

XA Investments

Q1 2024 Non-Listed CEF Market Update

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Notes: Non-listed CEFs include all interval and tender offer funds. The non-listed CEF market is subject to lags in reporting and limited data availability. Data such as asset levels, flows, and performance are delayed up to 90 days after quarter-end and are not available for all funds. Consequently, some data in this report is as of 12/31/2023. Other data such as the number of funds and funds in registration is current as of 3/31/2024. Please contact our team if you have any questions about the non-listed CEF marketplace. We would be happy to share information and insights. Please notify us with any errors or changes.

March 31, 2024

Executive Summary

What's New This Quarter?

- Current market trends and commentary
- Growth of infrastructure-focused funds
- Challenges in the industry and areas of the market to monitor

Market Maturation

A growing number of non-listed closed-end funds (CEFs) celebrated their 3-year, 5-year and 10-year anniversaries this quarter. 39% 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 experiencing accelerated growth in fund launches, as demonstrated by the increasing number of new fund filings and the expanding backlog of funds in the SEC registration process.
- **AUM and Net Flows:** While market-wide AUM levels continue to grow, overall net flows have slowed year-over-year.
- **Types of Fund Sponsors:** The market remains skewed towards alternative fund sponsors, although several insurance affiliates, RIAs and institutional consultants have entered the market recently.

Q1 2024 Product Launches

Ten funds launched in the first quarter, including several infrastructure- and secondaries-focused funds.

Shareholder Liquidity

Proration has not been a market-wide issue for non-listed CEFs in 2023, unlike some non-listed REITs, but a handful of non-listed CEFs experienced slowing sales and increased demand for liquidity this year.

Industry Improvement Idea

XAI observes that many non-listed CEFs do not have dedicated fund websites. We encourage fund sponsors to create dedicated fund websites to provide important fund information, such as portfolio holdings and current distribution rates.

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Industry Highlights, News, and Trends

Section Summary

- 4% asset growth quarter-over-quarter led by strong capital raising in Credit and Private Equity in Q1 2024
- The second half of 2023 saw the launch of three infrastructure-focused funds. Building on this momentum, another infrastructure fund was launched in Q1 2024, with two additional funds currently in the SEC registration process as of 3/31/2024
- The market continues to be dominated by the Top 20 funds with 72% market share and 61% of market-wide LTM net flows
- 7 of 10 new funds launched in Q1 2024 were from new market entrants
- Market leadership is in the hands of first movers including Cliffwater, Partners Group, Alkeon and Apollo¹
- Wirehouse platforms continued to expand access to non-listed CEFs by onboarding new funds (MS has the most with 22 non-listed CEFs)
- In Q1 2024, XAI observed the following interesting developments in the market:
 - Interval funds applying for exemptive relief for monthly repurchases
 - Development of a new infrastructure sub-category with 5 funds
 - Increased interest in other structures such as operating companies and retail 3(c)7 products
 - Alts managers continuing to broaden their investor base into the wealth management channel, and traditional managers looking to expand beyond the saturated, fee-constrained ETF and mutual fund markets

1. Apollo achieved its position in the market through its acquisition of the Griffin Institutional Access Real Estate Fund, which was renamed the Apollo Diversified Real Estate Fund.

Non-listed CEF Market Overview

Q1 2024 Observations

	Market Size	\$156bn in total managed assets (\$140bn in net assets) across 220 interval and tender offer funds, which is a net increase of nine¹ funds and \$7bn in total managed assets quarter-over-quarter \$89bn in total interval fund assets across 100 funds \$67bn in total tender offer fund assets across 120 funds
	New SEC Filings	42 non-listed CEFs are 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 61% of net flows in 2023 Credit and Venture / Private Equity continue to attract strong positive net flows, drawing approximately \$12.8bn and \$5.2bn, respectively, in net flows in 2023
	1 st Movers	17 of the top 20 funds (ranked by AUM) were launched prior to 2020 and have 3+ year track records
	New Fund Launches	10 funds launched in Q1 2024
	Time in SEC registration	Funds launched in Q1 2024 spent an average of 172 days in the SEC registration process prior to going effective
	Market Scale	- Each of the top 20 largest funds has over \$2bn in total managed assets 131 funds with over \$100mm in total managed assets (60% of total funds) 35 funds with over \$1bn in total managed assets (16% of total funds)
	Market Entrants	Currently, there are 128 unique sponsors with 38 sponsors having two or more funds 8 new fund sponsors entered market in Q1 2024 1 fund sponsor with an existing fund launched two additional funds in Q1 2024 21 fund sponsors are in the SEC registration process to launch a second fund
	Performance Fees	48 funds (22% of total funds) charge an income incentive fee or performance fee at the fund level 2 of the 10 funds launched in Q1 2024 charge an income incentive fee or performance fee at the fund level

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

Note: All data as of 3/31/2024 or latest publicly available. Quarter-over-quarter represents change from 12/31/2023 to 3/31/2024.

1. Represents adjusted figure. As part of a research initiative XAI conducted in Q1 2024, and in partnership with CEFDData.com, CEFDData.com identified 11 pre-existing tender offer funds that were not included in last quarter's report. These funds have been accounted for in any growth calculations above, both in the number of funds and in asset levels.

KPIs	Interval / Tender Offer Fund Market Key Performance Indicators			
Funds	220 Funds ¹	+10 Funds Entered Market YTD ¹ -1 Funds Exited Market YTD ¹	4.3% Change in YTD ¹ 	220 - 255 Funds XAI YE Forecast
Assets	\$140bn Net Assets ¹	+\$5bn Net Asset Growth YTD ¹	3.9% Change YTD ¹ 	\$145 - \$170bn Net Assets, XAI YE Forecast
Market Share by Fund AUM	5 Largest Funds 37% Market Share	10 Largest Funds 53% Market Share	20 Largest Funds 72% Market Share	30 Largest Funds 83% Market Share
Market Share by Sponsor	 CLIFFWATER \$20.1bn Net Assets 14.4% Market Share	 PARTNERS GROUP \$14.3bn Net Assets 10.3% Market Share	 ALKEON CAPITAL MANAGEMENT \$7.3bn Net Assets 5.2% Market Share	 APOLLO \$5.7bn Net Assets 4.1% Market Share
Wirehouse Availability	 UBS 15 Funds on Platform	Morgan Stanley 22 Funds on Platform	 Merrill Lynch Bank of America Corporation 10 Funds on Platform	 WELLS FARGO 6 Funds on Platform

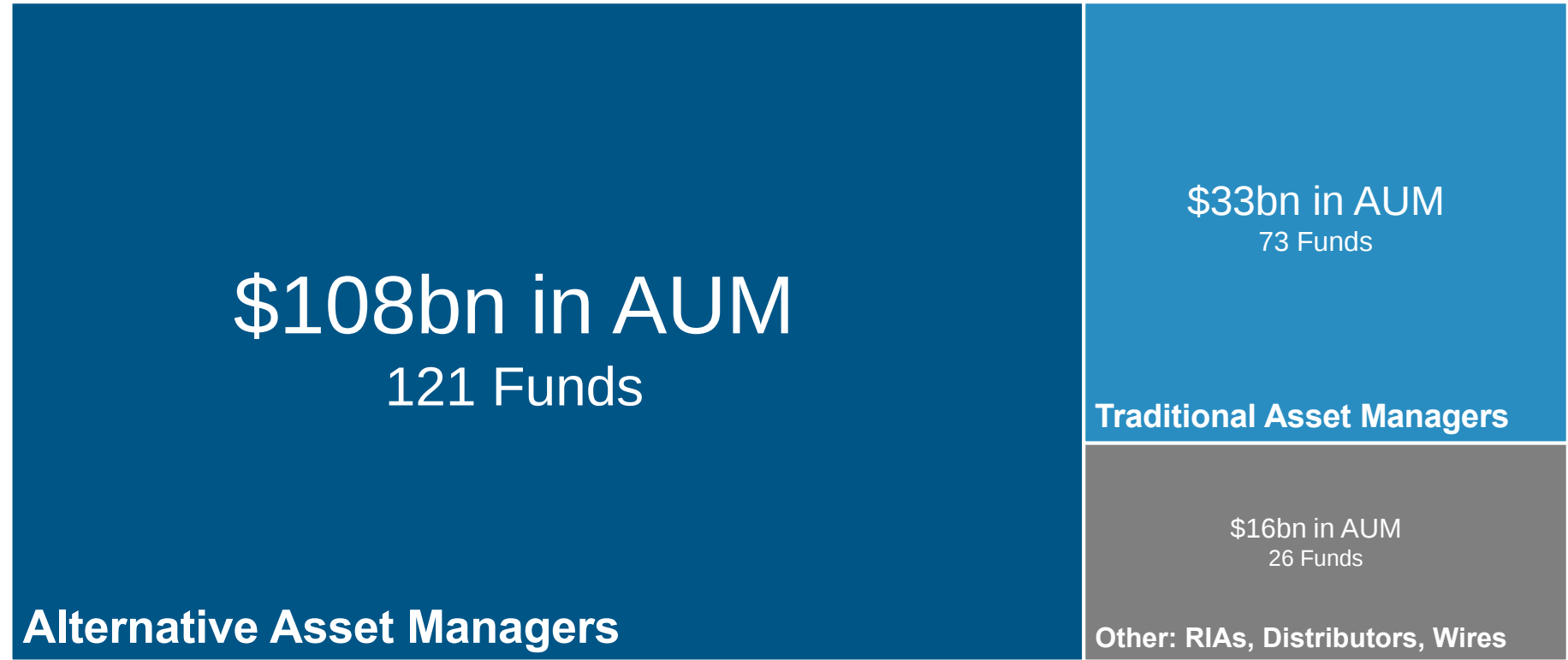
Sources: XA Investments; CEFDData.com. All figures are latest publicly available as of 3/31/2024.

1. Represents adjusted figure. As part of a research initiative conducted in Q1 2024, and in partnership with CEFDData.com, CEFDData.com identified 11 preexisting tender offer funds that were not included in last quarter's report. These funds have been accounted for in any growth calculations above, both in the number of funds and in asset levels.

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	\$107,795	69%	121	55%
Traditional Asset Managers	\$32,501	10%	73	33%
Other: RIAs, Distributors, Wires	\$16,108	21%	26	12%
Totals	\$156,403	100%	220	100%

Sources: XA Investments; CEFData.com; SEC Filings. Data reflects most recent publicly available as of 3/31/2024. AUM represents total managed assets.

Expansion of the Non-listed CEF Market in Q1 2024

The non-listed CEF market continues to grow in both managed assets and number of funds.

Overall Non-Listed CEF Market				Non-Listed CEFs by Asset Type				
	12/31/2023	3/31/2024	% Change	Asset Type	12/31/2023		3/31/2024	
					#	\$mm	#	\$mm
Number of Funds	211	220	4.27%	Credit	68	58,398	70	60,430
Total Managed Assets	149,714	156,403	4.47%	Equity	5	15,544	5	16,454
Total Managed Assets of Top 20 (\$mm)	99,852	100,678	0.83%	ILS	5	2,076	4	1,941
Funds with \$1bn+ AUM (# of funds)	33	35	6.06%	Real Estate / Real Asset	28	24,879	30	26,060
Non-Listed CEFs Available on Wirehouse Platforms				Specialty / Other	56	17,254	59	18,134
	12/31/2023	3/31/2024	% Change	Tax Free Bond	5	1,885	6	2,011
Merrill Lynch	10	10	-	Venture / Private Equity	44	29,679	46	31,373
Morgan Stanley	17	22	29% ¹	Totals	211	149,714	220	156,403
UBS	15	16	7%					
Wells Fargo	6	6	-					
Total Unique Funds	26	28	8%					

10 Non-Listed CEFs Launched in Q1 2024						
Fund Name	Structure	Asset Class	Initial Filing	1933 Act	Effective Date	Months in Registration
MainStay MacKay Municipal Income Opportunities Fund	Interval	Tax-Free Bond	10/6/2023	Yes	3/25/2024	6
Denali Structured Return Strategy Fund	Interval	Specialty / Other	11/28/2023	Yes	3/7/2024	3
Institutional Investment Strategy Fund	Interval	Specialty / Other	5/9/2023	Yes	3/1/2024	10
Octagon XAI CLO Income Fund	Interval	Credit	11/13/2023	Yes	2/16/2024	3
Meketa Infrastructure Fund	Interval	Real Estate / Real Asset	9/1/2023	Yes	1/26/2024	5
Coller Secondaries Private Equity Opportunities Fund	Tender Offer	Venture / Private Equity	5/30/2023	Yes	1/23/2024	8
CAZ Strategic Opportunities Fund	Tender Offer	Specialty / Other	8/9/2023	Yes	1/9/2024	5
Partners Group Growth, LLC	Tender Offer	Venture / Private Equity	2/27/2024	No	N/A ²	N/A ²
AB CarVal Credit Opportunities Fund	Interval	Credit	2/23/2024	No	N/A ²	N/A ²
Partners Group Next Generation Infrastructure, LLC	Tender Offer	Real Estate / Real Asset	2/14/2024	No	N/A ²	N/A ²
					Average	6

Sources: XA Investments; CEFData.com; SEC Filings.
Note: Data reflects most recent publicly available as of 3/31/2024. Unless otherwise stated, assets represents total managed assets.
1. Change reflects the recent addition of one fund this quarter and the reporting of several tender offer funds that were previously onboarded in prior quarters, which had not been captured in prior reports.
2. Funds not filed under the 1933 Act are considered automatically effective.

Historical Interval and Tender Offer Fund Market Overview

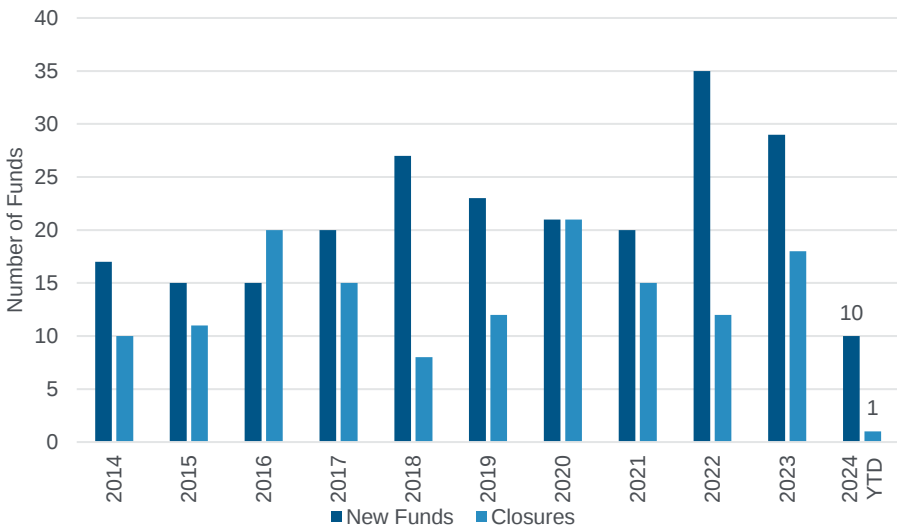
Interval and Tender Offer Funds by Asset Type

Asset Type	#	Total Managed Assets (\$mm) ¹	Net Assets (\$mm)	% of Net Assets
Credit	70	\$60,430	\$52,803	38%
Specialty / Other	59	\$18,134	\$17,393	12%
Venture / Private Equity	46	\$31,373	\$30,345	22%
Real Estate / Real Asset	30	\$26,060	\$24,367	17%
Tax-Free Bond	6	\$2,011	\$1,869	1%
Equity	5	\$16,454	\$10,902	8%
ILS	4	\$1,941	\$1,919	1%
Total	220	\$156,403	\$139,599	100%

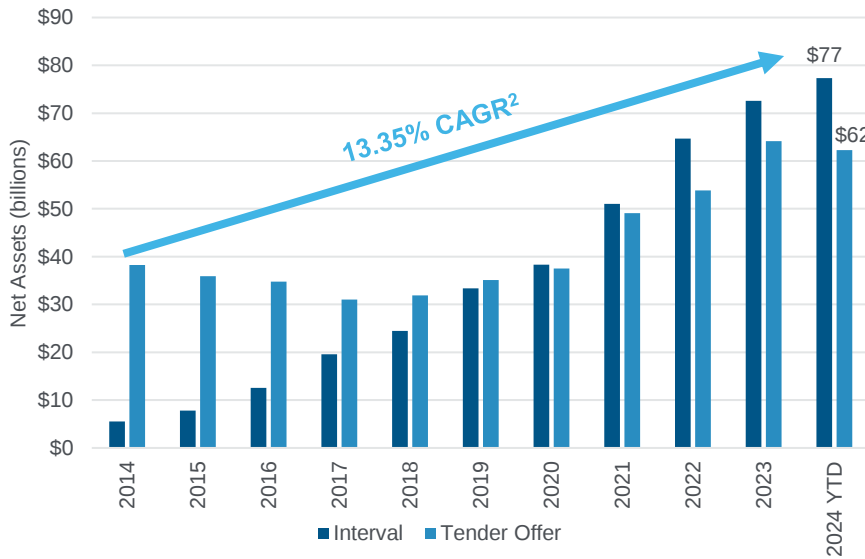
Fund Count by Year



Fund Openings and Closures



Net Asset Growth



Sources: XA Investments; CEFDData.com
Notes: Data as of 3/31/2024 or latest publicly available. Detailed historical interval and tender offer fund data is limited back to 2014. The Pioneer ILS Bridge Fund filed Form N-8F applying to deregister on 3/1/2024.
1. Total managed assets is inclusive of leverage.
2. Represents the compound annual growth rate of net assets for interval and tender offer funds, from Q4 2014 through Q1 2024.

Going “Up” Market: Non-listed CEFs Designed to Meet Ultra High Net Worth Demand

Non-listed CEFs that charge performance fees and may be sold only to qualified clients

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%	\$14,752
3/1/2010	ACAP Strategic Fund	Interval	Equity	Daily	1.50%	Net	20.00%	\$11,502
1/4/2021	Hamilton Lane Private Assets Fund	Tender Offer	Venture / Private Equity	Monthly	1.50%	TMA	12.50%	\$1,620
7/1/2020	Keystone Private Income Fund	Tender Offer	Credit	Monthly	1.50%	Net	15.00%	\$1,303
4/1/2022	Ares Private Markets Fund	Tender Offer	Venture / Private Equity	Monthly	1.40%	TMA	12.50%	\$858
1/19/2021	NB Private Markets Access Fund LLC	Tender Offer	Venture / Private Equity	Monthly	1.50%	Net	10.00%	\$848
8/30/2019	FlowStone Opportunity Fund	Tender Offer	Venture / Private Equity	Quarterly	1.25%	Net	10.00%	\$711
1/3/2022	FS MVP Private Markets Fund	Tender Offer	Specialty / Other	Monthly	1.25%	TMA	10.00%	\$700
10/1/2022	Constitution Capital Access Fund, LLC	Tender Offer	Venture / Private Equity	Monthly	1.50%	Net	10.00%	\$671
3/29/2011	A&Q Multi-Strategy Fund	Tender Offer	Specialty / Other	Monthly	1.50%	Net	20.00%	\$418
11/1/2022	StepStone Private Venture & Growth Fund	Tender Offer	Venture / Private Equity	Monthly	1.50%	Net	15.00%	\$364
1/3/2023	Carlyle Alpinvest Private Markets Fund	Tender Offer	Venture / Private Equity	Monthly	1.25%	Net	10.00%	\$357
9/1/2002	Aetos Long/Short Strategies Fund LLC	Tender Offer	Specialty / Other	Semiannual	0.55%	Net	10.00%	\$269
9/1/2002	Aetos Multi-Strategy Arbitrage Fund LLC	Tender Offer	Specialty / Other	Semiannual	0.55%	Net	10.00%	\$205
7/12/2023	JPMorgan Private Markets Fund	Tender Offer	Venture / Private Equity	Monthly	1.00%	Net	10.00%	\$173
11/2/2020	CPG Cooper Square International Equity, LLC	Tender Offer	Equity	Monthly	1.25%	Net	20.00%	\$85
9/1/2002	Aetos Distressed Investment Strategies Fund LLC	Tender Offer	Specialty / Other	Semiannual	0.55%	Net	10.00%	\$59
8/1/2023	Partners Group Next Generation Infrastructure, LLC	Tender Offer	Real Estate / Real Asset	Monthly	1.25%	Net	15.00%	\$28
12/29/2021	Fairway Private Equity & Venture Capital Opportunities Fund	Tender Offer	Venture / Private Equity	Quarterly	0.75%	Net	10.00%	\$15
9/20/2023	Partners Group Growth, LLC	Tender Offer	Venture / Private Equity	Monthly	1.50%	Net	15.00%	\$14
1/1/2007	Hatteras Core Alternatives TEI Institutional Fund, L.P.	Tender Offer	Specialty / Other	Monthly	1.00%	Net	10.00%	\$9
1/3/2023	First Trust Private Assets Fund	Tender Offer	Venture / Private Equity	Quarterly	0.75%	Net	15.00%	\$9
4/1/2005	Hatteras Core Alternatives TEI Fund, L.P.	Tender Offer	Specialty / Other	Monthly	1.00%	Net	10.00%	\$4
4/1/2005	Hatteras Core Alternatives Institutional Fund, L.P.	Tender Offer	Specialty / Other	Monthly	1.00%	Net	10.00%	\$3
4/1/2005	Hatteras Core Alternatives Fund, L.P.	Tender Offer	Specialty / Other	Monthly	1.00%	Net	10.00%	\$3
TBD ²	Kingsbarn Parallel Income Fund	Interval	Specialty / Other	Daily	1.50%	Net	7.50%	-
Sources: XA Investments; CEFDData.com; SEC Filings. Notes: Data as of 3/31/2024 or latest publicly available. Funds sorted by total managed assets.				Average	1.18%	Net(23/26)	12.21%	\$1,345

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.

