

XA Investments Non-Listed CEF Q3 2024 Market Update

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Notes: Non-listed Closed-end Funds ("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, net flows, and performance are delayed up to 90 days after quarter-end and are not available for all funds. All data in the report is the most current available. 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.

September 30, 2024

Executive Summary

What’s New This Quarter?

- AUM growth analysis for top 20 largest funds and recently launched funds.
- Market-wide proration analysis and failure rate analysis.
- New public / private partnerships for alternative product launches.

Market Maturation

A growing number of non-listed closed-end funds (CEFs) celebrated their 3-year, 5-year and 10-year anniversaries this quarter. 40% of the market comprises newer funds that have yet to develop a 3-year track record. XAI observes that longer fund-specific track records are necessary for key RIA and wirehouse platform approvals.

Market Growth

- **Fund Counts:** The non-listed CEF market continues to grow with 7 funds launching this past quarter (27 YTD) and 21 new fund filings, expanding the backlog of funds in the SEC registration process to a record 53 funds expected to launch in the next 6-8 months.
- **AUM and Net Flows:** Market-wide AUM levels continue to grow, and overall net flows increased quarter-over-quarter.
- **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.
- **Net Asset Growth:** The 10-year CAGR increased from 13.57% in Q2 2024 to 14.34% in Q3 2024.

Q3 2024 Product Launches

7 funds launched in Q3 2024, and 27 funds launched YTD, bringing the fund total up to 235.

Shareholder Liquidity

Proration has **not** been a market-wide issue for non-listed CEFs so far this year, unlike market leading non-listed REITs, but certain hedge funds have seen demand for liquidity.

Industry Improvement Idea

Quarterly NPORT filings provide valuable data for investors and market observers. Many market participants including XAI will scrape this data since it is reported in a standardized form. XAI has noticed some reporting errors in these filings, particularly when it comes to funds reporting their monthly total return information. We encourage all fund sponsors to review these filings more thoroughly as NPORT data becomes more heavily relied upon throughout the industry.



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Industry Highlights, News, and Trends

Section Summary

- The Top 20 largest funds have a combined 65% market share, representing an 8% decrease from Q2 2024, and 52% of market-wide Q2 2024 net flows.
- 7 new funds launched in Q3 2024, and 27 new funds launched YTD 2024, bringing the fund total up to 235.
- Market leadership is currently in the hands of first movers including Cliffwater, Partners Group, Alkeon and PIMCO.
- XAI observes a fairly low rate of failure in the interval fund market. See page 24 for more details.
- Wirehouse platforms continued to expand access to non-listed CEFs by onboarding new funds (Morgan Stanley has the most with 22 non-listed CEFs).
 - 4 non-listed CEFs are on all 4 major wirehouse platforms.
 - 3 non-listed CEFs are on 3 of the 4 major wirehouse platforms.
- In Q3 2024, XAI observed the following interesting developments in the market:
 - Firms are utilizing partnerships to bring alternative products to market.
 - The number of new fund filings continues to increase with 21 new fund filings in Q3 2024 compared to 18 in Q2 2024.



Future Trends

XAI's intelligence indicates that the following trends are likely to emerge as the non-listed CEF market expands.



1H of 2025: Evergreen product boom and strong demand to onboard at leading distribution platforms.



First Mover Advantage: Market will coalesce around market leaders in certain asset categories.



Going Global: To meet demand globally, gatekeepers encourage alts leaders to launch their US and non-US products in sync for a global, unified launch.



Product Proliferation: Too many choices in many alt categories will make it more challenging for gatekeepers and advisors to select the best alternatives for investor portfolios.



Partnerships and Acquisitions: More public/private partnerships expected to be announced. Acquisition spree continues to gain access to private market capabilities.



Alts Availability: Alternative investments everywhere in all accounts. Combination products coming. Models being developed.



Technology and Investment for Ease of Use: Process changes required to make alternatives access easier and solve for obstacles to encourage adoption.



Capacity Constraints: More dialogue regarding alt manager and alt strategy capacity constraints due to concerns regarding returns diminishing with increased size.



Private Equity Access Points: Innovation in PE away from tender offer evergreen structures.

Source: XA Investments.

**\$162
Billion** in Net Assets



**235
Total Funds**



60%

of the Market
3 Year+ Track Record



**1940 Act
Non-listed
Closed-end
Funds**

Market Expansion

53% of Funds in SEC
Registration are New Entrants



**112 Interval
Funds**

Represent 59% of Total
Managed Assets

**123 Tender
Offer Funds**

Represent 41% of Total
Managed Assets

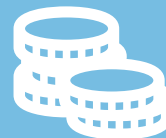
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Total Funds
on Major Wires



1.19%

Average
Management
Fee



133 Unique Sponsors

53 Funds
in SEC Registration

27 Funds
Launched YTD

Non-listed CEF Market Overview

Q3 2024 Observations



Market Size

\$191bn in total managed assets (\$162bn in net assets) across 235 interval and tender offer funds, which is a net increase of 5 funds and \$17bn in total managed assets quarter-over-quarter

- \$113.3bn in total managed assets interval across 112 interval funds
- \$77.6bn in total managed assets across 123 tender offer funds



New SEC Filings

53 non-listed CEFs are currently in the SEC registration process



Market Leaders – Net Flows

The top 20 largest funds by total managed assets represent 52% of combined net flows in Q2 2024¹

Credit and Venture / Private Equity continue to attract strong positive net flows, drawing approximately \$5.48bn and \$3.13bn, respectively, in net flows in Q2 2024¹



1st Movers

16 of the top 20 funds (ranked by AUM) were launched prior to 2020 and have 4+ year track records



New Fund Launches

7 funds launched in Q3 2024 (27 funds total YTD)



Time in SEC registration

Funds launched in Q3 2024 spent an average of 170 days in the SEC registration process prior to going effective, compared to an average of 178 days Q2 2024



Market Scale

- Each of the top 20 largest funds has over \$2bn in total managed assets
- 142 funds with over \$100mm in total managed assets (60% of total funds)
- 38 funds with over \$1bn in total managed assets (16% of total funds)



Market Entrants

Currently, there are 133 unique sponsors with 44 sponsors having two or more funds

- 3 new fund sponsors entered market in Q3 2024 (Beacon Pointe, Catalyst Capital Advisors, and Diamond Hill)
- 4 existing fund sponsors launched additional funds in Q3 2024
- 18 existing fund sponsors are now in the SEC registration process to launch an additional fund



Performance Fees

54 funds (23% of total funds) charge an income incentive fee or performance fee

1 of the 7 funds launched in Q3 2024 charge an income incentive fee or performance fee

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

Note: All data as of 9/30/2024 or latest publicly available. Quarter-over-quarter represents change from 6/30/2024 to 9/30/2024.

1. Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in this report is as of 6/30/2024 and represents the latest publicly available data.

KPIs	Interval / Tender Offer Fund Market Key Performance Indicators			
Funds	235 Funds ¹	+27 Funds Entered Market YTD -4 Funds Exited Market YTD ¹	10.8% Change YTD 	240 - 255 Funds XAI YE Forecast
Assets	\$162bn Net Assets	+\$22bn Net Asset Growth YTD	15.7% Change YTD 	\$165 - \$175bn Net Assets, XAI YE Forecast
Market Share by Fund TMA ²	5 Largest Funds 38% Market Share	10 Largest Funds 50% Market Share	20 Largest Funds 65% Market Share	30 Largest Funds 74% Market Share
Market Share by Sponsor	 CLIFFWATER \$36.8bn TMA ² 19.2% Market Share	 PARTNERS GROUP \$15.9bn TMA ² 8.3% Market Share	 ALKEON CAPITAL MANAGEMENT \$13.3bn TMA ² 6.93% Market Share	 PIMCO \$7.4bn TMA ² 3.85% Market Share
Wirehouse Availability	Morgan Stanley 22 Funds on Platform	 UBS 15 Funds on Platform	 Merrill Lynch Bank of America Corporation 12 Funds on Platform	 WELLS FARGO 7 Funds on Platform

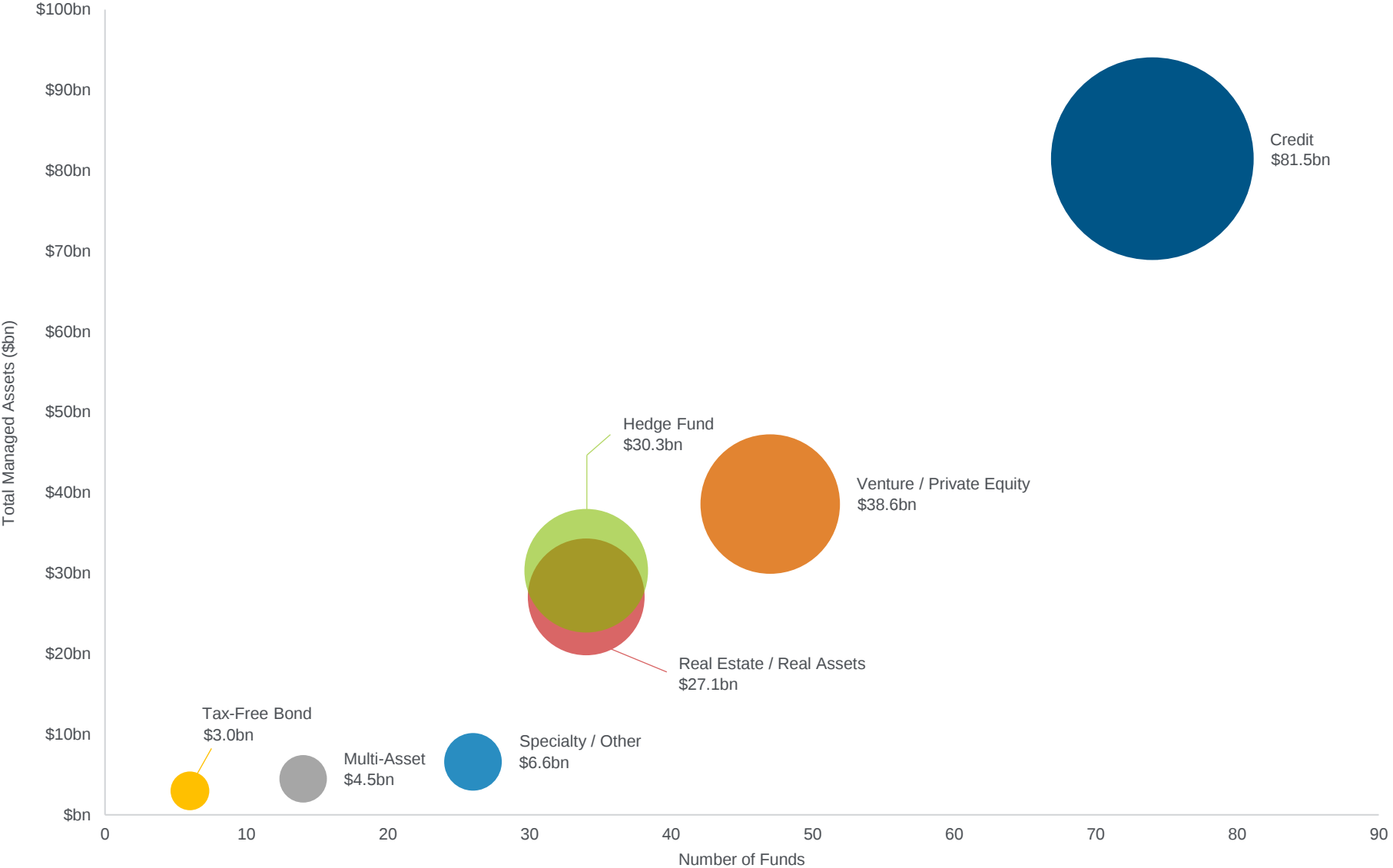
Sources: XA Investments; CEFDData.com. All figures are latest publicly available as of 9/30/2024.

1. Fund closures for 2024 YTD include the Pioneer ILS Bridge Fund, the KKR FS Income Trust Select, the Blackstone Floating Rate Enhanced Income Fund, and the BlackRock Multi-Sector Opportunities Trust.

2. "TMA" stands for Total Managed Assets and is inclusive of leverage.

Overview of Non-listed CEF Market by Asset Class

Non-listed CEF Market by Total Managed Assets and Number of Funds



Sources: XA Investments; CEFDData.com; SEC Filings.
Note: Data reflects most recent publicly available data as of 9/30/2024.

Asset Class Recategorization

XAI's research team continuously works to improve its reporting on the interval fund market.

- As the market continues to grow, the XAI research team has recategorized the ILS and Equity asset classes this quarter, assigning them to either the Specialty/Other asset class or the newly created Hedge Fund and Multi-Asset categories. XAI will continue to evaluate asset classes as the interval and tender offer fund market develops. For further details, please reach out to info@xainvestments.com.

Prior Asset Class Breakdown

Asset Class	# of Funds	AUM in \$bn
ILS	4	2.1
Equity	5	19.2
Tax-Free Bond	6	3.0
Specialty / Other	64	20.2
Venture / Private Equity	47	38.6
Real Estate / Real Asset	33	27.1
Credit	76	81.5



New Asset Class Breakdown

Asset Class	# of Funds	AUM in \$bn
Hedge Fund (new)	34	30.3
Multi-Asset (new)	14	4.5
Tax-Free Bond	6	3.0
Specialty / Other	26	6.6
Venture / Private Equity	47	38.6
Real Estate / Real Asset	34	27.1
Credit	74	81.5

- The diagram illustrates how funds were reclassified:



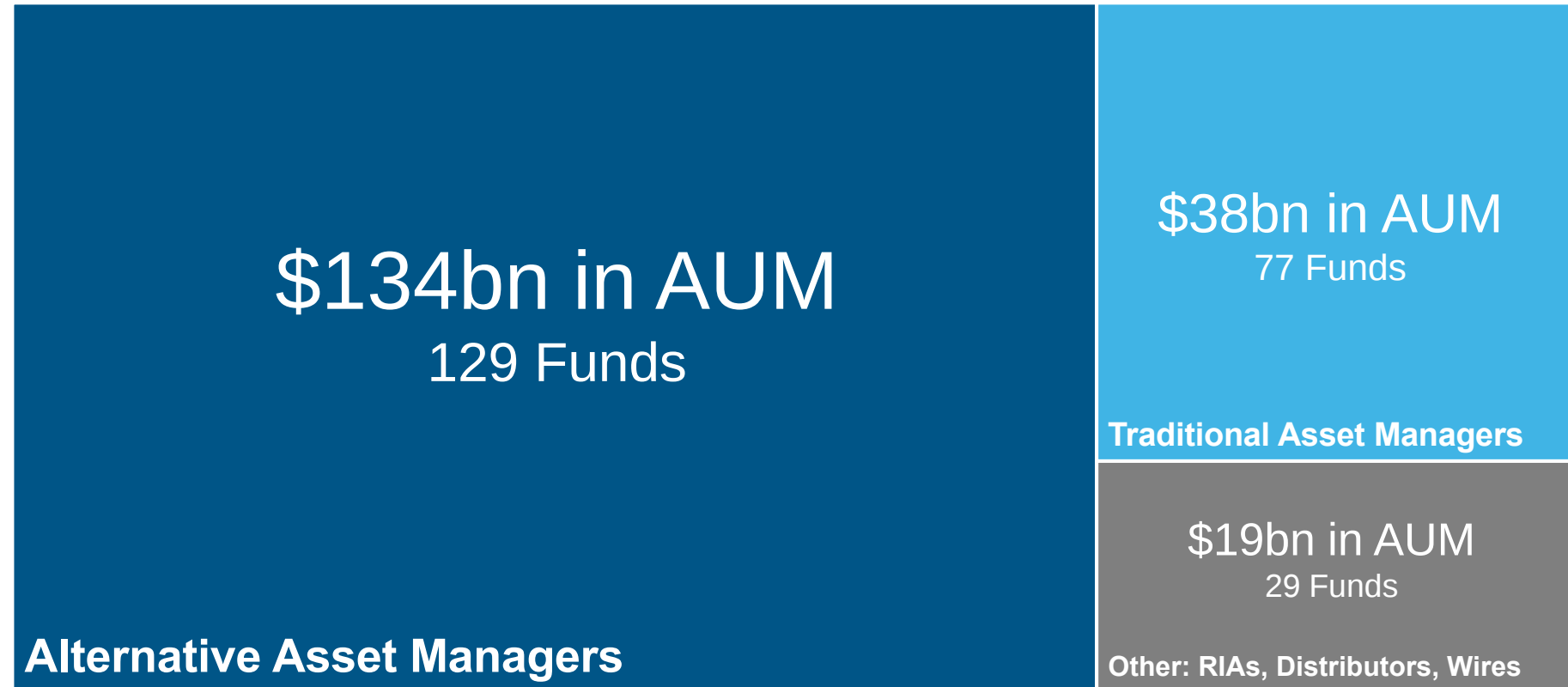
Source: XA Investments.

Notes: AUM represents total managed assets. See page 72 for more information on asset class categories.

70% of Non-listed CEF Assets are in Funds Managed by Alternative Asset Managers

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

Non-listed CEF Marketplace by Advisor Type



Adviser Type	AUM (\$mm)	% of AUM	Number of Funds	% of Funds
Alternative Asset Managers	\$134,206	70%	129	55%
Traditional Asset Managers	\$38,286	20%	77	33%
Other: RIAs, Distributors, Wires	\$18,998	10%	29	12%
Total	\$191,490	100%	235	100%

Sources: XA Investments; CEFData.com; SEC Filings. Data reflects most recent publicly available as of 9/30/2024. AUM represents total managed assets.

