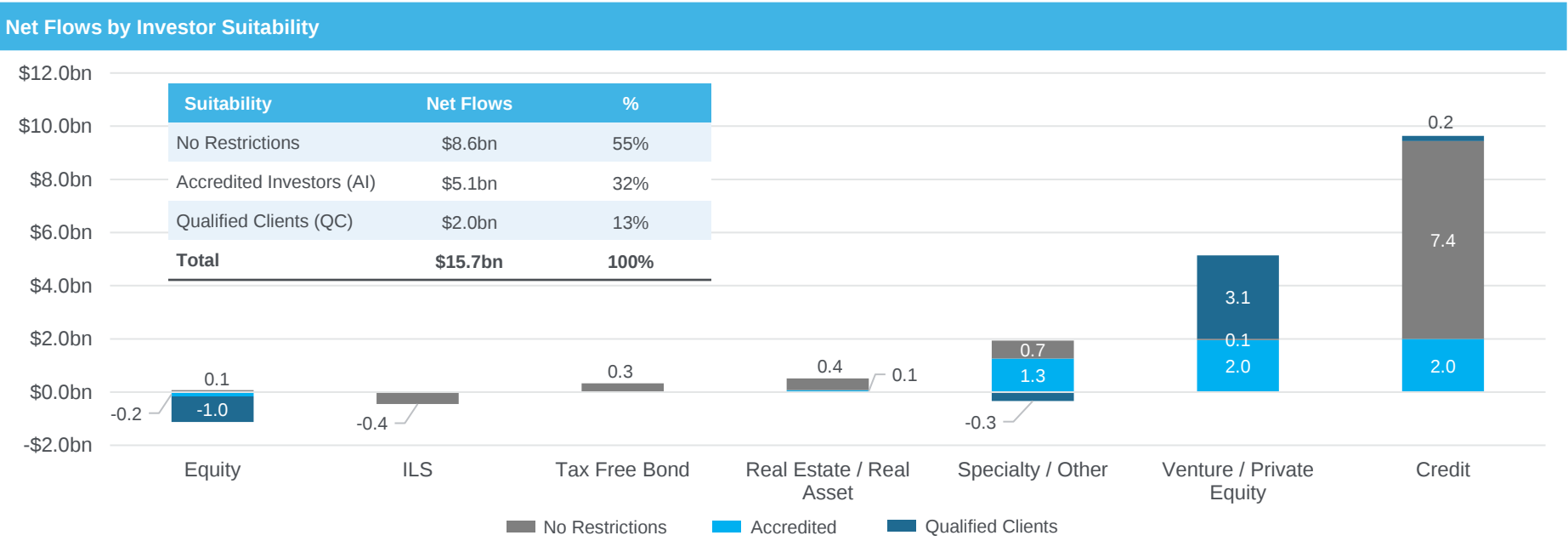
Sources: XA Investments; CEFDData.com. Flow data sourced from SEC filings.
1. Cliffwater funds had \$5,443mm in net flows during the period, representing 35% of total market flows and 57% of credit category flows.

Credit Leads all Asset Classes in Net Flows and Number of Funds



Sources: XA Investments; SEC filings.
Net flows are represented from 10/1/2022 – 9/30/2023.

Funds With No Suitability Restrictions and Daily NAV Frequencies Saw Highest Net Flows



Sources: XA Investments; SEC filings.
Net flows are represented from 10/1/2022 – 9/30/2023.

Sales & Marketing Success: Cliffwater Dominates Net Flows; New Funds Attract Strong Initial Capital

New funds sponsored by KKR, Pender Capital, and Redwood brought in \$853mm in net flows after launching in 2023. The KKR fund focuses on asset-backed lending; the Pender and Redwood funds pursue real estate income strategies.

Top 20 Funds Ranked by Net Flows							
Rank ¹	Inception Date	Name	Structure	Asset Class	Net Flows, 6-mo Ending 3/31/2023 ²	Net Flows, 6-mo Ending 9/30/2023 ³	% Change
1	6/5/2019	Cliffwater Corporate Lending Fund	Interval	Credit	1,707	2,610	53%
2	7/1/2021	Cliffwater Enhanced Lending Fund	Interval	Credit	514	611	19%
3	6/4/2018	Carlyle Tactical Private Credit Fund	Interval	Credit	186	489	163%
4	10/27/2015	AMG Pantheon Fund, LLC	Tender Offer	Venture / Private Equity	410	480	17%
5	1/4/2021	Hamilton Lane Private Assets Fund	Tender Offer	Venture / Private Equity	93	447	380%
6	5/3/2023	KKR Asset-Based Income Fund	Tender Offer	Credit	-	425	-
7	10/1/2020	StepStone Private Markets	Tender Offer	Specialty / Other	248	390	57%
8	10/2/2017	Variant Alternative Income Fund	Interval	Specialty / Other	300	386	29%
9	6/12/2017	First Trust Alternative Opportunities Fund	Interval	Specialty / Other	271	363	34%
10	1/26/2017	CION Ares Diversified Credit Fund	Interval	Credit	122	286	134%
11	5/7/2015	Pomona Investment Fund	Tender Offer	Venture / Private Equity	223	238	7%
12	4/24/2023	Pender Real Estate Credit Fund	Interval	Real Estate / Real Asset	-	236	-
13	2/15/2019	Lord Abbett Credit Opportunities Fund	Interval	Credit	224	234	5%
14	7/1/2009	Partners Group Private Equity (Master Fund), LLC	Tender Offer	Venture / Private Equity	629	219	-65%
15	1/19/2021	NB Crossroads Private Markets Access Fund LLC	Tender Offer	Venture / Private Equity	35	215	509%
16	6/26/2023	Redwood Real Estate Income Fund	Interval	Real Estate / Real Asset	-	192	-
17	6/30/2021	Nuveen Enhanced High Yield Municipal Bond Fund	Interval	Tax Free Bond	66	128	96%
18	9/15/2020	First Eagle Credit Opportunities Fund	Interval	Credit	81	118	46%
19	4/3/2017	Apollo Diversified Credit Fund	Interval	Credit	38	115	202%
20	11/1/2017	FS Credit Income Fund	Interval	Credit	24	107	340%
				Total	5,172	8,292	60%

Sources: XA Investments; CEFDData.com. Flow data sourced only from most recent SEC filings.
1. Funds ranked by net flows over the period 4/1/2023 – 9/30/2023.
2. Amounts in \$mm. Period represents 10/1/2022 – 3/31/2023.
3. Amounts in \$mm. Period represents 4/1/2023 – 9/30/2023.

Top Funds See Slower Pace of Net Flows Year-over-Year

For the 12-month period ending 9/30/2023, some of the largest funds, both in terms of assets and net flows, experienced moderating levels of net flows as compared to the same period a year ago.

Top 20 Funds Ranked by Net Flows

Rank ¹	Inception Date	Name	Structure	Asset Class	Net Flows, 12-mo Ending 9/30/2022 ²	Net Flows, 12-mo Ending 9/30/2023 ³	% Change
1	6/5/2019	Cliffwater Corporate Lending Fund	Interval	Credit	6,039	4,318	-29%
2	7/1/2021	Cliffwater Enhanced Lending Fund	Interval	Credit	766	1,125	47%
3	10/27/2015	AMG Pantheon Fund, LLC	Tender Offer	Venture / Private Equity	676	890	32%
4	7/1/2009	Partners Group Private Equity (Master Fund), LLC	Tender Offer	Venture / Private Equity	3,172	848	-73%
5	10/2/2017	Variant Alternative Income Fund	Interval	Specialty / Other	944	686	-27%
6	6/4/2018	Carlyle Tactical Private Credit Fund	Interval	Credit	812	675	-17%
7	10/1/2020	StepStone Private Markets	Tender Offer	Specialty / Other	542	638	18%
8	6/12/2017	First Trust Alternative Opportunities Fund	Interval	Specialty / Other	307	634	106%
9	10/1/2022	Constitution Capital Access Fund, LLC	Tender Offer	Venture / Private Equity	-	559	-
10	1/4/2021	Hamilton Lane Private Assets Fund	Tender Offer	Venture / Private Equity	167	540	223%
11	5/7/2015	Pomona Investment Fund	Tender Offer	Venture / Private Equity	325	460	42%
12	2/15/2019	Lord Abbett Credit Opportunities Fund	Interval	Credit	598	458	-24%
13	5/3/2023	KKR Asset-Based Income Fund	Tender Offer	Credit	-	425	-
14	1/26/2017	CION Ares Diversified Credit Fund	Interval	Credit	941	408	-57%
15	7/1/2020	Keystone Private Income Fund	Tender Offer	Credit	193	257	33%
16	1/19/2021	NB Crossroads Private Markets Access Fund LLC	Tender Offer	Venture / Private Equity	55	251	357%
17	4/24/2023	Pender Real Estate Credit Fund	Interval	Real Estate / Real Asset	-	236	-
18	11/1/2022	StepStone Private Venture & Growth Fund	Tender Offer	Venture / Private Equity	-	234	-
19	1/3/2023	Carlyle AlpInvest Private Markets Fund	Tender Offer	Venture / Private Equity	-	226	-
20	2/22/2017	PIMCO Flexible Credit Income Fund	Interval	Credit	1,083	224	-79%
Total					16,621	14,094	-15%

Sources: XA Investments; CEFDData.com. Flow data sourced only from most recent SEC filings.