Section Overview

- Despite significant strides made in the U.S. towards reducing inflation, it remains a top concern for many investors, sparking interest in infrastructure as not only a hedge against inflation but also an attractive income-producing asset
- Infrastructure funds represent 2.27% of the 220 active outstanding funds and 4.76% of the 42 funds in registration as of 3/31/2024
- There are currently five active interval and tender offer funds with infrastructure-focused investment strategies and an additional two funds in registration
- The seven funds have a mix of suitability requirements, and two of the seven funds charge a performance fee or an income incentive fee
- Several infrastructure funds have substantial cash positions, anticipating a gradual deployment of proceeds as high-quality investment opportunities become available
- The Cantor Fitzgerald Infrastructure Fund is a fund-of-funds, and the CION Grosvenor Infrastructure Fund (currently in registration) plans to utilize a master-feeder structure
- The Brookfield Infrastructure Income Fund Inc. raised initial capital from a predecessor Luxembourg fund, which brought a substantial level of assets (approx. \$1.5bn) to the U.S. tender offer fund upon launch in Q4 2023.



New Sub-category of Real Assets: Infrastructure-focused Funds

Over the past two years, infrastructure-focused funds have emerged as a new sub-category within the real estate asset / real asset class. Presently, there are five active infrastructure-focused funds, with an additional two in the registration process.

Adviser					
Fund Name	Cantor Fitzgerald Infrastructure Fund	Partners Group Next Generation Infrastructure, LLC	StepStone Private Infrastructure Fund	Brookfield Infrastructure Income Fund Inc.	Meketa Infrastructure Fund
Inception Date	6/30/2022	8/1/2023	9/11/2023	11/1/2023	Effective Date: 1/26/2024
Structure	Interval	Tender Offer	Interval	Tender Offer	Interval
Suitability	No suitability restrictions	Qualified Clients	Accredited Investors	No suitability restrictions	No suitability restrictions
Management Fee	1.50% of Net Assets	1.25% of Net Assets	1.60% of Net Assets	1.25% of Net Assets	1.50% of Net Assets
Incentive Fee	No	Yes, Net Profit Fee	No	Yes, Income Incentive Fee	No
NAV Frequency	Daily	Monthly	Daily	Monthly	Daily
Liquidity Frequency	Quarterly: 5 - 25%	Quarterly: 0 - 5%	Quarterly: 5 - 25%	Quarterly: 0 - 5%	Quarterly: 5 - 25%
Total Managed Assets (\$mm)	\$43	\$32	\$60	\$2,106	TBD
Current Allocation	75% Public Infrastructure, 7% Private Infrastructure, 18% Cash & Cash Equivalents	73% Infrastructure Private Equity Secondaries, 27% Cash and Cash Equivalents	62% Cash 38% Infrastructure Funds	71% Private Infrastructure Equity 16% Public Securities 10% Private Infrastructure Debt 2% Short-term Investments	TBD

Infrastructure Funds in Registration

Fund Name	Structure	Sponsor	Initial Filing	Latest Filing	Number of N-2 Filings	Months in Registration	New Entrant?
CION Grosvenor Infrastructure Fund	Interval Fund	CION Grosvenor	11/22/2023	3/21/2024	2	5	No
Aether Infrastructure & Natural Resources Fund	Interval Fund	Aether Investment Partners	2/28/2024	2/28/2024	1	1	Yes

Sources: XA Investments; SEC Filings.
Notes: Data as of 3/31/2024 or latest publicly available.

Case Study: Brookfield Infrastructure Income Fund Inc.

Why featured? Initial capital raised from an affiliated Luxembourg fund; the Luxembourg fund's portfolio of private infrastructure investments was reorganized into the Fund on November 1, 2023.

Summary Terms		Fees and Expenses
Investment Objective	Maximize total returns through growth of capital and current income	• Management Fee: 1.25% on Net Assets • Income Incentive: 12.5% on Fund income • Other Expenses: 0.78% • Acquired Fund Fees and Expenses: No • Expense Limitation and Reimbursement Agreement on fees and operating expenses. The Adviser has agreed to waive its fees and/or reimburse expenses of the Fund so that certain of the Fund's expenses will not exceed 0.70% of the Fund's net assets (annualized)
Strategy	Invest primarily in securities of companies and entities that own infrastructure assets	
Inception Date	11/1/2023	
Adviser	Brookfield Asset Management Private Institutional Capital Adviser (Canada), L.P.	
Sub-adviser	Brookfield Public Securities Group LLC	
Administrator	Brookfield Public Securities Group LLC	
Transfer Agent	SS&C Global Investor & Distribution Solutions, Inc.	
Custodian	J.P. Morgan Chase Bank, N.A.	
Counsel	Paul Hastings LLP	

Luxembourg Predecessor Fund & Conversion

- Fund Name: Brookfield Infrastructure Income Fund SCSp (the "Predecessor Fund")
- Inception Date: 10/4/2022
- The Predecessor Fund was registered with the Luxembourg Registre de commerce et des sociétés under number B272.044
- Simultaneous with the commencement of operations, the Predecessor Fund was reorganized into the Fund
- The Fund maintained investment objectives, investment strategies, policies, guidelines and restrictions that are, in all material respects, equivalent to those of the Predecessor Fund
- As part of the conversion process, the Fund received in-kind capital contributions of net assets valued at \$1,548,637,987 in exchange for 154,863,799 Class I Shares

Source: XA Investments; Company websites and SEC filings.

Fund Sponsors Continue Product Diversification Efforts With Infrastructure Funds

Product diversification allows alternatives managers to further broaden their investor base and traditional managers to expand beyond the ETF and mutual fund markets.

Product Developments

Market leaders expand product offerings, strengthen position



Partners Group Launches New PE and Infrastructure Funds for Qualified Clients

- In Q1 2024, Partners Group filed initial registration statements for Partners Group Next Generation Infrastructure, LLC and Partners Group Growth, LLC.
- [Partners Group Next Generation Infrastructure, LLC](#) was initially seeded with \$28.4mm. The infrastructure-focused tender offer fund has elements of both direct and fund-of-funds investment strategies.
- [Partners Group Growth, LLC](#) was initially seeded with \$14.1mm. The private equity-focused tender offer fund also has elements of both direct and fund-of-funds investment strategies.

CION Enters Joint Venture with GCM Grosvenor to Launch an Infrastructure Fund for Investors Without Suitability Restrictions

- The [CION Grosvenor Infrastructure Fund](#) continues to progress through the SEC registration process. The interval fund will be CION's second partnership in the market (it has an existing joint venture with Ares as part of the CION Ares Diversified Credit Fund).

Traditional asset managers continue acquiring alts expertise



BlackRock agrees to Acquire Global Infrastructure Partners (GIP)

- On January 12, 2024, BlackRock [announced](#) that it plans to acquire GIP, a \$100bn leading global infrastructure manager, for a total consideration of \$3 billion in cash and approximately 12 million shares of BlackRock common stock.
- The acquisition aims to create a dominant infrastructure investment platform with combined assets under management exceeding \$150 billion.
- GIP's management team will be retained as part of the transaction, which is set to close in Q3 2024.

Sources: SEC filings; fund sponsor websites and press releases.

Market Leader Expands Product Offerings Into Private Equity

Cliffwater, the non-listed CEF market leader and direct lending specialist, was recently appointed as the Adviser to the Cascade Private Capital Fund. The Fund was formerly operated as the Barings Private Equity Opportunities and Commitments Fund.

Product Developments

Market leader expands into private equity 	Cliffwater Becomes Adviser of the Cascade Private Capital Fund - On February 26, 2024, the sole shareholder of the Barings Private Equity Opportunities and Commitments Fund approved the appointment of a new board of trustees. - The new board held a special meeting on February 27, 2024, where it approved several changes, including the appointment of Cliffwater as the Fund’s Adviser. - In addition, the Fund’s name was changed to the Cascade Private Capital Fund and the board adopted a fundamental policy to offer semi-annual repurchase offers, which was approved by the sole shareholder. - The Fund, structured as an interval fund, aims for long-term capital appreciation by investing in private equity, debt, and other private market assets across key strategies, including buyouts, venture capital, growth equity, and private debt. - The Fund's management fee is 1.40% of average daily net assets, but Cliffwater has agreed to waive its management fee until June 30, 2025, after which it will charge a reduced fee of 1.00% through June 30, 2026.
Traditional manager expands market presence 	Janus Henderson Expands Presence in Interval Fund Market - Janus Henderson (“Janus”), which currently serves as the sub-adviser to the Forum Real Estate Income Fund, will assume additional responsibility for marketing the Fund. - Janus has an established brand name from its ETF and mutual fund businesses but has otherwise avoided marketing third-party products. - The move is noteworthy because it signifies progress towards Janus’s goal of expanding its alternative product reach, which might one day entail launching a fund of its own (Janus is not currently the Adviser of any interval or tender offer funds).¹

Sources: SEC filings; fund sponsor websites and press releases.
1. Morris, Joe. “Janus Henderson Deepens Ties in Interval Fund Market.” *Ignites*, 15 April 2024.

Legal & Regulatory Insights

In Q1 2024, the SEC addressed several issues pertinent to the non-listed CEF market, including cryptocurrencies, climate-related disclosures, and artificial intelligence.

SEC Approves Bitcoin ETFs Amid Continued Crypto Industry Scrutiny

In January 2024, the SEC approved nearly a dozen Bitcoin ETF applications, marking significant regulatory developments for funds. Despite this, SEC Chair Gensler clarified that this approval does not indicate a broader acceptance of crypto asset funds. Meanwhile, the SEC's Division of Enforcement pursued cases against crypto industry fraud, reaching a settlement with a hedge fund for antifraud violations and charging others with similar offenses.

Natasha Vij Greiner Succeeds William Birdthistle as Director of SEC's Division of Investment Management

On February 28, the SEC announced the departure of William Birdthistle, Director of the Division of Investment Management (IM). Birdthistle's tenure, starting in December 2021, saw significant rule amendments and initiatives, including new money market reform and updates to the "Names Rule." Despite his departure, several significant rule proposals remain unresolved within the Division of IM. Natasha Vij Greiner, former Deputy Director of the SEC's Division of Examinations, succeeded Birdthistle as the new Director of IM effective March 8.

SEC Adopts Rules Requiring Climate-Related Disclosures for Registrants

On March 6, the SEC finalized rules requiring registrants to disclose climate-related information in registration statements and annual shareholder reports. While these rules primarily target operating companies, investment funds will also be affected, necessitating disclosure of climate-related risks impacting fund strategy, operations, and financial condition. Funds must detail steps taken to mitigate such risks and provide financial impacts of these actions. Boards' oversight of climate-related risk assessments must also be disclosed. Financial statements will cover costs, expenditures, losses, and offsets related to climate change and severe weather events. Compliance deadlines will vary based on filer status.

SEC Settles Cases Against Investment Advisers for "AI Washing"

On March 18, the SEC settled cases against two investment advisers for making false claims about their use of artificial intelligence (AI) in investment processes and forecasting models, a practice referred to as "AI washing." Both firms were charged with violating anti-fraud provisions of the Advisers Act by touting AI capabilities without substantiation. This action follows a January Fraud Alert by the SEC highlighting the rise of investment fraud involving AI claims. The SEC will likely continue to scrutinize such claims, emphasizing the need for policies and procedures to support and document AI usage in investment practices.

Sources: XA Investments; SEC publications.

Interval Funds Seek SEC Exemptive Relief for Monthly Repurchases

Fund sponsors have sought exemption from specific rules under Sections 6(c) and 23(c)(3) of the Investment Company Act of 1940 (the “1940 Act”) to allow for monthly repurchase offers.

Nuveen Enhanced Floating Rate Income Fund

Filing Date: November 21, 2023¹

Date of Application for Exemption: December 6, 2023

Exemption Status: Granted

The logo for Nuveen, featuring the word "nuveen" in a bold, lowercase, sans-serif font.

The Nuveen Enhanced Floating Rate Income Fund, which has yet to launch, applied for exemption to allow for monthly repurchase offers on December 6, 2023. After no hearing requests were filed, the SEC granted the exemption on January 17, 2024, finding it in public interest and consistent with investor protection. The exemption became effective immediately, subject to certain conditions contained in the application.

Oaktree Diversified Income Fund Inc.

Inception Date: November 1, 2021

Date of Application for Exemption: December 28, 2023

Exemption Status: Pending



The Oaktree Diversified Income Fund Inc., which launched in November of 2021 and had \$238mm in net assets as of January 31, 2024, also applied for exemption to allow for monthly repurchase offers on December 28, 2023. The SEC has not yet granted the exemption, but, if granted, the fund would be the first active interval fund with the ability to execute monthly repurchases. The Fund would require shareholder approval to change its repurchase policy from quarterly to monthly.

Industry Implications

It remains to be seen whether more frequent repurchases will be widely adopted. The change would move the current 21- to 42-day notification requirement (for quarterly repurchases) to a period of seven to fourteen days prior to the repurchase request deadline. In addition, monthly repurchase offers would deviate from the usual three, six, or 12-month repurchase intervals defined by Rule 23(c)(3) and may pose challenges for fund service providers. Given the varied treatment of non-listed CEFs by platforms and gatekeepers, the industry may be slow to adopt such changes, although shareholder demand for more frequent liquidity might speed adoption.

Source: SEC filings.

1. Represents the filing date of the initial registration statement.

Percolating Problems That Interval Fund Sponsors Are Facing

XAI conducts extensive research and monitors potential problems and issues that may impact the industry.

Problems & Issues Worth Monitoring	
Good Problems	Why?
Excess dry powder in private equity	Potential return drag
Slow invest-ups with infrastructure	Potential return drag
Large and concentrated holdings by early investors in new funds	Proration risk upon exit
Bad Problems	
Marketing interval funds as liquid vehicles	Investor expectation mismatch
Valuation concerns regarding accuracy of NAV (for certain asset classes)	Deters new investment; increased likelihood of proration
Proration over multiple periods	Increases demand for liquidity in future periods
Other Developments	
New fund launches with limited or no track record	Deferred investment slows capital raising efforts

U.S. Interval and Tender Offer Funds: Sales & Marketing Best Practices

Host: XA Investments

Date: April 25, 2024

Location: New York, NY

- XA Investments will bring together industry experts at the NYSE to discuss best practices for interval fund sales and marketing. Panelists will discuss the different sales channels (RIA, MFO, IBD, Wires) and implications for your go-to-market plan and marketing strategy
- Please email Luke Gaskill at lgaskill@xainvestments.com to RSVP



19th Annual East Coast Sub-Advisory Roundtable

Host: Institutional Investor

Date: April 30 - May 1, 2024

Location: Boston, MA

- The Institutional Investor will hold its 19th Annual East Coast Sub-Advisory Roundtable, bringing together industry professionals in market research, asset management, and other financial services
- For more information and to register please click [here](#)



IPA Summit 2024

Host: Institute for Portfolio Alternatives (IPA)

Date: May 1 - 3, 2024

Location: Washington, DC

- The IPASummit will include a Due Diligence Symposium and Capitol Hill Day. The event will gather industry leaders, regulators, and policymakers to discuss key issues and initiatives in the alternative investments industry
- For more information and to register please click [here](#)



WSA Tavern on the Green 2024

Host: Women's Syndicate Association (WSA)

Date: May 2, 2024

Location: New York, NY

- Join the WSA for its Tavern on the Green event. Founded in 1950, the WSA is dedicated to promoting business knowledge, sharing industry information, cultivating valued personal and professional relationships, and providing unique networking opportunities
- For more information and to register please click [here](#)



Global Alternative Product Offerings: Parallel and Feeder Funds into U.S. Registered Funds

Host: XA Investments, Clifford Chance

Date: May 15, 2024

Location: New York, NY

- XA Investments and Clifford Chance will discuss the democratization of private funds and the novel ways asset managers can access non-institutional capital in the U.S. and Europe with registered fund structures including interval and tender offer funds
- Please email Nicole Matousek at nmatousek@xainvestments.com to RSVP



2024 Leadership Summit

Host: Investment Company Institute (ICI)

Date: May 21 - 23, 2024

Location: Washington, DC

- The ICI's 2024 Leadership Summit provides asset management executives with two days of dynamic discussions and networking opportunities. The event will cover market opportunities, regulatory priorities, artificial intelligence, digital marketing trends, and other industry developments such as active ETFs and tokenization
- For more information and to register please click [here](#)



Morningstar Investment Conference 2024

Host: Morningstar

Date: June 26 - 27, 2024

Location: Chicago, IL

- The event will feature insights on navigating financial markets uncertainty, the evolving roles of asset managers and advisors, the impact of artificial intelligence on financial advisory firms, and lessons from history's greatest financial frauds
- For more information and to register please click [here](#)



ADISA 2024 Alts Research & Due Diligence Forum

Host: Alternative & Direct Investment Securities Association (ADISA)

Date: July 23 - 24, 2024

Location: Boston, MA

- The conference will bring together the nation's leading alternative investment professionals to learn about the latest industry trends, marketing recommendations and current regulations
- For more information and to register please click [here](#)



IPA Vision 2024

Host: Institute for Portfolio Alternatives (IPA)

Date: September 23 - 26, 2024

Location: Orlando, FL

- The conference offers to shape the discussion on critical issues and innovative solutions that continue to drive the expansion of the portfolio diversifying investments industry
- For more information and to register please click [here](#)



2024 Closed-End Fund Conference

Host: Investment Company Institute (ICI)

Date: November 12, 2024

Location: New York, NY

- The event is focused on closed-end funds, offering attendees the chance to delve into the latest insights and trends shaping the industry. Participants can expect to gain fresh perspectives on the industry, stay ahead of developments, and earn Continuing Professional Education (CPE) and Continuing Legal Education (CLE) credits
- Registration for this event is not yet open



The background features a large, light gray 'X' shape that spans the width of the slide. To the left of the 'X' are several overlapping triangles in shades of purple and maroon. To the right of the 'X' is a large, solid blue shape that occupies the right half of the slide.