Expansion of the Non-listed CEF Market in Q3 2024

Overall Non-listed CEF Market			
	6/30/2024	9/30/2024	% Change
Number of Funds	230	235	2.17%
Assets Under Management (\$mm)	174,362	191,490	9.82%
AUM of the Top 20 (\$mm)	112,569	124,639	10.72%
Funds with \$1bn+ AUM (# of funds)	36	38	5.56%

Non-listed CEFs Available on Wirehouse Platforms			
	6/30/2024	9/30/2024	% Change
Merrill Lynch	11	12	9%
Morgan Stanley	22	22	0%
UBS	16	15	-6%
Wells Fargo	7	7	0%
Total Unique Funds	28	29	-

Non-listed CEFs by Asset Type				
Asset Type	6/30/2024		9/30/2024	
	#	AUM (\$mm)	#	AUM (\$mm)
Credit	74	68,698	74	81,489
Venture / Private Equity	46	35,247	47	38,595
Hedge Fund	34	31,082	34	30,314
Real Estate / Real Asset	32	26,676	34	27,066
Specialty / Other	25	6,286	26	6,580
Multi-Asset	13	3,619	14	4,471
Tax Free Bond	6	2,754	6	2,976
Total	230	174,362	235	191,490

7 Non-listed CEFs Launched in Q3 2024, Bringing Total Launches to 27 YTD						
Fund Name	Structure	Asset Class	Initial Filing	1933 Act	Effective Date	Months in Registration
Diamond Hill Securitized Credit Fund	Interval	Credit	5/7/2024	Yes	9/30/2024	4.9
Hamilton Lane Private Infrastructure Fund	Tender Offer	Real Estate / Real Asset	6/6/2024	Yes	9/27/2024	3.8
Franklin Lexington Private Markets Fund	Tender Offer	Multi-Asset	1/31/2024	Yes	8/13/2024	7.0
Catalyst Strategic Income Opportunities Fund	Interval	Credit	1/17/2024	Yes	7/26/2024	6.4
Beacon Pointe Multi-Alternative Fund	Interval	Specialty / Other	12/15/2023	Yes	7/5/2024	6.8
CPG Vintage Access Fund VII, LLC	Tender Offer	Venture / Private Equity	2/2/2024	No	N/A ^{1,2}	N/A ¹
Privacore PCAAM Alternative Growth Fund	Tender Offer	Specialty / Other	4/25/2024	No	6/28/2024 ^{1,3}	N/A ¹
					Average	5.8

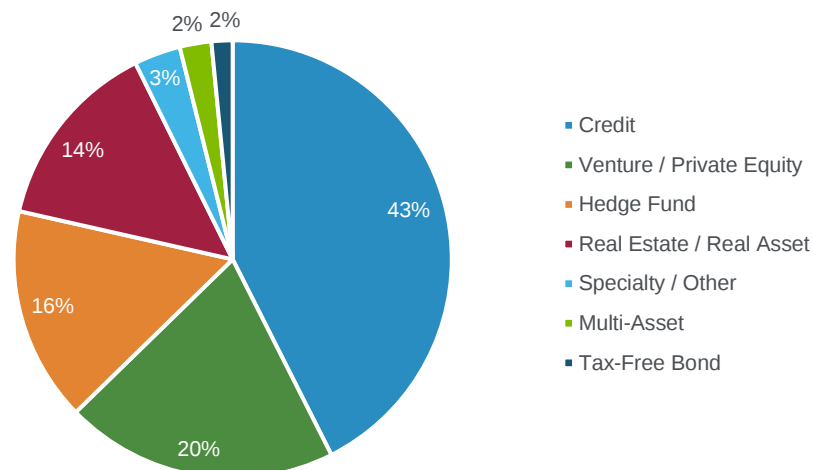
Sources: XA Investments; CEFDData.com; SEC Filings.
Note: Data reflects most recent publicly available as of 9/30/2024. AUM represents total managed assets.
1. 1940 Act Funds not filed under the 1933 Act are considered automatically effective.
2. Do not yet know inception date for CPG Vintage Access Fund VII, LLC.
3. Represents inception date for Privacore PCAAM Alternative Growth Fund rather than effective date.

Historical Interval and Tender Offer Fund Market Overview

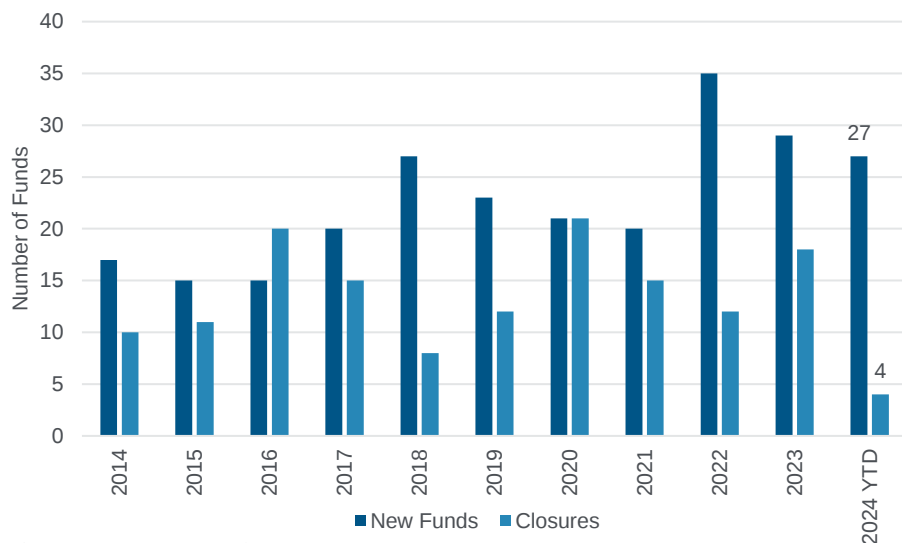
Interval and Tender Offer Funds by Asset Type

Asset Type	#	Total Managed Assets (\$mm) ¹	Net Assets (\$mm)
Credit	74	81,489	62,027
Venture / Private Equity	47	38,595	37,641
Hedge Fund	34	30,314	23,602
Real Estate / Real Asset	34	27,066	25,351
Specialty / Other	26	6,580	6,392
Multi-Asset	14	4,471	4,409
Tax-Free Bond	6	2,976	2,410
Total	235	191,490	161,831

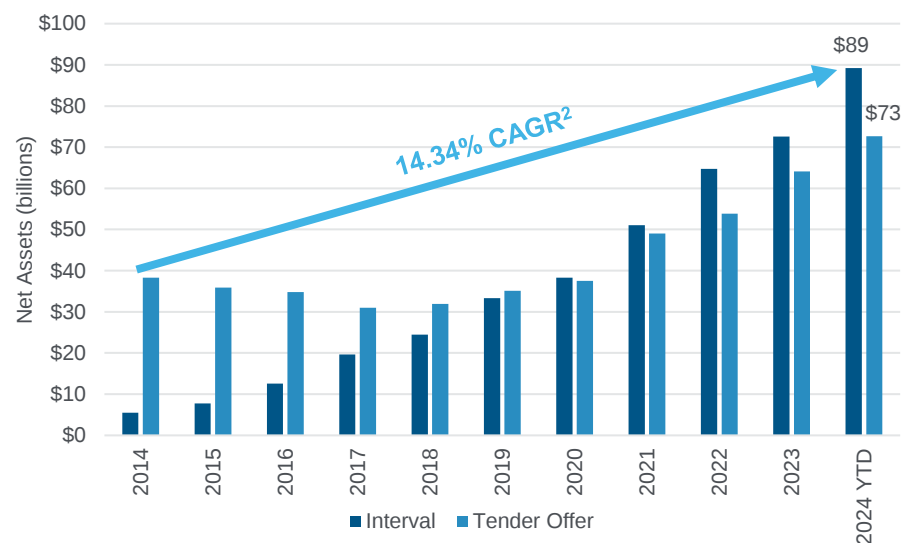
Asset Classes by Total Managed Assets¹



Fund Openings and Closures³



Net Asset Growth



Sources: XA Investments; CEFDData.com.

Notes: Data as of 9/30/2024 or latest publicly available. Detailed historical interval and tender offer fund data is limited back to 2014.

1. Total managed assets is inclusive of leverage.

2. Represents the 10-year compound annual growth rate of net assets for interval and tender offer funds, as of 9/30/2024.

3. Fund closures for 2024 YTD include the Pioneer ILS Bridge Fund, KKR FS Income Trust Select, Blackstone Floating Rate Enhanced Income Fund, and BlackRock Multi-Sector Opportunities Trust.

Public / Private Partnerships

Partnerships allow firms to expand their product offerings and use the expertise of partners to offer the best-in-class solutions.

Partnership ¹	Strategy	Additional Information	Interval Fund
 - Lord Abbett Flexible Income Fund - Lord Abbett and Apollo filed on December 26, 2023, to launch an interval fund with no suitability restrictions with Lord Abbett as the adviser and Apollo as sub-adviser.	Focus on short duration liquid credit and private credit consisting of asset-backed credit and private direct lending.	- Lord Abbett is a privately held investment manager headquartered in Jersey City, NJ with \$199 billion in AUM. - Apollo Global Management is an asset management firm headquartered in New York with \$596 billion in AUM.	✓
 - KKR and Capital Group announced a partnership to launch funds in 2025, details to be announced in Q4 24. - First two strategies will be a combination of public and private fixed income securities.	Hybrid public/private market investment solutions available to investors across asset classes, geographies, and channels. Plan to launch a client focused platform as well as products.	- Capital Group is an investment management firm headquartered in Los Angeles with \$2.7 trillion in AUM. - KKR is an investment management company headquartered in New York with \$598 billion in AUM.	✓
 - Bow River Capital and Thornburg are partnering on a private credit joint venture expected to close in Q4 24 that will be offered to qualified investors. - Structure is currently unknown.	Offering institutional style, flexible private credit solutions that support the needs of lower/middle market businesses, focusing investments on the Rocky Mountain West, Midwest, and Southwest.	- Bow River Capital is an investment manager headquartered in Denver has \$3.6 billion in AUM. - Thornburg is an investment manager headquartered in New Mexico has \$43.6 billion in AUM.	✗
 - SPDR SSGA Apollo IG Public & Private Credit ETF - SSGA and Apollo plan to launch a private-credit focused ETF with SSGA as the advisor with the initial filing on September 10, 2024.	The private credit ETF will invest up to 15% of net assets in illiquid investments, including interval funds and BDCs. The rest of the portfolio will focus on investment-grade debt in both public and private credit market sourced by Apollo.	- State Street Global Advisors is an investment manager headquartered in Boston and has \$4.37 trillion in AUM. - Apollo Global Management is an asset management firm headquartered in New York with \$596 billion in AUM.	✗
 BlackRock and Partners Group plan to launch a model portfolio solution with three risk profiles combining existing funds from both companies.	A multi-private markets model portfolio solution allowing access to private equity, private credit, and real assets in a single portfolio that leverages the experience and platform of both firms.	- BlackRock is an asset manager headquartered in New York with \$10 trillion in AUM. - Partners Group is a private equity firm headquartered in Switzerland and has \$149 billion in AUM.	✓*

Source: XA Investments, Press Releases, Firm Websites.

Notes: Data as of 9/30/2024 or latest publicly available, AUM is an abbreviation of Assets Under Management.

1. Partnerships ordered by earliest date of press release.

*The model portfolio will include interval funds.

Notable New Market Filings in Q3 2024

Initial Fund Filing ¹	Market Significance
 - Fund Name: FT Vest Rising Dividend Achievers Total Return Fund - Structure: Tender Offer - Initial Filing Date: September 20, 2024 - Strategy: The Fund intends to pursue a hedged equity investments strategy by investing in U.S. exchange traded equity securities contained in the NASDAQ US Rising Dividend Achievers Index and hedging the S&P 500 Index.	First Trust has filed multiple unique tender offer funds with set 2-year or 3-year periods with offers of 100% liquidity and annual tenders of up to 10% in the interim.
 - Fund Name: ISQ Infrastructure Income Fund - Structure: Tender Offer - Initial Filing Date: August 19, 2024 - Strategy: The fund will invest in a diversified portfolio of infrastructure assets, focusing on senior secured infrastructure assets.	I Squared's fund filing comes as the latest in the market trend of launching infrastructure focused funds.
 - Fund Name: Rockefeller Municipal Opportunities Fund - Structure: Interval Fund - Initial Filing Date: August 8, 2024 - Strategy: The Fund will pursue a municipal securities-based strategy, focusing on securities that are exempt from regular federal individual income tax that are issued by the governments of states, their political subdivisions, and the District of Columbia.	Rockefeller Capital Management is a registered investment adviser and broker / dealer launching their first interval / tender offer fund.
 - Fund Name: Russell Investments Strategic Credit Fund - Structure: Interval Fund - Initial Filing Date: July 30, 2024 - Strategy: The Fund will primarily invest in lending activities including directly originated loans, syndicated loans, and credit securities.	Russell Investments files a second interval / tender offer fund to expand their position in the market.

Source: XA Investments; SEC Filings.

Notes: Data as of 9/30/2024 or latest publicly available.

1. Firms are listed in reverse chronological order based on initial N-2 filing.

Case Study: Blackstone Private Multi-Asset Credit Fund - Category Killer?

Why featured? New interval fund marks Blackstone's return to the interval fund market after recent interval fund closure.

Summary Terms		Product Differentiation
Fund Name	Blackstone Private Multi-Asset Credit Fund	- The Blackstone Private Multi-Asset Credit Fund differs from Blackstone Private Credit Fund (BCRED). BCRED is a non-traded BDC that focuses on loans made to private companies. The Multi-Asset Credit Fund will give investors broader access to all of Blackstone's credit capabilities such as corporate direct lending, asset-based credit, structured and liquid credit. - The Blackstone Private Multi-Asset Credit Strategy Fund offers investors the best of the Blackstone Credit platform and the Blackstone Private Equity Strategies Fund LP offers investors the best of all Blackstone Private Markets. - As Blackstone's second interval fund, the Multi-Asset Credit Fund represents a shift in strategy from the Blackstone Floating Rate Enhanced Income Fund, which liquidated in June 2024.
Investment Objective	Generate current income and, to a lesser extent, long-term capital appreciation	
Structure	Interval Fund	
Strategy	The fund will offer single access to a wide spectrum of investments across Blackstone's credit platform including private corporate credit, asset backed credit, structured credit, and liquid credit.	
Suitability	No Suitability Restrictions	
Filing Date	August 21, 2024	
Asset Class	Credit	
Fee Waiver	Expense Limitation and Reimbursement Agreement on operating expenses	
Redemptions	Quarterly, 5% - 25%	
Legal Counsel	Simpson Thacher & Bartlett LLP	

Other Blackstone Products

Blackstone Real Estate Income Trust (BREIT)

- Net Asset Value: \$55bn
- Strategy: Perpetual-life, institutional-quality real estate investments platform that brings private real estate to income-focused investors
- Structure: Non-exchange traded perpetual life REIT
- Inception Date: January 1, 2017

Blackstone Private Credit Fund (BCRED)

- Total Managed Assets: \$61bn
- Strategy: Seeks to generate income by focusing primarily on loans and securities of U.S. private companies
- Structure: Non-listed BDC
- Inception Date: January 7, 2021

Blackstone Private Equity Strategies Fund LP (BXPE)

- Strategy: Seeks to provide qualified investors exposure to Blackstone's private equity platform through a single fund
- Structure: Perpetual-life strategy
- Inception Date: January 4, 2024

Blackstone Floating Rate Enhanced Income Fund

- Announced liquidation on June 10, 2024
- Filed for deregistration on August 13, 2024
- Strategy: The Fund invested in floating rate loans, notes, or bonds
- Structure: Interval Fund

Source: XA Investments; Company websites and SEC filings.

Legal & Regulatory Insights

In Q3 2024, the SEC reviewed several proposed amendments to the CEF market and addressed firm violations of regulatory acts.

July: New York Stock Exchange Applies with the SEC to Exempt Closed-End Funds from Annual Meeting Requirements

On July 25, a U.S. Federal court put the brakes on the latest iteration of the Department of Labor's fiduciary rule. The U.S. District Court for the Eastern District of Texas issued an order staying the 2024 Fiduciary Rule. The ruling removes the rule's effective date of September 23, 2024, until the district courts can examine the merits of the rule under the current appeal. The Court considered that the plaintiffs were likely to succeed in their appeal of the DOL Rule. Additionally, the court noted that the 2024 Fiduciary Rule "suffers from many of the same problems" as the DOL's 2016 iteration of the rule.

The New York Stock Exchange's (NYSE) recent application with the SEC to amend its listing rules to exempt closed-end funds from the annual meeting requirement was published in the Federal Register on July 7, 2024. If approved, the rule change will allow listed CEFs to avoid hosting annual shareholder meetings, but would not impact whether the funds would be required to hold meetings for issues under the 1940 Act (such as adviser changes of control or amendments to fundamental policies). In its application, the NYSE underscored the "significant statutory protections under the 1940 Act provided to shareholders of CEFs" as a reason why the annual meeting requirement is not necessary. Given that activist investors rely on the annual meeting requirement as a key component of their challenges to CEFs, the industry is closely watching to see whether this rule change is approved.

August: SEC Amends Form N-PORT and Form N-CEN Reporting Obligations

On August 28, the SEC adopted amendments to funds' reporting obligations on Form N-PORT and Form N-CEN. The amendments on Form NPORT will move the disclosure obligations from quarterly to monthly, with the filing obligation also updated to within 30 days from month end. Each Form N-PORT report will be made publicly available on EDGAR 60 days after the reporting month's end. Additionally, Form N-CEN will include additional information about liquidity service providers and the services that are provided to the reporting fund. The amendments will become effective on November 17, 2025, for funds with \$1 billion or more in net assets, with funds that fall below that threshold receiving a compliance date of May 18, 2026.

September: SEC Charged Investment Advisers with Violations of the Advisers Act and 1940 Act

On September 9, the SEC charged nine investment adviser firms with various violations of the Advisers Act Rule 206(4)-1 (the "Marketing Rule"). The violations ranged from untrue claims related to a firms' industry organization membership to claims asserting conflict-free advisory services. Additional violations were related to the improper use of testimonials and use of third-party ratings without disclosing dates. The SEC continues to make sweep examinations of firms regarding the Marketing Rule.

On September 19, the SEC charged an investment adviser with violations of both the Investment Advisers Act and the Investment Company Act of 1940. The charges were related to investment practices that were inconsistent with the disclosures in its Form ADV and the registration statements of the nine ETFs the adviser manages. The investment strategy was described as a "rules-based, scientifically rigorous methodology of faith-based ESG analysis." However, the SEC Staff found that application of the strategy was limited to primarily cross-referencing potential investments against publicly available donor and sponsor lists of national organizations the adviser determined were associated with or promoted prohibited activities.

Sources: XA Investments; SEC publications.