1. Funds ranked by net flows over the period 10/1/2022 – 9/30/2023.

2. Amounts in \$mm. Period represents 10/1/2021 – 9/30/2022.

3. Amounts in \$mm. Period represents 10/1/2022 – 9/30/2023.

Funds with the Highest Net Flows in Each Asset Class¹

	Apr-30	May-31	Jun-30	Jul-31	Aug-31	Sep-30	Total
Credit							
Cliffwater Corporate Lending Fund							
Purchases	358.2	408.8	430.3	595.0	704.5	555.3	3,052.1
Dividend Reinvestment	91.5	0.0	0.0	106.2	0.0	0.0	197.8
Redemptions	0.0	(430.2)	0.0	0.0	(209.4)	(0.0)	(639.6)
Net Flows	449.8	(21.4)	430.3	701.3	495.0	555.3	2,610.3
Equity							
Fundrise Growth Tech Fund, LLC							
Purchases	0.0	0.0	0.0	9.7	22.1	7.2	38.9
Dividend Reinvestment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Redemptions	0.0	0.0	0.0	(0.8)	0.0	0.0	(0.8)
Net Flows	0.0	0.0	0.0	8.9	22.1	7.2	38.1
Venture / Private Equity							
AMG Pantheon Fund, LLC							
Purchases	101.4	62.2	67.1	114.8	77.3	76.5	499.2
Dividend Reinvestment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Redemptions	0.0	0.0	(7.7)	0.0	0.0	(11.2)	(18.9)
Net Flows	101.4	62.2	59.4	114.8	77.3	65.3	480.3
Specialty / Other							
Variant Alternative Income Fund							
Purchases	65.2	115.9	123.1	78.8	96.7	81.5	561.3
Dividend Reinvestment	0.0	0.0	10.1	0.0	0.0	8.6	18.7
Redemptions	0.0	0.0	(93.5)	0.0	0.0	(100.2)	(193.7)
Net Flows	65.2	115.9	39.7	78.8	96.7	(10.1)	386.3
Real Estate / Real Asset							
Pender Real Estate Credit Fund							
Purchases	208.9	16.6	3.1	4.3	8.4	6.7	248.0
Dividend Reinvestment	0.0	0.0	0.0	0.1	0.1	0.1	0.3
Redemptions	0.0	0.0	0.0	(11.9)	0.0	0.0	(11.9)
Net Flows	208.9	16.6	3.2	(7.5)	8.5	6.7	236.4
Tax Free Bond							
Nuveen Enhanced High Yield Municipal Bond Fund							
Purchases	5.3	54.0	13.6	17.8	25.3	14.1	130.2
Dividend Reinvestment	0.3	0.3	0.3	0.4	0.4	0.5	2.2
Redemptions	(0.0)	(0.6)	0.0	0.0	(3.6)	0.0	(4.2)
Net Flows	5.5	53.8	14.0	18.2	22.1	14.6	128.2
ILS							
City National Rochdale Select Strategies Fund							
Purchases	10.6	0.4	6.9	2.4	1.8	1.5	23.6
Dividend Reinvestment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Redemptions	0.0	0.0	(12.2)	0.0	0.0	0.0	(12.2)
Net Flows	10.6	0.4	(5.3)	2.4	1.8	1.5	11.5

Sources: XA Investments; CEFDData.com. Flow data sourced only from most recent SEC filings.

1. Funds selected had the highest net flows in their asset class over the period 10/1/2022 – 9/30/2023. Amounts in \$mm.

New Market Entrants and SEC Registration Overview

Section Summary

- Several new infrastructure and secondaries focused strategies are in the queue
- New non-listed CEFs on average make three N-2/N-2A filings and spend 197 days or ~7months in the SEC registration process
- Experienced law firms with several non-listed CEF clients such as Dechert, Faegre Drinker, Simpson Thacher or Ropes & Gray can help non-listed CEF sponsors manage the time and / or expense of the fund formation process
- Asset class appears to be the main driver of length of SEC review process with credit and real estate funds are faster to launch and PE/VC funds are slower to launch
- Backlog grows with 39 new funds in the SEC registration now and XAI forecasts more fund filings on the way

10 Exciting, Anticipated Product Launches in 2024
Strong Demand for Secondaries and Infrastructure Drives Product Development

Fund in Registration Process	Strategy	Structure	New Entrant	Rationale
AB CarVal Opportunistic Credit Fund	Credit	Interval	Yes	1st AB fund in market with recently acquired CarVal expertise
Apollo S3 Private Markets Fund	Secondary Private Assets	Tender	No	Secondaries focused; unique addition to market
Coller Secondaries Private Equity Fund	Secondary Private Equity	Tender	Yes	Secondaries focused; unique addition to market
Meketa Infrastructure Fund	Infrastructure	Interval	Yes	1st proprietary interval fund for Meketa
AMG Pantheon Credit Solutions Fund	Secondary Credit	Interval	No	Secondaries focused; unique addition to market
MainStay MacKay Municipal Income Opportunities Fund	Tax Free Bond	Interval	Yes	Competitor to Nuveen, PIMCO and Lind muni funds
KKR US Direct Lending Fund-U	Credit	Tender	No	Competitor to market leading Cliffwater in direct lending
CION Grosvenor Infrastructure Fund	Infrastructure	Interval	No	Demand for Infrastructure; multiple funds make new category
Jackson Real Assets Fund	Real Assets	Interval	No	Leading insurer building platform w/ 2 back-to-back fund filings
Lord Abbett Flexible Income Fund	Credit	Interval	No	Partnering w/Apollo on new fund after success with 1st interval

Source: XA Investments; CEFData.com; SEC filings. Data as of 12/31/2023.
Notes: Funds sorted by initial filing date. Highlighted funds are expected to complete their SEC registration process and start marketing in 2024.

SEC Registration Process Took ~7 Months on Average for Funds Launched in 2023

Fund Name	Structure	Asset Class	New Entrant ¹	Number of N-2 Filings	Effective Date	Days in Registration ²	Fund Legal Counsel
First Trust Private Assets Fund	Tender Offer	Specialty / Other	No	4	1/3/2023	266	Faegre Drinker Biddle & Reath LLP
Delaware Wilshire Private Markets Tender Fund	Tender Offer	Specialty / Other	No	4	3/3/2023	1,052	Morgan, Lewis & Bockius LLP
Pender Real Estate Credit Fund	Interval Fund	Real Estate / Real Asset	Yes	2	3/13/2023	298	Faegre Drinker Biddle & Reath LLP
Nomura Alternative Income Fund	Interval Fund	Credit	Yes	4	3/24/2023	192	Faegre Drinker Biddle & Reath LLP
Stone Ridge Art Risk Premium Fund	Interval Fund	Specialty / Other	No	4	3/28/2023	207	Ropes & Gray LLP
Oxford Park Income Fund, Inc.	Tender Offer	Credit	Yes	2	4/3/2023	102	Dechert LLP
Kingsbarn Parallel Income Fund	Interval Fund	Specialty / Other	Yes	3	4/13/2023	168	Practus LLP
Calamos Aksia Alternative Credit Fund & Income Fund	Interval Fund	Credit	Yes	4	5/16/2023	312	Dechert LLP
Fidelity Multi-Strategy Credit Fund	Interval Fund	Credit	Yes	4	5/19/2023	220	Dechert LLP
SKK Access Income Fund	Tender Offer	Credit	Yes	1	5/30/2023	74	Practus LLP
JPMorgan Private Markets Fund	Tender Offer	Venture / Private Equity	No	4	6/15/2023	245	Simpson Thacher & Bartlett LLP
Redwood Real Estate Income Fund	Interval Fund	Real Estate / Real Asset	Yes	4	6/23/2023	183	Faegre Drinker Biddle & Reath LLP
First Trust Hedged Strategies Fund	Interval Fund	Specialty / Other	No	3	6/27/2023	95	Faegre Drinker Biddle & Reath LLP
StepStone Private Infrastructure Fund	Interval Fund	Real Estate / Real Asset	No	4	7/13/2023	202	Dechert LLP
Hartford Schroders Private Opportunities Fund	Tender Offer	Venture / Private Equity	Yes	4	7/28/2023	553	Dechert LLP
KKR Asset-Based Income Fund	Tender Offer	Credit	No	2	8/18/2023	115	Dechert LLP
Polen Credit Opportunities Fund	Interval Fund	Credit	Yes	1	8/21/2023	140	Kirkland & Ellis LLP
ALTI Private Equity Access & Commitments Fund	Tender Offer	Venture / Private Equity	Yes	12	8/28/2023	1350	Mayer Brown LLP
Eaton Vance Floating-Rate Opportunities Fund	Interval Fund	Credit	Yes	3	9/1/2023	171	Ropes & Gray LLP
Brookfield Infrastructure Income Fund Inc.	Tender Offer	Real Estate / Real Asset	Yes	3	9/15/2023	95	Paul Hastings LLP
SEI Alternative Income Fund	Interval Fund	Credit	No	2	10/17/2023	197	Morgan, Lewis & Bockius LLP
Felicitas Private Markets Fund	Tender Offer	Specialty / Other	Yes	4	11/30/2023	358	Faegre Drinker Biddle & Reath LLP
Jackson Credit Opportunities Fund	Interval Fund	Credit	Yes	3	12/1/2023	133	Ropes & Gray LLP
PGIM Credit Income Fund	Interval Fund	Credit	No	4	12/6/2023	111	Simpson Thacher & Bartlett LLP
Niagara Income Opportunities Fund	Interval Fund	Credit	Yes	2	12/27/2023	92	Thompson Hine LLP
				Average	3	197	
				Minimum	1	74	
				Maximum	4	553	
				Median	3	183	

Sources: XA Investments; CEFDData.com; SEC Filings.