Market Overview

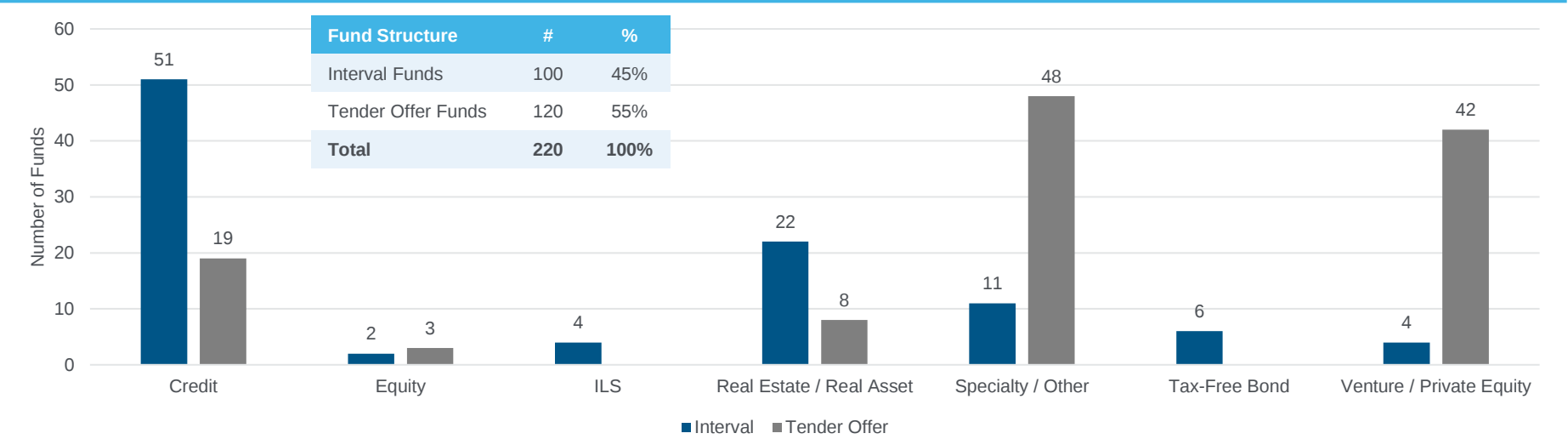
Section Summary

- The interval fund structure continues to be a popular vehicle for capital raising, with 10 funds launched in Q1 2024
- Since 2020, the majority of new funds have launched with Credit or Venture / Private Equity strategies
- The top 20 funds have each scaled beyond \$2bn in total managed assets
- Fund sponsors are adding to their non-listed CEF offerings; 38 fund sponsors now have two or more funds in the market
- Funds with no suitability restrictions continue to lead the market in number of funds and total managed assets
- 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, newer funds, such as AMG Pantheon and Carlyle Tactical Private Credit Fund, are catching up in the wires
- By year-end 2024, XAI expects the non-listed CEF market to grow up to \$170bn in net assets and 255 total funds

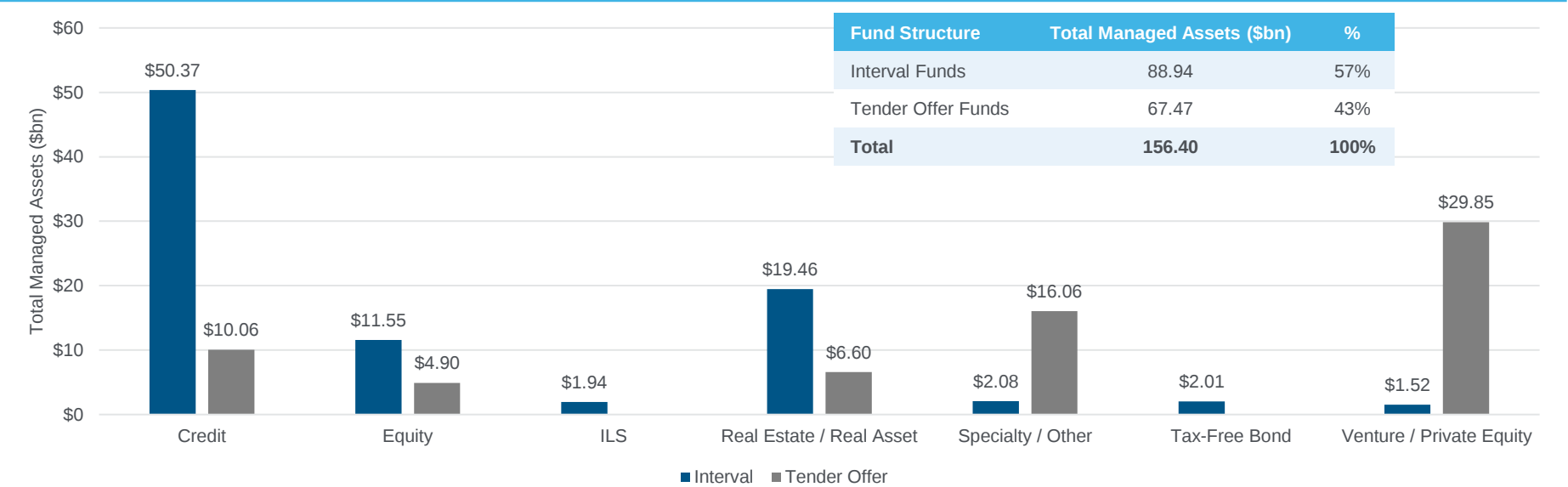


Despite Fewer Funds, Interval Funds Have the Majority of Total Managed Assets

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

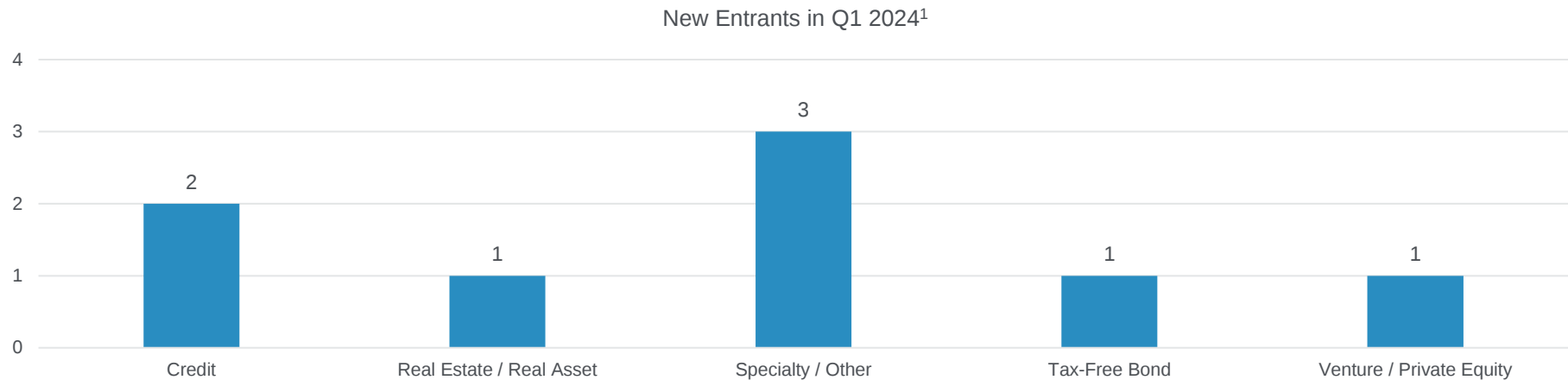


Interval vs Tender Offer Funds Asset Class Breakdown: Total Assets Under Management



Source: XA Investments; CEFDData.com.
Note: Data as of 3/31/2024 or latest publicly available.

New to the Party: New Entrants Accounted for 80% of Funds Launched in Q1 2024



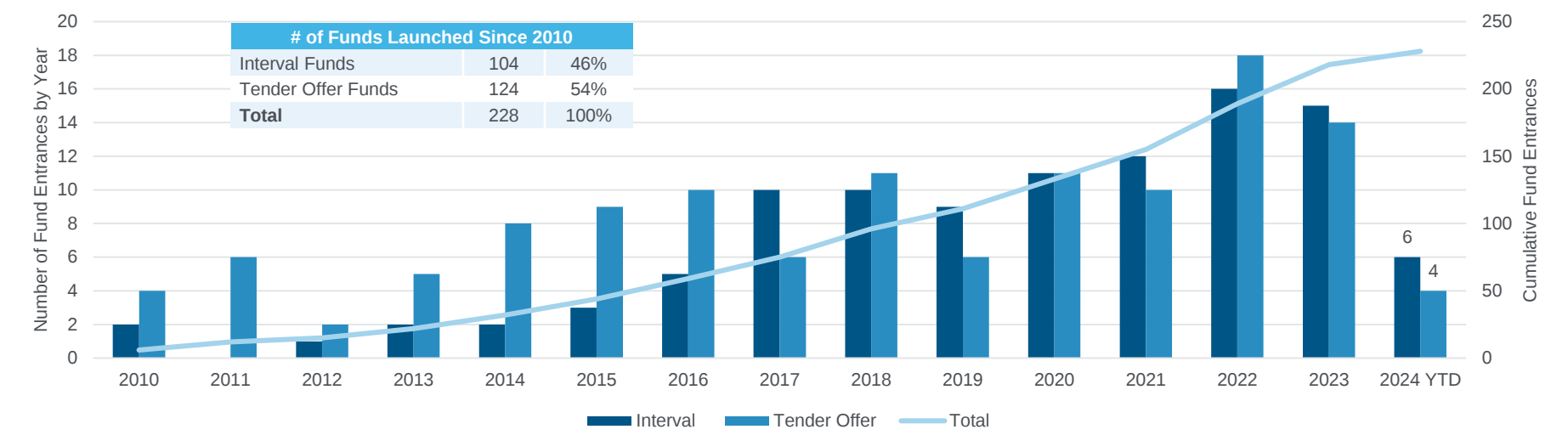
New Entrants in Q1 2024 ¹							
Fund Name	Structure	Asset Class	Sponsor	Initial Filing	1933 Act	Effective Date	Months in Registration
MainStay MacKay Municipal Income Opportunities Fund	Interval	Tax-Free Bond	New York Life	10/6/2023	Yes	3/25/2024	6
Denali Structured Return Strategy Fund	Interval	Specialty / Other	Liquid Strategies	11/28/2023	Yes	3/7/2024	3
Institutional Investment Strategy Fund	Interval	Specialty / Other	Buena Capital Advisers	5/9/2023	Yes	3/1/2024	10
Octagon XAI CLO Income Fund	Interval	Credit	XA Investments	11/13/2023	Yes	2/16/2024	3
Meketa Infrastructure Fund	Interval	Real Estate / Real Asset	Meketa	9/1/2023	Yes	1/26/2024	5
Coller Secondaries Private Equity Opportunities Fund	Tender Offer	Venture / Private Equity	Coller Capital	5/30/2023	Yes	1/23/2024	8
CAZ Strategic Opportunities Fund	Tender Offer	Specialty / Other	CAZ Investments	8/9/2023	Yes	1/9/2024	5
AB CarVal Credit Opportunities Fund	Interval	Credit	AB CarVal	2/23/2024	No	N/A ²	N/A ²
						Average	6

Leaving the Party: One Non-Listed CEF Exited the Market in Q1 2024						
Fund Name	Inception Date	Structure	Asset Class	Sponsor	Last Reported Net Assets	Close Date ³
Pioneer ILS Bridge Fund	N/A ⁴	Interval	ILS	Amundi Asset Management	\$100,000	3/1/2024

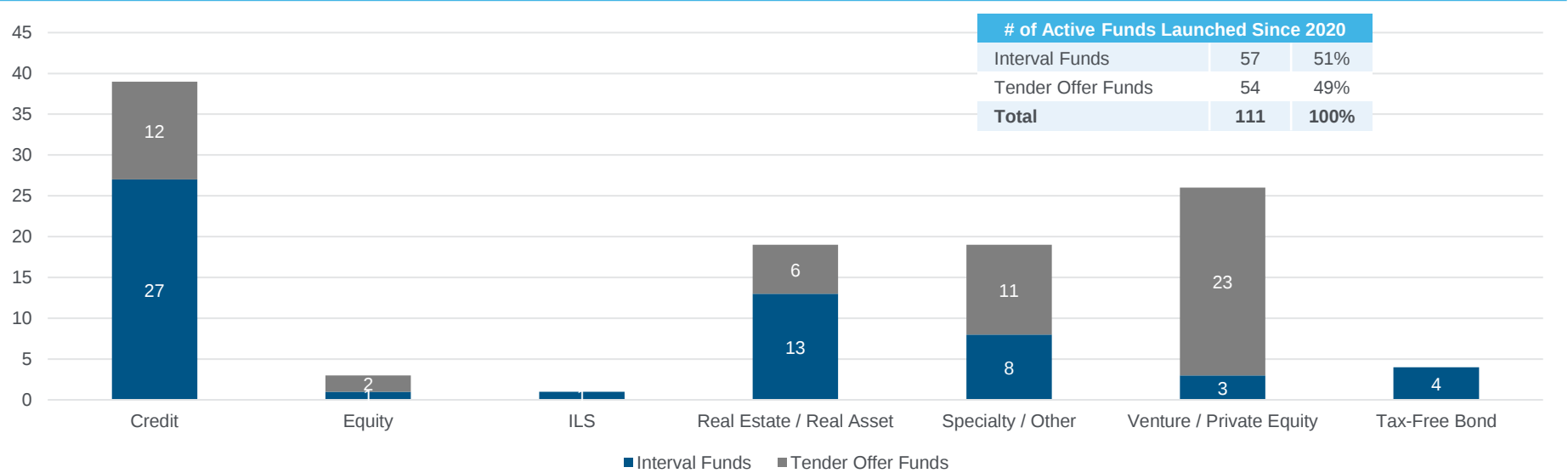
Source: XA Investments; CEFDData.com.
Notes: Data as of 3/31/2024 or latest publicly available.
1. Represent new entrants into the interval tender offer fund market, meaning these sponsors do not have an existing non-listed CEF.
2. Funds not filed under the 1933 Act do not have an effective date and can be considered automatically effective.
3. Close dates are represented by N-8F Notices, N-8F Orders, 497s and other filings with the SEC.
4. The Pioneer ILS Bridge Fund never commenced operations.

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

Interval vs Tender Offer Funds: Market Entrants by Fund Structure (Since 2010)

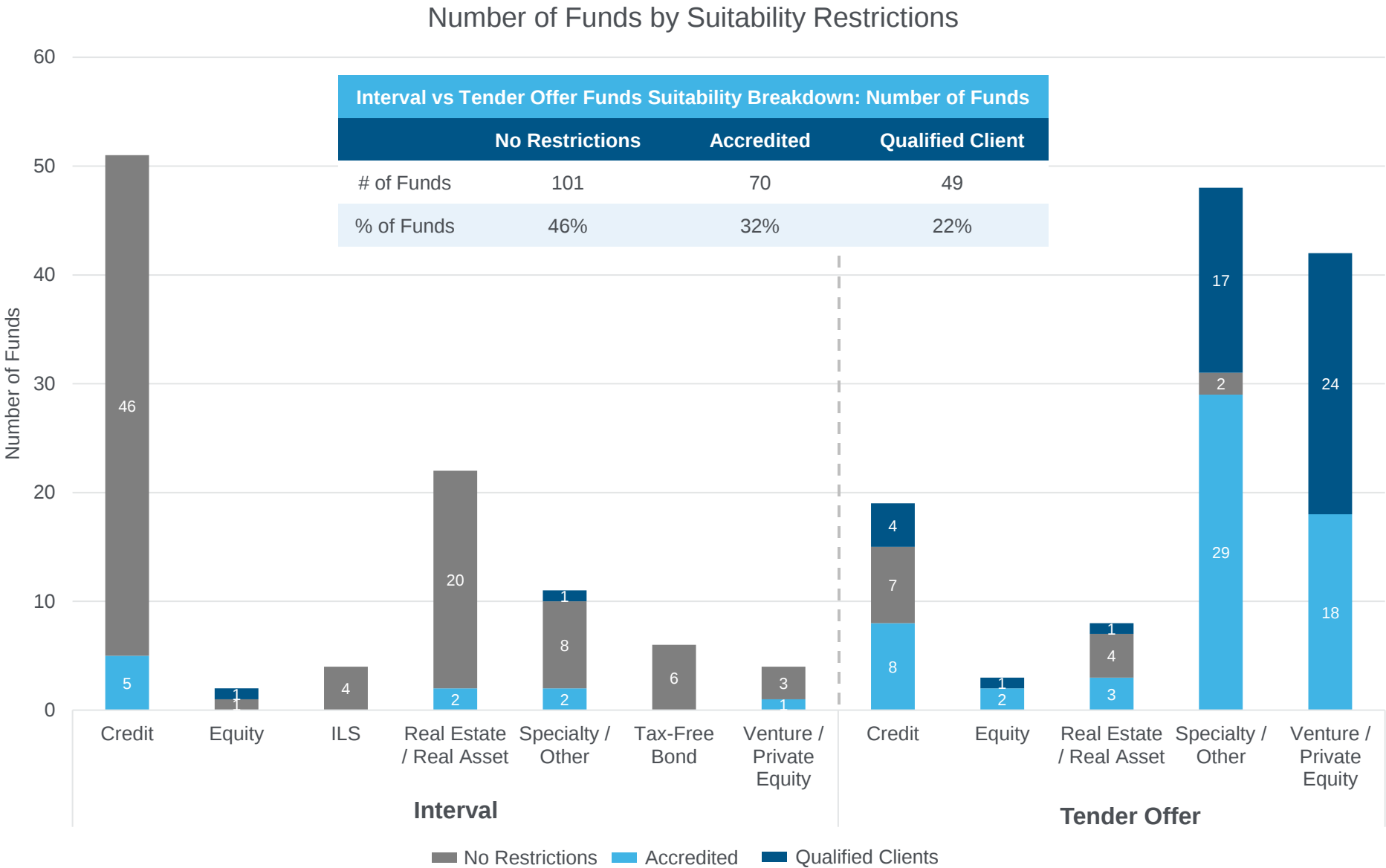


Active Non-listed CEFs¹ Launched Since 2020



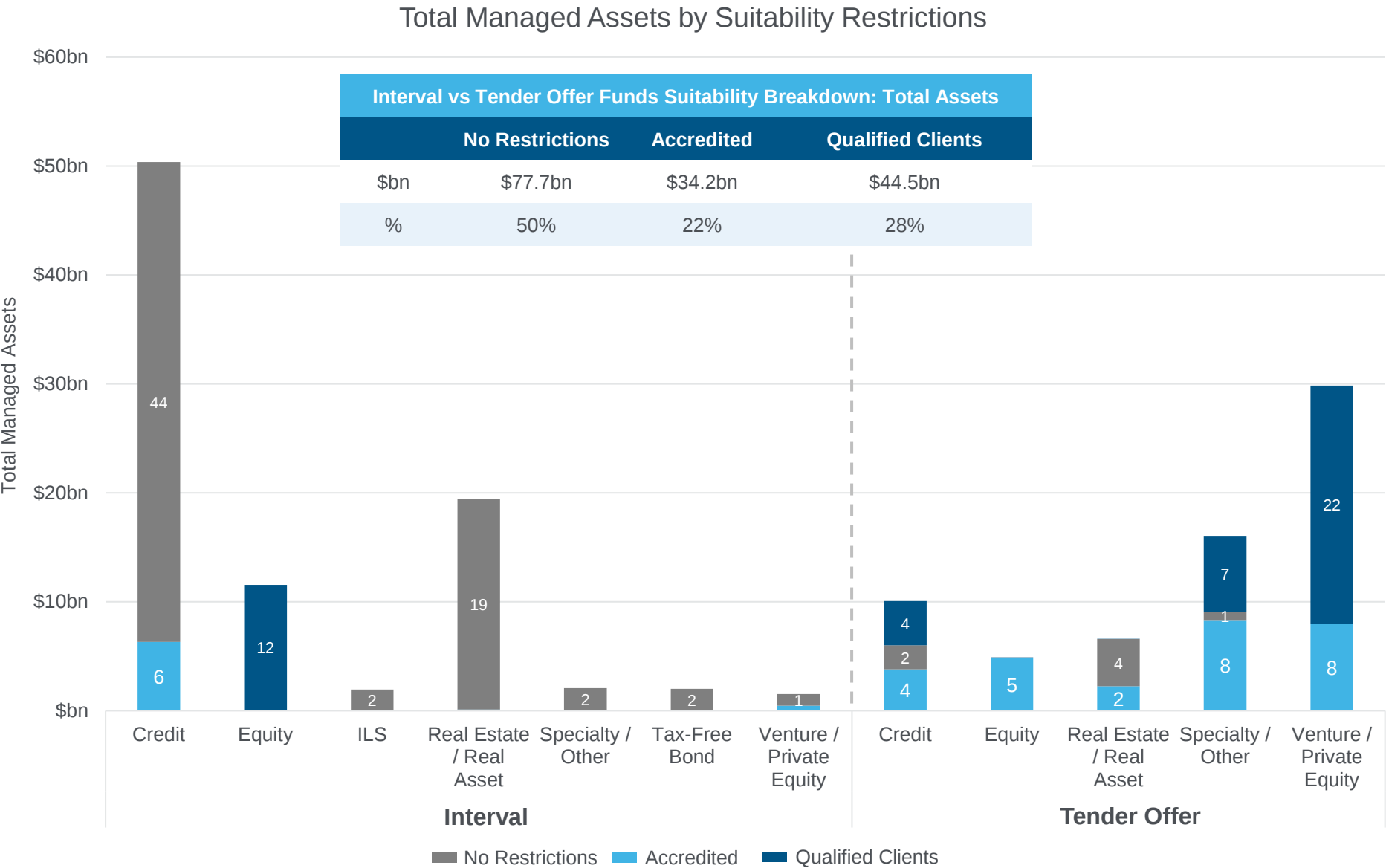
Source: XA Investments; CEFDData.com; Bloomberg.
Notes: Data as of 3/31/2024 or latest publicly available.
1. Active non-listed CEFs refers to interval and tender offer funds that are open and available for new sales in the market and does not account for fund closures.