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	
Problems	Why?
Raising capital in excess of strategy capacity	Potential return drag
Slow deployment of capital	Potential return drag; expectations mismatch
Large and concentrated holdings by early investors in new funds	Proration risk upon exit
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
Rapid Valuation Mark-downs (in excess of 2% of NAV)	Increases demand for liquidity
Proration over multiple periods	Increases demand for liquidity in future periods
Public / Private Partnerships	Risk of failed partnership or poor performance
Alts models with alternative products	Concerns regarding compatibility and optimization with rest of portfolio

XAI / Dechert: Interval Fund Trends

Hosts: XA Investments, Dechert

Date: November 11, 2024

Location: New York, NY

Note: Waitlisted Event



- The event is scheduled to occur the evening before the ICI's 2024 Closed-End Fund Conference in Midtown Manhattan and will feature two panels on the interval fund market. The first panel will explore organic growth, delving into industry trends and developments. The second panel will focus on inorganic growth, examining fund M&A rationale and emerging opportunities. Our expert panelists will provide a comprehensive recap of 2024, analyze current trends, and offer a forward-looking perspective on what to expect in 2025.
- To join the waitlist, please email sbailey@xmcapital.com

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.
- To register or to learn more, click [here](#)

AICA 2024 Fall Roundtable

Host: Active Investment Company Alliance (AICA)

Date: November 13, 2024

Location: New York, NY



- Explore the universe of closed-end funds, interval funds, and business development companies at the sixth annual AICA roundtable.
- To register or to learn more, click [here](#)

3rd Annual Central Sub-Advisory Roundtable

Host: Institutional Investor

Date: November 19-20, 2024

Location: Chicago, IL



- The Institutional Investor is a private membership organization for buyers of sub-advisory services and manager research selection & oversight executives representing mutual fund companies, OCIOs, insurance firms, retirement platforms, and other asset managers which out-source.
- To register or to learn more, please click [here](#)

IPA Connect 2024

Host: Institute for Portfolio Alternatives

Date: December 9-11, 2024

Location: Orlando, FL

- The event will bring together influential leaders and stakeholders to discuss product education, real-time analysis of industry trends, and the latest updates on regulatory and legislative issues.
- To register or to learn more, click [here](#)



IPA Connect Private Markets 2025

Host: Institute for Portfolio Alternatives

Date: February 19-21, 2025

Location: Newport Beach, CA

- This event will be an opportunity for private market leaders to meet and collaborate with other industry professionals.
- For more information and to register, please click [here](#)



The Blue Vault Alts Summit

Host: Blue Vault

Date: March 10-12, 2025

Location: Frisco, TX

- Blue Vault hosts its annual alternatives summit, bringing together leading voices in the alternative investments industry.
- For more information and to register, please click [here](#)



Future Proof Citywide

Host: Future Proof

Date: March 16-19, 2025

Location: Miami Beach, FL

- The event will bring together RIA's, financial advisors, family offices, asset managers and other finance professionals for a four-day program focusing on the future of investing.
- To register or to learn more, click [here](#)



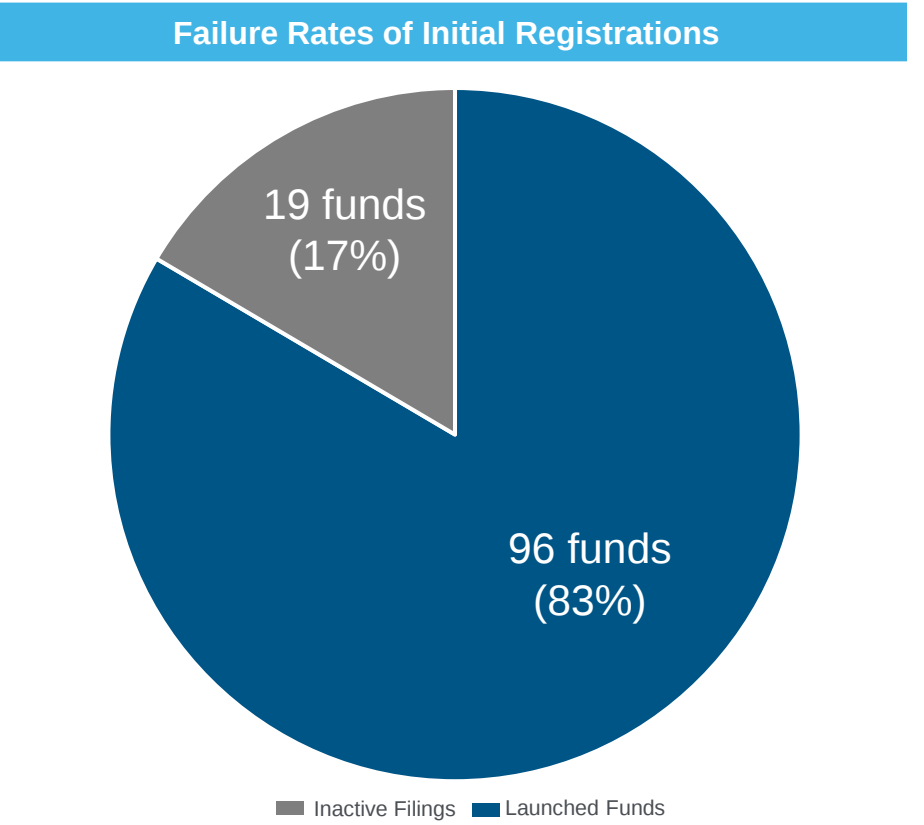
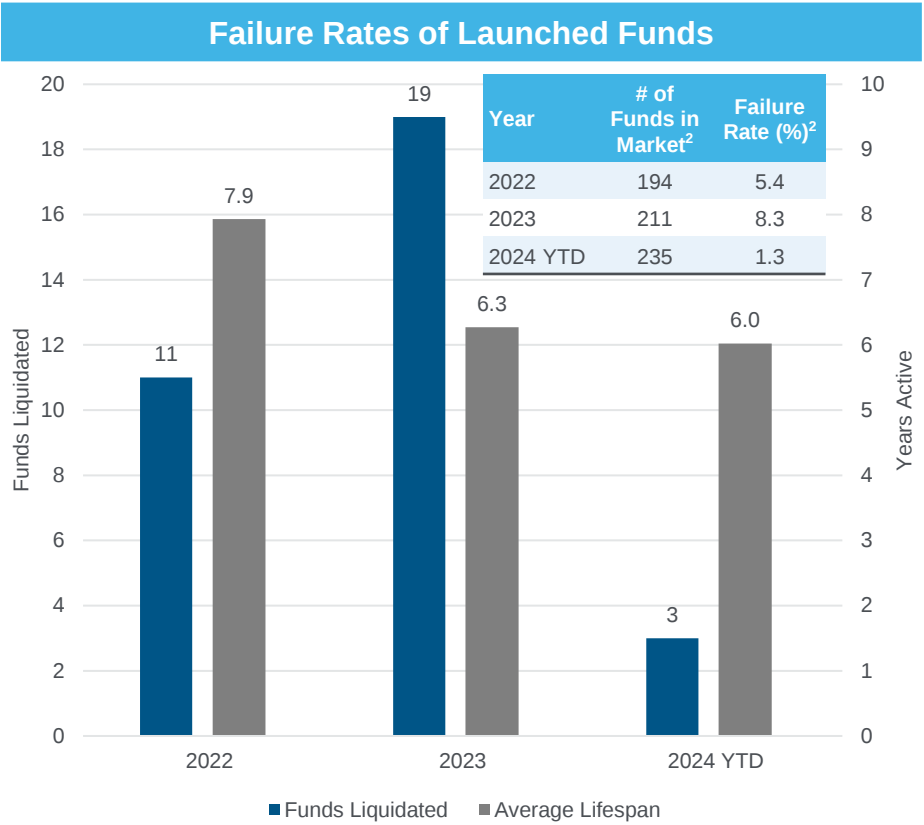
Market Overview

Section Summary

- Interval and tender offer fund structures continue to be popular vehicles for capital raising, with 7 funds launched in Q3 2024.
- Since 2020, the majority of new funds have launched with Credit or Venture / Private Equity strategies.
- The top 20 largest funds have each scaled beyond \$2bn in total managed assets.
- Fund sponsors are establishing interval fund platforms; 44 fund sponsors now have two or more funds in the market, with 18 fund sponsors in the process for another fund.
- Funds without suitability restrictions continue to lead the market in number of funds and total managed assets.
- The pace of interval / tender offer fund onboarding in the wires has slowed in Q3 2024. Wires are gearing up for a big first-half of 2025 with new funds launching and wanting to be onboarded.
- By year-end 2024, XAI forecasts the non-listed CEF market to grow between \$165 - \$175bn in net assets and 240 - 255 total funds.



Over the Past Three Years, Failure Rates For Active Funds and Initial Registrations Have Remained Low¹



Launched Funds Failure Rate

- In the past three years, 36 funds have fully liquidated their assets to shareholders, resulting in a cumulative 13.3% failure rate. 2024 represented the lowest failure rate in the analysis period at 1.3%.
- A fund is deemed liquidated (failed) if it submits an N-8F form and does not reallocate its assets into another entity through a corporate action, such as a merger or conversion.

Initial Registrations Failure Rate

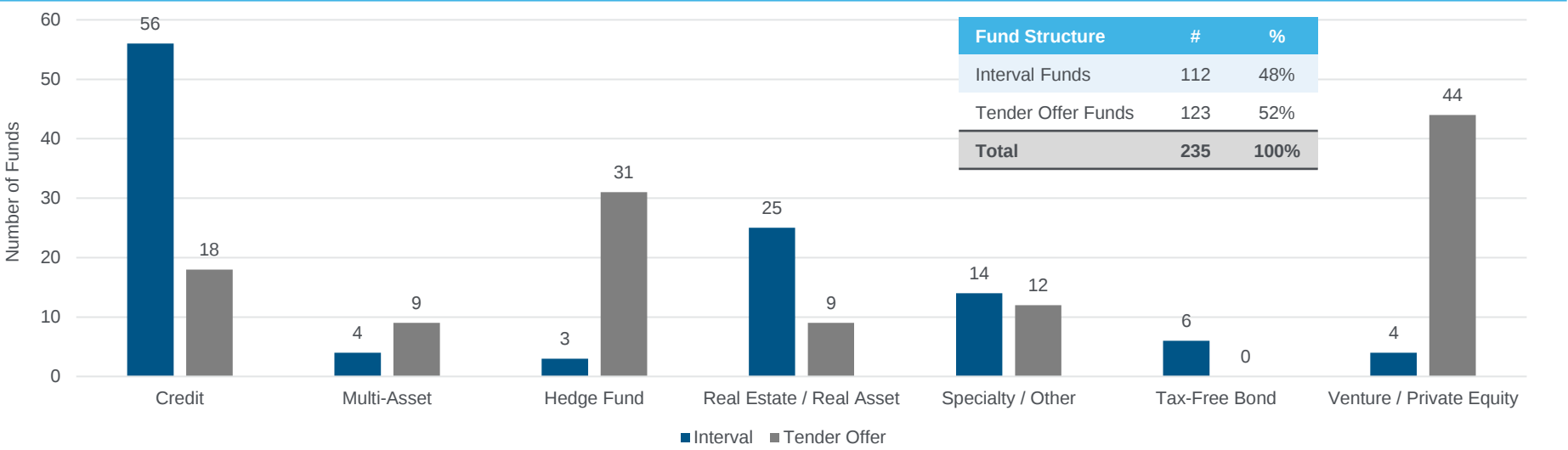
- Of the 96 filings that have completed SEC registration over the last three years, 19 have stayed inactive in SEC registration.
- Funds that filed an initial N-2 form and have not filed an additional N-2 or N-2/A in the past 12 months are classified failed due to inactivity. A fund is also classified as inactive if it submits withdrawal / deregistration forms with the SEC³.

Sources: XA Investments.
Notes: Data as of 9/30/2024 or latest publicly available.

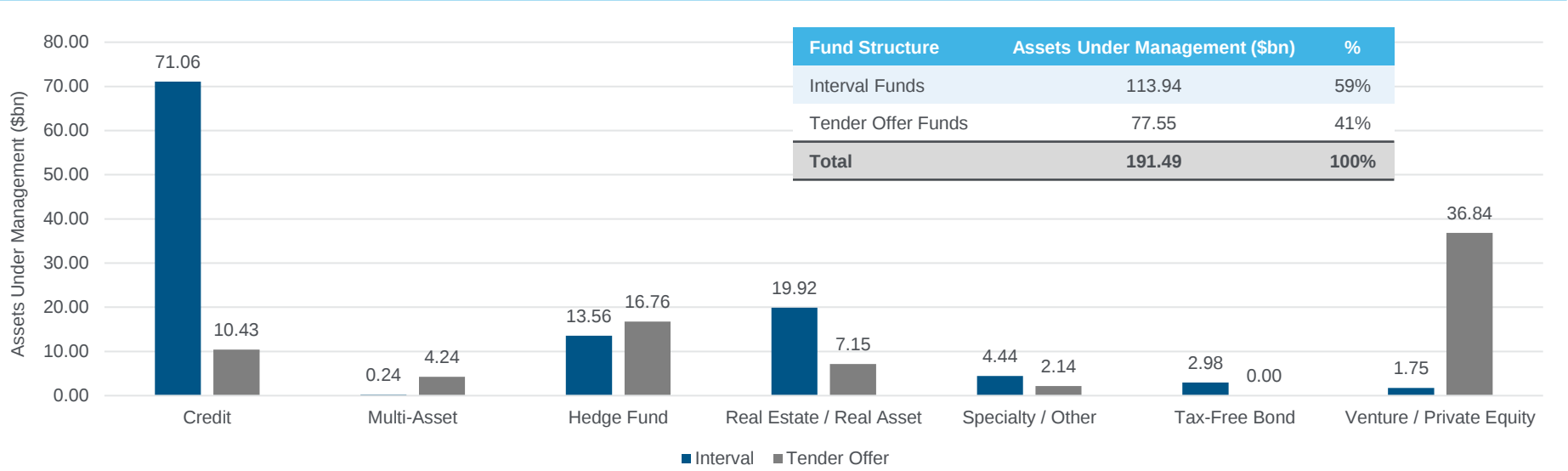
1. Represents funds launched between 9/30/2021 - 9/30/2024.
2. Figures listed are exclusive of failures that occurred throughout the year. The inclusive figures 2022, 2023, and 2024 are 205, 230, and 238 funds, respectively. These inclusive figures were used for failure rate analysis.
3. Withdrawing / deregistering forms are known as an N-8F or a RW.

Despite Fewer Funds, Interval Funds Have the Majority of Assets Under Management

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



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

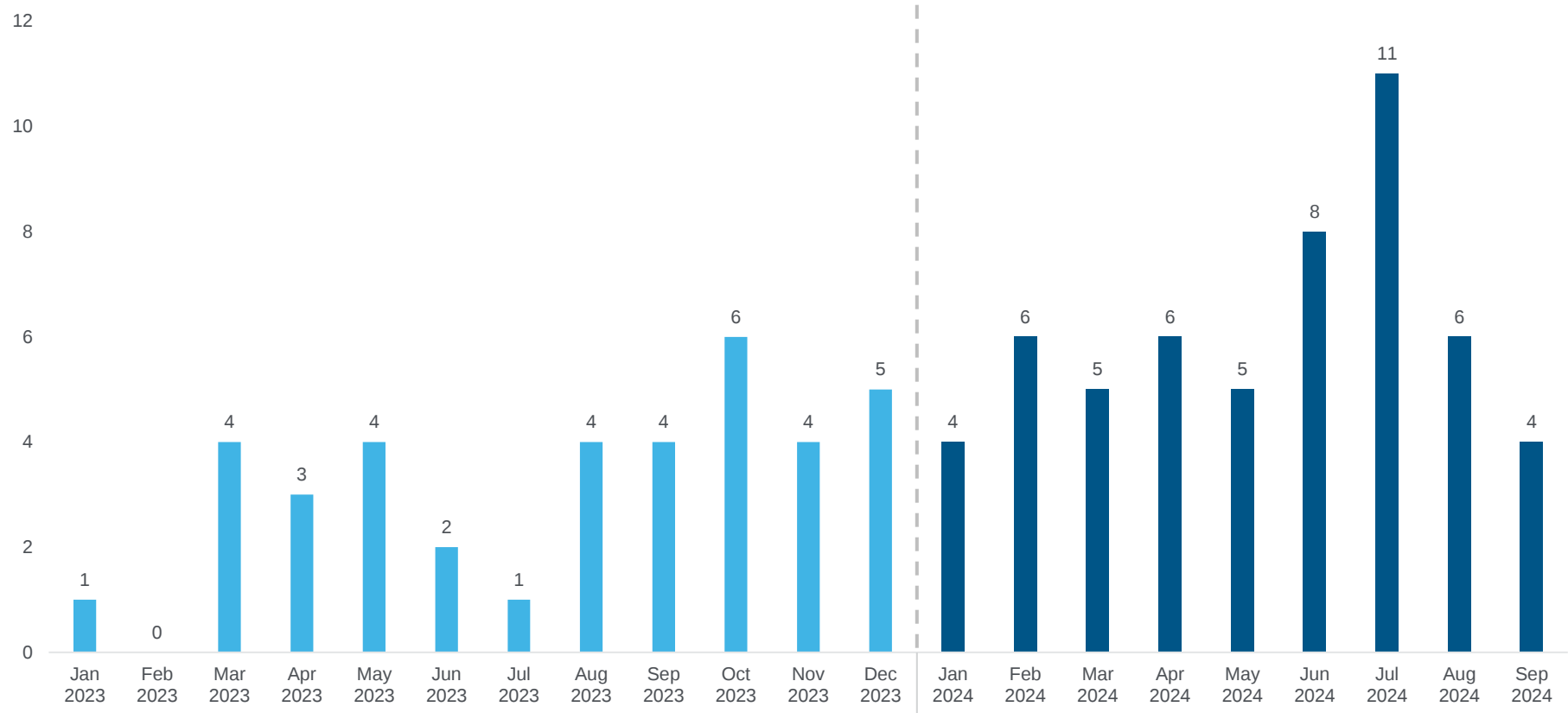


Source: XA Investments; CEFData.com.
Note: Data as of 9/30/2024 or latest publicly available. AUM represents total managed assets.

Fund Filings have Increased 139% in 2024 YTD Compared to the First 9 Months of 2023

2024 has seen 45% more initial registration statements¹ (55 funds) than all of 2023 (38 funds).

Initial Registration Statements¹ Filed Since January 2023



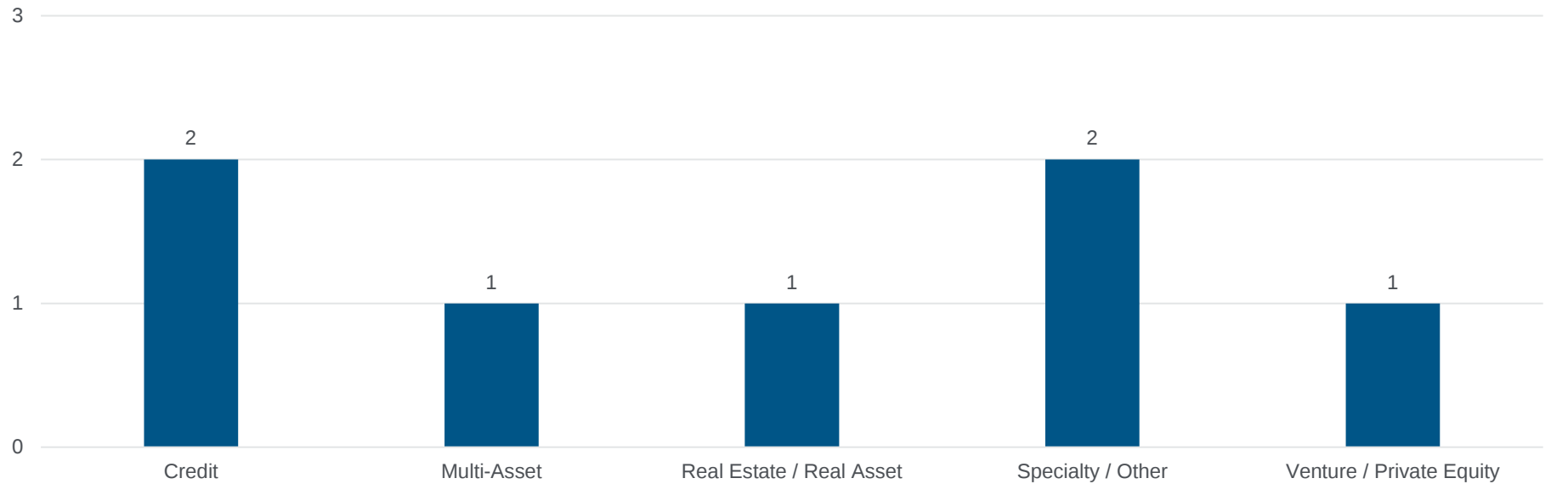
Initial Registration Statements¹ by Month

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	1	0	4	3	4	2	1	4	4	6	4	5	38
2024	4	6	5	6	5	8	11	6	4	-	-	-	55

Source: XA Investments; SEC filings.
Notes: Data as of 9/30/2024.
1. Represents initial form N-2 filings.

7 Non-listed CEFs Launched in Q3 2024 (27 Funds YTD) and Spent an Average of 6 Months in SEC Registration

Funds Launched in Q3 2024



Funds Launched in Q3 2024

#	Fund Name	Structure	Asset Class	Sponsor	Initial Filing	1933 Act	Effective Date	Months in Registration
1	Diamond Hill Securitized Credit Fund	Interval	Credit	Diamond Hill	5/7/2024	Yes	9/30/2024	4.9
2	Hamilton Lane Private Infrastructure Fund	Tender Offer	Real Estate / Real Asset	Hamilton Lane	6/6/2024	Yes	9/27/2024	3.8
3	Franklin Lexington Private Markets Fund	Tender Offer	Multi-Asset	Franklin Templeton	1/31/2024	Yes	8/13/2024	7.0
4	Catalyst Strategic Income Opportunities Fund	Interval	Credit	Catalyst Capital Advisors	1/17/2024	Yes	7/26/2024	6.4
5	Beacon Pointe Multi-Alternative Fund	Interval	Specialty / Other	Beacon Pointe	12/15/2023	Yes	7/5/2024	6.8
6	CPG Vintage Access Fund VII, LLC	Tender Offer	Venture / Private Equity	Central Park Advisors	2/2/2024	No	N/A ^{1,2}	N/A ¹
7	Privacore PCAAM Alternative Growth Fund	Tender Offer	Specialty / Other	Privacore Capital Advisors	4/25/2024	No	6/28/2024 ^{1,3}	N/A ¹

Source: XA Investments; CEFData.com.