Note: Funds not registered under the 1933 Act typically go effective without filing a Notice of Effectiveness. Funds that filed a Notice of Effectiveness in 2022 and subsequently launched in 2023 are excluded above.

1. New entrants represent funds launched by fund sponsors with no existing interval or tender offer funds.
2. For funds not registered under the 1933 Act, days in registration represents days between initial N-2 filing and initial post-effective amendment.
3. The Delaware Wilshire Private Markets Tender Fund and the ALTI Private Equity Access & Commitments Fund have been excluded from calculations as outliers.

SEC Registration Process Took ~7 Months on Average for Funds Launched in 2023 (Cont'd)

Funds Launched by Structure

Fund Structure	Number of Funds	Percentage	Average Days in Registration ²
Interval Fund	15	60%	181
Tender Offer	10	40%	226
Total	25	100%	197

Funds Launched by Manager Experience¹

New Entrants ¹	Number of Funds	Percentage	Average Days in Registration ²
Yes	16	64%	206
No	9	36%	180
Total	25	100%	197

Funds Launched by Asset Class

Asset Class	Number of Funds	Percentage	Average Days in Registration ²
Credit	12	48%	155
Specialty / Other	6	24%	219
Real Estate	4	16%	195
Private Equity	3	12%	399
Total	25	100%	197

Funds Launched by Fund Legal Counsel

Law Firm	Number of Funds	Average Days in Registration ²
Dechert LLP	6	251
Faegre Drinker Biddle & Reath LLP	6	232
Kirkland & Ellis LLP	1	140
Morgan, Lewis & Bockius LLP	2	197
Paul Hastings LLP	1	95
Practus LLP	2	121
Ropes & Gray LLP	3	170
Simpson Thacher & Bartlett LLP	2	178
Thompson Hine LLP	1	92
Mayer Brown LLP	1	-
Total	25	197

Sources: XA Investments; CEFDData.com; SEC filings.

Note: Includes all funds that filed a Notice of Effectiveness in 2023. Funds not registered under the 1933 Act typically go effective without filing a Notice of Effectiveness. Funds analyzed were launched between 1/1/2023 and 12/31/2023. For questions about the registration process, please contact XAI to discuss.

1. Manager experience in the interval / tender offer fund market delineates between a first-time entrant or repeat sponsor. New entrants represent funds launched by fund sponsors with no existing interval or tender offer funds.
2. The Delaware Wilshire Private Markets Tender Fund and the ALTI Private Equity Access & Commitments Fund have been excluded from total calculations as outliers.

Number of Non-listed CEFs in the SEC Registration Process Grows

Currently, there are 39 funds in the SEC registration process, up from 29 as reported in last quarter’s report.

Fund Name	Sponsor	Asset Class	Structure	Initial Filing	Latest Filing	Number of N-2 Filings	Months in Registration	New Entrant?
LifeX Inflation-Protected Income Trust 1948F	Stone Ridge	Credit	Tender	3/20/2020	10/23/2023	4	46	No
Hatteras Lower Middle Market Buyouts Fund	Hatteras	Venture / Private Equity	Tender	9/22/2022	9/22/2022	1	16	No
Cadre Horizon Fund	Cadre	Real Estate / Real Asset	Tender	11/10/2022	11/10/2022	1	14	Yes
Modern Markets Flagship Access Fund	Modern Markets	Venture / Private Equity	Tender	12/9/2022	12/9/2022	1	13	Yes
Morrison Street Income Fund	Morrison Street Capital	Real Estate / Real Asset	Interval	12/27/2022	12/27/2022	1	13	Yes
MBC Total Private Markets Access Fund	Seneca Management	Venture / Private Equity	Tender	1/5/2023	9/13/2023	4	12	Yes
Diffractional Real Assets Fund	F/m Investments	Real Estate / Real Asset	Interval	3/9/2023	3/9/2023	1	10	Yes
AB CarVal Opportunistic Credit Fund	AB CarVal Investors	Credit	Interval	3/27/2023	10/31/2023	4	10	Yes
List Income Opportunities Fund	Legalist	Specialty / Other	Interval	4/7/2023	7/26/2023	2	9	Yes
PIMCO Flexible Corporate Income Fund	PIMCO	Credit	Interval	4/17/2023	4/17/2023	1	9	No
Institutional Investment Strategy Fund	Buena Capital Advisers	Specialty / Other	Interval	5/9/2023	5/9/2023	1	8	Yes
Equi Diversified Core Fund	Equilibrium Ventures	Specialty / Other	Tender	5/9/2023	10/18/2023	2	8	Yes
Apollo S3 Private Markets Fund	Apollo	Specialty / Other	Tender	5/26/2023	8/31/2023	2	8	No
Coller Secondaries Private Equity Fund	Coller Private Market Secondaries Advisors	Venture / Private Equity	Tender	5/30/2023	5/30/2023	1	8	Yes
KKR FS Income Trust Select	FS/KKR Advisors	Credit	Tender	6/7/2023	6/7/2023	1	7	No
MREC2 FUND	MREC Management	Real Estate / Real Asset	Interval	6/27/2023	6/27/2023	1	7	Yes
AIR Diversified Alpha Fund	Alternative Investment Resources	ILS	Interval	7/14/2023	7/14/2023	1	6	Yes
Baseline CRE Income Fund	Baseline Partners	Real Estate / Real Asset	Interval	8/4/2023	11/29/2023	2	5	Yes
CAZ Strategic Opportunities Fund	CAZ Investments	Specialty / Other	Tender	8/9/2023	12/19/2023	3	5	Yes
Manulife Private Credit Plus Fund	John Hancock	Credit	Tender	8/25/2023	8/25/2023	1	5	No

Source: XA Investments; CEFData.com; SEC filings. Data as of 12/31/2023.

Note: Funds sorted by initial filing date.

Number of Non-listed CEFs in the SEC Registration Process Grows (Cont'd)

Currently, there are 39 funds in the SEC registration process, up from 29 as reported in last quarter's report.

Fund Name	Sponsor	Asset Class	Structure	Initial Filing	Latest Filing	Number of N-2 Filings	Months in Registration	New Entrant?
Principal Private Credit Fund	Principal Global Investors	Credit	Interval	8/25/2023	11/14/2023	2	5	No
Meketa Infrastructure Fund	Meketa Capital LLC	Real Estate / Real Asset	Interval	9/1/2023	12/21/2023	3	4	Yes
Axxes Private Markets Fund	Axxes Advisors LLC	Venture / Private Equity	Interval	9/1/2023	11/20/2023	2	4	Yes
ABL Longevity Growth and Income Fund	ABL Wealth Advisors, LLC	Specialty / Other	Interval	9/7/2023	12/19/2023	3	4	Yes
Voya Enhanced Securitized Income Fund	Voya	Credit	Interval	10/5/2023	12/29/2023	2	3	No
AMG Pantheon Credit Solutions Fund	Pantheon	Credit	Interval	10/5/2023	12/12/2023	2	3	No
MainStay MacKay Municipal Income Opportunities Fund	New York Life	Tax Free Bond	Interval	10/6/2023	10/6/2023	1	3	Yes
Connetic Ventures Fund	Connetic Ventures	Venture / Private Equity	Interval	10/6/2023	10/6/2023	1	3	Yes
Eagle Point Enhanced Income Trust	Eagle Point	Credit	Tender	10/13/2023	12/27/2023	2	3	No
KKR US Direct Lending Fund-U	KKR	Credit	Tender	10/13/2023	10/13/2023	1	3	No
Octagon XAI CLO Income Fund	XA Investments	Credit	Interval	11/13/2023	12/22/2023	2	2	Yes
Nuveen Enhanced Floating Rate Income Fund	Nuveen	Credit	Interval	11/21/2023	11/21/2023	1	2	No
CION Grosvenor Infrastructure Fund	CION Grosvenor	Real Estate / Real Asset	Interval	11/22/2023	11/22/2023	1	2	No
Denali Structured Return Strategy Fund	Liquid Strategies, LLC	Credit	Interval	11/28/2023	11/28/2023	1	1	Yes
Jackson Real Assets Fund	Jackson National	Real Estate / Real Asset	Interval	12/15/2023	12/15/2023	1	1	No
Beacon Pointe Multi-Alternative Fund	Beacon Pointe	Specialty / Other	Interval	12/15/2023	12/15/2023	1	1	Yes
Lord Abbett Flexible Income Fund	Lord Abbett	Credit	Interval	12/26/2023	12/26/2023	1	1	No
StepStone Private Credit Income Fund	StepStone	Credit	Interval	12/29/2023	12/29/2023	1	0	No
First Eagle Real Estate Lending Fund	First Eagle	Real Estate / Real Asset	Interval	12/29/2023	12/29/2023	1	0	No

Source: XA Investments; CEFData.com; SEC filings. Data as of 12/31/2023.