Funds Without Suitability Restrictions Dominate the Market by Number of Funds



Data as of 3/31/2024 or latest publicly available. Source: XA Investments; CEFDData.com.
Note: No restrictions represents funds that have no suitability restrictions imposed at the fund level.

Funds Without Suitability Restrictions Account for Half of Total Managed Assets in the Market



Data as of 3/31/2024 or latest publicly available. Source: XA Investments; CEFDData.com.
Note: No restrictions represents funds that have no suitability restrictions imposed at the fund level.

Top 20: Market Leading Funds Have at Least \$2bn+ 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	-	—+	17,400*	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, UBS, WF	14,752	14,278*	1.85%
3	3/1/2010	ACAP Strategic Fund	Interval	Equity	SilverBay Capital	N/A	Qualified Clients	ML, MS, UBS, WF	11,502	7,274*	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^	5,420	4,738*	1.70%
5	6/30/2014	Apollo Diversified Real Estate Fund	Interval	Real Estate / Real Asset	Apollo	Aon CenterSquare	No Restrictions	MS, UBS^	5,220	4,901*	1.62%
6	1/1/2011	Ironwood Institutional Multi-Strategy Fund LLC ²	Tender Offer	Specialty / Other	Ironwood	N/A	Qualified Clients	-	4,938	4,858*	1.37%
7	1/26/2017	CION Ares Diversified Credit Fund	Interval	Credit	CION Ares	Ares	No Restrictions	MS, UBS, WF	4,700*	4,026	4.18%
8	2/22/2017	PIMCO Flexible Credit Income Fund	Interval	Credit	PIMCO	N/A	No Restrictions	ML, MS, UBS, WF	4,676*	2,807	2.21%
9	6/4/2018	Carlyle Tactical Private Credit Fund	Interval	Credit	Carlyle	N/A	No Restrictions	MS	3,523*	2,682	6.22%
10	5/4/1999	Advantage Advisers Xanthus Fund, L.L.C.	Tender Offer	Equity	Oppenheimer	Alkeon	Accredited	-	3,363	2,118*	4.08%
11	10/2/2017	Variant Alternative Income Fund	Interval	Credit	Variant	N/A	Accredited	-	3,003*	3,002	1.67%
12	7/1/2021	Cliffwater Enhanced Lending Fund	Interval	Credit	Cliffwater	N/A	Accredited	-	—+	2,900*	1.23%
13	9/18/2017	Versus Capital Real Assets Fund LLC	Interval	Real Estate / Real Asset	Versus Capital	Brookfield; Lazard	No Restrictions	-	2,889	2,859*	1.29%
14	6/1/2016	Stone Ridge Alternative Lending Risk Premium Fund	Interval	Credit	Stone Ridge	N/A	No Restrictions	-	2,810	2,031*	6.75%
15	10/27/2015	AMG Pantheon Fund, LLC	Tender Offer	Venture / Private Equity	Pantheon	N/A	Accredited	MS	2,810	2,634*	0.11%
16	10/1/2018	AIP Alternative Lending Fund A ²	Tender Offer	Credit	Morgan Stanley	N/A	Accredited	-	2,663*	1,897	5.34%
17	11/1/2023	Brookfield Infrastructure Income Fund Inc. ³	Tender Offer	Real Estate / Real Asset	Brookfield	Brookfield	No Restrictions	-	2,256	1,900*	2.18%
18	7/9/2012	Versus Capital Multi-Manager Real Estate Income Fund LLC	Interval	Real Estate / Real Asset	Versus Capital	Principal; Security Capital	No Restrictions	-	2,128	2,021*	1.45%
19	1/11/2019	John Hancock GA Mortgage Trust	Tender Offer	Real Estate / Real Asset	John Hancock / Manulife	N/A	Accredited	-	2,024	1,973*	0.35%
20	10/1/2020	StepStone Private Markets	Tender Offer	Specialty / Other	StepStone	StepStone	Accredited	WF, MS	1,804	1793	2.48%

Sources: XA Investments; CEFDData.com; sponsor websites and prospectuses. Data as of 3/31/2024 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.

+Fund does not publicly report total managed assets at the same frequency as net assets.

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

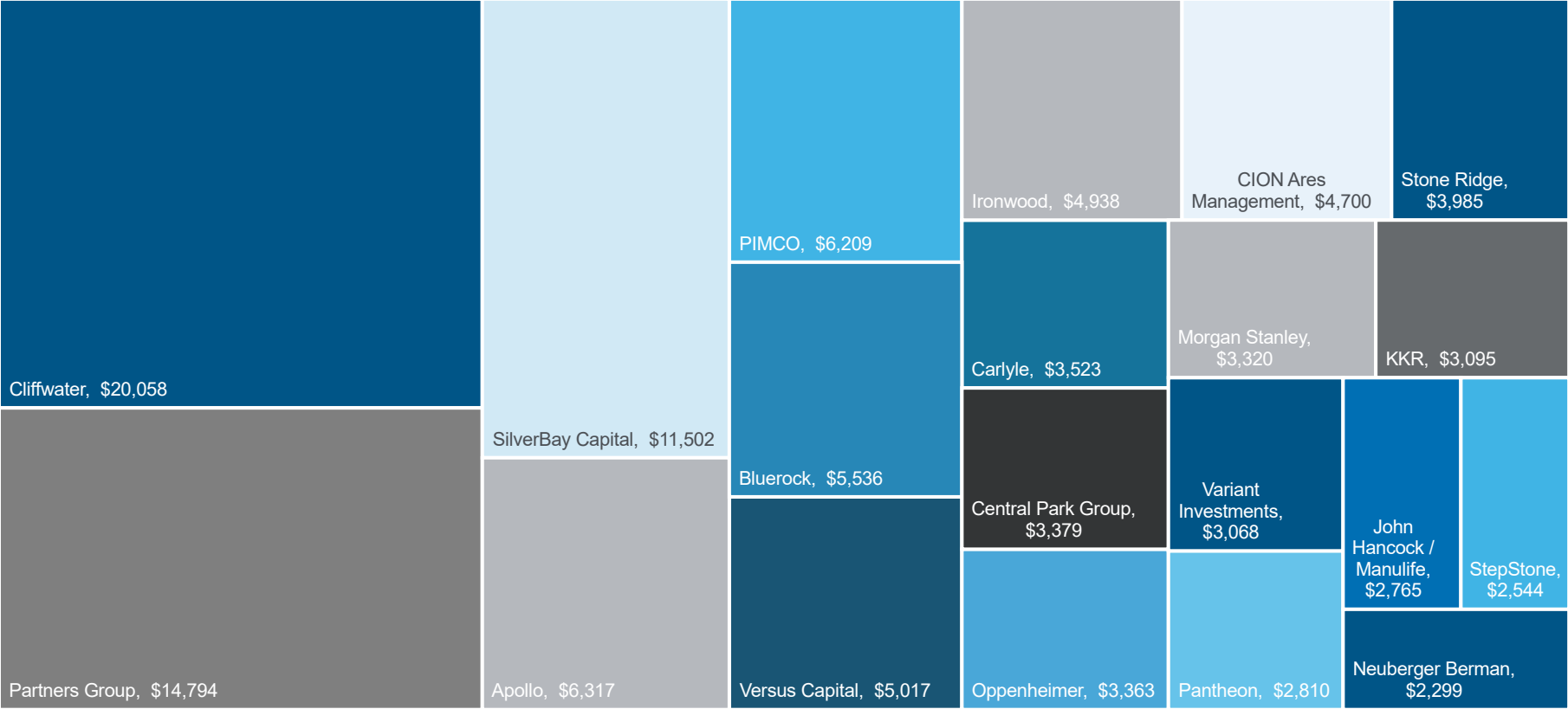
1. Represents the most recently published, lowest net expense ratio across share classes for each fund. May include expense reimbursements and/or fee waivers.

2. The Ironwood Institutional Multi-Strategy Fund LLC and the AIP Alternative Lending Fund A are both master funds

3. Denotes a new addition to the top 20 funds list (compared to 2023 year-end).

Leading Sponsors Double Down: 38 Fund Sponsors Have Two or More Funds

Top 20 Sponsors by Total Managed Assets (\$mm)



	Unique Sponsors ^{1,2}	Total Funds ^{1,2}	Total Managed Assets (\$bn) ²
All Fund Sponsors	128	220	\$156
Fund Sponsors with 2+ Interval or Tender Offer Funds	38	130	\$105
Fund Sponsors with 2 Interval or Tender Offer Funds in the Top 20	2	4	\$25

Source: XA Investments; CEFDData.com.
Notes: Data as of 3/31/2024 or latest publicly available.
1. Master feeder funds are included in calculations
2. 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 Wires¹

#	Fund Name	Inception Date	Fund Structure	Asset Class	Total Assets (\$mm)	Merrill Lynch	Morgan Stanley ²	UBS	Wells Fargo
1	Partners Group Private Equity (Master Fund), LLC ³	7/1/2009	Tender Offer	Venture / Private Equity	14,752	X	X	X	X
2	ACAP Strategic Fund ³	3/1/2010	Interval	Equity	11,502	X	X	X	X
3	Bluerock Total Income (plus) Real Estate Fund	10/22/2012	Interval	Real Estate / Real Asset	5,420		X	*	
4	Apollo Diversified Real Estate Fund ⁴	6/30/2014	Interval	Real Estate / Real Asset	5,220		X	*	
5	CION Ares Diversified Credit Fund ³	1/26/2017	Interval	Credit	4,700		X	X	X
6	PIMCO Flexible Credit Income Fund	2/22/2017	Interval	Credit	4,676	X	X	X	X
7	Carlyle Tactical Private Credit Fund ³	6/4/2018	Interval	Credit	3,523		X		
8	AMG Pantheon Fund, LLC	10/27/2015	Tender Offer	Venture / Private Equity	2,810		X		
9	AIP Alternative Lending Fund P	10/1/2018	Tender Offer	Credit	2,662		X		
10	Ironwood Multi-Strategy Fund LLC	1/1/2011	Tender Offer	Specialty / Other	2,485	X	X		
11	StepStone Private Markets	10/1/2020	Tender Offer	Specialty / Other	1,803		X		X
12	Lord Abbett Credit Opportunities Fund	2/15/2019	Interval	Credit	1,693	X		X	
13	Hamilton Lane Private Assets Fund ³	1/4/2021	Tender Offer	Venture / Private Equity	1,620	X	X		
14	Pomona Investment Fund	5/7/2015	Tender Offer	Venture / Private Equity	1,500		X		
15	PIMCO Flexible Municipal Income Fund	3/15/2019	Interval	Tax Free Bond	1,386	X	X	X	X
16	KKR Real Estate Select Trust Inc. ³	7/2/2020	Tender Offer	Real Estate / Real Asset	1,300		X		
17	KKR Credit Opportunities Portfolio	2/28/2020	Interval	Credit	954	X	X	X	
18	FS Credit Income Fund	11/1/2017	Interval	Credit	762		X	*	
19	FS MVP Private Markets Fund	1/3/2022	Tender Offer	Specialty / Other	700		X		
20	Clarion Partners Real Estate Income Fund Inc.	9/27/2019	Tender Offer	Real Estate / Real Asset	680		X		
21	BlackRock Credit Strategies Fund	2/28/2019	Interval	Credit	524		X	X	
22	Nuveen Enhanced High Yield Municipal Bond Fund	6/30/2021	Interval	Tax Free Bond	503	X		X	
23	Invesco Senior Loan Fund	2/18/2005	Interval	Credit	482			X	
24	1WS Credit Income Fund	3/4/2019	Interval	Credit	310			X	
25	Blackstone Floating Rate Enhanced Income Fund	1/18/2018	Interval	Credit	296		X	X	
26	Voya Credit Income Fund	4/2/2001	Interval	Credit	138			X	
27	NB Private Markets Fund III	10/25/2013	Tender Offer	Venture / Private Equity	64		X		
28	PIMCO California Flexible Municipal Income Fund	6/27/2022	Interval	Tax Free Bond	0	X			

Total	10	22 ⁽²⁾	13 / 3*	6
Credit	3	8	10	2
Real Estate / Real Asset	0	4	2	0
Tax Free Bond	3	1	2	1
Venture / Private Equity	2	5	1	1
Equity	1	1	1	1
Specialty / Other	1	3	0	1

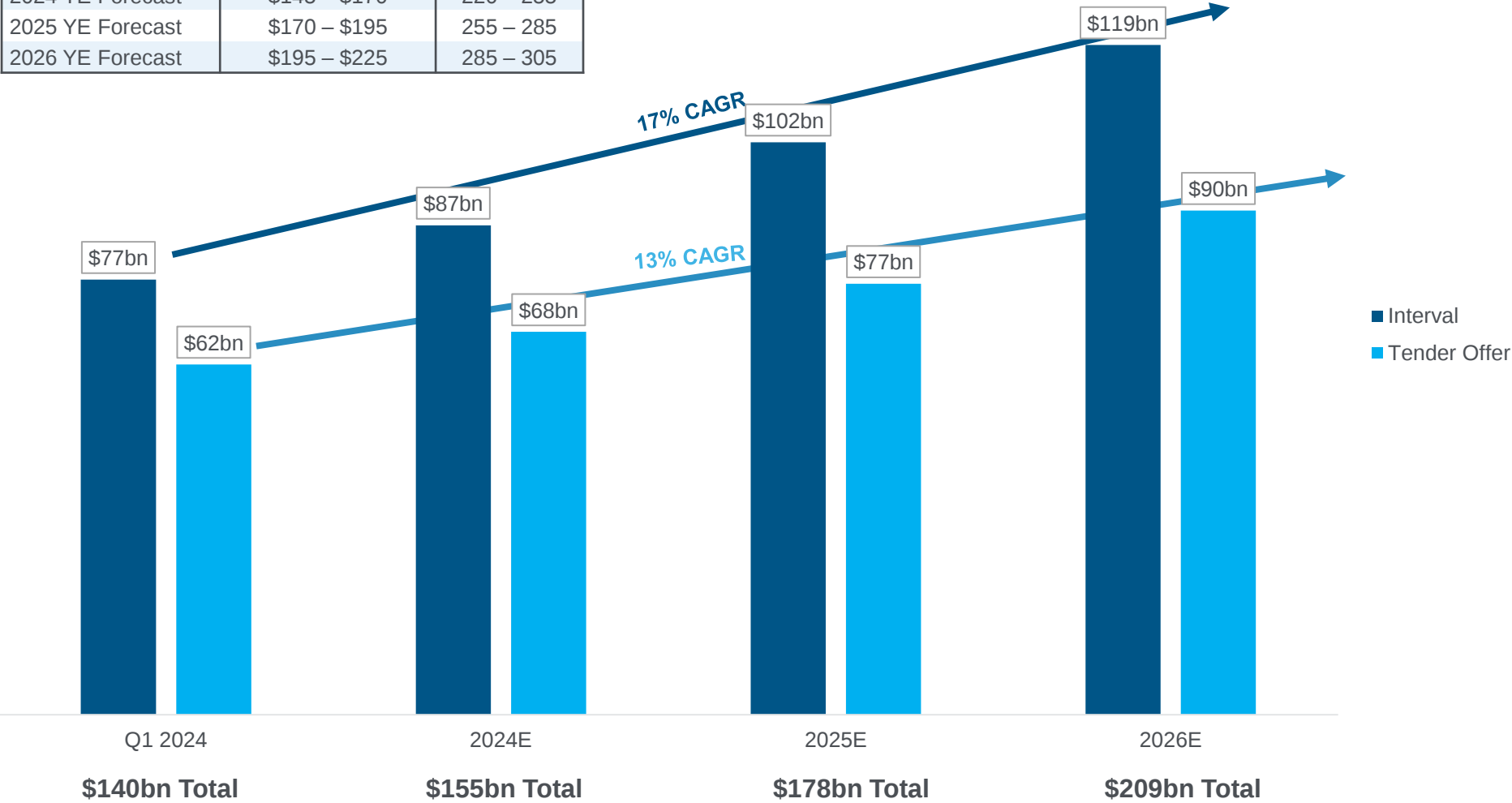
Source: XA Investments. If you learn of platform additions, please let us know, and we will update our matrix. Thank you in advance.

Notes: Data as of 3/31/2024 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. Reflects the addition of one fund this quarter and the reporting of several tender offer funds that were previously onboarded in prior quarters, which had not been captured in prior reports.
3. Fund charges an income incentive or performance fee.
4. Formerly the Griffin Institutional Access Real Estate Fund.