Average5.8

Notes: Data as of 9/30/2024 or latest publicly available.

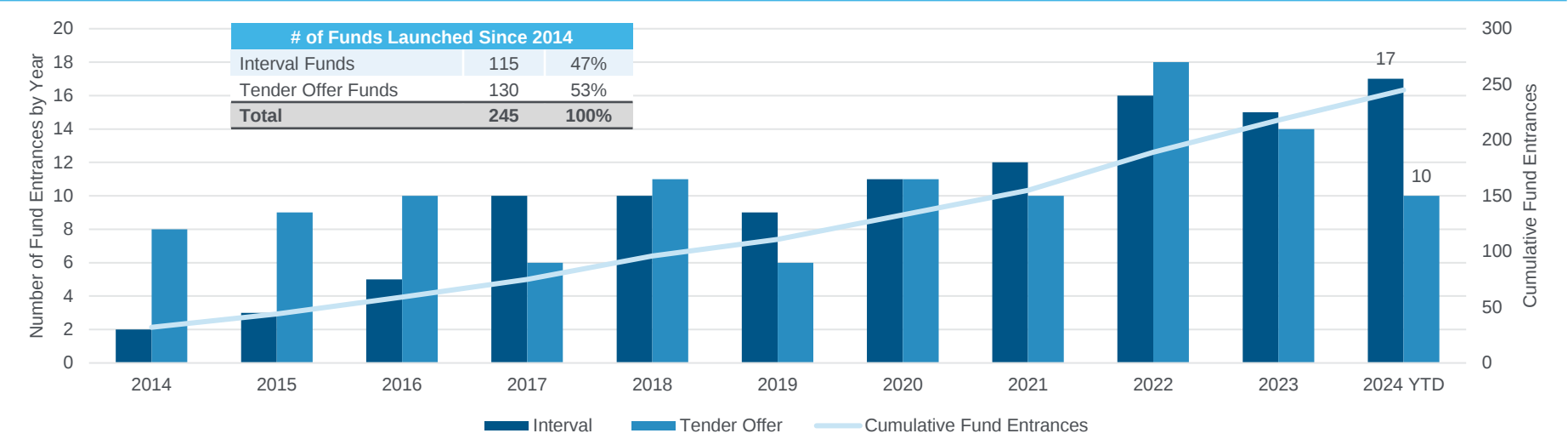
1. 1940 Act Funds not filed under the 1933 Act do not have an effective date and can be considered automatically effective.

2. Do not yet know inception date for CPG Vintage Access Fund VII, LLC.

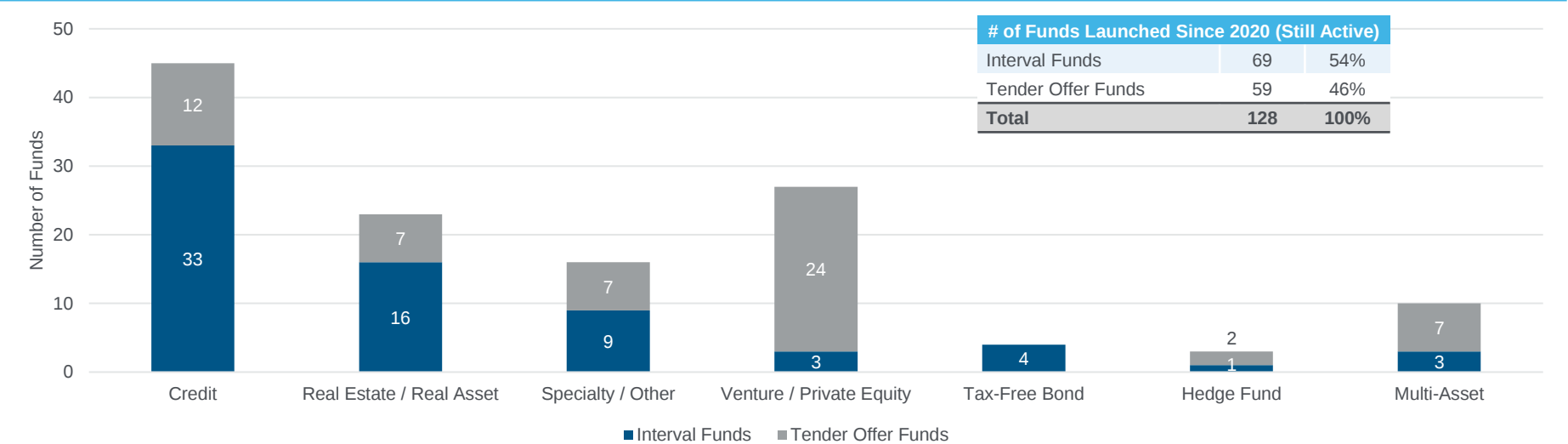
3. Represents inception date for Privacore PCAAM Alternative Growth Fund rather than effective date.

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

Interval vs. Tender Offer Funds: Market Entrants Launches by Fund Structure (Since 2014)



Non-listed CEFs¹ Launched Since 2020 (Still Active)

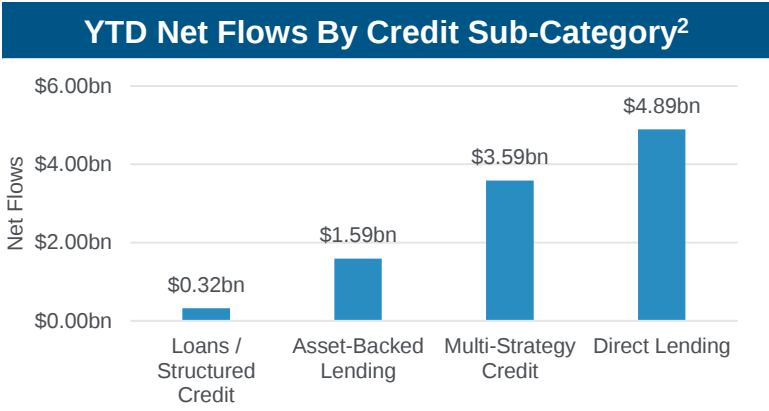


Source: XA Investments; CEFData.com; Bloomberg.
Notes: Data as of 9/30/2024 or latest publicly available. Detailed historical interval and tender offer fund data is limited back to 2014.
1. Active non-listed CEFs refers to interval and tender offer funds that are open and available for new sales in the market and does not account for fund closures.

Private Credit Continues to Expand Gaining \$23bn in AUM Year-to-Date

Direct lending funds have grown the most of any credit sub-category, due to the Cliffwater Corporate Lending Fund. To learn more about private credit watch Asset TV’s recent Master Class on private credit by clicking the link [here](#).

Credit Non-listed CEFs ¹						
Number of Funds			Total Managed Assets (\$mm)			
Sub-Category	12/31/2023	9/30/2024	% Change	12/31/2023	9/30/2024	% Change
Multi-Strategy Credit	29	32	10%	19,197	25,853	34.67%
Loans / Structured Credit	26	28	8%	12,178	12,131	-0.39%
Asset-Backed Lending	9	10	11%	8,239	10,239	24.28%
Direct Lending	3	4	33%	18,783	33,266	77.11%
Total	67	74	10%	58,398	81,489	39.54%



10 Credit Non-listed CEFs Have Launched YTD						
Fund Name	Structure	Sub-Category	Initial Filing	1933 Act	Effective Date	Months in Registration
TCW Spirit Direct Lending LLC	Tender Offer	Direct Lending	5/30/2024	No	N/A ³	N/A ³
Diamond Hill Securitized Credit Fund	Interval	Asset-Backed Lending	5/7/2024	Yes	9/30/2024	4.9
Principal Private Credit Fund I	Interval	Multi-Strategy Credit	4/16/2024	Yes	6/3/2024	1.6
John Hancock Multi Asset Credit Fund	Interval	Multi-Strategy Credit	3/6/2024	Yes	6/3/2024	3.0
AB CarVal Credit Opportunities Fund	Interval	Multi-Strategy Credit	2/23/2024	No	N/A ³	N/A ³
StepStone Private Credit Income Fund	Interval	Multi-Strategy Credit	12/29/2023	Yes	5/31/2024	5.1
Octagon XAI CLO Income Fund	Interval	Loans / Structured Credit	11/13/2023	Yes	2/16/2024	3.2
Eagle Point Enhanced Income Trust	Interval	Loans / Structured Credit	10/13/2023	Yes	6/3/2024	7.8
Voya Enhanced Securitized Income Fund	Interval	Loans / Structured Credit	10/5/2023	Yes	4/29/2024	6.9
AMG Pantheon Credit Solutions Fund	Interval	Multi-Strategy Credit	10/5/2023	Yes	4/1/2024	6.0

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

Note: Data reflects most recent publicly available as of 9/30/2024. AUM represents total managed assets.

1. Credit fund closures for 2024 YTD include the KKR FS Income Trust Select, the Blackstone Floating Rate Enhanced Income Fund, and the BlackRock Multi-Sector Opportunities Trust.

2. Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data above are as of 6/30/2024 and represents the latest publicly available data. Chart represents credit fund net flows from 1/1/2024 to 6/30/2024.

3. 1940 Act Funds not filed under the 1933 Act are considered automatically effective.

Average4.8

Credit Funds Lead the Number of Funds Available on Wirehouse Platforms

MainStay MacKay added at Merrill Lynch and Brookfield added at Morgan Stanley in Q3 2024.

Non-listed CEFs Available in the Wires¹

#	Fund Name	Inception Date	Fund Structure	Asset Class	Total Assets (\$mm)	Merrill Lynch	Morgan Stanley	UBS	Wells Fargo
1	Partners Group Private Equity (Master Fund), LLC	7/1/2009	Tender Offer	Venture / Private Equity	15,777	X	X	X	X
2	ACAP Strategic Fund	3/1/2010	Interval	Hedge Fund	13,273	X	X	X	X
3	CION Ares Diversified Credit Fund	1/26/2017	Interval	Credit	5,832		X	X	X
4	Bluerock Total Income (plus) Real Estate Fund	10/22/2012	Interval	Real Estate / Real Asset	5,340		X	*	
5	Ironwood Institutional Multi-Strategy Fund LLC	1/1/2011	Tender Offer	Hedge Fund	5,142	X	X		X
6	PIMCO Flexible Credit Income Fund	2/22/2017	Interval	Credit	5,026	X	X	X	X
7	Apollo Diversified Real Estate Fund ²	6/30/2014	Interval	Real Estate / Real Asset	4,935		X	*	
8	Carlyle Tactical Private Credit Fund	6/4/2018	Interval	Credit	4,412		X		
9	AMG Pantheon Fund, LLC	10/27/2015	Tender Offer	Venture / Private Equity	3,678		X		
10	StepStone Private Markets	10/1/2020	Tender Offer	Multi-Asset	3,100		X		X
11	Brookfield Infrastructure Income Fund Inc.	11/1/2023	Tender Offer	Real Estate / Real Asset	2,600		X ³		
12	Hamilton Lane Private Assets Fund	1/4/2021	Tender Offer	Venture / Private Equity	2,480	X	X		
13	Lord Abbett Credit Opportunities Fund	2/15/2019	Interval	Credit	2,310	X		X	
14	AIP Alternative Lending Fund P	10/1/2018	Tender Offer	Credit	2,062		X		
15	PIMCO Flexible Municipal Income Fund	3/15/2019	Interval	Tax-Free Bond	1,979	X	X	X	X
16	Pomona Investment Fund	5/7/2015	Tender Offer	Venture / Private Equity	1,800		X		
17	KKR Real Estate Select Trust Inc.	7/2/2020	Tender Offer	Real Estate / Real Asset	1,200		X		
18	KKR Credit Opportunities Portfolio	2/28/2020	Interval	Credit	982	X	X	X	
19	FS Credit Income Fund	11/1/2017	Interval	Credit	884		X	*	
20	FS MVP Private Markets Fund	1/3/2022	Tender Offer	Multi-Asset	793		X		
21	Clarion Partners Real Estate Income Fund Inc.	9/27/2019	Tender Offer	Real Estate / Real Asset	780		X		
22	Nuveen Enhanced High Yield Municipal Bond Fund	6/30/2021	Interval	Tax-Free Bond	683	X		X	
23	BlackRock Credit Strategies Fund	2/28/2019	Interval	Credit	571		X	X	
24	Invesco Senior Loan Fund	2/18/2005	Interval	Credit	443			X	
25	1WS Credit Income Fund	3/4/2019	Interval	Credit	429	X		X	
26	PIMCO California Flexible Municipal Income Fund	6/27/2022	Interval	Tax-Free Bond	123	X			
27	Voya Credit Income Fund	4/2/2001	Interval	Credit	112			X	
28	NB Private Markets Fund III	10/25/2013	Tender Offer	Venture / Private Equity	59		X		
29	MainStay MacKay Municipal Income Opportunities Fund	3/25/2024	Interval	Tax-Free Bond	52	X ³			
Total						12	22	12 / 3*	7
Credit						4	7	9	2
Hedge Fund						2	2	1	2
Multi-Asset						0	2	0	1
Real Estate / Real Asset						0	5	2	0
Tax-Free Bond						4	1	2	1
Venture / Private Equity						2	5	1	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 9/30/2024 or latest publicly available. *Funds are not eligible for purchase (hold only).

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

2. Formerly the Griffin Institutional Access Real Estate Fund.

3. Represents a new addition in Q3 2024.

Growth Analysis of Recent Interval / Tender Offer Fund Launches (last 18 months)¹

Initial seed capital and first quarter growth are important factors in scaling to \$100+ million AUM.

38

funds have entered the market in the past 18 months

16

of those funds have reached a net asset level of over \$100 million

2

of those funds have reached a net asset level of over \$500 million

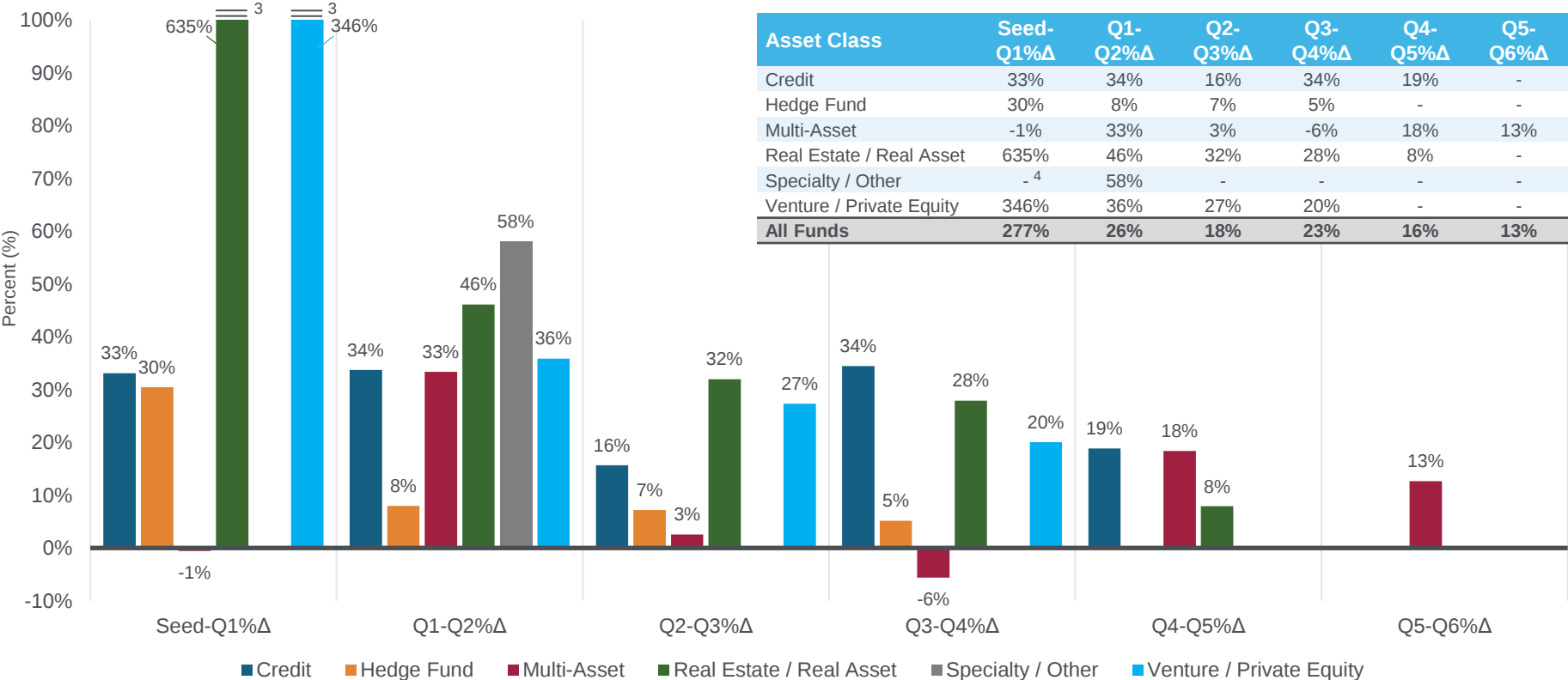
1

of those funds has reached a net asset level of \$1 billion or above

4

of those funds had seed capital amounts of \$100mm+

Average Net Asset Quarter-Over-Quarter Growth Rates^{1,2}



Sources: XA Investments; SEC filings.
Notes: Data as of 9/30/2024 or latest publicly available. AUM stands for Assets Under Management.

- 1. Analysis includes funds launched from 3/31/2023 to 9/30/2024 with two or more quarters of reported fund data.
- 2. As funds gain assets, their percent change (%Δ) will naturally go down.
- 3. Percent change exceeded a 100% increase, see table for more information.
- 4. No funds categorized as Specialty / Other had reported seed capital.

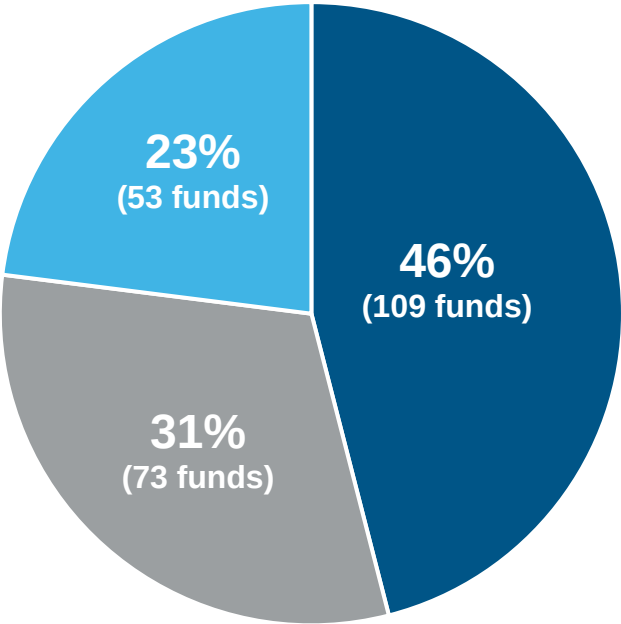
Interval / Tender Offer Fund Suitability Standards

Strategies and fee structures play a crucial role in defining suitability restrictions for interval and tender offer funds.