Note: Funds sorted by initial filing date.

Performance and Fee Analysis

Section Summary

- Top 15 funds have a net return of 13.68% or greater in the last 12-month period ended 9/20/23
- Insurance-linked securities (ILS) tops the market with a Stone Ridge Reinsurance Risk Premium Interval Fund (42.28%) and Pioneer ILS Interval Fund (15.36%)
- Other standout performance comes from the PE/VC category with the StepStone Private Venture & Growth Fund (30.45%) and the BBR ALO Fund, LLC (21.52%)
- Most non-listed CEFs have management fees in the range of 1.00 to 1.50% with the average fee at 1.19%
- Net expense ratios for non-listed CEFs average 2.32% with the addition of other expenses including performance fees and acquired fund fees
- Non-listed CEFs launched recently are increasingly adding a performance fee – either an income incentive fee or total return or net profit-based performance fee
- Despite suitability restrictions limiting the sale to qualified clients (QC) only, about 10% of the market charges a total return net profit-based performance fee
- While earlier success in the market may have been driven by manager brand names and broader historical results, the maturation of the market may lead to a growing preference for managers with established track records

Funds Meeting Performance Track Record Milestones

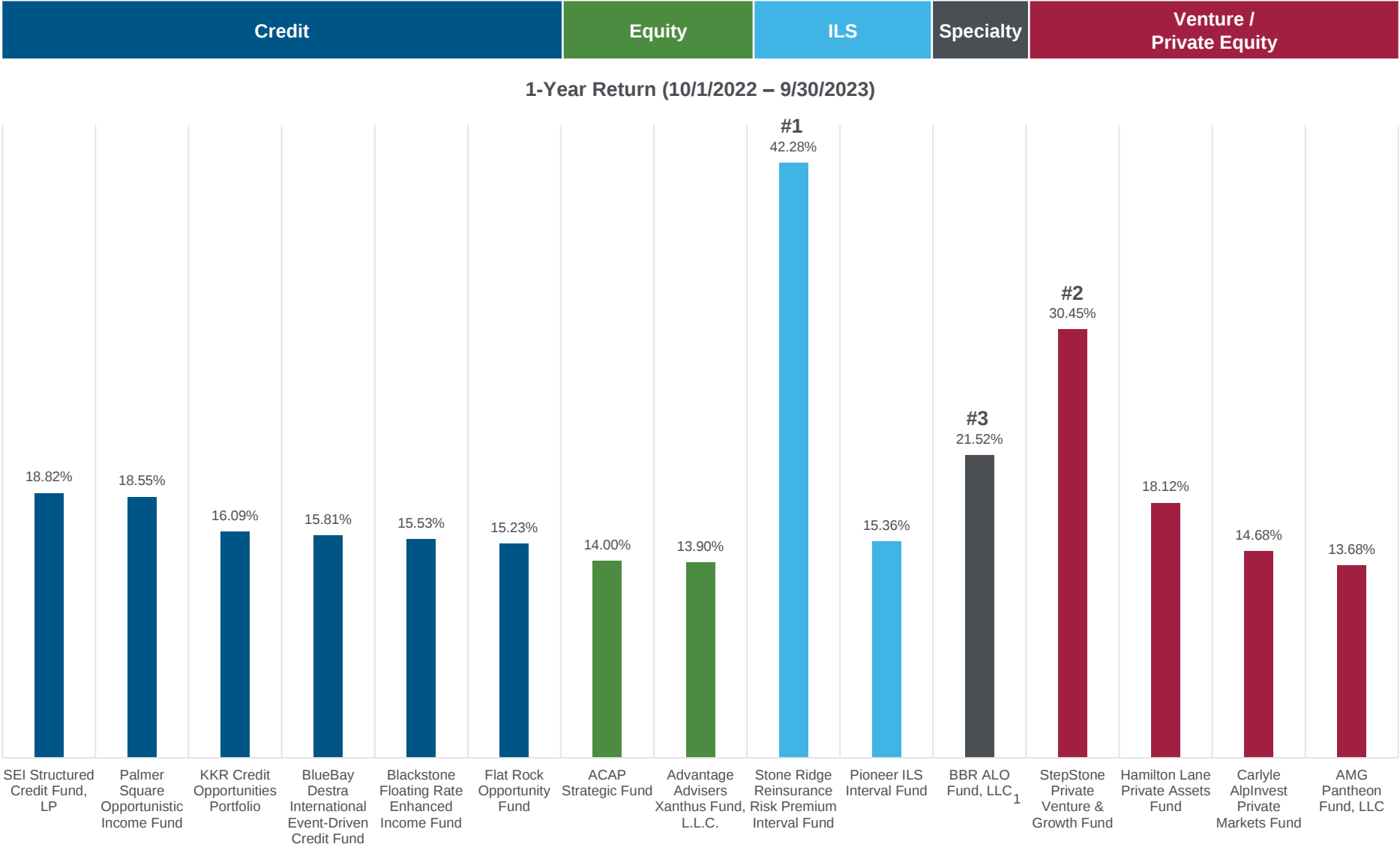
Performance Track Record	Number of Funds	%
1-Year	167	84%
3-Year	118	59%
5-Year	90	45%
10-Year	40	20%

Funds Meeting Performance Track Record Milestones by Asset Class

Performance Track Record	1-Year	3-Year	5-Year	10-Year
Real Estate / Real Asset	26	15	9	3
Credit	48	34	23	5
Specialty / Other	43	37	34	24
Venture / Private Equity	38	24	18	5
Equity	4	3	2	2
Tax Free Bond	5	2	1	0
ILS	3	3	3	1
Total	167	118	90	40

ILS Funds Crack the List of Top 15 Performers

Even though there are only five dedicated ILS funds in the market, two have made their way into the list of top 15 performers.

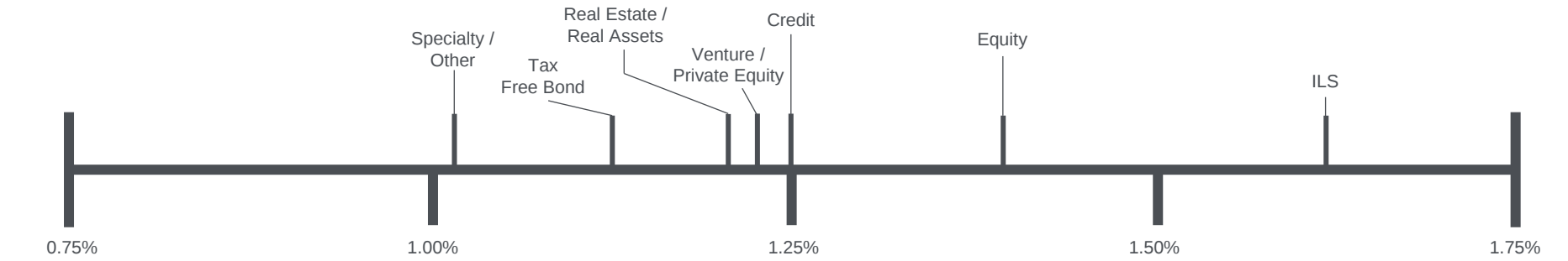


Source: XA Investments; CEFDData.com.
Notes: Performance is calculated from SEC form NPORT data from 10/1/2022 – 9/30/2023. Funds above have at least \$50mm in total managed assets.
1. BBR Partners, LLC, a registered investment adviser, serves as the investment adviser to the Fund, who along with the fund’s subadvisers, manage the fund’s investments.

Strategy Drives Management Fees and Net Expense Ratios

Management fees across the market are typically found between 1.25% and 1.50%. Categories like VC/PE carry higher net expense ratios due to the performance fees that are often coupled with acquired fund fees and expenses.

Dispersion of Average Management Fee by Asset Class¹



Asset Class	Management Fee (%) ²				
	# of Funds	Average	Median	Min	Max
Credit	61	1.25%	1.25%	0.05%	2.00%
Specialty / Other	48	1.02%	1.00%	0.50%	1.50%
Venture / Private Equity	45	1.23%	1.25%	0.10%	2.75%
Real Estate / Real Asset	30	1.20%	1.25%	0.22%	1.85%
ILS	5	1.60%	1.75%	0.50%	2.00%
Tax Free Bond	5	1.10%	1.00%	0.75%	1.50%
Equity	4	1.40%	1.38%	1.00%	1.85%
All Funds	198	1.19%	1.25%	0.05%	2.75%

Net Expense Ratio (%) ³				
# of Funds	Average	Median	Min	Max
58	2.75%	2.24%	0.00%	13.17%
45	2.03%	1.87%	0.34%	9.08%
43	2.41%	2.16%	0.00%	6.93%
29	2.05%	1.70%	0.15%	5.74%
4	1.36%	1.48%	0.00%	2.47%
5	1.15%	1.25%	0.76%	1.55%
4	2.86%	2.77%	1.64%	4.26%
188	2.32%	1.96%	0.00%	13.17%

Sources: XA Investments; CEFDData.com; sponsor websites, prospectuses, and annual/semiannual reports.
Notes: Data reflects most recent data available as of 12/31/2023. Asset classes listed in descending order by number of funds.