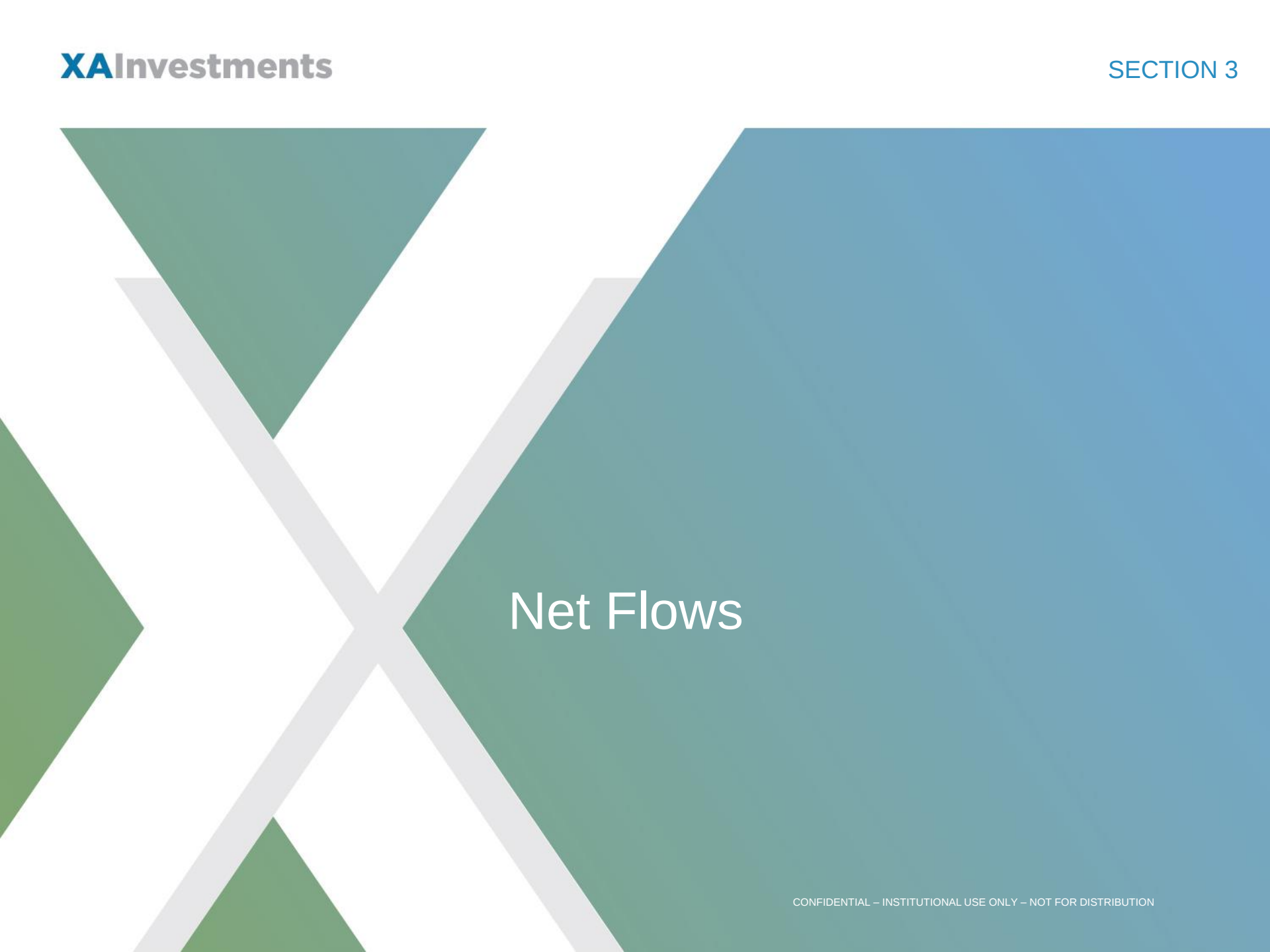
XAI Expects Interval Fund Growth in 2024 and Beyond to Be Led by Private Credit

	Net Assets ¹ (\$bn)	# of Funds
3/31/2024	\$140	220
2024 YE Forecast	\$145 – \$170	220 – 255
2025 YE Forecast	\$170 – \$195	255 – 285
2026 YE Forecast	\$195 – \$225	285 – 305



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. 2024 actual figures are latest publicly available as of 3/31/2024.



Net Flows

Section Summary

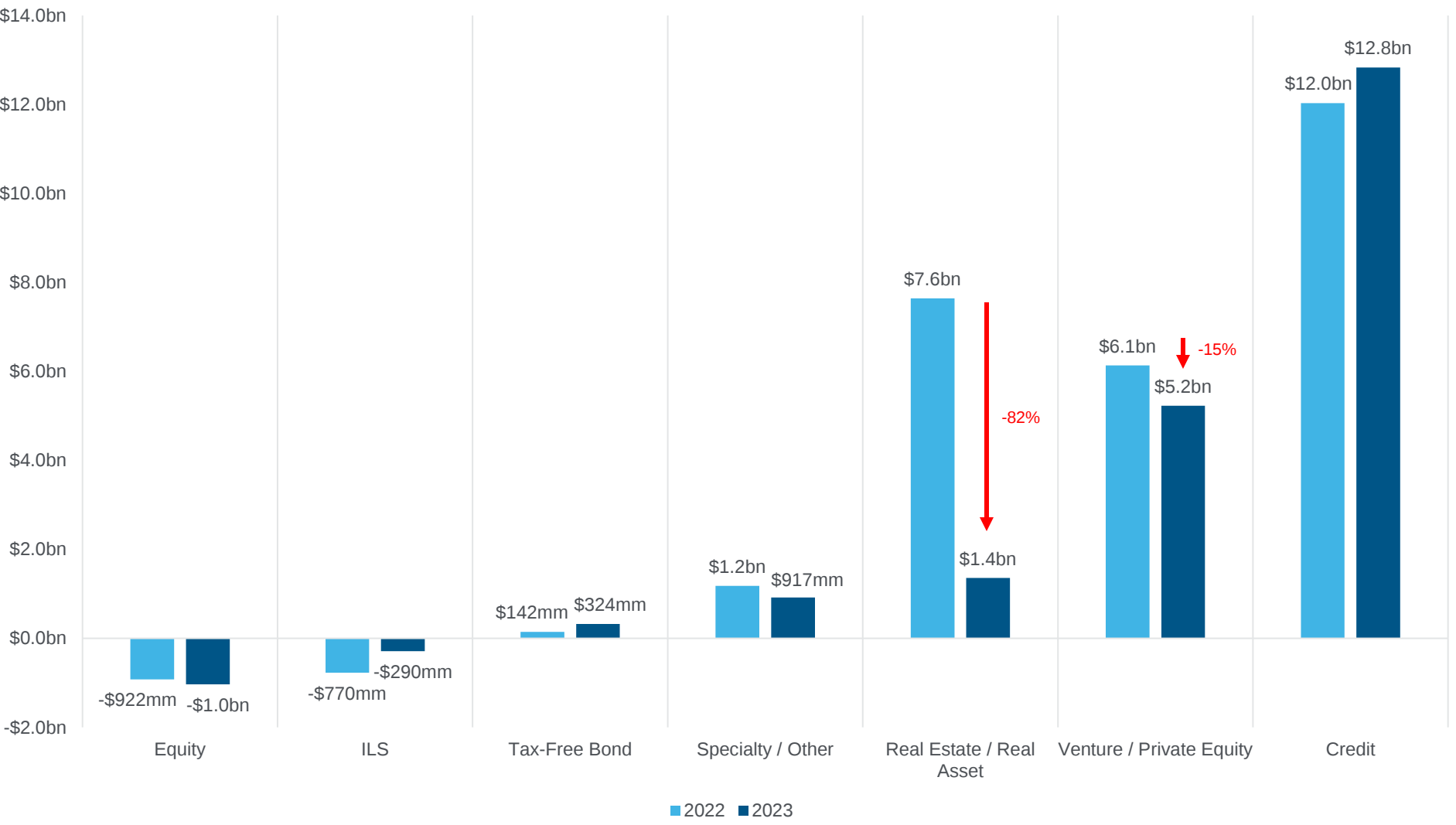
- Credit dominated capital raising in 2023, driven by a strong second half of the year
- Private equity funds also attracted significant capital in 2023, although not as much as in 2022
- Real estate funds saw substantial declines in capital in 2023, with net flows down 82% year-over-year
- New funds launched in 2023 accounted for 15% of total net flows
- Most new funds launched in 2023 have daily NAVs and no suitability restrictions at the fund level, and a meaningful proportion of new funds are offered to accredited investors with monthly NAVs
- 2023 sales successes include Cliffwater, Carlyle, AMG Pantheon, Partners Group, Hamilton Lane, StepStone, First Trust, and Variant
- Thank you to participating interval fund sponsors for submitting net flow data monthly to Cerulli Associates. Cerulli and XAI are working to expand the group of reporting firms. Contact XAI for more information in you wish to start self-reporting net flows



Declines in Real Estate and Private Equity Net Flows Dragged Down 2023 Total Net Flows

The interval and tender offer fund market brought in \$19.3bn in total net flows in 2023, as compared to \$25.4bn in 2022.

Year-Over-Year Comparison of Net Flows by Asset Class

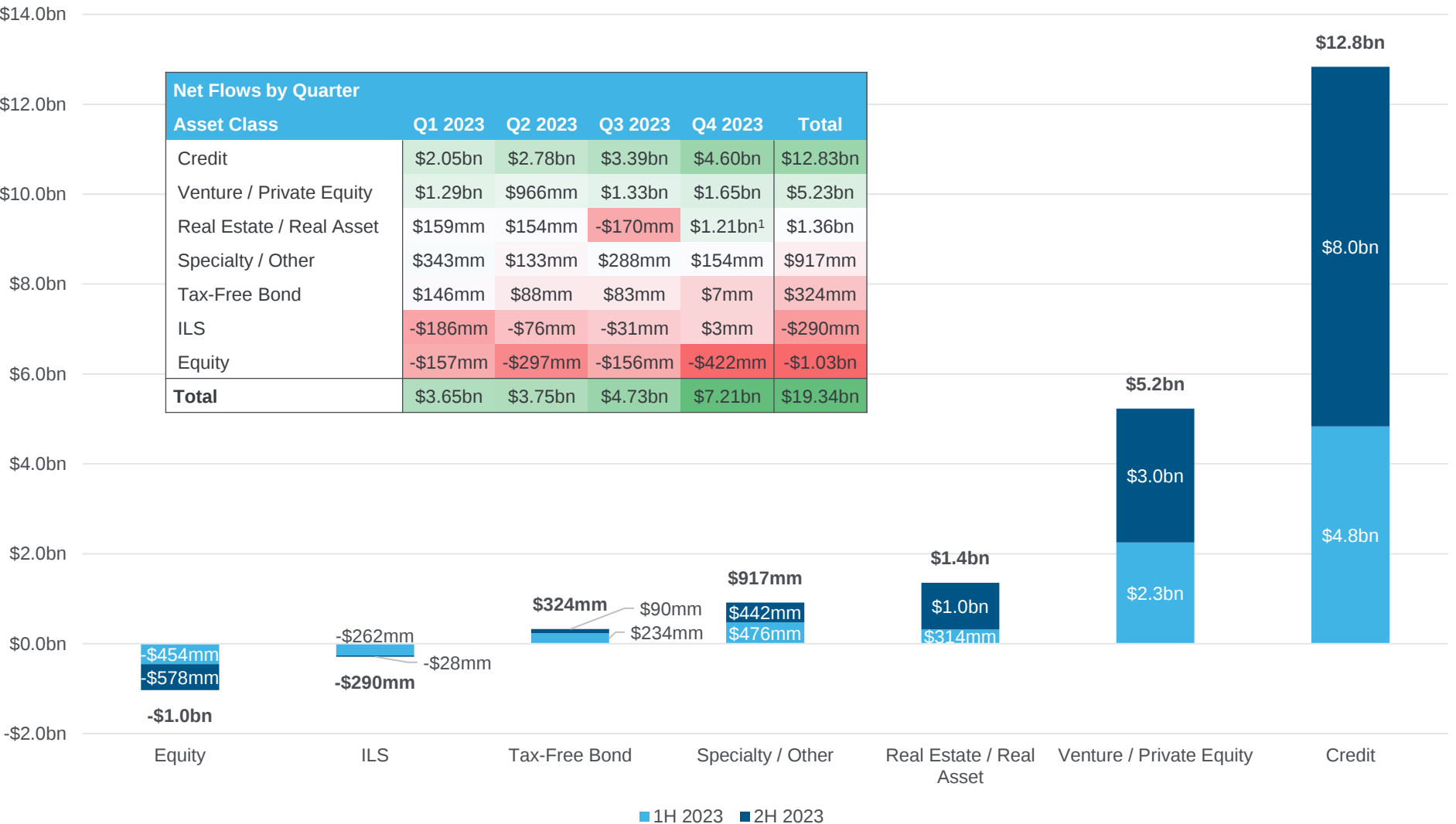


Sources: CEFData.com; XA Investments. Flow data sourced from SEC NPORT filings.

Strong Net Flows in Second Half of 2023 Led by Credit

Despite slower capital raising in 1H 2023, Credit, Private Equity, and Real Estate brought in increased total net flows during 2H 2023.

2023 Total Net Flows by Asset Class

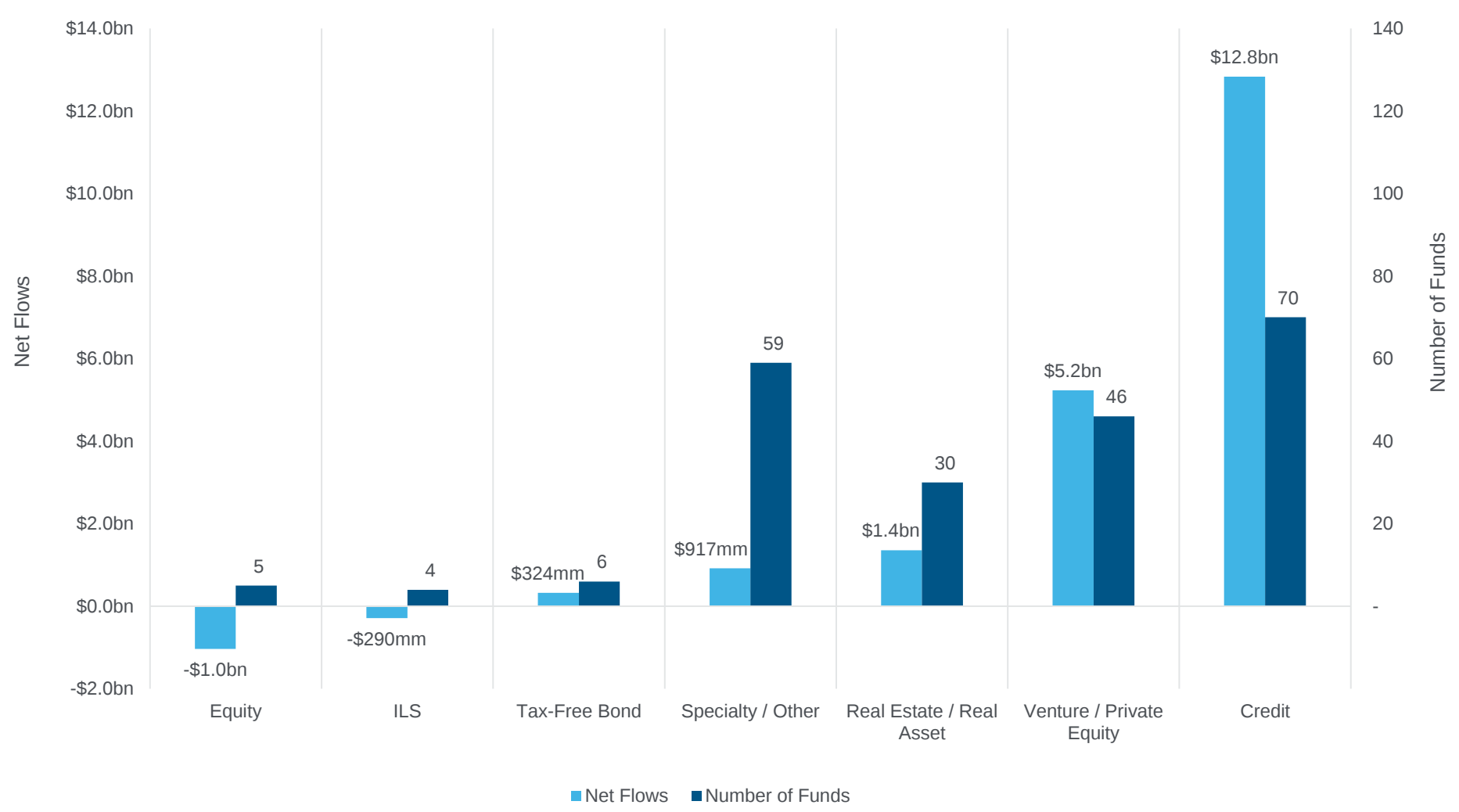


Sources: CEFData.com; XA Investments. Flow data sourced from SEC NPORT filings.
1. Includes Brookfield Infrastructure Income Fund Inc. net flows of \$1.58bn.

Well Established Fund Categories Such as Credit and PE Lead in Net Flows and Total Number of Funds

Other categories such as Equity, ILS, and Tax-Free Bonds faced challenges in 2023.

2023 Net Flows by Asset Class



Sources: CEFData.com; XA Investments. Flow data sourced from SEC NPORT filings.