Fund Suitability	Explanation	Example
No Suitability Restrictions ¹	• Directly invested • Total return-based performance fees are not permitted² • Income incentive fees are permitted	Cliffwater Corporate Lending Fund \$31.8bn in AUM ³
Accredited Investors (AI) Only	• Funds which allocate 15% or more to private funds	AMG Pantheon Fund, LLC \$3.7bn in AUM ³
Qualified Clients (QC) Only	• Funds that charge total return-based performance fees are restricted by the SEC in sale to QC only	Partners Group Private Equity, LLC \$15.8bn in AUM ³

Definitions	
Accredited Investors (AI): Individual or business that is allowed to invest in private security offerings that are not registered with the SEC; requires one of the following: • Sustained income of at least \$200,000 • Knowledgeable employee with a Series 7, 65, or 82 license • Net worth of at least \$1,000,000; excluding primary residence	Qualified Clients (QC): Investors exempt from the provision of the 1940 Act that prohibits private funds from charging performance-based fees; requires one of the following: • \$2.1 million net worth • \$1 million in AUM with an advisor • At least \$5 million in investments • Be an executive, director, trustee, general partner, or the advisor

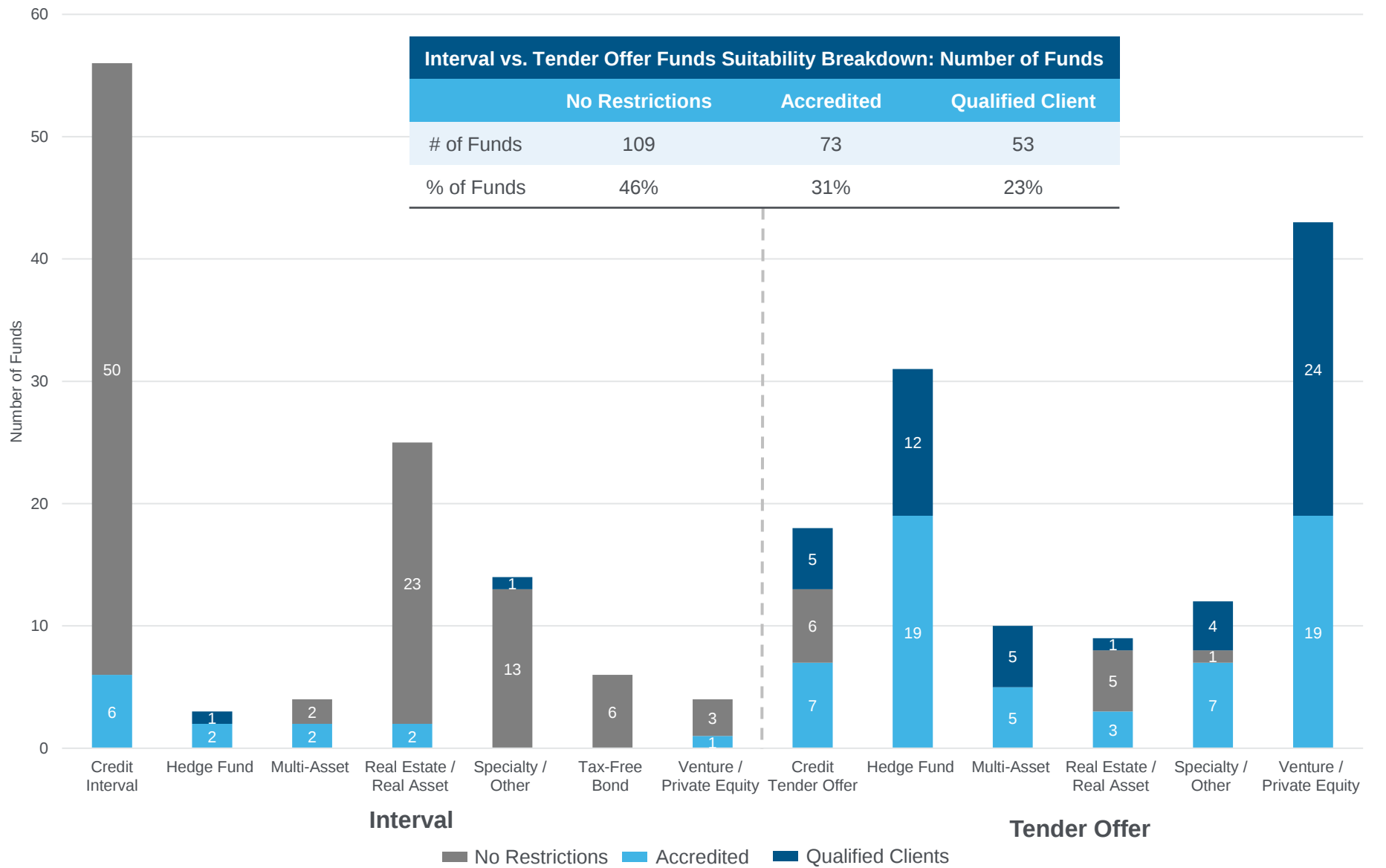
Suitability Breakdown
(% of funds)



- No Suitability Restrictions
- Accredited Investor (AI) Only
- Qualified Client (QC) Only

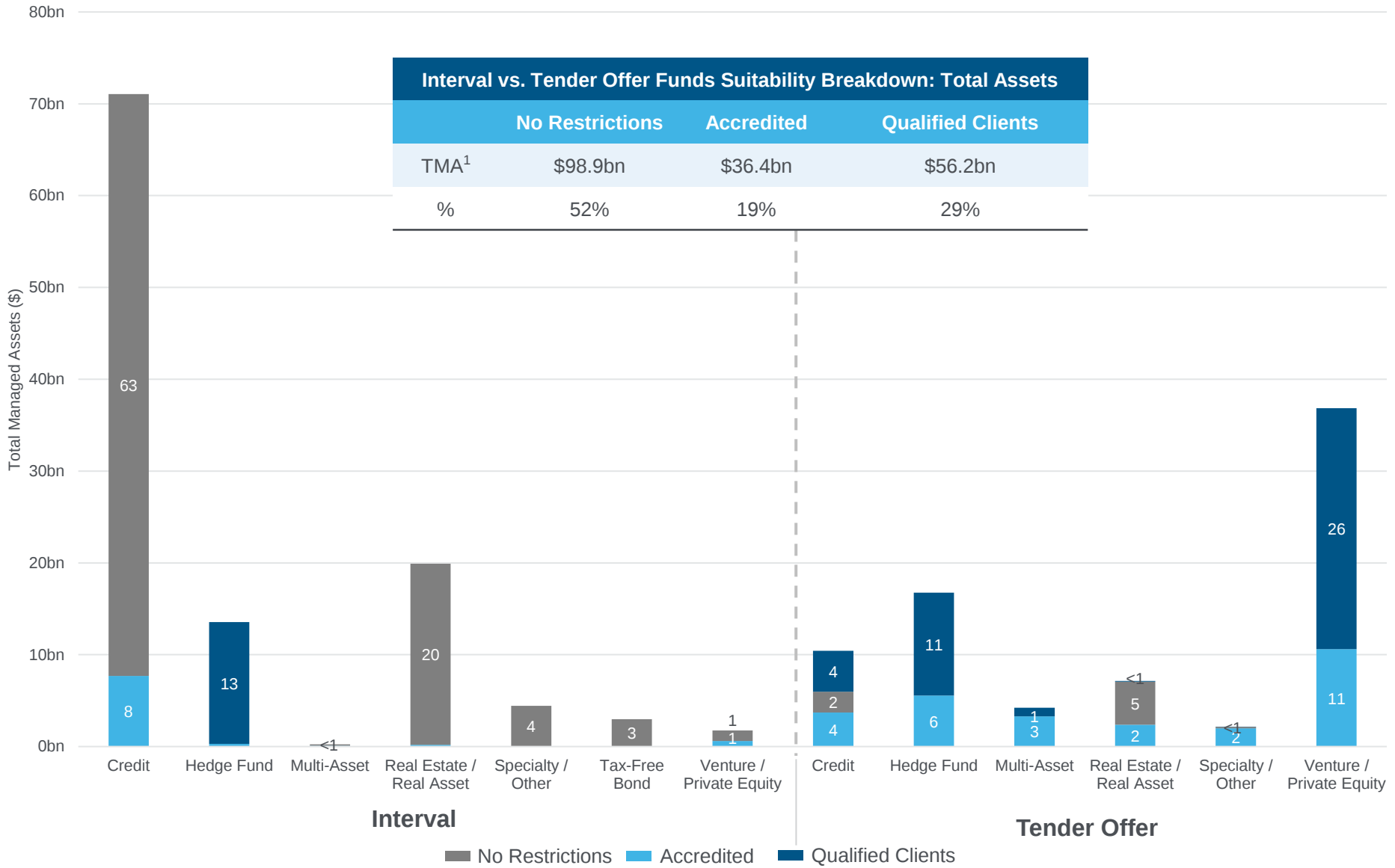
Sources: XA Investments; CEFDData.com.
Notes: The data above reflects the latest publicly available as of 9/30/2024.
1. Represents funds that have no suitability restrictions imposed at the fund level. Investment platforms may impose additional suitability restrictions.
2. The SEC permits funds that charge total-return based performance fees to be sold only to qualified clients.
3. Represents total managed assets.

Funds Without Suitability Restrictions Lead the Market by Number of Funds



Data as of 9/30/2024 or latest publicly available. Source: XA Investments; CEFDData.com.
Notes: No restrictions represents funds that have no suitability restrictions imposed at the fund level. See page 32 for more information on suitability standards.

Funds Without Suitability Restrictions Lead the Market by Total Managed Assets



Data as of 9/30/2024 or latest publicly available. Source: XA Investments; CEFDData.com.
Notes: No restrictions represents funds that have no suitability restrictions imposed at the fund level. See page 32 for more information on suitability standards.
1. "TMA" stands for Total Managed Assets and is inclusive of leverage.

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	-	31,840	21,700	3.42%
2	7/1/2009	Partners Group Private Equity (Master Fund), LLC	Tender Offer	Venture / Private Equity	Partners Group	N/A	Qualified Clients	ML, MS, WF, UBS	15,777	15,500	1.88%
3	3/1/2010	ACAP Strategic Fund	Interval	Hedge Fund	SilverBay Capital	N/A	Qualified Clients	ML, MS, UBS, WF	13,273	8,738	1.62%
4	1/26/2017	CION Ares Diversified Credit Fund	Interval	Credit	CION Ares Management	Ares	No Restrictions	MS, UBS, WF	5,832	3,850	4.17%
5	10/22/2012	Bluerock Total Income (plus) Real Estate Fund	Interval	Real Estate / Real Asset	Bluerock	Mercer; RREEF	No Restrictions	MS, UBS	5,340	4,715	1.72%
6	1/1/2011	Ironwood Institutional Multi-Strategy Fund LLC ²	Tender Offer	Hedge Fund	Ironwood	N/A	Qualified Clients	-	5,142	5,036	1.37%
7	2/22/2017	PIMCO Flexible Credit Income Fund	Interval	Credit	PIMCO	N/A	No Restrictions	ML, MS, UBS, WF	5,026	2,889	2.19%
8	6/30/2014	Apollo Diversified Real Estate Fund	Interval	Real Estate / Real Asset	Apollo	Aon/CenterSquare	No Restrictions	MS, UBS	4,935	4,410	1.66%
9	6/4/2018	Carlyle Tactical Private Credit Fund	Interval	Credit	Carlyle	N/A	No Restrictions	MS	4,412	3,428	5.46%
10	5/4/1999	Advantage Advisers Xanthus Fund, L.L.C.	Tender Offer	Hedge Fund	Advantage Advisers	Alkeon Capital Management	Qualified Clients	-	4,183	2,512	3.84%
11	7/1/2021	Cliffwater Enhanced Lending Fund	Interval	Credit	Cliffwater	N/A	Accredited	-	3,940	3,700	2.20%
12	10/27/2015	AMG Pantheon Fund, LLC	Tender Offer	Venture / Private Equity	Pantheon	N/A	Accredited	MS	3,678	3,473	0.12% ³
13	10/1/2020	StepStone Private Markets	Tender Offer	Multi-Asset	StepStone	StepStone	Accredited	WF, MS	3,100	3,100	2.09%
14	9/18/2017	Versus Capital Real Assets Fund LLC	Interval	Real Estate / Real Asset	Versus Capital	Brookfield; Lazard	No Restrictions	-	3,015	2,805	1.36%
15	10/2/2017	Variant Alternative Income Fund	Interval	Credit	Variant Investments	N/A	Accredited	-	3,014	2,949	1.67%
16	11/1/2023	Brookfield Infrastructure Income Fund Inc. ⁴	Tender Offer	Real Estate / Real Asset	Brookfield	Brookfield Public Securities Group LLC	No Restrictions	-	2,600	2,600	2.31%
17	6/1/2016	Stone Ridge Alternative Lending Risk Premium Fund	Interval	Credit	Stone Ridge	N/A	No Restrictions	-	2,579	1,895	6.83%
18	1/4/2021	Hamilton Lane Private Assets Fund ⁴	Tender Offer	Venture / Private Equity	Hamilton Lane	N/A	Qualified Clients	ML, MS	2,480	2,425	4.26%
19	2/22/2019	Lord Abbett Credit Opportunities Fund	Interval	Credit	Lord Abbett	N/A	No Restrictions	UBS, ML	2,310	2,310	1.68%
20	1/11/2019	John Hancock GA Mortgage Trust	Tender Offer	Real Estate / Real Asset	John Hancock / Manulife	N/A	Accredited	-	2,163	2,062	0.34%

Sources: XA Investments; CEFDData.com; sponsor websites and prospectuses. Data as of 9/30/2024 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.

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 is a master fund.

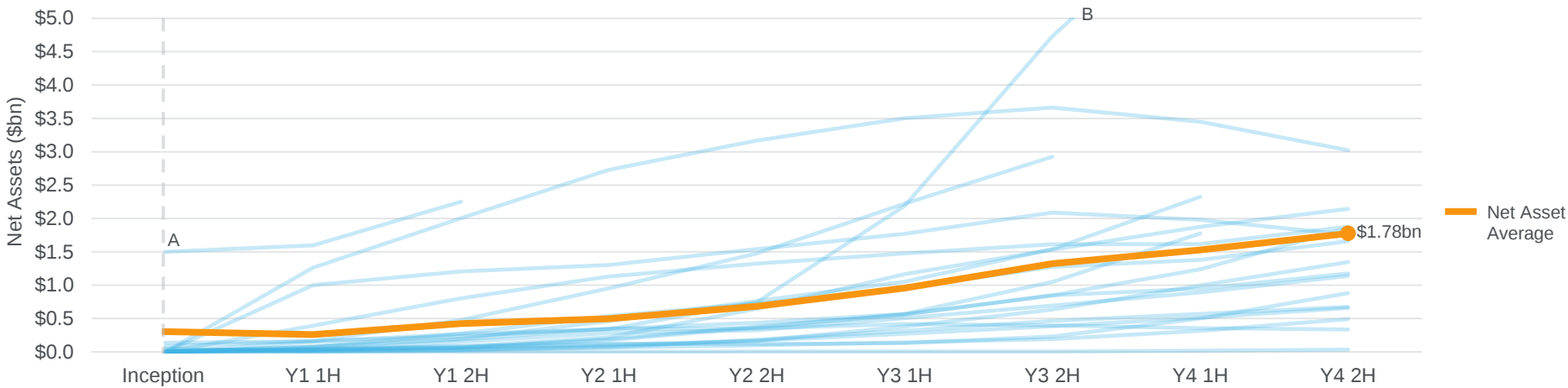
3. Represents Class 4 shares with an outsized minimum investment of \$50,000,000.

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

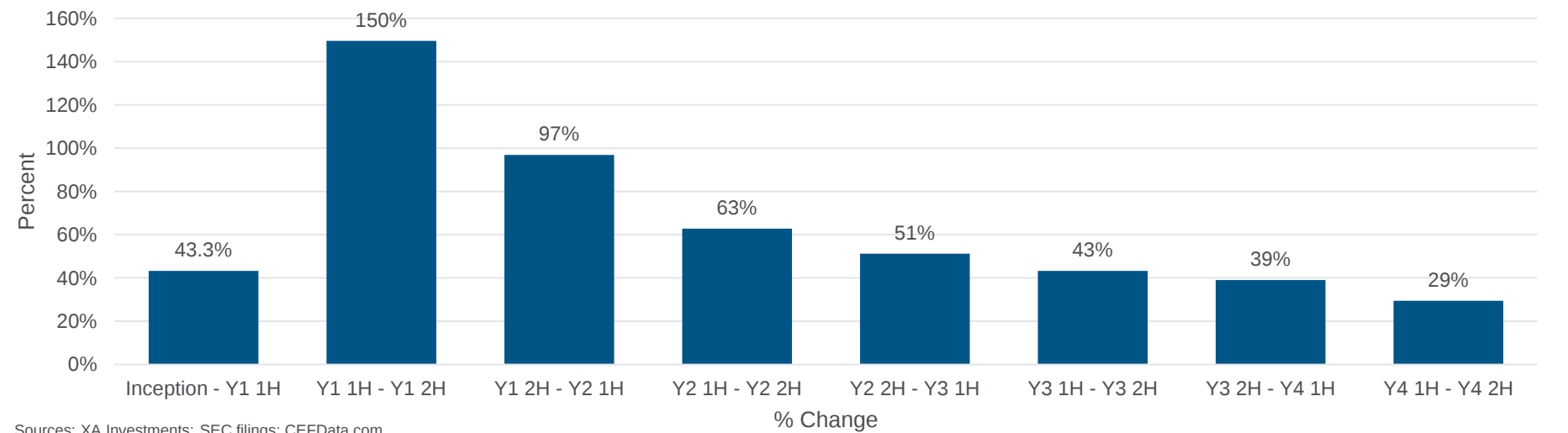
The Top 20 Largest Funds Displayed Steady Growth Post Launch

Seed capital and first-year net assets are important for fund growth, with 15 firms doubling net assets in their first reporting period, increasing credibility in the market and access to additional platforms for fund sales.