- Graphic is illustrative. There are funds that charge management fees outside the range of 0.75%-1.75%.
- Management fees are sourced from fund prospectuses and can be charged on total managed assets or net assets. One fund was excluded from the data for not charging a management fee at the fund level but instead having individual agreements with investors.
- Net expense ratios are from actual annual or semi-annual reports. Newer funds or funds without available data are excluded from the calculations. Outlier funds with net expense ratios over 15% were also excluded. Net expense ratio values of zero reflect expenses being waived.

23% of Non-listed CEFs Charge an Income Incentive or Performance Fee

In comparison to the broader market, non-listed CEFs launched in 2023 are increasingly charging income incentive or total return performance fees.

Most funds (153 out of 199, or 77%) are not subject to an income incentive or performance fee.

46 out of 199 or 23% of funds are subject to income incentive or performance fees.

Of 25 funds launched in 2023, 28% have an income incentive fee or performance fee at the fund level.

Fee combinations from recent launches are inline with broader market percentages.

The below data lists the number of funds that are subject to various fee types. All funds are assumed to be subject to a management fee as well as other expenses. Categories are broken out to detail funds subject to the specific fee combination of that category.

Entire Non-listed CEF Universe ¹		
Combination of Fee Types by Fund	Number of Funds	% of Total Funds
Management Fee Only	51	25.63%
Management Fee + Acquired Fund Fees & Expenses ("AFF&E")	102	51.26%
Management Fee + Income Incentive Fee	13	6.53%
Management Fee + Total Return or Net Profit Fee	6	3.02%
Management Fee + Income Incentive Fee + AFF&E	7	3.52%
Management Fee + Total Return or Net Profit Fee + AFF&E	20	10.05%
Total	199	100.00%

Non-listed CEFs Launched in 2023 ²		
Combination of Fee Types by Fund	Number of Funds	% of Total Funds
Management Fee Only	7	28.00%
Management Fee + AFF&E	11	44.00%
Management Fee + Income Incentive Fee	3	12.00%
Management Fee + Total Return or Net Profit Fee	1	4.00%
Management Fee + Income Incentive Fee + AFF&E	1	4.00%
Management Fee + Total Return or Net Profit Fee + AFF&E	2	8.00%
Total	25	100.00%

Sources: XA Investments; CEFDData.com; SEC filings.
1. Represents the 199 total CEFs in the non-listed market.
2. Represents the 25 non-listed CEFs launched in 2023.

Income Incentive Fees are Mainly Found in Credit Strategies and Performance Fees are Mainly Found in VC/PE

All funds with income incentive fees are in the Credit and Real Estate / Real Asset categories.

21 of 26 funds with total return or net profit performance fees are in the Specialty / Other and VC / PE categories.

129 funds have acquired fund fees and expenses (AFF&E) in addition to their base management fee. Many of these are subject to performance fees at the underlying portfolio fund level.

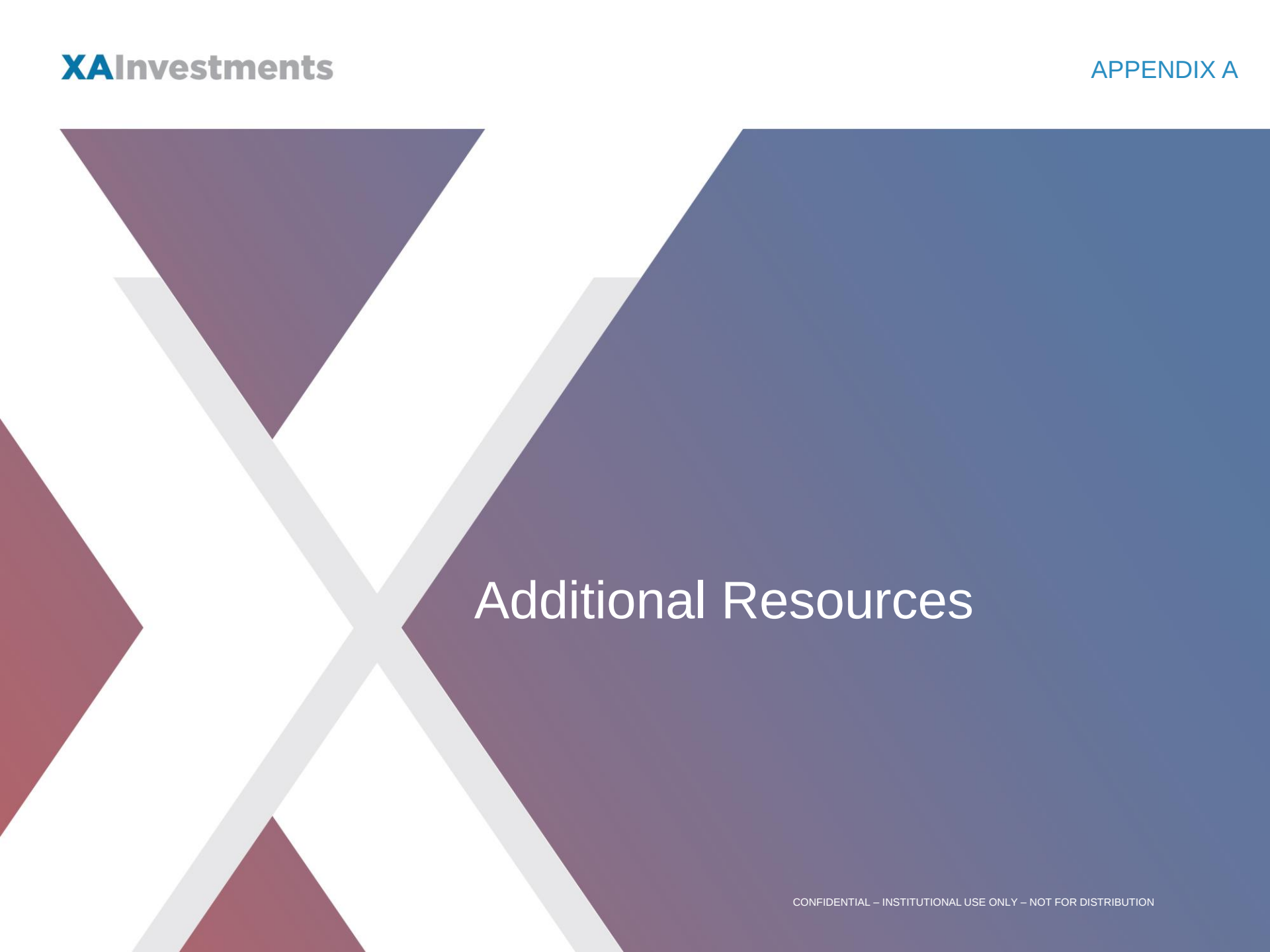
Fee Types Charged by Asset Class					
Asset Class	Management Fee Only % of 199 Funds (# of Funds)	Acquired Fund Fees & Expenses (AFF&E) ¹ % of 199 Funds (# of Funds)	Income Incentive Fee ¹ % of 199 Funds (# of Funds)	Total Return or Net Profit Fee ¹ % of 199 Funds (# of Funds)	Total in the Marketplace % of 199 Funds (# of Funds)
Credit	13.57% (27)	12.56% (25)	8.04% (16)	0.5% (1)	31.16% (62)
Specialty / Other	0.5% (1)	23.12% (46)	0% (0)	4.52% (9)	24.12% (48)
Equity	0.5% (1)	0% (0)	0% (0)	1.51% (3)	2.01% (4)
Venture / Private Equity	1.01% (2)	21.61% (43)	0% (0)	6.03% (12)	22.61% (45)
Real Estate / Real Asset	6.53% (13)	6.03% (12)	2.01% (4)	0.5% (1)	15.08% (30)
ILS	1.51% (3)	1.01% (2)	0% (0)	0% (0)	2.51% (5)
Tax Free Bond	2.01% (4)	0.5% (1)	0% (0)	0% (0)	2.51% (5)
Total	25.63% (51)	64.82% (129)	10.05% (20)	13.07% (26)	100% (199)

Sources: XA Investments; CEFDData.com; SEC filings. Data as of 12/31/2023.
Notes: Assumes all funds charge a management fee.
1. Represents all instances of the specific fee. Totals will not equal 100% due to funds with different overlapping combinations of fees including AFF&E only, income incentive fee only, total return or net profit fee only, Income Incentive Fee + AFF&E, and Total Return or Net Profit Fee + AFF&E. See previous page for a breakout of these fee combinations across all 199 funds.