Net Flows of Non-listed CEFs That Launched in 2023¹

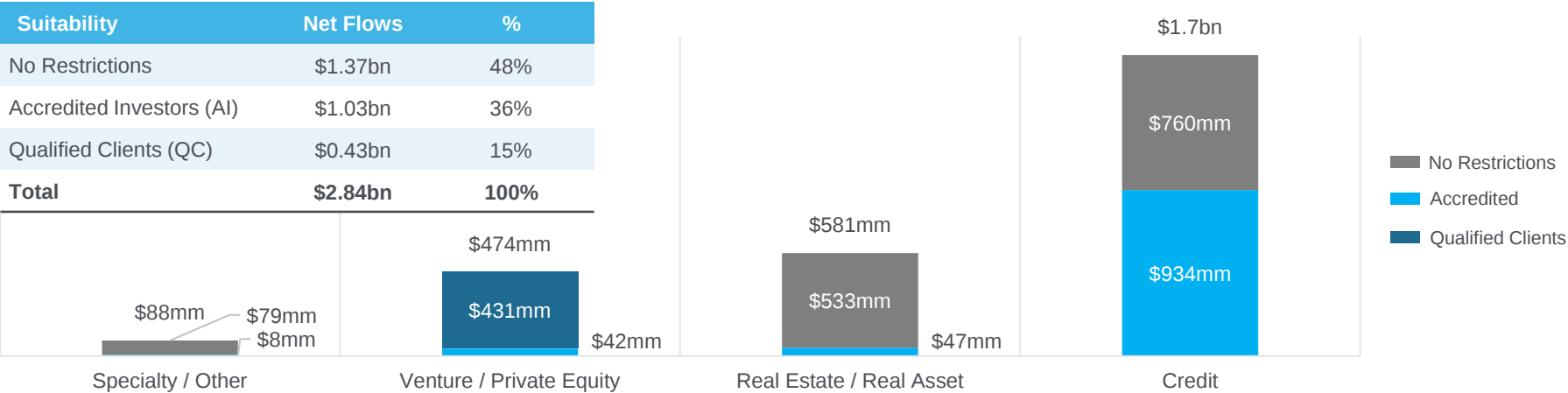
Inception Date	Fund Name	Fund Structure	Asset Class	Sponsor	Sub-Advisers	Total Managed Assets (\$mm)	2023 Net Flows
11/1/2023	Brookfield Infrastructure Income Fund Inc.	Tender Offer	Real Estate / Real Asset	Brookfield	Brookfield	2,256 ⁽²⁾	1,579,085,407
5/3/2023	KKR Asset-Based Income Fund	Tender Offer	Credit	KKR	N/A	437	425,000,000
4/24/2023	Pender Real Estate Credit Fund	Interval	Real Estate / Real Asset	Pender	N/A	357	335,521,565
12/1/2023*	Jackson Credit Opportunities Fund	Interval	Credit	Jackson National	Neuberger Berman	343	298,310,000
1/3/2023	Carlyle Alpinvest Private Markets Fund	Tender Offer	Venture / Private Equity	Alpinvest	Carlyle	357	276,551,926
10/12/2023	KKR US Direct Lending Fund-U Inc.	Tender Offer	Credit	KKR	N/A	404	261,603,281
6/23/2023	Redwood Real Estate Income Fund	Interval	Real Estate / Real Asset	Redwood	N/A	199	197,899,846
1/3/2023	Flat Rock Enhanced Income Fund	Interval	Credit	Flat Rock Global	N/A	188	170,397,070
7/12/2023	JPMorgan Private Markets Fund	Tender Offer	Venture / Private Equity	J.P. Morgan	N/A	173	140,066,000
2/13/2023	Nomura Alternative Income Fund	Interval	Credit	Nomura	N/A	108	107,548,187
3/14/2023	SKK Access Income Fund	Tender Offer	Credit	Shepherd Kaplan Krochuk	N/A	86	80,292,184
3/28/2023	Stone Ridge Art Risk Premium Fund	Interval	Specialty / Other	Stone Ridge	N/A	95	79,317,032
6/8/2023	Calamos Aksia Alternative Credit & Income Fund	Interval	Credit	Calamos	Aksia	97	75,864,384
12/11/2023	PGIM Credit Income Fund	Interval	Credit	Prudential	N/A	90	70,360,003
10/16/2023	Manulife Private Credit Plus Fund	Tender Offer	Credit	John Hancock / Manulife	Manulife	61	60,000,000
9/29/2023	Eaton Vance Floating-Rate Opportunities Fund	Interval	Credit	Eaton Vance	N/A	54	50,169,386
9/11/2023	StepStone Private Infrastructure Fund	Interval	Real Estate / Real Asset	StepStone	StepStone	79	47,136,483
5/19/2023	Fidelity Multi-Strategy Credit Fund	Interval	Credit	Fidelity	N/A	29	27,868,795
8/28/2023	Polen Credit Opportunities Fund	Interval	Credit	Polen Capital Credit, LLC	N/A	28	26,959,560
10/17/2023*	SEI Alternative Income Fund	Interval	Credit	SEI Investments	N/A	25	24,899,900
4/14/2023	CPG Vintage Access Fund VI, LLC	Tender Offer	Venture / Private Equity	Central Park Group	N/A	58	22,397,327
7/31/2023	Hartford Schrodgers Private Opportunities Fund	Tender Offer	Venture / Private Equity	Hartford Funds	Schroder	21	20,000,000
1/3/2023	First Trust Private Assets Fund	Tender Offer	Venture / Private Equity	First Trust	N/A	9	14,873,952
1/26/2023	Lord Abbett Floating Rate High Income Fund	Interval	Credit	Lord Abbett	N/A	15	11,130,262
7/1/2023	First Trust Hedged Strategies Fund	Interval	Specialty / Other	First Trust	N/A	40	7,795,434
4/3/2023	Oxford Park Income Fund, Inc.	Tender Offer	Credit	Oxford Park	N/A	6	4,434,613
7/1/2023	Felicitas Private Markets Fund	Tender Offer	Specialty / Other	Skypoint Capital Advisors, LLC	Felicitas	111	504,628

Sources: CEFData.com; XA Investments. Flow data sourced from SEC NPORT filings.
Note: Data as of 3/31/2024 or latest publicly available.
* Represents date of effectiveness.
1. Funds ranked highest to lowest by net flows from 2023. 13 funds that launched in 2023 were excluded because they have not yet filed form NPORT, which contains the flows data used for the analysis.
2. See page 14 for more information.

New Funds Launched in 2023 Accounted for 15% of Total Net Flows^{1,2}

Funds without suitability restrictions and with daily NAVs attracted the greatest proportion of total net flows, but monthly NAV and accredited investor products also attracted a meaningful share of total 2023 net flows.

Net Flows by Investor Suitability



Net Flows by NAV Frequency



Sources: CEFData.com; XA Investments. Flow data sourced from SEC NPORT filings.

1. 13 funds that launched in 2023 were excluded because they have not yet filed form NPORT, which contains the flows data used for the analysis. Brookfield Infrastructure Income Fund Inc. was excluded as an outlier. Had the Brookfield fund been included, new funds launched in 2023 would have accounted for 23% of 2023 total net flows. The Brookfield Infrastructure Income Fund Inc. had net flows of \$1,579mm in 2023.

2. See list of funds launched in 2023 on page 38.

Real Estate Total Net Flows Down 82% Year-Over-Year

In 2023, nearly 75% of real estate funds experienced decreased net flows compared to the previous year. Even market leaders such as Bluerock, Apollo, and Versus were impacted by significant redemptions. However, new funds entering the market, particularly those focusing on infrastructure strategies, emerged with positive net flows.

Top 20 Real Estate Interval and Tender Offer Funds With Lowest Net Flows in 2023

Rank ¹	Inception Date	Fund Name	Structure	Net Flows FY 2022 (\$)	Net Flows FY 2023 (\$)	Trend
1	10/22/2012	Bluerock Total Income (plus) Real Estate Fund	Interval	3,100,862,467	-468,116,839	↓
2	6/30/2014	Apollo Diversified Real Estate Fund	Interval	1,123,901,269	-415,862,796	↓
3	7/9/2012	Versus Capital Multi-Manager Real Estate Income Fund LLC	Interval	84,290,195	-311,962,032	↓
4	7/2/2020	KKR Real Estate Select Trust Inc.	Tender Offer	990,965,959	-97,943,365	↓
5	5/15/2020	Goldman Sachs Real Estate Diversified Income Fund	Interval	159,893,968	-51,728,293	↓
6	9/27/2017	USQ Core Real Estate Fund	Interval	86,426,435	-19,762,928	↓
7	6/25/2019	Principal Real Asset Fund	Interval	-5,006,759	-18,130,200	↓
8	7/1/2016	Predex	Interval	-17,885,633	-9,970,965	↑
9	12/16/2013	Equalize Community Development Fund	Interval	-3,365,358	-8,267,910	↓
10	4/29/2022	First Trust Real Assets Fund	Interval	22,852,379	1,238,125	↓
11	4/1/2021	Accordant ODCE Index Fund	Interval	9,517,319	1,761,165	↓
12	4/1/2021	Aspiriant Risk-Managed Real Assets Fund	Tender Offer	-689,988	5,895,365	↑
13	7/1/2016	Nexpoint Real Estate Strategies Fund	Interval	17,607,853	6,580,401	↓
14	9/29/2021	Thirdline Real Estate Income Fund	Interval	41,625,229	9,219,537	↓
15	9/18/2017	Versus Capital Real Assets Fund LLC	Interval	500,803,869	21,132,540	↓
16	4/22/2022	CrowdStreet REIT I, Inc.	Tender Offer	107,621,000	29,903,730	↓
17	6/30/2022	Cantor Fitzgerald Sustainable Infrastructure Fund	Interval	7,014,210	33,600,314	↑
18	4/16/2021	Forum Real Estate Income Fund	Interval	1,933,553	35,919,456	↑
19	11/17/2022	PIMCO Flexible Real Estate Income Fund	Interval	30,531,500	45,895,881	↑
20	9/11/2023	StepStone Private Infrastructure Fund	Interval	-	47,136,483	↑
Total				6,258,899,467	-1,163,462,331	↓

Sources: CEFData.com; XA Investments. Flow data sourced from SEC NPORT filings.

1. Funds ranked in ascending order by net flows from 2023.

Largest Funds Drive Strong Second Half to End Year With Higher H2 2023 Total Net Flows

Top 20 Funds Ranked by 2H 2023 Net Flows							
Rank ¹	Inception Date	Name	Structure	Asset Class	Net Flows 1H 2023 (\$mm)	Net Flows 2H 2023 (\$mm)	% Change
1	6/5/2019	Cliffwater Corporate Lending Fund	Interval	Credit	1,620	3,751	132% 
2	11/1/2023	Brookfield Infrastructure Income Fund Inc.	Tender Offer	Real Estate / Real Asset	-	1,579	N/A 
3	6/4/2018	Carlyle Tactical Private Credit Fund	Interval	Credit	295	786	166% 
4	7/1/2021	Cliffwater Enhanced Lending Fund	Interval	Credit	606	616	2% 
5	1/4/2021	Hamilton Lane Private Assets Fund	Tender Offer	Venture / Private Equity	198	582	193% 
6	10/27/2015	AMG Pantheon Fund, LLC	Tender Offer	Venture / Private Equity	471	538	14% 
7	10/1/2020	StepStone Private Markets	Tender Offer	Specialty / Other	256	481	87% 
8	1/26/2017	CION Ares Diversified Credit Fund	Interval	Credit	159	448	181% 
9	6/12/2017	First Trust Alternative Opportunities Fund	Interval	Specialty / Other	341	390	15% 
10	4/1/2022	Ares Private Markets Fund	Tender Offer	Venture / Private Equity	43	306	619% 
11	5/7/2015	Pomona Investment Fund	Tender Offer	Venture / Private Equity	200	300	49% 
12	TBD	Jackson Credit Opportunities Fund	Interval	Credit	-	298	N/A 
13	10/12/2023	KKR US Direct Lending Fund-U Inc.	Tender Offer	Credit	-	262	N/A 
14	10/2/2017	Variant Alternative Income Fund	Interval	Credit	404	250	-38% 
15	1/19/2021	NB Private Markets Access Fund LLC	Tender Offer	Venture / Private Equity	100	237	137% 
16	7/1/2009	Partners Group Private Equity (Master Fund), LLC	Tender Offer	Venture / Private Equity	588	232	-60% 
17	2/22/2019	Lord Abbett Credit Opportunities Fund	Interval	Credit	252	226	-10% 
18	7/1/2020	Keystone Private Income Fund	Tender Offer	Credit	77	162	109% 
19	9/15/2020	First Eagle Credit Opportunities Fund	Interval	Credit	67	156	134% 
20	7/12/2023	JPMorgan Private Markets Fund	Tender Offer	Venture / Private Equity	-	140	N/A 
				Total	5,678	11,738	107% 

Sources: CEFData.com; XA Investments. Flow data sourced from SEC NPORT filings.

1. Funds ranked in descending order by net flows from 2H 2023.

Off and Running: Several New Funds Had Notable Levels of Net Flows in 2023

Top 20 Funds Ranked by 2023 Net Flows								
Rank ¹	Inception Date	Name	Structure	Asset Class	Net Flows FY 2022 (\$mm)	Net Flows FY 2023 (\$mm)	% Change	
1	6/5/2019	Cliffwater Corporate Lending Fund	Interval	Credit	5,571	5,371	-4%	↓
→ 2	11/1/2023	Brookfield Infrastructure Income Fund Inc.	Tender Offer	Real Estate / Real Asset	-	1,579	N/A	↑
3	7/1/2021	Cliffwater Enhanced Lending Fund	Interval	Credit	908	1,223	35%	↑
4	6/4/2018	Carlyle Tactical Private Credit Fund	Interval	Credit	694	1,081	56%	↑
5	10/27/2015	AMG Pantheon Fund, LLC	Tender Offer	Venture / Private Equity	670	1,009	51%	↑
6	7/1/2009	Partners Group Private Equity (Master Fund), LLC	Tender Offer	Venture / Private Equity	2,602	820	-68%	↓
7	1/4/2021	Hamilton Lane Private Assets Fund	Tender Offer	Venture / Private Equity	150	780	419%	↑
8	10/1/2020	StepStone Private Markets	Tender Offer	Specialty / Other	570	737	29%	↑
9	6/12/2017	First Trust Alternative Opportunities Fund	Interval	Specialty / Other	356	731	105%	↑
10	10/2/2017	Variant Alternative Income Fund	Interval	Credit	825	654	-21%	↓
11	1/26/2017	CION Ares Diversified Credit Fund	Interval	Credit	729	607	-17%	↓
12	5/7/2015	Pomona Investment Fund	Tender Offer	Venture / Private Equity	376	500	33%	↑
13	2/22/2019	Lord Abbett Credit Opportunities Fund	Interval	Credit	512	478	-7%	↓
→ 14	5/3/2023	KKR Asset-Based Income Fund	Tender Offer	Credit	-	425	N/A	↑
15	4/1/2022	Ares Private Markets Fund	Tender Offer	Venture / Private Equity	271	348	29%	↑
16	1/19/2021	NB Private Markets Access Fund LLC	Tender Offer	Venture / Private Equity	54	336	521%	↑
→ 17	4/24/2023	Pender Real Estate Credit Fund	Interval	Real Estate / Real Asset	-	336	N/A	↑
→ 18	12/1/2023*	Jackson Credit Opportunities Fund	Interval	Credit	-	298	N/A	↑
→ 19	1/3/2023	Carlyle AlpInvest Private Markets Fund	Tender Offer	Venture / Private Equity	-	277	N/A	↑
→ 20	10/12/2023	KKR US Direct Lending Fund-U Inc.	Tender Offer	Credit	-	262	N/A	↑
				Total	14,290	17,851	25%	↑

Sources: CEFDData.com; XA Investments. Flow data sourced from SEC NPORT filings.

Notes: *Represents date of effectiveness.

1. Funds ranked in descending order by net flows from 2023. Arrows mark funds that launched in 2023.

Funds With the Highest Net Flows in Each Asset Class¹

	Jul-31	Aug-31	Sep-30	Oct-31	Nov-30	Dec-31	Total
Credit							
Cliffwater Corporate Lending Fund							
Purchases	595.0	704.5	555.3	789.4	676.2	852.6	4,173.1
Dividend Reinvestment	106.2	-	-	112.2	-	45.3	263.6
Redemptions	-	(209.4)	(0.0)	-	(476.5)	-	(686.0)
Net Flows	701.3	495.0	555.3	901.6	199.7	897.9	3,750.8
Real Estate / Real Asset							
Brookfield Infrastructure Income Fund Inc.²							
Purchases	-	-	-	-	-	1,577.1	1,577.1
Dividend Reinvestment	-	-	-	-	-	1.98	1.98
Redemptions	-	-	-	-	-	-	-
Net Flows	-	-	-	-	-	1,579.1	1,579.1
Venture / Private Equity							
AMG Pantheon Fund, LLC							
Purchases	114.8	77.3	76.5	123.5	67.2	84.2	543.5
Dividend Reinvestment	-	-	-	-	-	15.9	15.9
Redemptions	-	-	(11.2)	-	-	(10.2)	(21.3)
Net Flows	114.8	77.3	65.3	123.5	67.2	90.0	538.0
Specialty / Other							
StepStone Private Markets							
Purchases	111.9	108.7	75.0	81.4	69.0	91.1	537.0
Dividend Reinvestment	-	-	-	-	3.5	-	3.5
Redemptions	(18.7)	(0.5)	(21.0)	(0.1)	(0.3)	(19.1)	(59.9)
Net Flows	93.2	108.1	54.0	81.2	72.2	71.9	480.6
Tax-Free Bond							
Nuveen Enhanced High Yield Municipal Bond Fund							
Purchases	17.8	25.3	14.1	11.2	29.8	18.2	116.4
Dividend Reinvestment	0.4	0.4	0.5	0.5	0.6	0.6	2.9
Redemptions	-	(3.6)	-	-	(1.1)	-	(4.7)
Net Flows	18.2	22.1	14.6	11.7	29.3	18.8	114.7
Equity							
Ark Venture Fund							
Purchases	2.8	1.6	1.1	0.8	3.1	5.2	14.7
Dividend Reinvestment	-	-	-	-	-	0.3	0.3
Redemptions	(1.0)	-	-	(0.6)	-	-	(1.6)
Net Flows	1.8	1.6	1.1	0.2	3.1	5.5	13.4
ILS							
Stone Ridge Reinsurance Risk Premium Interval Fund							
Purchases	56.3	4.4	5.3	7.6	4.3	13.8	91.7
Dividend Reinvestment	-	-	3.7	-	-	119.1	122.8
Redemptions	-	(62.6)	(2.1)	-	(59.8)	(74.7)	(199.2)
Net Flows	56.3	(58.2)	6.9	7.6	(55.5)	58.2	15.3

Sources: CEFDData.com; XA Investments. Flow data sourced from SEC NPORT filings.

1. Funds selected had the highest net flows in their asset class in 2H 2023. Amounts in \$mm.

2. Amounts based on audited financial statements as sourced from the Fund's Certified Shareholder Report.

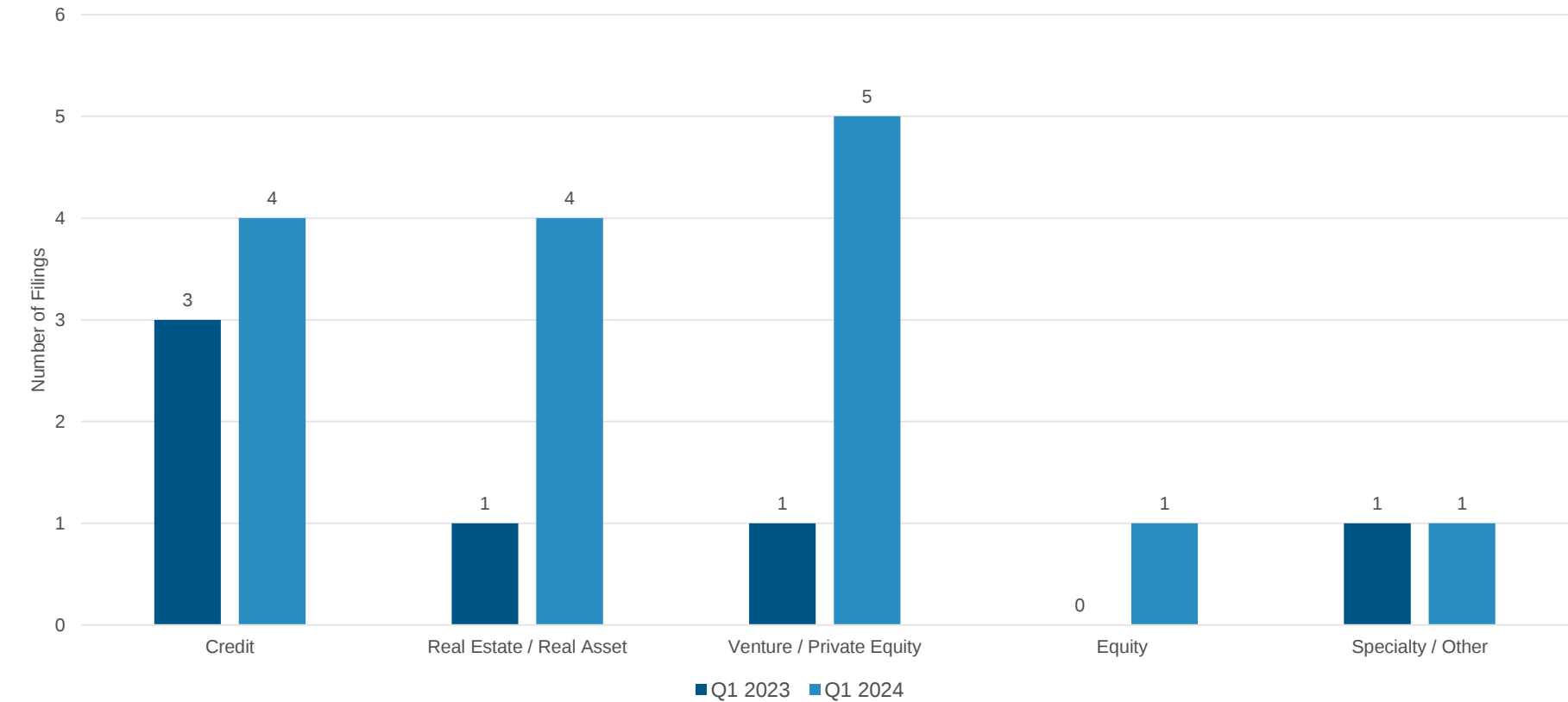
New Market Entrants and SEC Registration Overview

Section Summary

- A pipeline of compelling new funds from established managers has developed in the private asset, secondaries-focused fund space
- In Q1 2024, newly launched non-listed CEFs completed an average of three N-2 / N-2A filings and spent 172 days or ~6 months in the SEC registration process
- Experienced law firms with many non-listed CEF clients such as Dechert, Faegre Drinker, Simpson Thacher or Ropes & Gray seem well-positioned to help fund sponsors manage the time and/or expense of the fund formation process
- Asset class continues to be the main driver of length of SEC review process, with credit and real estate funds being faster to launch than PE / VC funds
- Backlog grows from 38 to 42 funds in SEC registration with more fund filings anticipated

New Fund Filings More Than Double in Q1 2024 as Compared to Q1 2023

Non-Listed CEF Initial Registration Statements¹



Accelerated Pace of New Fund Filings

- The non-listed CEF market has seen a surge in the number of initial registration statements filed in 2024
- 15 registration statements were filed in Q1 2024 compared to 6 filings in Q1 2023
- The pace of new fund filings has been driven by both existing fund sponsors and new market entrants
- XA Investments tracks and provides summary alerts for initial fund filings; contact lgaskill@xainvestments.com to receive alerts

Source: XA Investments; SEC filings.
Notes: Data as of 3/31/2024.
1. Represents initial form N-2 filings.