Growth of Top 20 Largest Funds¹



Top 20 Largest Funds Average Semi-annual % Change in Net Assets Since Inception¹



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

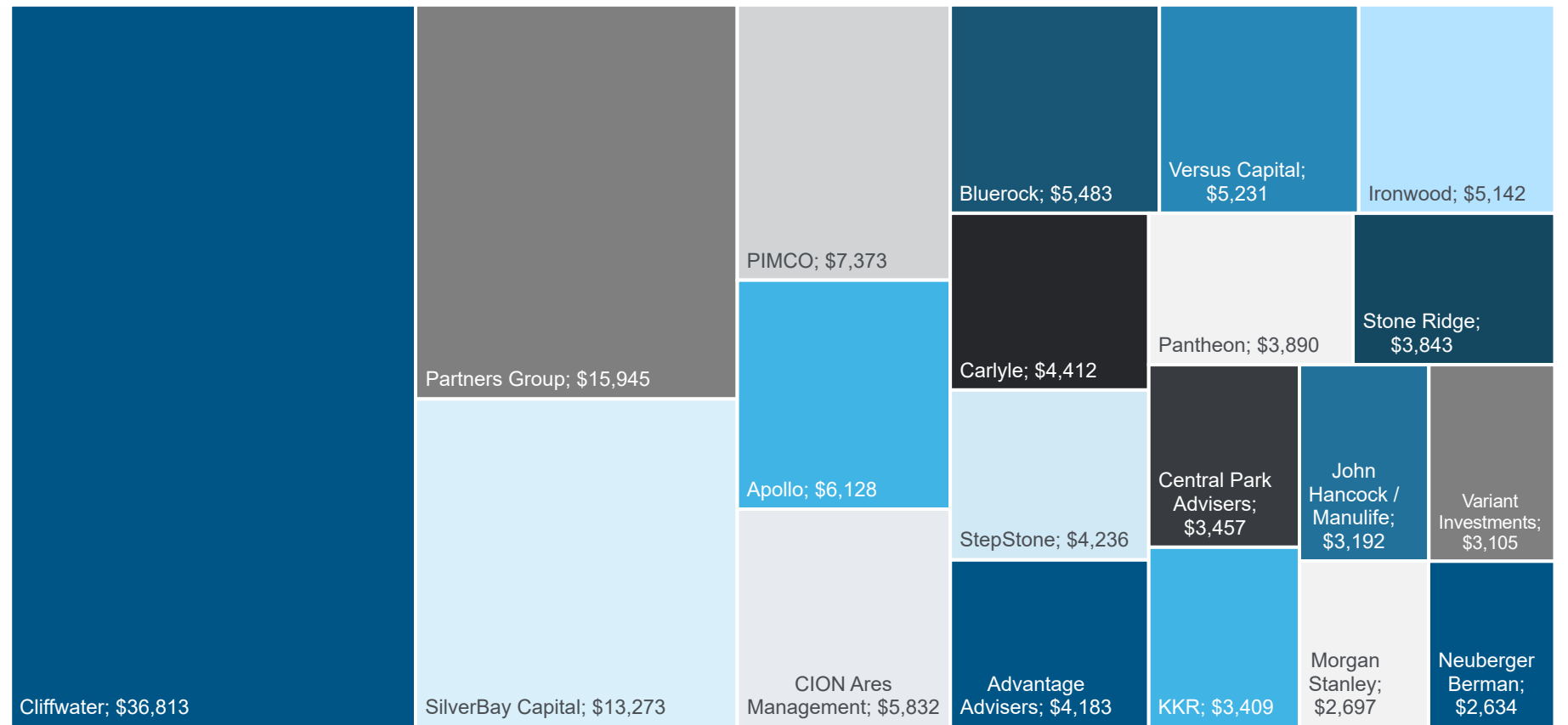
A. The Brookfield Infrastructure Income Fund Inc. converted a Luxembourg predecessor fund receiving in-kind capital contributions of net assets valued at \$1,548,637,987.

B. Cliffwater Corporate Lending Fund is an outlier, displaying high growth, reaching \$9.3bn in the first four years of operation.

1. Graphs are broken into semi-annual time periods represented by year number ex. "Y1" and half specification, either "H1" or "H2" meaning Half 1 and Half 2, respectively.

Leading Sponsors Double Down: 44 Fund Sponsors Have Two or More Funds

Top 20 Sponsors by Assets Under Management (\$mm)

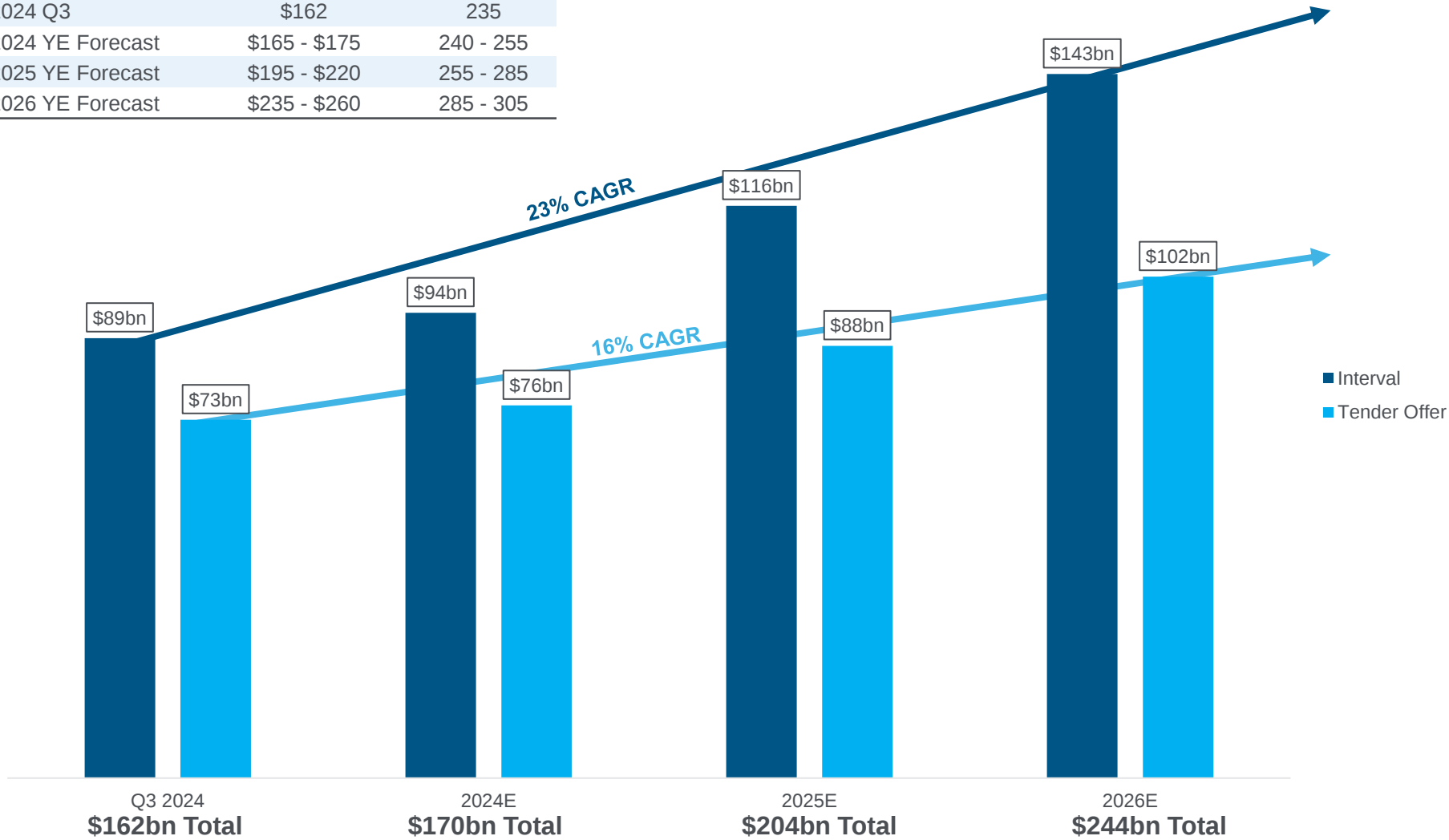


	Unique Sponsors ^{1,2}	Total Funds ^{1,2}	Assets Under Management (\$bn) ^{1,2}
All Fund Sponsors	133	235	\$191
Fund Sponsors with 2+ Interval or Tender Offer Funds	44	146	\$136
Fund Sponsors with 2 Interval or Tender Offer Funds in the Top 20 ³	2	4	\$43

Source: XA Investments; CEFData.com.
Notes: Data as of 9/30/2024 or latest publicly available. AUM represents total managed assets.
1. Master feeder funds are included in calculations. However, when calculating assets under management, only master funds are included to avoid double counting.
2. Data represents active funds and does not include funds in SEC registration.
3. "Top 20" refers to the 20 largest funds in XA's records based on AUM.

XAI Research Forecast: Interval Fund Growth Outpacing Tender Offer Fund Growth

Period	Net Assets ¹ (\$bn)	# of Funds
2024 Q3	\$162	235
2024 YE Forecast	\$165 - \$175	240 - 255
2025 YE Forecast	\$195 - \$220	255 - 285
2026 YE Forecast	\$235 - \$260	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 9/30/2024.

Net Flows and Proration Analysis

Important Note: Net flows are reported in Form NPORT-P (“NPORTs”), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in the following section is as of 6/30/2024 and represents the latest publicly available data.

Section Summary

- Credit dominated capital raising in Q2 2024, with Cliffwater leading the category.
- Market wide net flows increased quarter-over-quarter.
- The majority of net flows in Q2 2024 went into daily NAV funds without suitability restrictions.
- The top 20 largest interval / tender offer funds saw a slight decrease in net flows quarter-over-quarter.
- Interval and tender offer funds have been able to support liquidity demands with 93% of funds having a ratio of net flows to average net assets ratio above -5%¹ for the period ended Q2 2024. See page 50 for more information.
- 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 info@xainvestments.com for more information if you wish to self-report net flows. Only firms that self-report are able to access industry data from other self-reporting firms.

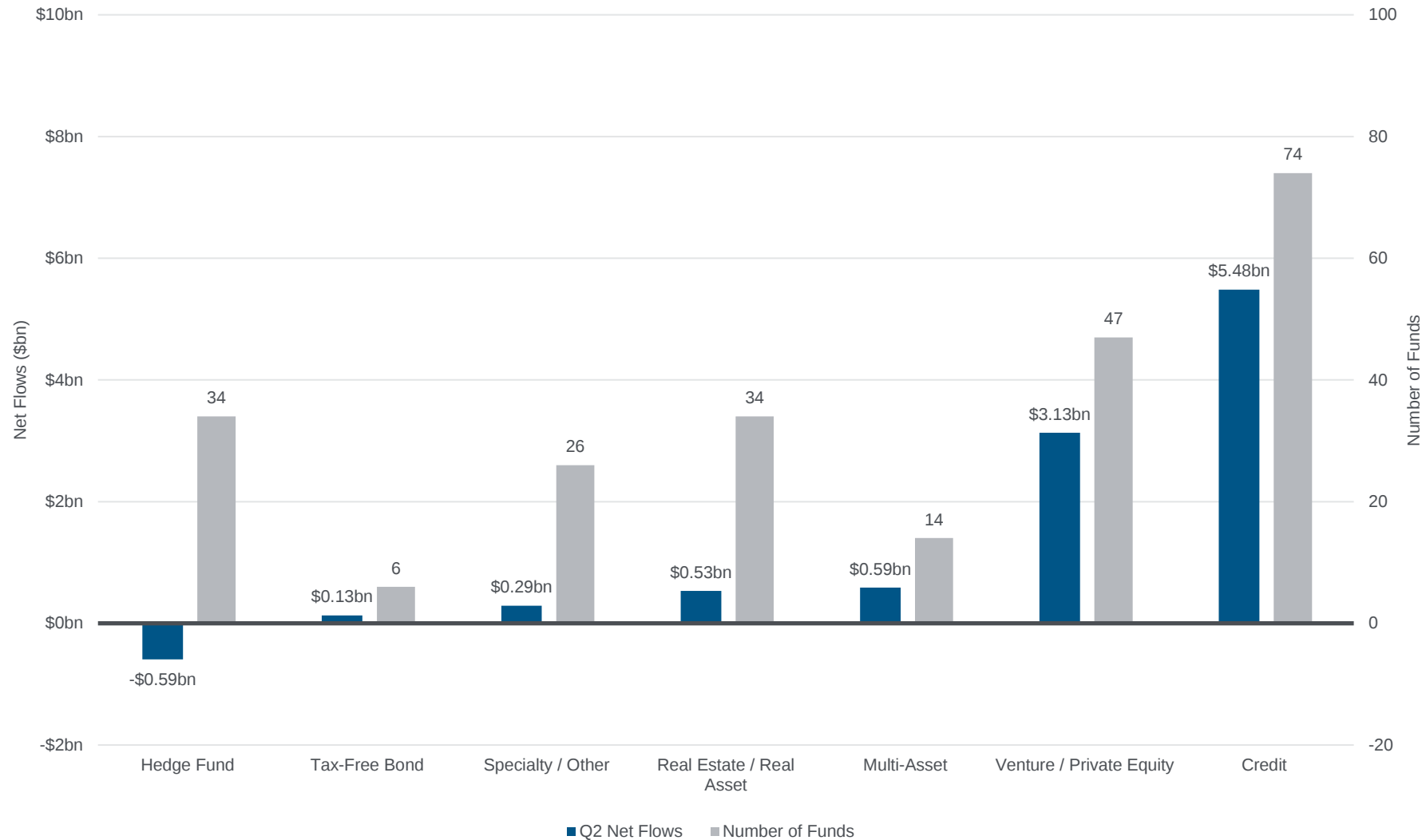


Notes: Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in this section is as of 6/30/2024 and represents the latest publicly available data.

1. Quarterly redemptions for 5% per quarter is the mode.

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

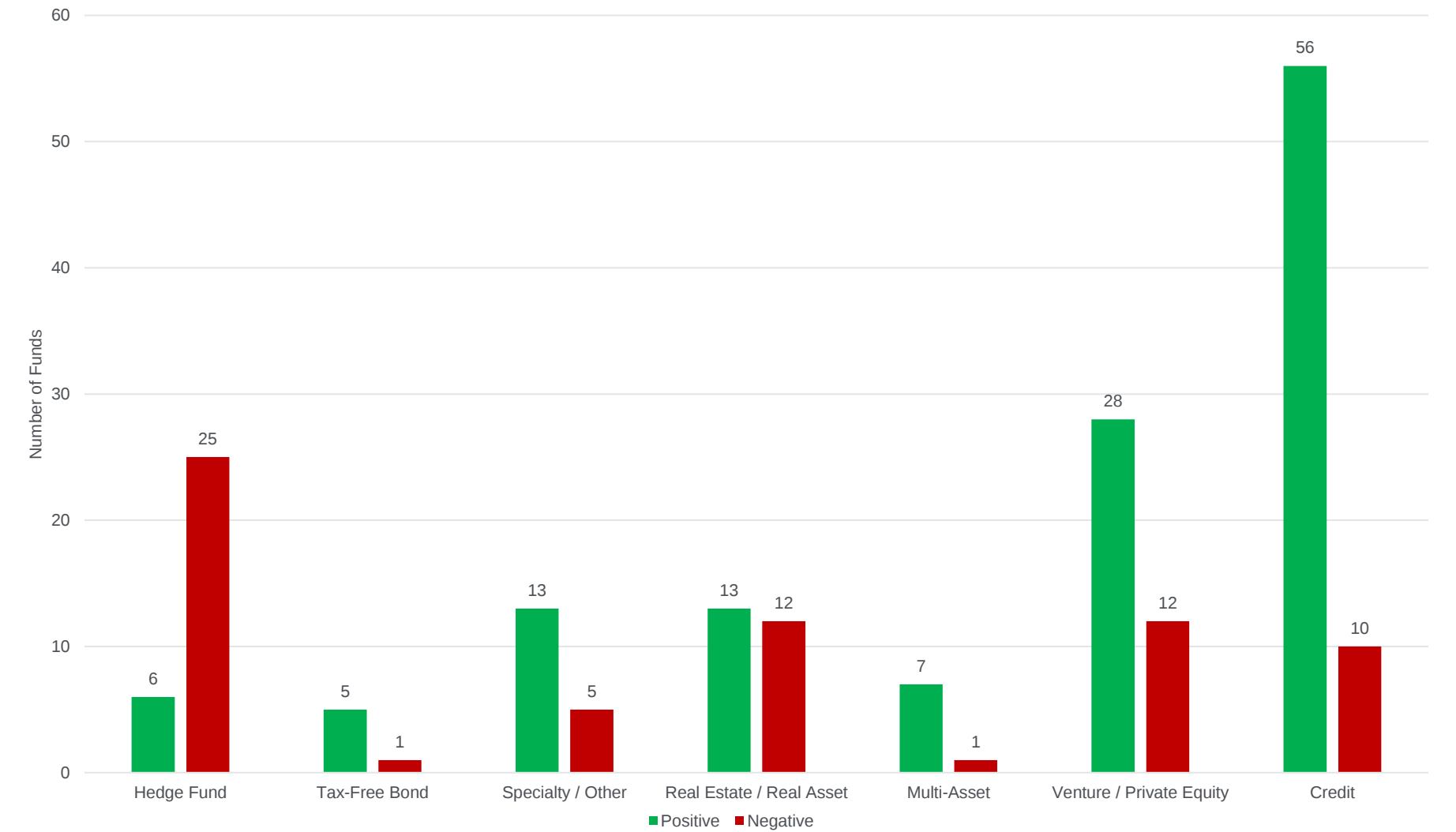
Q2 2024 Net Flows by Asset Class¹



Sources: XA Investments; CEFDData.com. Flow data sourced from SEC filings.
Note: 1. Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in this section is as of 6/30/2024 and represents the latest publicly available data.

85% of Credit Funds Had Positive Net Flows in Q2 2024²

Positive vs. Negative Net Flows by Asset Class^{1,2}



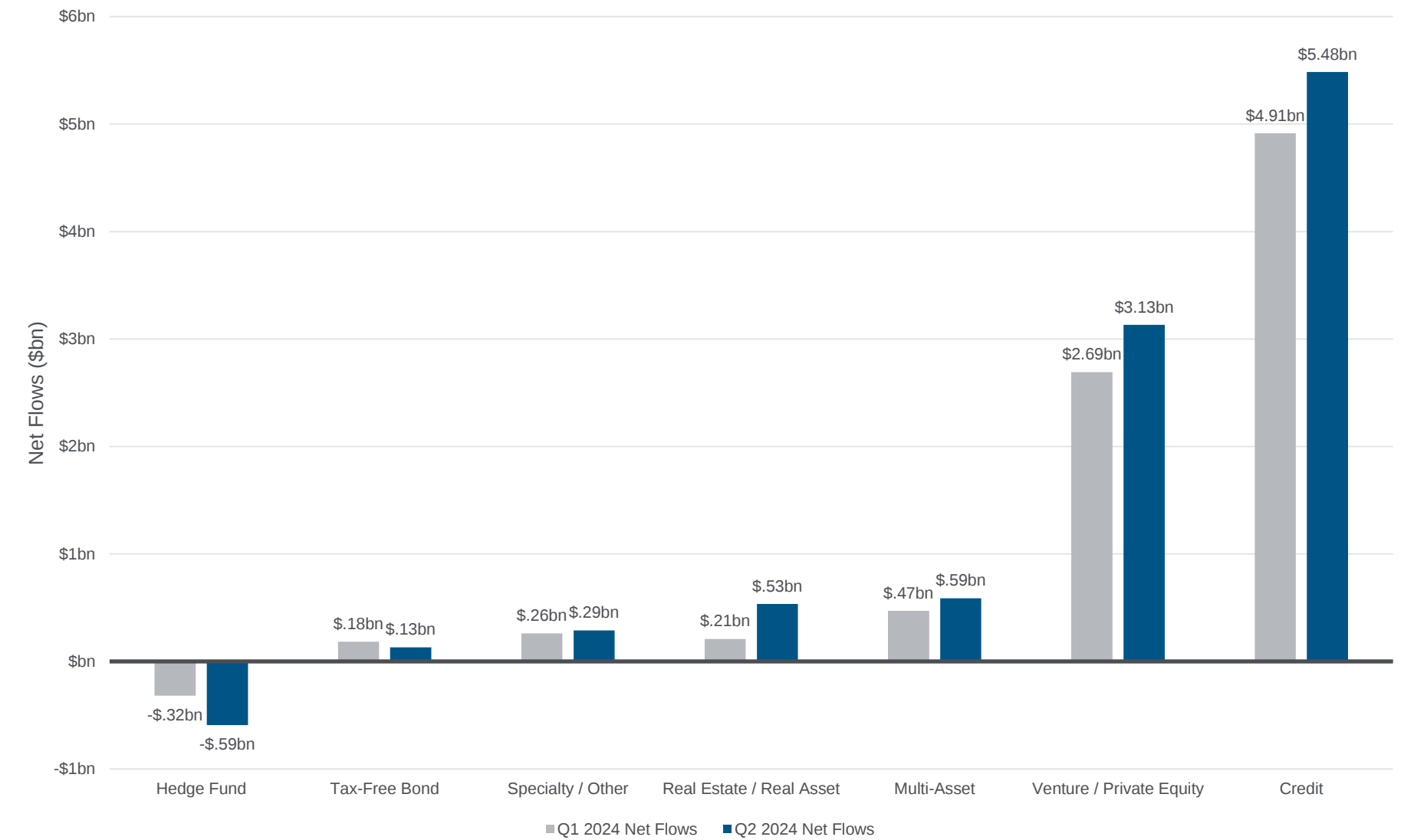
Sources: XA Investments; CEFDData.com. Flow data sourced from SEC filings.