Non-listed CEFs Designed for Qualified Clients and Charge Performance Fees

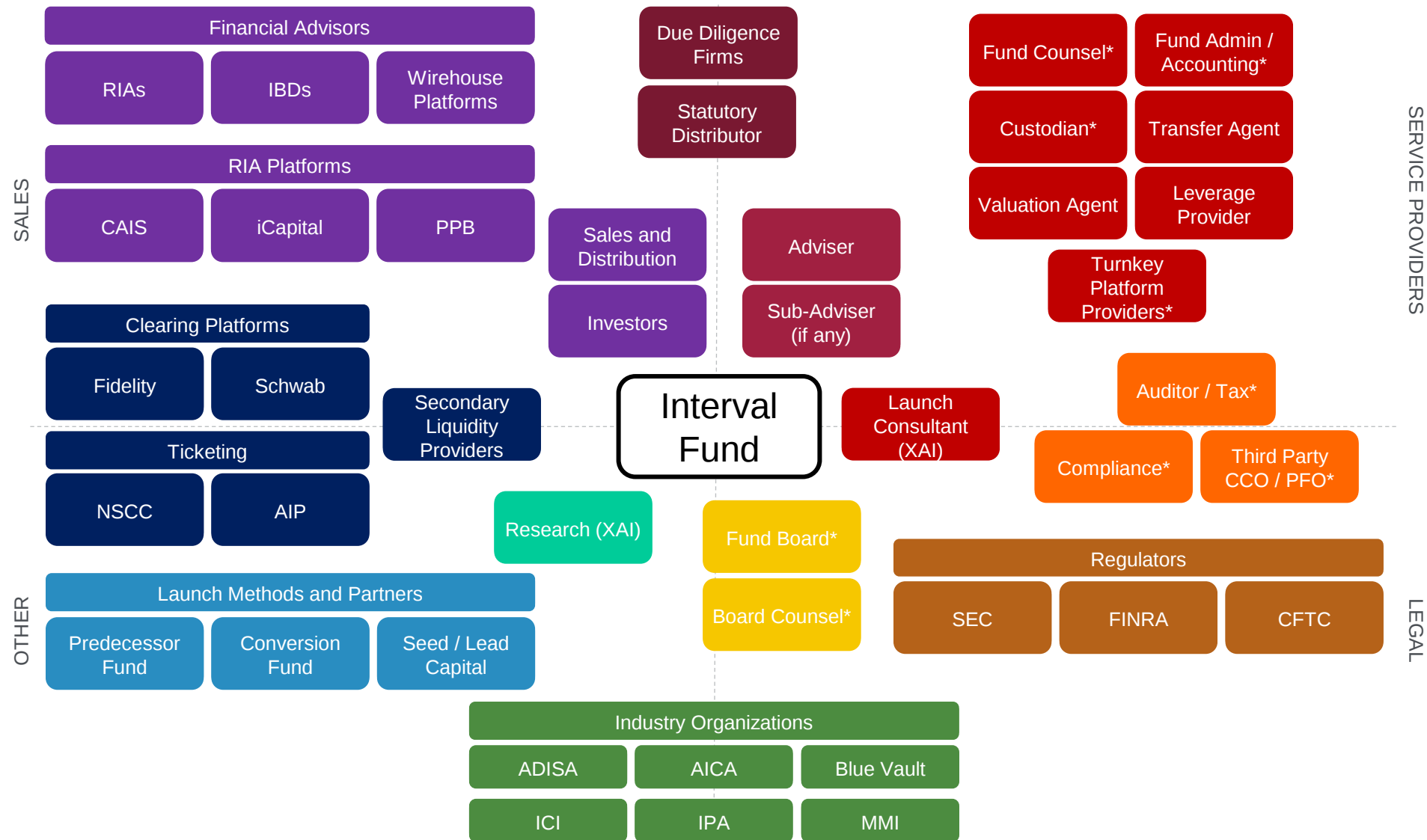
Inception Date	Fund Name	Fund Structure	Asset Class	NAV Frequency	Management Fee	Mgmt. Fee Charged On ¹	Performance Fee	Total Managed Assets (\$mm)
7/1/2009	Partners Group Private Equity (Master Fund), LLC	Tender Offer	Venture / Private Equity	Monthly	1.50%	Net	10.00%	14,675
3/1/2010	ACAP Strategic Fund (SilverBay Capital)	Interval	Equity	Daily	1.50%	Net	20.00%	10,968
1/4/2021	Hamilton Lane Private Assets Fund	Tender Offer	Venture / Private Equity	Monthly	1.50%	TMA	12.50%	1,350
7/1/2020	Keystone Private Income Fund	Tender Offer	Credit	Monthly	1.50%	Net	15.00%	1,180
1/19/2021	NB Crossroads Private Markets Access Fund LLC	Tender Offer	Venture / Private Equity	Monthly	1.50%	Net	10.00%	769
8/30/2019	FlowStone Opportunity Fund	Tender Offer	Venture / Private Equity	Quarterly	1.25%	Net	10.00%	680
1/3/2022	FS MVP Private Markets Fund (Portfolio Advisers)	Tender Offer	Venture / Private Equity	Monthly	1.25%	TMA	10.00%	674
10/1/2022	Constitution Capital Access Fund, LLC	Tender Offer	Venture / Private Equity	Monthly	1.50%	Net	10.00%	664
4/1/2022	Ares Private Markets Fund	Tender Offer	Venture / Private Equity	Monthly	1.40%	TMA	12.50%	456
3/29/2011	A&Q Multi-Strategy Fund (UBS Hedge Fund Solutions)	Tender Offer	Specialty / Other	Monthly	1.50%	Net	20.00%	407
11/1/2022	StepStone Private Venture & Growth Fund	Tender Offer	Venture / Private Equity	Monthly	1.50%	Net	15.00%	339
9/1/2002	Aetos Long/Short Strategies Fund LLC	Tender Offer	Specialty / Other	Semiannual	0.55%	Net	10.00%	303
1/3/2023	Carlyle AlInvest Private Markets Fund	Tender Offer	Venture / Private Equity	Monthly	1.25%	Net	10.00%	296
9/1/2002	Aetos Multi-Strategy Arbitrage Fund LLC	Tender Offer	Specialty / Other	Semiannual	0.55%	Net	10.00%	236
7/12/2023	JPMorgan Private Markets Fund	Tender Offer	Venture / Private Equity	Monthly	1.00%	Net	10.00%	113
11/2/2020	CPG Cooper Square International Equity, LLC	Tender Offer	Equity	Monthly	1.25%	Net	20.00%	73
9/1/2002	Aetos Distressed Investment Strategies Fund LLC	Tender Offer	Specialty / Other	Semiannual	0.55%	Net	10.00%	64
1/1/2007	Hatteras Core Alternatives TEI Institutional Fund, L.P.	Tender Offer	Specialty / Other	Monthly	1.00%	Net	10.00%	51
4/1/2005	Hatteras Core Alternatives TEI Fund, L.P.	Tender Offer	Specialty / Other	Monthly	1.00%	Net	10.00%	20
4/1/2005	Hatteras Core Alternatives Institutional Fund, L.P.	Tender Offer	Specialty / Other	Monthly	1.00%	Net	10.00%	19
4/1/2005	Hatteras Core Alternatives Fund, L.P.	Tender Offer	Specialty / Other	Monthly	1.00%	Net	10.00%	16
12/29/2021	Fairway Private Equity & Venture Capital Opportunities Fund	Tender Offer	Venture / Private Equity	Quarterly	0.75%	Net	10.00%	15
1/3/2023	First Trust Private Assets Fund	Tender Offer	Venture / Private Equity	Quarterly	0.75%	Net	15.00%	9
N/A	Kingsbarn Parallel Income Fund ²	Interval	Specialty / Other	Daily	1.50%	Net	7.50%	N/A
				Average	1.17%	Net (21/24)	11.98%	1,451

Sources: XA Investments; CEFDData.com; SEC Filings.
Notes: Data as of 12/31/2023 or latest publicly available. Funds sorted by total managed assets.
1. Net = Net Assets and TMA = Total Managed Assets
2. Kingsbarn Parallel Income Fund went effective on 4/13/2023 and has yet to file a N-PORT or shareholder report.



Additional Resources

Growth of the Market Has Led to a More Complex and Mature Ecosystem



Source: XA Investments

*Service is included in a turnkey platform bundle offering. Turnkey platform providers include RBB, UMB and Ultimus.

Colors represent each party's role with respect to the four quadrant categories used: Sales, Service Providers, Legal, and Other.

Types of US Closed-End Funds (“CEFs”)

Structure	Description
Listed CEFs	▪ Contingent Term CEFs ▪ Target Term CEFs ▪ Perpetual CEFs ▪ Private Fund or other accounts converted into a listed CEF
Interval Funds	Perpetual, continuously offered CEF with periodic share repurchases. Interval funds are hard-wired to remain in this state and are not exchange-listed unless “converted.”
Tender Offer Funds	Similar fund structure to the interval fund. Tender offer funds differ from interval funds in that they permit the Fund Board flexibility to determine the frequency and tender % or amount. Tender offer funds also can add a term provision or may be exchange-listed once they stop their continuous offering.
CEF / REITs	Hybrid fund structure that allows a CEF to invest in real estate, land and other real assets that are not classified as securities for regulated investment company (RIC) purposes. These hybrid funds are structured as REITs for tax purposes.