SEC Registration Process Averaged Six Months¹ for Funds Launched in Q1 2024 (Page 1 of 2)

1940/1933 Act Funds¹: Notices of Effectiveness Filed in Q1 2024

Fund Name	Structure	Asset Class	New Entrant ³	Effective Date	Number of N-2 Filings	Days in Registration	Fund Legal Counsel
CAZ Strategic Opportunities Fund	Tender Offer	Specialty / Other	Yes	1/9/2024	5	153	Dechert LLP
Coller Secondaries Private Equity Opportunities Fund	Tender Offer	Venture / Private Equity	Yes	1/23/2024	2	238	Simpson Thacher & Bartlett LLP
Meketa Infrastructure Fund	Interval Fund	Real Estate / Real Asset	Yes	1/26/2024	4	147	Ropes & Gray LLP
Octagon XAI CLO Income Fund	Interval Fund	Credit	Yes	2/16/2024	3	95	Skadden, Arps, Slate, Meagher & Flom LLP
Institutional Investment Strategy Fund	Interval Fund	Specialty / Other	Yes	3/1/2024	3	297	Thompson Hine LLP
Denali Structured Return Strategy Fund	Interval Fund	Credit	Yes	3/7/2024	1	100	Thompson Hine LLP
MainStay MacKay Municipal Income Opportunities Fund	Interval Fund	Tax-Free Bond	Yes	3/25/2024	3	171	Dechert LLP
					Average ¹	3	172
					Minimum ¹	1	95
					Maximum ¹	5	297
					Median ¹	3	153

1940 Act Only Funds²: Initial Registration Statements Filed in Q1 2024

Fund Name	Structure	Asset Class	New Entrant ³	Number of N-2 Filings	Inception Date	Initial Capital	Fund Legal Counsel
CPG Vintage Access Fund VII, LLC	Tender Offer	Venture / Private Equity	No	1	TBD	Unknown	Proskauer Rose LLP
Partners Group Next Generation Infrastructure, LLC	Tender Offer	Real Estate / Real Asset	No	1	8/1/2023	\$28.4mm	Faegre Drinker Biddle & Reath LLP
AB CarVal Credit Opportunities Fund	Interval Fund	Credit	Yes	1	1/2/2024	-	Dechert LLP
Partners Group Growth, LLC	Tender Offer	Venture / Private Equity	No	1	9/20/2023	\$14.1mm	Faegre Drinker Biddle & Reath LLP
Gemcorp Commodities Alternative Products Fund	Interval Fund	Specialty / Other	Yes	1	TBD	Unknown	Dechert LLP
FT Vest Hedged Equity Income Fund: Series A2	Tender Offer	Equity	No	1	TBD	Unknown	Faegre Drinker Biddle & Reath LLP

Sources: XA Investments; SEC Filings.

1. Includes all funds that received a Notice of Effectiveness in Q1 2024. Only funds registered under the 1933 Act receive a Notice of Effectiveness. Funds analyzed had a Notice of Effectiveness received between 1/1/2024 and 3/31/2024. For questions about the registration process, please contact XAI to discuss.

2. 1940 Act only funds. 1940 Act only funds do not receive a Notice of Effectiveness with the SEC, limiting certainty regarding time spent in registration compared to 1933 Act funds.

3. New entrants represent funds launched by fund sponsors with no existing interval or tender offer funds.

SEC Registration Process Averaged Six Months for Funds Launched in Q1 2024¹ (Page 2 of 2)

Funds Launched by Structure

Fund Structure	Number of Funds	Percentage	Average Days in Registration ¹
Interval Fund	5	71%	162
Tender Offer	2	29%	196
Grand Total	7	100%	172

Funds Launched by Manager Experience²

New Entrants	Number of Funds	Percentage	Average Days in Registration ¹
Yes	7	100%	172
No	-	-	-
Grand Total	7	100%	172

Funds Launched by Asset Class

Asset Class	Number of Funds	Percentage	Average Days in Registration ¹
Credit	2	29%	98
Specialty / Other	2	29%	147
Real Estate	1	14%	225
Private Equity	1	14%	171
Tax-Free Bond	1	14%	238
Grand Total	7	100%	172

Funds Launched by Fund Legal Counsel

Law Firm	Number of Funds	Average Days in Registration ¹
Dechert LLP	2	162
Thompson Hine LLP	2	199
Skadden, Arps, Slate, Meagher & Flom LLP	1	95
Ropes & Gray LLP	1	147
Simpson Thacher & Bartlett LLP	1	238
Grand Total	7	172

Sources: XA Investments; SEC Filings.

1. Includes all funds that received a Notice of Effectiveness in Q1 2024. Only funds registered under the 1933 Act receive a Notice of Effectiveness. As such, 1940 Act only funds have been excluded. Funds analyzed had a Notice of Effectiveness received between 1/1/2024 and 3/31/2024. For questions about the registration process, please contact XAI to discuss.

2. 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.

Number of Non-listed CEFs in the SEC Registration Process Grows (Page 1 of 2)

Currently, there are 42 funds in the SEC registration process, up from 38 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	12/28/2023	4	49	No
Poolit Horizon Fund I, Inc.	Poolit	Venture / Private Equity	Tender	7/1/2022	7/1/2022	1	N/A ¹	Yes
Poolit Imagine Fund I, Inc.	Poolit	Venture / Private Equity	Tender	7/1/2022	7/1/2022	1	N/A ¹	Yes
Hatteras Lower Middle Market Buyouts Fund	Hatteras	Venture / Private Equity	Tender	9/22/2022	9/22/2022	1	19	No
Cadre Horizon Fund	Cadre	Real Estate / Real Asset	Tender	11/10/2022	11/10/2022	1	17	Yes
Modern Markets Flagship Access Fund	Modern Markets	Venture / Private Equity	Tender	12/9/2022	12/9/2022	1	N/A ¹	Yes
MBC Total Private Markets Access Fund	Seneca Management	Venture / Private Equity	Tender	1/5/2023	9/13/2023	4	15	Yes
Diffractive Real Assets Fund	F/m Investments	Real Estate / Real Asset	Interval	3/9/2023	3/9/2023	1	13	Yes
AB CarVal Opportunistic Credit Fund	AB CarVal Investors	Credit	Interval	3/27/2023	10/31/2023	4	13	Yes
List Income Opportunities Fund	Legalist	Specialty / Other	Interval	4/7/2023	7/26/2023	2	12	Yes
PIMCO Flexible Corporate Income Fund	PIMCO	Credit	Interval	4/17/2023	4/17/2023	1	12	No
Equi Diversified Core Fund	Equilibrium Ventures	Specialty / Other	Tender	5/9/2023	10/18/2023	2	11	Yes
Apollo S3 Private Markets Fund	Apollo	Specialty / Other	Tender	5/26/2023	1/5/2024	3	11	No
MREC2 FUND	MREC Management	Real Estate / Real Asset	Interval	6/27/2023	6/27/2023	1	10	Yes
AIR Diversified Alpha Fund	Alternative Investment Resources	ILS	Interval	7/14/2023	7/14/2023	1	9	Yes
Baseline CRE Income Fund	Baseline Partners	Real Estate / Real Asset	Interval	8/4/2023	11/29/2023	2	8	Yes
Principal Private Credit Fund	Principal Global Investors	Credit	Interval	8/25/2023	11/14/2023	2	8	No
Axxes Private Markets Fund	Axxes Advisors LLC	Venture / Private Equity	Interval	9/1/2023	2/17/2024	4	7	Yes
ABL Longevity Growth and Income Fund	ABL Wealth Advisors, LLC	Specialty / Other	Interval	9/7/2023	3/11/2024	5	7	Yes
Voya Enhanced Securitized Income Fund	Voya	Credit	Interval	10/5/2023	3/19/2024	3	6	No
AMG Pantheon Credit Solutions Fund	Pantheon	Credit	Interval	10/5/2023	3/27/2024	4	6	No

Source: XA Investments; SEC filings. Data as of 3/31/2024.
 Note: Funds sorted by initial filing date.
 1. 1940 Act only fund. 1940 Act only funds do not receive a Notice of Effectiveness with the SEC, limiting certainty regarding time spent in registration v. 1933 Act funds.

Number of Non-listed CEFs in the SEC Registration Process Grows (Page 2 of 2)

Currently, there are 42 funds in the SEC registration process, up from 38 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?
Connetic Ventures Fund	Connetic Ventures	Venture / Private Equity	Interval	10/6/2023	10/6/2023	1	6	Yes
Eagle Point Enhanced Income Trust	Eagle Point	Credit	Tender	10/13/2023	3/29/2024	2	6	No
Nuveen Enhanced Floating Rate Income Fund	Nuveen	Credit	Interval	11/21/2023	11/21/2023	1	5	No
CION Grosvenor Infrastructure Fund	CION Grosvenor	Real Estate / Real Asset	Interval	11/22/2023	3/21/2024	2	5	No
Jackson Real Assets Fund	Jackson National	Real Estate / Real Asset	Interval	12/15/2023	3/11/2024	2	4	No
Beacon Pointe Multi-Alternative Fund	Beacon Pointe	Specialty / Other	Interval	12/15/2023	12/15/2023	1	4	Yes
Lord Abbett Flexible Income Fund	Lord Abbett	Credit	Interval	12/26/2023	12/26/2023	1	4	No
StepStone Private Credit Income Fund	StepStone	Credit	Interval	12/29/2023	12/29/2023	1	3	No
First Eagle Real Estate Lending Fund	First Eagle	Real Estate / Real Asset	Interval	12/29/2023	12/29/2023	1	3	No
Fidelity Floating Rate Opportunities Fund	Fidelity	Credit	Interval	1/5/2024	1/5/2024	1	3	No
Catalyst Strategic Income Opportunities Fund	Catalyst Capital Advisors	Real Estate / Real Asset	Interval	1/17/2024	1/17/2024	1	3	Yes
Fairway Private Markets Fund	Fairway Capital Management	Specialty / Other	Tender	1/31/2024	1/31/2024	1	2	No
Franklin Lexington Private Markets Fund	Franklin Templeton	Specialty / Other	Tender	1/31/2024	1/31/2024	1	2	No
CPG Vintage Access Fund VII, LLC	Central Park Advisors	Venture / Private Equity	Tender	2/2/2024	2/2/2024	1	N/A ¹	No
Gemcorp Commodities Alt Products Fund	Gemcorp	Specialty / Other	Interval	2/27/2024	2/27/2024	1	N/A ¹	Yes
Aether Infrastructure & Nat. Resources Fund	Aether Investment Partners	Real Estate / Real Asset	Interval	2/28/2024	2/28/2024	1	1	Yes
John Hancock Multi Asset Credit Fund	John Hancock	Credit	Interval	3/6/2024	3/6/2024	1	1	No
Accordant Real Estate Growth Fund	Accordant	Real Estate / Real Asset	Interval	3/7/2024	3/7/2024	1	1	No
FT Vest Hedged Equity Inc Fund: Series A2	First Trust	Equity	Tender	3/11/2024	3/11/2024	1	N/A ¹	No
Axxes Opportunistic Credit Fund	Axxes Advisors LLC	Credit	Interval	3/15/2024	3/15/2024	1	1	Yes
The Pop Venture Fund	Pop Venture Advisers LLC	Venture / Private Equity	Interval	3/29/2024	3/29/2024	1	0	Yes

Source: XA Investments; SEC filings. Data as of 3/31/2024.
 Note: Funds sorted by initial filing date.
 1. 1940 Act only fund. 1940 Act only funds do not receive a Notice of Effectiveness with the SEC, limiting certainty regarding time spent in registration v. 1933 Act funds.

Performance and Fee Analysis

Performance and Fee Analysis

Section Summary

- Equity funds benefited from the strong performance of public equity markets in 2023; two of the top three performing funds in 2023 were equity funds
- The top performing fund in 2023 was the Ark Venture Fund (61.3%), followed by the Stone Ridge Reinsurance Risk Premium Interval Fund (44.6%) and the ACAP Strategic Fund (28.0%)
- Most non-listed CEFs have management fees in the range of 1.00 to 1.50% with an average of 1.18%
- Net expense ratios for non-listed CEFs average 2.39% including other expenses such as performance fees and acquired fund fees
- About 16% of the market charges a total return net profit-based performance fee, despite suitability restrictions limiting sales to Qualified Clients (QC) only
- 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. See tables below for detailed analysis on market-wide track record length statistics

Funds Meeting Performance Track Record Milestones

Performance Track Record	Number of Funds	% ¹
1-Year	180	82%
3-Year	134	61%
5-Year	100	45%
10-Year	47	21%

Funds Meeting Performance Track Record Milestones by Asset Class

Performance Track Record	1-Year	3-Year	5-Year	10-Year
Credit	55	37	29	5
Equity	5	4	2	2
ILS	3	3	3	1
Real Estate / Real Asset	24	16	9	3
Specialty / Other	53	45	39	30
Tax Free Bond	0	0	0	0
Venture / Private Equity	40	29	18	6
Total	180	134	100	47

Source: XA Investments

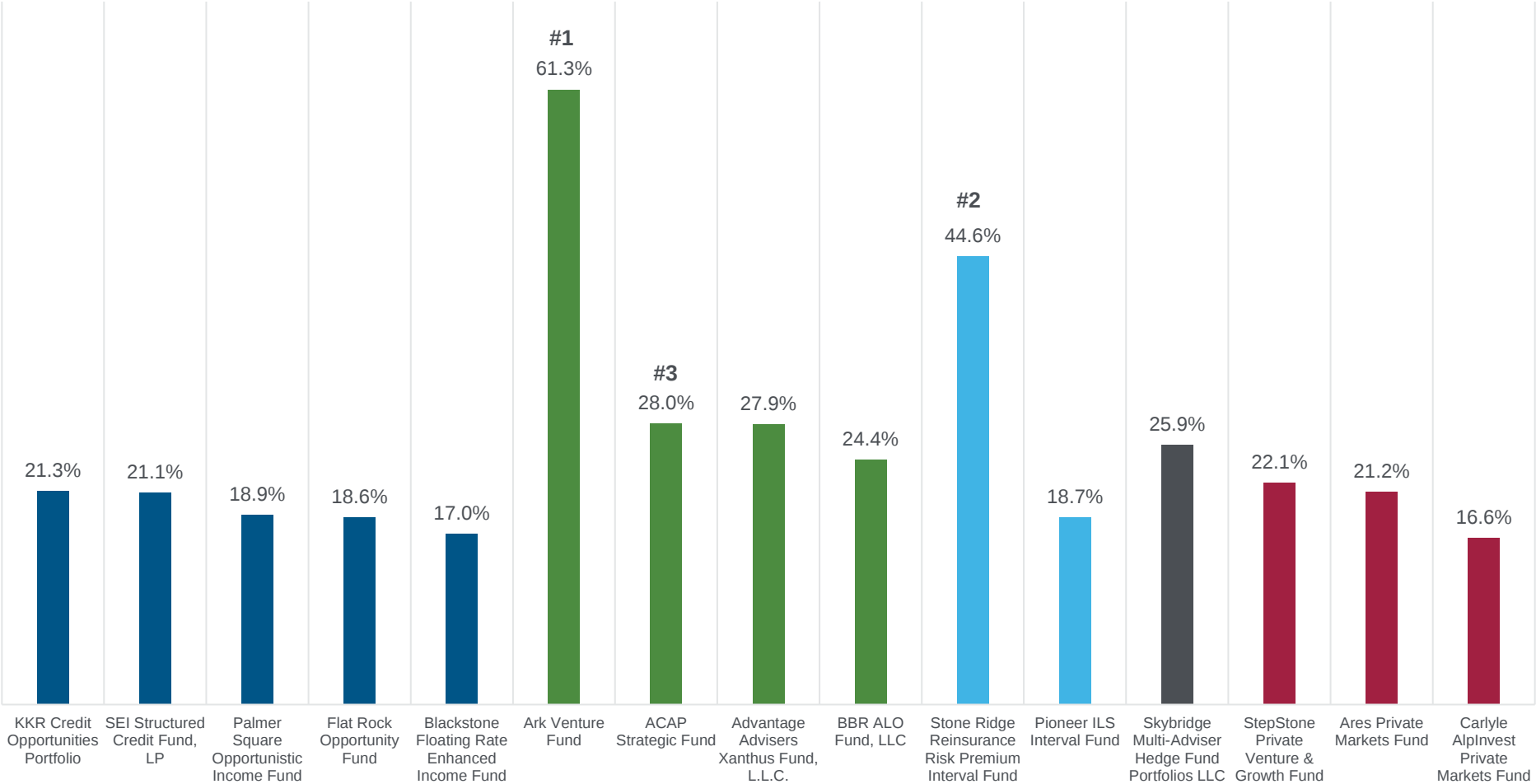
1. Percentage of the total number of interval and tender offer funds (220 funds).

Equity Funds Capitalize on Strong Public Equity Market Performance

Two of the top three performers in 2023 were Equity funds.



Top 15 Funds byTotal Return, 2023

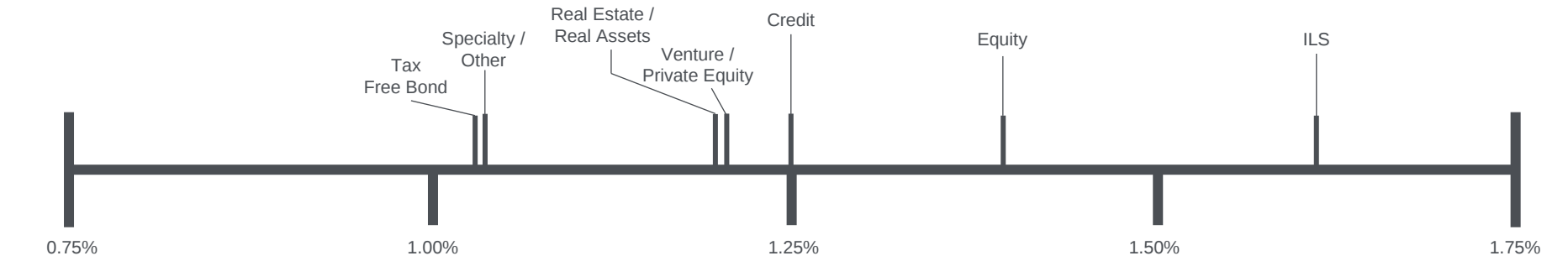


Source: CEFDData.com; XA Investments.
Notes: Performance is calculated from SEC NPORT data from 1/1/2023 – 12/31/2023. Funds shown have at least \$50mm in total managed assets.