Notes:

- 1. Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in this section is as of 6/30/2024 and represents the latest publicly available data.
- 2. Fund totals do not equal 235. 41 funds were excluded from analysis for not having net flows or not filing an NPORT this quarter.

Net Flows Increased Quarter-over-Quarter

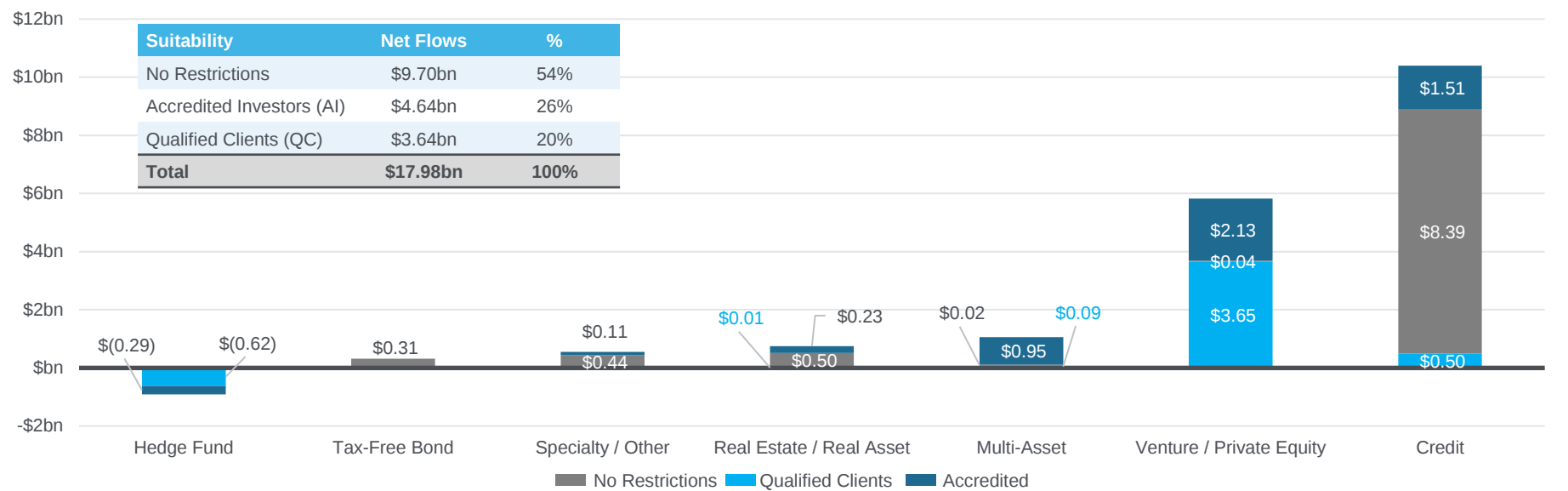
Quarter-over-Quarter Net Flows Comparison¹



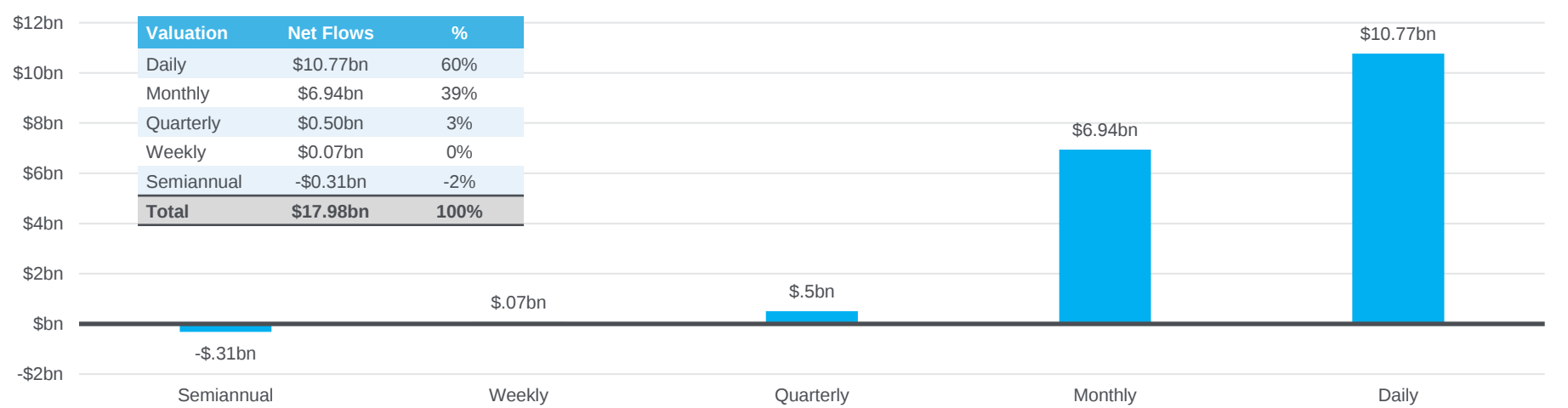
Sources: XA Investments; CEFDData.com. Flow data sourced from SEC filings.
Note: 1. Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in this section is as of 6/30/2024 and represents the latest publicly available data.

54% of the YTD Net Flows Went to Funds Without Suitability Restrictions

2024 YTD Net Flows by Investor Suitability¹



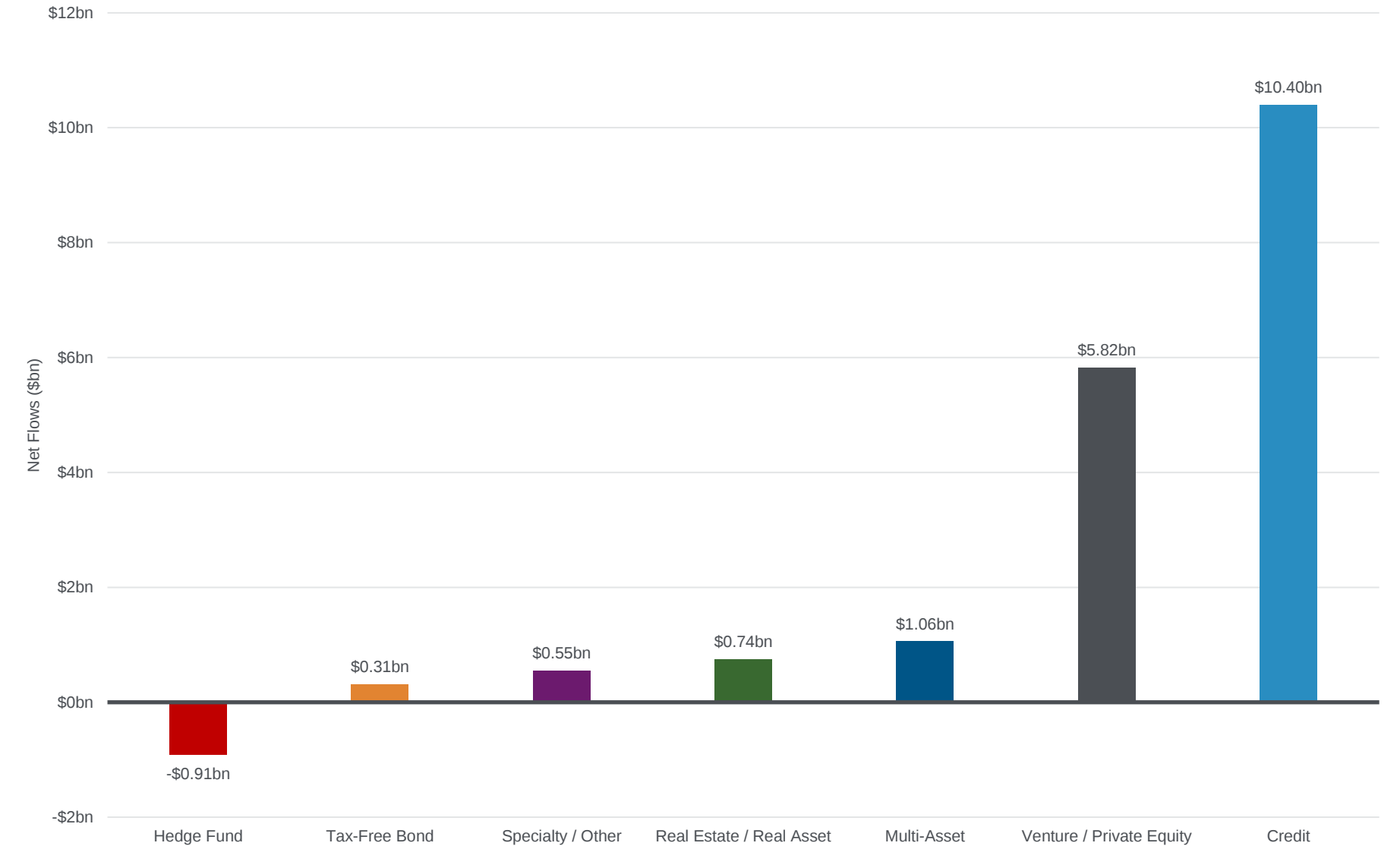
2024 YTD Net Flows by Valuation Frequency¹



Sources: XA Investments; CEFDData.com. Flow data sourced from SEC filings.
Note: 1. Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in this section is as of 6/30/2024 and represents the latest publicly available data.

Credit Dominates Net Flows by Asset Class Over the Last Six Months

\$17.98bn in Total Market Net Flows (Six Months Ended 6/30/2024)¹



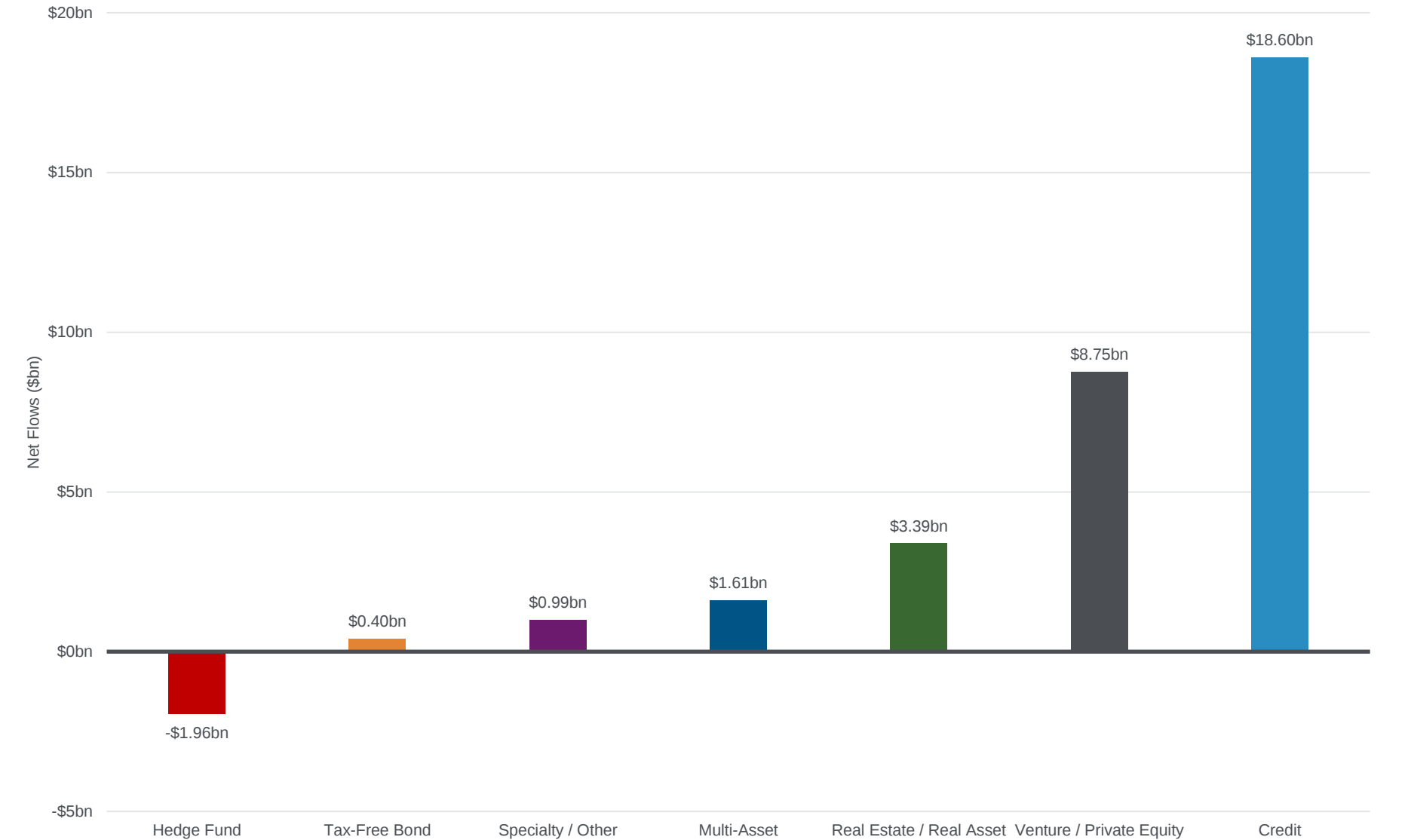
Sources: XA Investments; CEFDData.com. Flow data sourced from SEC filings.

Note:

1. Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in this section is as of 6/30/2024 and represents the latest publicly available data.

Credit Dominates Net Flows by Asset Class Over the Last Twelve Months

\$31.78bn in Total Market Net Flows (Twelve Months Ended 6/30/2024)¹



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

Note:

1. Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in this section is as of 6/30/2024 and represents the latest publicly available data.

Market Leaders Experienced Lower Quarter-over-Quarter Net Flows

Net Flows for Top 20 Largest Funds Ranked by AUM ¹								
Rank ¹	Inception Date	Name	Structure	Asset Class	Total Managed Assets (\$mm)	Net Flows Q1 2024 (\$mm)	Net Flows Q2 2024 (\$mm)	% Change
1	6/5/2019	Cliffwater Corporate Lending Fund	Interval	Credit	31,840	1,929	2,520	31% 
2	7/1/2009	Partners Group Private Equity (Master Fund), LLC	Tender Offer	Venture / Private Equity	15,777	695	252	-64% 
3	3/1/2010	ACAP Strategic Fund	Interval	Hedge Fund	13,273	-234	-102	56% 
4	1/26/2017	CION Ares Diversified Credit Fund	Interval	Credit	5,832	314	302	-4% 
5	10/22/2012	Bluerock Total Income (plus) Real Estate Fund	Interval	Real Estate / Real Asset	5,340	-143	-144	-1% 
6	1/1/2011	Ironwood Institutional Multi-Strategy Fund LLC ²	Tender Offer	Hedge Fund	5,142	171	-130	-176% 
7	2/22/2017	PIMCO Flexible Credit Income Fund	Interval	Credit	5,026	-0.4	33	7,893% 
8	6/30/2014	Apollo Diversified Real Estate Fund	Interval	Real Estate / Real Asset	4,935	-140	-147	-5% 
9	6/4/2018	Carlyle Tactical Private Credit Fund	Interval	Credit	4,412	374	340	-9% 
10	5/4/1999	Advantage Advisers Xanthus Fund, L.L.C.	Tender Offer	Hedge Fund	4,183	4	-144	-3,749% 
11	7/1/2021	Cliffwater Enhanced Lending Fund	Interval	Credit	3,940	365	432	18% 
12	10/27/2015	AMG Pantheon Fund, LLC	Tender Offer	Venture / Private Equity	3,678	327	371	13% 
13	10/1/2020	StepStone Private Markets	Tender Offer	Multi-Asset	3,100	388	461	19% 
14	9/18/2017	Versus Capital Real Assets Fund LLC	Interval	Real Estate / Real Asset	3,015	-31	-139	-355% 
15	10/2/2017	Variant Alternative Income Fund	Interval	Credit	3,014	77	25	-68% 
16	11/1/2023	Brookfield Infrastructure Income Fund Inc. ³	Tender Offer	Real Estate / Real Asset	2,600	426	369	-13% 
17	6/1/2016	Stone Ridge Alternative Lending Risk Premium Fund	Interval	Credit	2,579	-.4	-.4	-.4 
18	1/4/2021	Hamilton Lane Private Assets Fund ³	Tender Offer	Venture / Private Equity	2,480	359	435	21% 
19	2/22/2019	Lord Abbett Credit Opportunities Fund	Interval	Credit	2,310	250	219	-12% 
20	1/11/2019	John Hancock GA Mortgage Trust	Tender Offer	Real Estate / Real Asset	2,163	60	70	17% 
				Total	124,639	5,191	5,022	-3% 