Source: XA Investments.

Non-listed CEF Resources

Source	Summary and Link
Closed-End Fund Advisors ("CEFA")	- As a Registered Investment Advisory firm, CEFA's primary business is discretionary asset management. CEFA also provides data analysis, aggregation, and third-party reporting on the closed-end fund and BDC universe. https://www.cefddata.com/
Active Investment Company Alliance ("AICA")	- AICA is a trade association committed to educating and engaging investment professionals and investors about closed-end management companies: listed closed-end funds, business development companies, interval funds and tender offer funds. https://aicalliance.org/
UMB Fund Services	- UMB is a leading registered and alternative investment fund administrator. UMB periodically publishes an interval / tender offer fund market update with good basic information on the product structure and market trends. https://blog.umb.com/institutional-banking-market-outlook-for-interval-and-tender-offer-funds/
Blue Vault Partners	- Blue Vault's mission is to provide the most in-depth and thorough research available on alternative investments, including nontraded REITs, BDCs, interval / tender offer funds, and private offerings to help educate financial advisors and help protect investors. https://bluevaultpartners.com/
Institute for Portfolio Alternatives ("IPA")	- IPA provides national leadership for the Portfolio Diversifying Investments industry. Bringing together the top asset managers, product distribution partners and industry service providers who are dedicated to driving transparency and innovation in the marketplace. https://www.ipa.com/
IntervalFunds.org	- IntervalFunds.org provides independent, authoritative, data-driven insights on interval funds and have developed the platform to increase awareness of and transparency within a rapidly growing investment product. https://intervalfunds.org/
Gapstow Capital Partners	- Gapstow is a registered investment advisor with an exclusive focus on the alternative credit asset class. Gapstow covers trends in the interval / tender offer fund market for credit strategies. https://www.gapstow.com/

A large, stylized 'X' graphic composed of several overlapping geometric shapes. The top-left arm of the 'X' is a dark olive green triangle. The bottom-left arm is a light gray triangle. The right arm is a large, solid green trapezoid. The bottom-right arm is a dark olive green triangle. The text 'XAI Services' is centered within the right arm of the 'X'.

XAI Services

XAI Non-listed CEF Market Research Reports and Custom Data Analysis

Annual fee for interval and tender offer funds <i>Includes: monthly updates, alerts on N-2 filings for competitors, quarterly in-depth research</i>	\$2,500
One-time fee for custom data analysis <i>Per client specifications</i>	\$5,000

Note: Consulting clients receive XAI research for no additional cost throughout the duration of the engagement.

XAI Custom 15(c) Independent Reports for Fund Boards

The SEC’s Division of Examinations recently issued its 2024 examination priorities, and fund advisory fees, including fund boards’ processes for assessing and approving advisory fees, are highlighted as a key focus for the SEC in 2024. Along with our industry-leading closed-end fund research and consulting, XA Investments is now able to provide clients with independent 15(c) reports to support fund board approvals and renewals of investment advisory agreements.

Our reports include detailed advisory fee, performance, and operating expense analysis and comparisons with independently determined peer funds. Our deep knowledge and expertise of the closed-end fund industry, including interval and tender offer funds, ensures that peer groups and the 15(c) analysis are accurate and well-defined.

For more information on custom 15(c) reports for registered closed-end funds, please contact us.

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Two examples of our client updates are shown below:

XAI Monthly Update

January 4, 2024 XA Investments (XAI) Monthly Update on Listed CEF and Interval Fund Market Developments

2023 Year In Review: Credit Funds in the Non-listed CEF Market

Credit Categories	12/31/2022		12/31/2023		% Change AUM
	# of Funds	AUM (\$mm)*	# of Funds	AUM (\$mm)*	
Asset Backed Lending	5	1,641	6	2,631	60.3%
Direct Lending	3	15,970	3	21,325	33.5%
Global Credit	26	17,259	28	19,193	11.2%
Loans / Structured Credit	22	9,919	25	10,049	1.3%
Totals	56	44,789	62	53,197	18.8%

Credit Categories	Launched	Exited Market	In Registration
Asset Backed Lending	1	0	1
Direct Lending	0	0	0
Global Credit	8	6	9
Loans / Structured Credit	5	2	5
Totals	14	8	15

* Figures represent total managed assets using the latest publicly available data as of year-end.

- Due to the growth in the credit category, XAI has established 4 sub-groups within private credit and categorized funds according to strategy
- The private credit segment of the non-listed CEF market includes 62 funds, accounting for 31% of funds and \$53bn in AUM, or 37% of the market
- 14 new credit funds launched in 2023; 15 credit funds are in the SEC registration process now
- Direct lending and asset backed lending sub-groups both had strong AUM growth in 2023

Current Total Managed Assets

Non-listed CEF Market 199 Funds with \$145bn



Overview of Non-listed CEF SEC Registrations

39 Non-listed CEFs Currently in Registration Process



Largest Interval / Tender Offer Funds

Fund	Type	Ticker	Asset Class	Wire Platform	Net Assets (\$M)*	As of
Cliffwater Corporate Lending Fund	Interval	CCLFX	Credit	-	14,900	11/30/2023
Partners Group Private Equity Fund	Tender	N/A	Venture / Private Equity	ML, MS, WF	14,206	9/30/2023
ACAP Strategic Fund	Interval	XCAPX	Equity	ML, MS, UBS, WF	6,793	9/30/2023
Bluerock Total Income + Real Estate Fund	Interval	TIPVX	Real Estate / Real Asset	MS, UBS	5,826	9/30/2023
Apollo Diversified Real Estate Fund	Interval	GRIFX	Real Estate / Real Asset	MS, UBS	4,742	10/2/2023
CION Ares Diversified Credit Fund	Interval	CADUX	Credit	MS, UBS, WF	3,557	11/30/2023
Variant Alternative Income Fund	Interval	NICHX	Specialty / Other	-	2,975	10/31/2023
Versus Capital Real Assets Fund	Interval	VCRRX	Real Estate / Real Asset	-	2,888	10/31/2023
PIMCO Flexible Credit Income Fund	Interval	PFLFX	Credit	ML, MS, UBS, WF	2,747	10/31/2023
AMG Pantheon Fund	Tender	XPEIX	Venture / Private Equity	MS	2,550	10/31/2023

1. Net asset data is sourced from regulatory filings and fund websites and may be delayed due to reporting lags.

Sources: XAI Investments; SEC.gov; CEFData.com; CEFConnect.com; Fund Sponsor Websites

www.xainvestments.com

Interval Fund Filing Alerts

Fidelity Floating Rate Opportunities Fund



Prospectus Summary	
Fund Structure:	Interval Fund
Term:	Perpetual
Suitability Minimum:	No suitability restrictions
Initial N-2 Filing Date:	1/5/2024
1940 Act Registered:	Yes
1933 Act Registered:	Yes
Adviser:	Fidelity Diversifying Solutions LLC
Sub-Adviser(s):	None
Investment Consultant:	None
New Entrant:	No
Predecessor Fund/Seed Capital:	None
Asset Class:	Credit
Objective:	Provide a high level of current income

Strategy:

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in floating rate credit investments. Floating rate credit investments include, without limitation, floating rate loans, notes, bonds or other floating rate debt securities, debt tranches of collateralized loan obligations ("CLOs"), floating rate private credit investments, and money market securities of all types. The Fund may invest in securities of any credit quality, maturity and duration. The Fund may invest in companies whose financial condition is in distress or uncertain and that may be involved in bankruptcy proceedings, reorganizations, or financial restructurings. The Fund may invest in floating rate credit investments directly or indirectly by investing in other funds, including mutual funds, closed-end funds and ETFs, or derivatives that provide investment and economic exposure to floating rate credit investments. The Fund intends to use leverage by borrowing money for investment and cash management purposes. The Fund may engage in derivative transactions such as forward contracts, currency options and interest rate swaps, collars and floors to seek to hedge against fluctuations in the relative values of the Fund's portfolio positions from changes in currency exchange rates and market interest rates. The Fund may also receive or purchase warrants or rights.

Fund of Funds:	No
Invest-up Period:	3-months
Redemptions:	Quarterly 5% – 25%
NAV Frequency:	Daily
Minimum Investment:	No purchase minimum for Fund shares
Management Fee:	X% of Net Assets
Acquired Fund Fees and Expenses:	None
Income Incentive/Performance Fee:	None
Fee Waiver:	Expense Limitation and Reimbursement Agreement on operating expenses
Distributor:	Fidelity Distributors Company LLC
Fund Counsel:	Dechert LLP
Fund Administration:	Fidelity Service Company, Inc.
Custodian:	TBD

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Contact us at info@xainvestments.com or www.xainvestments.com to register.