Management Fees and Net Expense Ratios by Assets Class

Management fees across the market are typically found between 1.00% and 1.50%. Categories such as credit and VC/PE will often have higher net expense ratios due to combinations of income incentive fees, performance fees, and underlying fund fees.

Dispersion of Average Management Fee by Asset Class¹



Asset Class	Management Fee (%) ²				
	# of Funds	Average	Median	Min	Max
Credit	69	1.25%	1.25%	0.05%	2.00%
Specialty / Other	59	1.05%	1.00%	0.50%	1.85%
Venture / Private Equity	46	1.19%	1.25%	0.10%	2.50%
Real Estate / Real Asset	30	1.18%	1.25%	0.22%	1.75%
Tax-Free Bond	6	1.04%	1.00%	0.75%	1.50%
Equity	5	1.46%	1.25%	0.80%	2.75%
ILS	4	1.56%	1.88%	0.50%	2.00%
All Funds	219	1.18%	1.25%	0.05%	2.75%

Net Expense Ratio (%) ³				
# of Funds	Average	Median	Min	Max
64	2.77%	2.27%	0.00%	11.94%
53	2.28%	2.10%	0.34%	9.08%
44	2.41%	2.05%	0.00%	6.93%
28	1.92%	1.68%	0.15%	5.75%
5	1.20%	1.26%	0.89%	1.50%
5	2.48%	2.54%	1.24%	4.08%
3	1.76%	1.94%	1.01%	2.34%
202	2.39%	2.04%	0.00%	11.94%

Sources: XA Investments; CEFDData.com; sponsor websites, prospectuses, and annual/semiannual reports.
Notes: Data reflects most recent data available as of 3/31/2024. 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 may be charged on total managed assets or net assets. One fund was excluded from the data because it does not pay a management fee to its investment adviser.
- 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.

22% of Non-listed CEFs Charge an Income Incentive or Performance Fee

Funds that entered the market in Q1 2024 have had fee structures representative of the broader marketplace.

Most funds (172 out of 220, or 78%) are not subject to an income incentive or performance fee.

48 out of 220 or 22% of funds are subject to income incentive or performance fees.

Credit funds account for 80% of funds charging an income incentive fee.

Specialty and venture / private equity funds account for 79% of funds charging a total return or net profit fee.

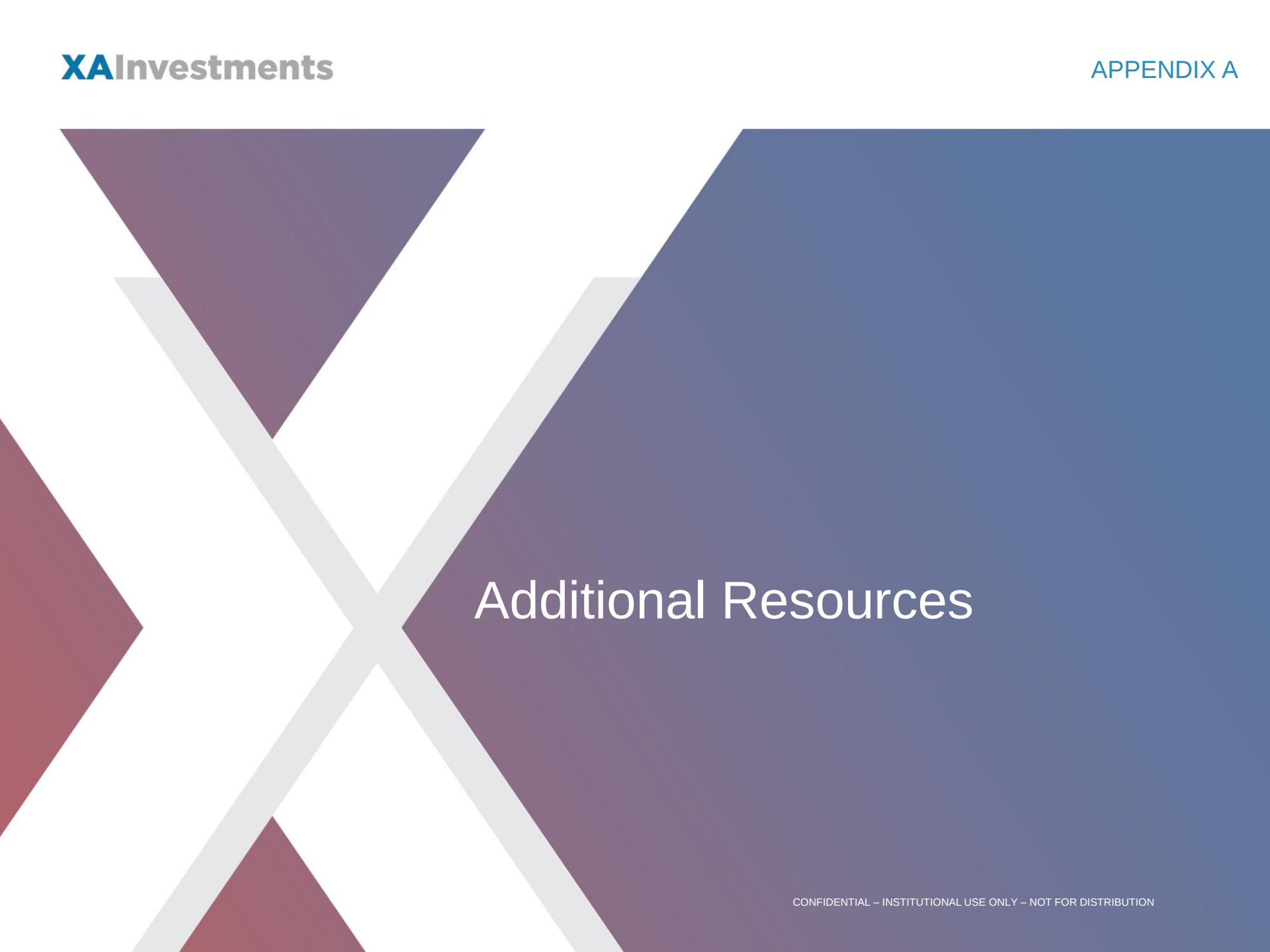
Fee combinations from recent entrants are in line with broader market percentages.

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	56	25.45%
Management Fee + Acquired Fund Fees & Expenses ("AFF&E")	116	52.73%
Management Fee + Income Incentive Fee	13	5.91%
Management Fee + Total Return or Net Profit Fee	6	2.73%
Management Fee + Income Incentive Fee + AFF&E	7	3.18%
Management Fee + Total Return or Net Profit Fee + AFF&E	22	10.00%
Total	220	100.00%

Q1 2024 Non-listed CEF Market Entrants ²		
Combination of Fee Types by Fund	Number of Funds	% of Total Funds
Management Fee Only	3	30.00%
Management Fee + AFF&E	5	50.00%
Management Fee + Income Incentive Fee	0	0.00%
Management Fee + Total Return or Net Profit Fee	0	0.00%
Management Fee + Income Incentive Fee + AFF&E	0	0.00%
Management Fee + Total Return or Net Profit Fee + AFF&E	2	20.00%
Total	10	100.00%

Sources: XA Investments; CEFDData.com; SEC filings.
1. Represents the 220 total CEFs in the non-listed market.
2. Represents the 10 non-listed CEFs that entered the market in Q1 2024



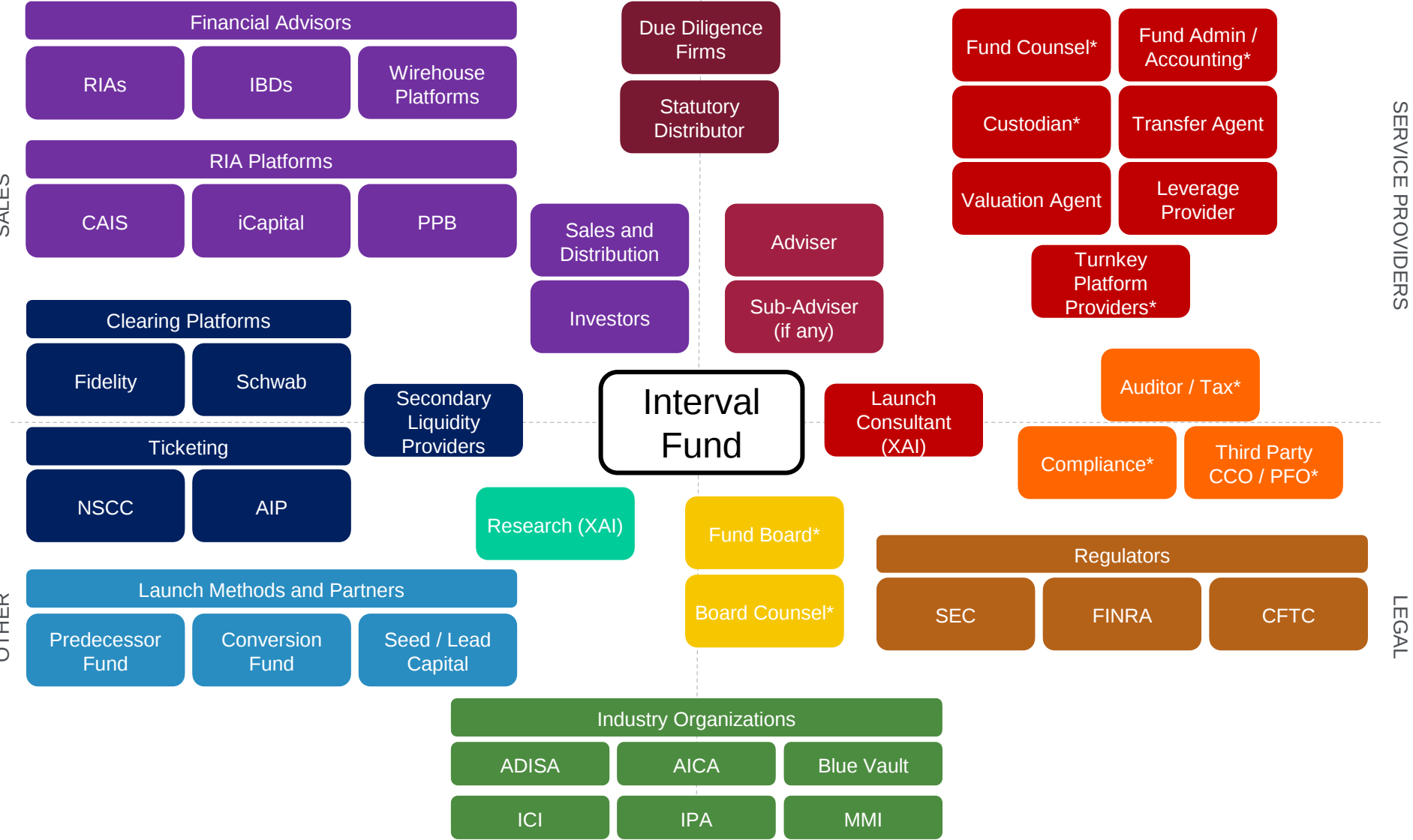
Additional Resources

XAI Consulting: 10 Lessons Learned in Launching Interval and Tender Offer Funds

- 1 Start the Product Development Process with Sales:** The strategy for sales and distribution is often overlooked, and many first-time registered fund sponsors begin drafting the N-2 prospectus before evaluating various sales and marketing considerations, which can impact the terms and structure of the fund.
- 2 Don't Chase the Market Leader:** New fund sponsors should not be concerned with chasing these players. Alternative investment managers can be successful with a small sales team that has strong relationships with RIAs or family offices. Instead, focus on existing institutional client relationships—clients that know and trust the firm.
- 3 New and Different Is Good, but Challenging:** Differentiated strategies can be a competitive advantage, though may present difficulties during the fund's legal organization. The SEC registration process can also be extended by multiple rounds of comments and edits required on new or nuanced fund structures.
- 4 Product Design Matters:** Product design drives the ability to sell the fund and allows the fund to be competitive in the marketplace. Many non-listed CEFs with strong portfolio performance have closed or failed to scale and gain critical mass, which can happen if the product structure is treated as an afterthought.
- 5 Clones Not Welcome Here:** Non-listed CEFs are designed to hold illiquid investments. If an investment strategy or a majority of the anticipated portfolio assets fit in the mutual fund, UCITs or ETF structure, it is likely not a good fit for the non-listed CEF structure.
- 6 Get in Line with Clearing Firms Early:** Adding a new non-listed CEF to a major clearing platform like Schwab, Fidelity or Pershing can take upwards of three to six months. There is a queue, it is typically first come, first served and gathering indications of interest ahead of onboarding is important.
- 7 Liquidity, Liquidity, Liquidity:** Liquidity is a crucial issue for both managing and marketing non-listed CEFs. Non-listed CEFs typically hold illiquid assets and require advanced liquidity planning to be prepared to meet redemption requests.
- 8 Daily NAV Opens Doors:** Non-listed CEFs that generate a daily NAV strike are permitted to join the NSCC Fund/SERV mutual fund electronic ticketing platform, which can significantly impact a fund's ability to gain sales traction. Non-listed CEFs with less frequent NAV calculations must use subscription documents for new investments.
- 9 Avoid the "Valley of Death":** By jump-starting the launch of a fund with seed capital, lead capital or contributed capital (e.g., private fund conversion), managers help de-risk the launch of their fund. No new investor wants to be the first investor into a small, sub-scale fund.
- 10 Consider Saving Time/Money with a Series Partner:** While closed-end funds, including non-listed CEFs, require each trust to be a separate legal trust, several firms have created turnkey platforms with shared fund boards, fund administration and other service providers to help reduce fund costs and speed up the product launch.

Source: XAI Investments.
Click [here](#) to read the XAI whitepaper for more information.

Growth of the Market Has Led to a More Complex and Mature Interval Fund 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 of between 5% and 25% of shares outstanding. Interval funds are hard-wired to remain in this state and are not typically exchange-listed.
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 elect to be treated as REITs for tax purposes.

Source: XA Investments.

Non-listed CEF Resources

Source	Summary and Link
Closed-End Fund Advisors (“CEFA” or “CEFData.com”)	- As a Registered Investment Advisory firm, the firm’s primary business is discretionary asset management. The firm 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/
Closed-End Fund Association (“CEFA”)	- CEFA is a national nonprofit trade association dedicated to educating investors about closed-end funds and providing information on its members and their offerings https://www.cefa.com
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 fund research	\$2,500
<i>Includes: monthly updates, alerts on N-2 filings for competitors, and quarterly in-depth research</i>	
One-time fee for custom data analysis	\$5,000
<i>Per client specifications</i>	

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

Interval Fund Filing Alerts

April 4, 2024

XA Investments (XAI) Monthly Update on Interval Fund and Listed CEF Market Developments

Non-listed CEF Initial SEC Registration Statements: Q1 2024 Filings More than Double Q1 2023 Filings

- The non-listed closed-end fund (CEF) market (interval / tender offer funds) has seen a surge in the number of initial registration statements filed this year
- 15 registration statements were filed in Q1 2024 as compared to 6 filings over the same period last year
- The pace of new fund filings has been driven by both existing fund sponsors and new market entrants
- For actionable intelligence on interval fund registrations, asset growth, and new market entrants, subscribe to XAI's quarterly research report. Click [here](#) to subscribe

Initial Non-listed CEF Registration Statements Filed by Asset Class

Asset Class	Q1 2023	Q1 2024
Credit	3	4
Real Estate / Real Asset	1	4
Venture / Private Equity	1	5
Equity	0	1
Specialty / Other	0	1

Current Non-listed CEF Total Managed Assets

Overview of Non-listed CEF SEC Registrations

Non-listed CEF Market 220 Funds with \$156bn

42 Total Non-listed CEFs Currently In Registration Process

Asset Class	# of Funds in Registration Process	Avg. Months in Registration
Credit	13	5.2
Venture / Private Equity	11	11.5
Real Estate / Real Asset	10	6.2
Specialty / Other	6	7.1
Equity	1	-
ILS	1	-

Largest Interval / Tender Offer Funds					
Fund	Structure	Ticker	Asset Class	Wire Platform	Net Assets (\$mm) / As of
Cliffwater Corporate Lending Fund	Interval	CCLFX	Credit	-	17,000 / 2/29/2024
Partners Group Private Equity Fund	Tender	-	Private Equity	ML, MS, WF	14,278 / 12/31/2023
ACAP Strategic Fund	Interval	XCAPX	Equity	ML, MS, UBS, WF	7,274 / 12/31/2023
Apollo Diversified Real Estate Fund	Interval	GRIFX	Real Estate	MS, UBS	4,901 / 12/31/2023
Ironwood Institutional Multi-Strategy Fund	Tender	-	Specialty	-	4,858 / 1/31/2024
Bluerock Total Income + Real Estate Fund	Interval	TIPWX	Real Estate	MS, UBS	4,738 / 12/31/2023
CION Ares Diversified Credit Fund	Interval	CADUX	Credit	MS, UBS, WF	4,026 / 2/29/2024
Variant Alternative Income Fund	Interval	NICHX	Credit	-	3,002 / 1/31/2024
Cliffwater Enhanced Lending Fund	Interval	CELFX	Credit	-	2,900 / 2/29/2024
Versus Capital Real Assets Fund LLC	Interval	VCRRX	Real Estate	-	2,859 / 2/29/2024

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

Sphinx Opportunity Fund



Prospectus Summary	
Fund Structure:	Interval Fund
Term:	Perpetual
Suitability Minimum:	No fund level suitability restrictions
Initial N-2 Filing Date:	4/5/2024
1940 Act Registered:	Yes
1933 Act Registered:	Yes
Adviser:	Sphinx Investments LLC
Sub-Adviser(s):	None
Investment Consultant:	None
New Entrant:	Yes
Predecessor Fund/Seed Capital:	Unknown
Asset Class:	Real Estate / Real Asset
Objective:	Generate cash flow and capital appreciation.

The Fund pursues its investment objective by opportunistically investing in both publicly traded securities and private investments as well as private real estate, including property, equity investments in real estate or real estate related companies and debt investments backed by real estate, in both the United States and globally (all such investments, collectively with any other investments held by the Fund, the "Investments"). Companies in the real estate industry and real estate related investments may include, for example, real estate investment trusts (REITs) or similar REIT-like entities that own properties, real estate developers, companies with substantial real estate holdings, and other companies whose products and services are related to the real estate industry, such as building supply manufacturers. The Fund expects that a majority of its Investments will be in companies or real estate located offshore. With respect to the privately held portion of the Fund's portfolio, the Adviser expects that the Fund will hold its Investments for a significant period of time (potentially, for five to seven years) although the Adviser may elect to divest from properties and other Investments based on exit return and geographic considerations, among others, at any time. In managing the Fund's portfolio, the Adviser will seek to utilize its proprietary pipeline and its new acquisition strategies focused on diversified, long-term and stable cash flow.

Strategy:

Fund of Funds:	Partial (intends to initially allocate a portion of assets to private funds)
Invest-up Period:	As soon as practicable
Redemptions:	Annually 5% - 25%
NAV Frequency:	Daily
Minimum Investment:	\$500 initial investment and \$100 subsequent investment (shares of beneficial interest)
Management Fee:	1.75% of Net Assets
Acquired Fund Fees and Expenses:	TBD
Income Incentive/Performance Fee:	None
Fee Waiver:	Expense Limitation and Reimbursement Agreement on fees and operating expenses
Distributor:	TBD
Fund Counsel:	Foley & Lardner, LLP
Fund Administration:	TBD
Custodian:	TBD

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.

Monthly Net Flow Monitoring Project: XA Investments, CEFData.com, and Cerulli Associates Collaborate to Improve Net Flow Tracking

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

Thank You!



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.



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