XA Investments Consulting Services for Asset Managers

Private label product design, structuring advice, and competitive intelligence on the listed CEF and interval tender offer fund market.

Feasibility Study - During a feasibility study, XAI works closely with senior management on the following matters:	
Discussions	Deliverables
• Assessment of the Proposed Investment Strategy • Economic and Profitability Analysis • Competitor Analysis and Insights on Salability • Key Regulatory Matters for the Proposed Fund • Service Provider Insights and Recommendations • Launch Strategy • Timetable • Review of and Input on Marketing Materials	• Interval Fund / Tender Offer Fund Market Overview • Weekly Q&A with XAI Senior Management • Teach-in with Senior Leaders and Team • Profitability / Financial Model Offering Timetable and Gantt Chart • Fee Comparables • Summary Term Sheet

XA Investments is also ready to provide ‘a la carte’ services as listed below:

Interval Fund Competitor Analysis Data Pack	Listed CEF M&A Services
• Advisers / Sub-advisers / Consultants • Distribution Yield / Distribution Frequency • AUM • Management Fees / Performance Fees • Investment Objective / 80% Test • Performance (Total Return Over Different Time Periods) • Leverage (% and Type) • Suitability (QC / Accredited / Non-Accredited) • Share Repurchase Details (Amount / Frequency) • Valuation / NAV Frequency • Net Flows (Sales and Redemptions) • Service Providers • Minimum Investment	• Fund Target Capitalization Table / Ownership Analysis • Understanding Requirements to Serve as an Adviser or Sub-adviser to a Listed CEF • Fee Structure Analysis • Leverage Analysis • Service Provider Introductions Including Legal, Admin, Audit • Strategic Alternatives – Pros / Cons of Options to Consider • Proposals / Agreement Drafting/Revisions • Model

Contact us at info@xainvestments.com or www.xainvestments.com with questions / for more information

1940 Act Fund Governance Considerations: Let XAI Know if You Are Seeking Quality Fund Board Candidates

Role of the 1940 Act Fund Board

- All closed-end funds must be governed by a fund board of directors. The board has a fiduciary duty to represent the interests of the fund's shareholders.
- The fund board's chief role is to provide oversight for the fund and its shareholders—not to be involved in the fund's day-to-day portfolio management.
- With very few exceptions, 1940 Act registered funds have no employees. As such, the fund board relies on various service providers to manage the fund's operations.
- The primary service provider is the fund's investment adviser. Additional key service providers include legal counsel, fund administrator, accountant, chief compliance officer, and the independent auditor.
- As a fiduciary, the fund board should continually assess the performance of the fund's service providers, their respective fee arrangements, and the conflicts of interest that each service provider may have with the fund and its shareholders.

1940 Act and Fund Board Independence

- The 1940 Act prescribes certain requirements for fund board independence. The 1940 Act requires that at least 40% of directors be "independent" and strictly defines independence. In practice, most fund boards have a majority of independent directors.
- For a director to qualify as "independent," they cannot own equity or stock of the investment adviser (or any sub-adviser) or their parent companies, subsidiaries, etc. Additionally, an independent director should not have currently or during the previous two years a significant business relationship with the fund's adviser (including sub-advisers), distributor/underwriter, or their affiliates.
- A director who is not independent is considered an "interested person" under the 1940 Act.

Key Members and Committees on 1940 Act Fund Board

- A fund board typically has four or five total members with three or four considered "independent" and meets quarterly to assess the performance of the fund's activities.
- Fund board members have equal votes when it comes to decision making, however interested persons are excluded from voting on certain matters.
- Certain board members may fill specific roles including the following:
 - Chair of the Board
 - Chair of the Audit Committee
 - Chair of the Nominating & Governance Committee
 - Chair of ad hoc or other committees
- Committees focus on specific subject matters and the most common are:
 - *Audit Committee.* Oversees the accounting and financial review, audit and reporting process, as well as the internal controls over financial reporting.
 - *Nominating & Governance Committee.* Oversees the fund's process and matters related to fund board membership and fund board efficacy, including annual fund board self-evaluation, compensation reviews and recommendations, searches, and nominations of new fund board members.

Best Practices for Fund Board Formation

- *Experience.* The learning curve can be steep for closed-end funds with alternative strategies.
- *Fit Is important.* Group fit is important to helping with critical and complex decision making.
- *Audit Committee Chair.* Identify these candidates early on because it can be difficult to find an audit chair with necessary qualifications, experience and the comfort level to oversee fund audits and the principal financial officer's team.
- *Trustee Counsel.* Speak with the selected fund counsel and ask for recommendations. Trustee counsel and fund counsel must work closely together, so a good working relationship and experience together can be helpful to the fund and drive fee efficiencies.
- *Candidate Availability.* Identify fund board candidates that have time to dedicate to the fund board and that can attend in-person meetings.
- *Geographic Location.* Select candidates in the same time zone to ease scheduling of special and ad hoc meetings-especially for funds that rely on co-investment relief.
- *1940 Act Experience.* Identify candidates with prior board service experience on a 1940 Act fund board or experience serving as an officer of a 1940 Act fund at an asset manager.
- *Prestige Is Not Important.* Because the role of the board for a 1940 Act fund is different from an operating company, there's much less (if any) value in having board members that would be seen as prestigious. Fit and specific experience are more important.

For more information visit the insights section of xainvestments.com or contact us at info@xainvestments.com.

For additional resources visit www.idc.org or www.ici.org.

Source: XA Investments.

How does a private label partnership work?

XAI offers a turnkey, private-label CEF platform where we develop different types of CEFs including interval funds, tender offer funds and listed CEFs. We handle all activities related to the custom design, product development and launch of unique and differentiated CEFs for our clients. This includes all of the required regulatory elements such as the registration filings and the requisite operational set-up to manage a 1940 Act registered fund. We also coordinate the product build timetable, work with legal counsel to oversee production of the fund prospectus, assist with assessment and selection of fund service providers, provide setup and guidance on operational matters including valuation policies, liquidity management and portfolio management functions including leverage, building a custom website for each fund, and product positioning and full marketing services offering to ensure a successful launch. We can handle every single aspect of the interval fund launch process through our experienced team of interval fund industry experts.

What advantages does a private-label partnership offer asset managers?

While our clients hire XAI for a variety of reasons, they all benefit from the advice we provide to de-risk the launch of a new fund. Some of our clients have full product management or product development teams in-house but are bandwidth constrained with multiple high priority initiatives and struggle to make time for a new interval fund launch. Other clients, especially alternative investment managers, have streamlined organizations, and the in-house business development team does not have staff or experience launching interval funds. XAI aligns with our clients for success, and we serve as an extension of our client's investment and product teams. With our rich experience working on many different CEF builds over the years, we are able to transfer interval fund product and market knowledge to our clients during the product development process. XAI works behind the scenes to make sure the project manager at our client is recognized for the project success.

Why is a private-label partnership so valuable when launching interval funds, specifically?

Interval funds are unique in that their N-2 filing or SEC registration does not reflect their practical starting point; reaching \$100 million in AUM is the de facto beginning of an interval fund's life. However, raising \$100 million from \$0 can be incredibly difficult and requires detailed sales and distribution planning or seed capital. XAI assists clients with their go-to-market plan including sales, marketing, and national accounts planning. In addition to the SEC registration process and distribution planning, firms launching a new interval fund must also manage a fund board review and approval process. XAI has experience managing these concurrent workstreams and ensuring that nothing is overlooked.

To read the full interview on launching an interval fund through a private-label provider, visit the XAI website [here](#).

Source: XA Investments.

XA Investments Team



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Co-CEO



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Kevin Carr
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Senior Advisors



David Adler
Economics



Paul Williams
Product Development



William Meyers
CEF Syndication & Product
Management

Note: Years of investment / finance experience

XA Investments CEF Service Offerings

CEF and Interval Fund Strategy Consulting Services Custom product design and structuring assessment and advice. Competitive intelligence on the CEF marketplace and competitor funds. Provide introductions to leading CEF industry service providers.

Private Label CEF and Interval Fund Design, Structuring and Market Delivery Full-service product launch and deal execution services from start to finish including management of the fund development, regulatory and board approval, distribution planning and offering timetable.

Listed CEF Secondary Market Support Development and execution of a comprehensive marketing plan. Design and development of marketing, media, analyst and investor outreach to drive secondary trading volume and price support.

CEF Sub-Administration, Fund Accounting and Fund Board Services Outsourcing of key fund operational, administrative and service provider management. Optional product management services and fund board oversight and reporting services.

Marketing Services Marketing material content creation, design, development to support product sales and client outreach for registered and private funds.

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Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee a fund’s investment objective will be achieved. Closed-end funds (“CEFs”), interval funds and tender offer funds are designed for long-term investors who can accept the special risks associated with such investments. Interval and tender offer CEFs are not intended to be used as trading vehicles. An investment in an interval or tender offer CEF is not suitable for investors who need access to the money they invest. Unlike open-end mutual funds, which generally permit redemptions on a daily basis, interval and tender offer CEF shares may not be redeemable at the time or in the amount an investor desires. An investment in CEFs involves risks, including loss of principal.

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