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

1. Funds ranked in descending order by total managed assets.

2. The Ironwood Institutional Multi-Strategy Fund LLC is a master fund.

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

4. NPORT data was unavailable at the time of analysis.

Funds With the Highest Net Flows in Each Asset Class (\$mm)¹

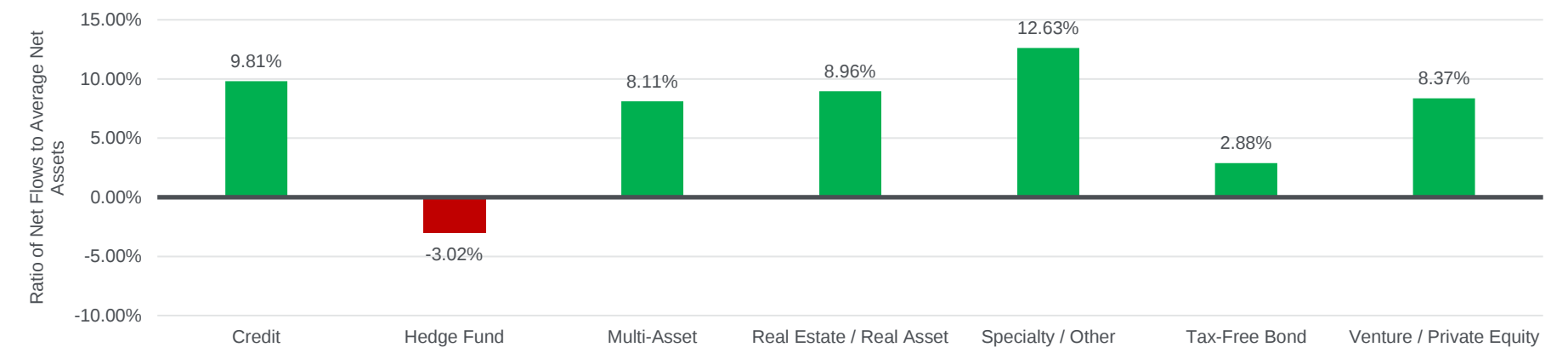
	31-Jan	29-Feb	31-Mar	30-Apr	31-May	30-Jun	Total
Credit							
Cliffwater Corporate Lending Fund							
Purchases	761.58	808.16	733.60	1,217.07	884.26	788.58	5,193.25
Dividend Reinvestment	0.03	-	0.07	19.49	-	-	19.59
Redemptions	-	-374.19	-	-	-389.42	-	-763.61
Net Flows	761.61	433.97	733.67	1,236.55	494.84	788.58	4,449.22
Venture / Private Equity							
Partners Group Private Equity (Master Fund), LLC							
Purchases	160.92	157.65	206.38	198.60	187.33	194.42	1,105.30
Dividend Reinvestment	359.49	-	-	-	-	-	359.49
Redemptions	-184.12	-2.14	-3.48	-315.66	-6.31	-6.75	-518.46
Net Flows	336.29	155.51	202.90	-117.06	181.02	187.67	946.33
Multi-Asset							
StepStone Private Markets							
Purchases	103.12	150.15	148.47	164.54	166.58	150.97	883.83
Dividend Reinvestment	-	-	-	-	-	8.86	8.86
Redemptions	-0.10	-0.17	-13.83	-0.05	-	-29.83	-43.98
Net Flows	103.02	149.98	134.64	164.49	166.58	130.00	848.71
Real Estate / Real Asset							
Brookfield Infrastructure Income Fund Inc.							
Purchases	132.81	139.32	146.60	181.05	117.27	117.32	834.37
Dividend Reinvestment	2.21	2.39	2.60	2.68	3.03	3.29	16.20
Redemptions	-	-	-	-55.94	-	-	-55.94
Net Flows	135.02	141.71	149.20	127.79	120.30	120.61	794.63
Specialty/Other							
First Trust Alternative Opportunities Fund							
Purchases	88.85	98.78	115.14	84.65	80.79	67.44	535.65
Dividend Reinvestment	-	1.46	1.55	1.53	1.60	1.70	7.84
Redemptions	-42.72	-	-	-79.51	-	-	-122.23
Net Flows	131.57	100.24	116.69	6.67	82.39	69.14	421.26
Tax-Free Bond							
PIMCO Flexible Municipal Income Fund							
Purchases	19.90	42.45	38.35	34.21	38.62	47.08	220.61
Dividend Reinvestment	2.75	2.70	2.77	2.79	2.81	3.03	16.85
Redemptions	-	-38.58	-0.53	-	-55.63	-0.42	-95.16
Net Flows	22.65	6.57	40.59	37.00	-14.20	49.69	142.30
Hedge Fund							
Ironwood Institutional Multi-Strategy Fund LLC							
Purchases	78.06	47.07	46.28	47.76	38.73	41.05	298.95
Dividend Reinvestment	-	-	-	-	-	-	-
Redemptions	-	-	-	-	-	-257.26	-257.26
Net Flows	78.06	47.07	46.28	47.76	38.73	-216.21	41.69

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

1. Funds selected had the highest net flows in their asset class for the 6 month period ended 6/30/2024. Amounts in \$mm.

Interval and Tender Offer Funds Have Been Able to Meet Liquidity Demands

Ratio of Net Flows to Average Net Assets by Asset Class (3/31/2024 - 6/30/2024)^{1,2,3}



Analyzing Proration in the Interval / Tender Offer Fund Market^{1,2,3}

- Interval and tender offer funds provide investors limited liquidity, although the amounts and frequencies may differ between funds, typically 5% of net assets are offered on a quarterly basis.
- If requested redemptions exceed the amount of liquidity being offered by a fund, the redemption requests will be prorated. Investors may receive less liquidity than requested depending on demand for liquidity.
- XAI uses NPORT data to calculate the following ratio for each fund to serve as a proxy to determine the risk/degree of proration in the interval and tender offer fund market:

$$\frac{\text{Net Flows for the Quarter}}{\text{Average Net Assets for the Quarter}}$$

- Positive ratios indicate positive net flows and indicate the fund can provide liquidity when requested.
- Negative ratios indicate negative net flows. The more negative the ratio the greater the likelihood the fund will experience proration.
- Since most funds offer 5% quarterly liquidity, a -5% ratio could indicate that investors are redeeming the entire amount of liquidity offered. XAI uses this as a baseline to gauge a fund's probability of proration.

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

Notes:

- Net flows are reported in Form NPORT-P ("NPORTs"), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The net flows data in this section is as of 6/30/2024 and represents the latest publicly available data.
- A fund must have filed at least two NPORTs to calculate net assets over the period. 213 interval and tender offer funds out of the 235 met this requirement and are included in the analysis. The data above reflects data from the latest NPORTs available for the reporting period ending 6/30/2024.
- Zeros were included the averages if the fund has not had any sales, reinvestment, and redemptions during the quarter.

Important Note: A negative ratio does not mean a fund is in proration. The ratio reflects the relationship of a fund's net flows to net assets and is meant to be used as an indicator.

Positive Net Flows Have Supported Investor Access to Liquidity

93% of interval and tender offer funds have ratios of net flows over average net assets greater than -5%

Percent of Net Flows to Average Net Asset Ratios by Asset Class (3/31/2024 - 6/30/2024) ^{1,2,3} (# of Funds)								
Ratio Percentage	All Funds	Credit	Hedge Fund	Real Estate / Real Asset	Specialty / Other	Multi-Asset	Venture / Private Equity	Tax-Free Bond
10%+	25.82% (55)	33.85% (22)	-	30.00% (9)	22.73% (5)	36.36% (4)	31.11% (14)	16.67% (1)
5% - 10%	11.27% (24)	21.54% (14)	2.94% (1)	6.67% (2)	4.55% (1)	9.09% (1)	11.11% (5)	-
0% - 5%	20.19% (43)	23.08% (15)	17.65% (6)	13.33% (4)	27.27% (6)	18.18% (2)	15.56% (7)	50.00% (3)
0% ³	11.74% (25)	6.15% (4)	8.82% (3)	3.33% (1)	27.27% (6)	27.27% (3)	15.56% (7)	16.67% (1)
0% - -3%	15.96% (34)	7.69% (5)	32.35% (11)	26.67% (8)	9.09% (2)	-	17.78% (8)	-
-3% - -5%	7.98% (17)	4.62% (3)	14.71% (5)	16.67% (5)	-	9.09% (1)	4.44% (2)	16.67% (1)
-5% - -10%	5.63% (12)	3.08% (2)	17.65% (6)	3.33% (1)	4.55% (1)	-	4.44% (2)	-
-10%+	1.41% (3)	-	5.88% (2)	-	4.55% (1)	-	-	-
Fund Count ²	213	65	34	30	22	11	45	6

Smaller hedge funds have experienced outflows in Q2 2024

Average Net Flows to Net Asset Ratios by Net Assets (3/31/2024 - 6/30/2024) ^{1,2,3} (# of Funds)								
Fund Size (Net Assets)	All Funds	Credit	Hedge Fund	Real Estate / Real Asset	Specialty / Other	Multi-Asset	Venture / Private Equity	Tax-Free Bond
\$10bn+	7.44% (2)	13.24% (1)	-	-	-	-	1.64% (1)	-
\$5bn	0.82% (2)	-	0.82% (2)	-	-	-	-	-
\$3bn	8.00% (7)	10.86% (3)	-	-3.11% (2)	-	18.20% (1)	11.48% (1)	-
\$1bn	4.23% (24)	2.39% (6)	-3.45% (3)	2.21% (6)	2.38% (3)	-	14.42% (5)	4.95% (1)
\$500mm	10.02% (24)	9.66% (9)	-3.67% (2)	2.66% (2)	-0.50% (1)	10.09% (1)	16.53% (8)	13.90% (1)
\$200mm	8.54% (43)	12.85% (18)	-1.30% (8)	12.68% (4)	0.09% (2)	-	8.67% (11)	-
\$100mm	9.67% (33)	10.41% (12)	-0.42% (4)	24.27% (7)	9.95% (3)	5.40% (2)	-2.50% (4)	-4.75% (1)
<\$100mm	5.95% (78)	8.41% (16)	-4.96% (15)	3.97% (9)	18.55% (13)	7.16% (7)	4.92% (15)	1.07% (3)
Asset Class Average	7.35% (213)	9.81% (65)	-3.02% (34)	8.96% (30)	12.63% (22)	8.11% (11)	8.37% (45)	2.88% (6)

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

Notes:

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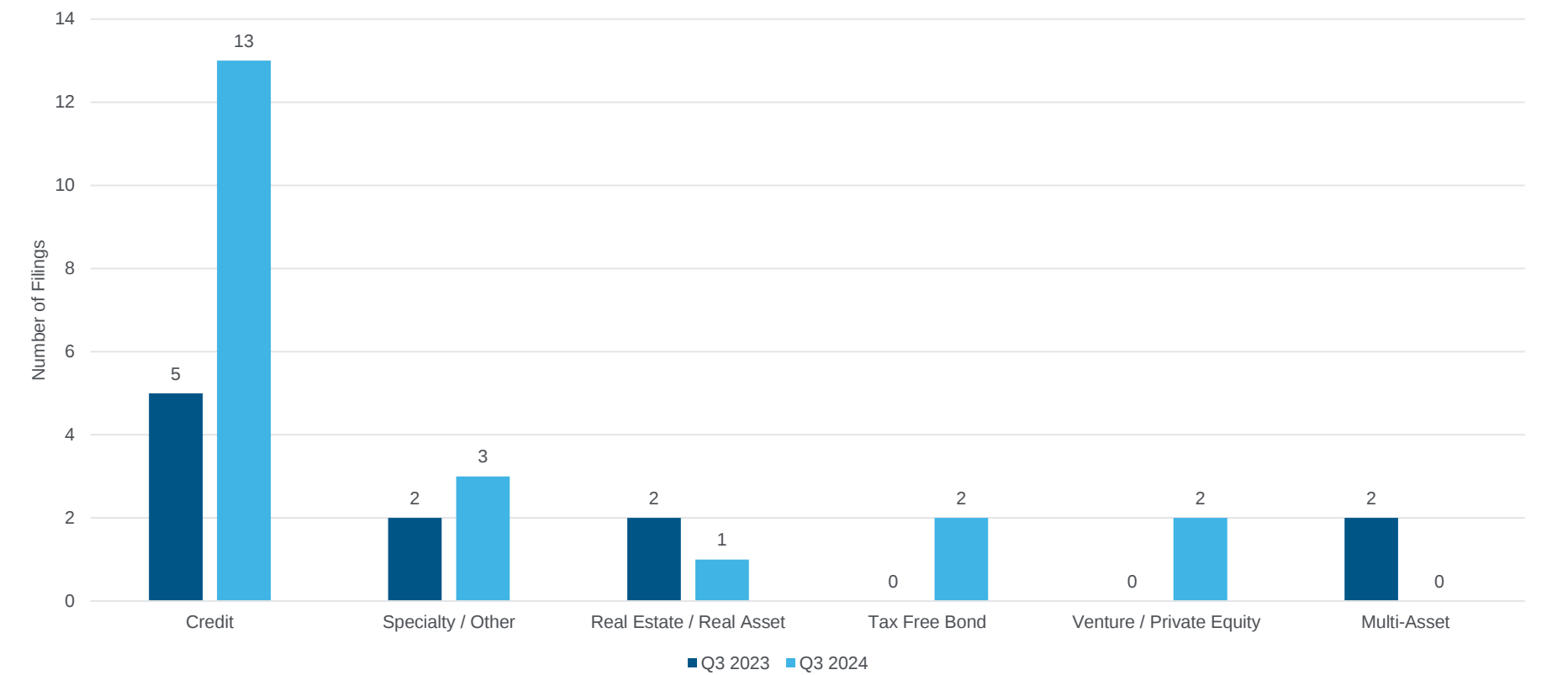
New Market Entrants and SEC Registration Overview

Section Summary

- In Q3 2024, newly launched non-listed CEFs filed an average of ~3 N-2 / N-2A filings and spent 170 days or ~6 months in the SEC registration process.
- Asset class continues to be the main driver of time spent in the SEC review process, with Credit and Real Estate funds being faster to launch compared to specialty funds.
- 21 funds filed initial registration statements in Q3 2024 compared to 11 in Q3 2023.
- The backlog of funds in the SEC registration process grew quarter-over-quarter from 43 to 53 funds, with more fund filings anticipated to come this year.
- 7 funds launched in Q3 2024. Of these, sponsors Beacon Pointe, Catalyst Capital Advisors and Diamond Hill were new entrants to the market.

In Q3 2024 New Fund Filings Nearly Doubled Year-over-Year

Non-listed CEF Initial Registration Statements¹



Accelerated Pace of New Fund Filings

- The non-listed CEF market has seen an uptick in the number of initial registration statements filed in 2024.
- 21 registration statements were filed in Q3 2024 as compared to 11 filings in Q3 2023.
- There are 18 different fund sponsors currently in registration for another fund.
- 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 9/30/2024.
1. Represents initial form N-2 filings.

SEC Registration Process Averaged Six Months for Funds Launched in Q3 2024¹ (Page 1 of 2)

1940/1933 Act Funds¹: Notices of Effectiveness Filed in Q3 2024

Fund Name	Structure	Asset Class	New Entrant ³	Effective Date	Number of N-2 Filings	Days in Registration	Fund Legal Counsel
Diamond Hill Securitized Credit Fund	Interval	Credit	Yes	9/30/2024	4	146	Thompson Hine LLP
Hamilton Lane Private Infrastructure Fund	Tender Offer	Real Estate / Real Asset	No	9/27/2024	3	113	Simpson Thacher & Bartlett LLP
Franklin Lexington Private Markets Fund	Tender Offer	Venture / Private Equity	No	8/13/2024	2	195	Simpson Thacher & Bartlett LLP
Catalyst Strategic Income Opportunities Fund	Interval	Credit	Yes	7/26/2024	1	191	Thompson Hine LLP
Beacon Pointe Multi-Alternative Fund	Interval	Specialty / Other	Yes	7/5/2024	4	203	Greenberg Traurig LLP
				Average¹	2.8	169.6	
				Minimum¹	1	113	
				Maximum¹	4	203	
				Median¹	3	191	

1940 Act Only Funds²: Initial Registration Statements Filed in Q3 2024

Fund Name	Structure	Asset Class	New Entrant ³	Initial N-2 Filing	Fund Legal Counsel
FT Vest Rising Dividend Achievers Total Return Fund	Tender Offer	Specialty / Other	No	9/20/2024	Faegre Drinker Biddle & Reath LLP
FT Vest Total Return Income Fund: Series A3	Tender Offer	Specialty / Other	No	7/26/2024	Faegre Drinker Biddle & Reath LLP
FT Vest Hedged Equity Income Fund: Series A3	Tender Offer	Specialty / Other	No	7/22/2024	Faegre Drinker Biddle & Reath LLP
T. Rowe Price OHA Flexible Credit Income Fund	Interval	Credit	No	7/2/2024	Dechert LLP

Sources: XA Investments; SEC Filings.

1. Includes all funds that received a Notice of Effectiveness in Q3 2024. Only funds registered under the 1933 Act receive a Notice of Effectiveness. Funds analyzed had a Notice of Effectiveness received between 7/1/2024 and 9/30/2024. For questions about the registration process, please contact.

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 1940/1933 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 Q3 2024¹ (Page 2 of 2)

Funds Launched by Structure

Fund Structure	Number of Funds	Percentage	Average Days in Registration ¹
Interval	3	60%	180
Tender Offer	2	40%	154
Grand Total	5	100%	170

Funds Launched by Manager Experience²

New Entrants	Number of Funds	Percentage	Average Days in Registration ¹
Yes	3	60%	180
No	2	40%	154
Grand Total	5	100%	170

Funds Launched by Asset Class

Asset Class	Number of Funds	Percentage	Average Days in Registration ¹
Credit	2	40%	169
Specialty / Other	1	20%	203
Real Estate / Real Asset	1	20%	113
Venture / Private Equity	1	20%	195
Grand Total	5	100%	170

Funds Launched by Fund Legal Counsel

Law Firm	Number of Funds	Average Days in Registration ¹
Thompson Hine LLP	2	169
Simpson Thacher & Bartlett LLP	2	154
Greenberg Traurig LLP	1	203
Grand Total	5	170

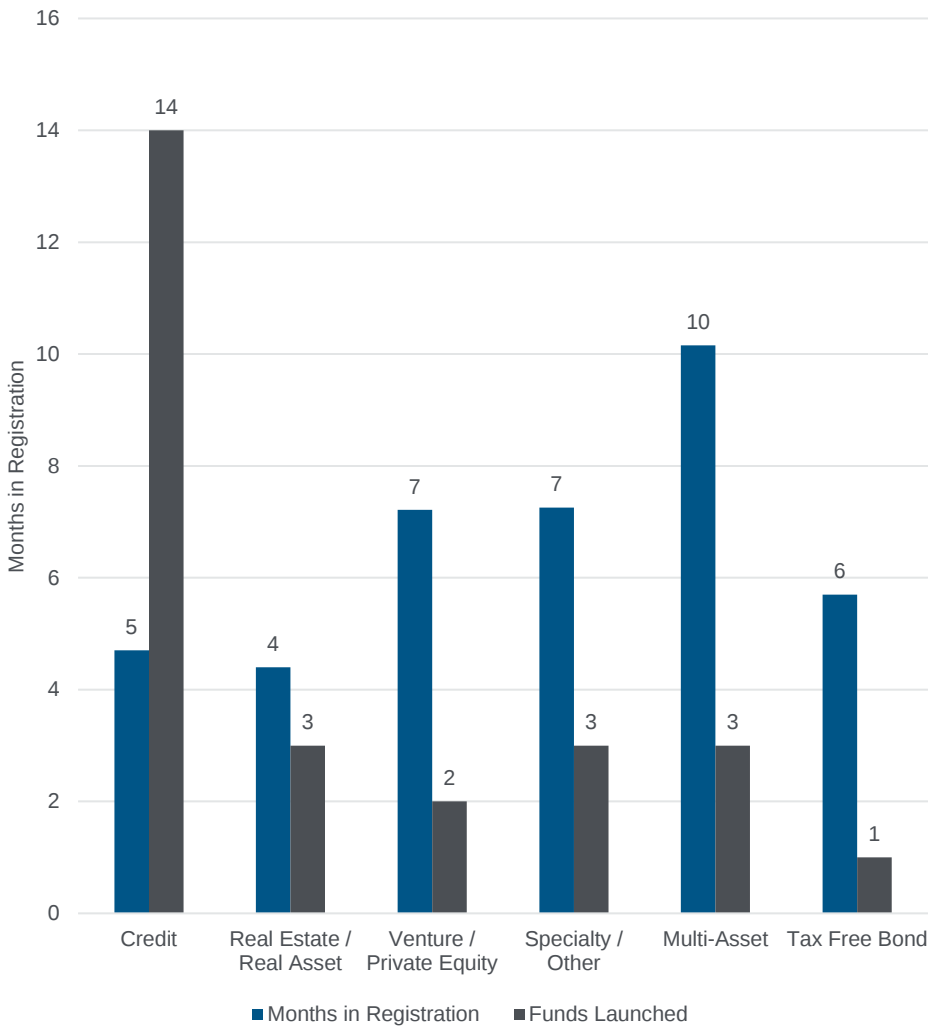
Sources: XA Investments; SEC Filings.

1. Includes all funds that received a Notice of Effectiveness in Q3 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 7/1/2024 and 9/30/2024. For questions about the registration process, please contact XAI to discuss.

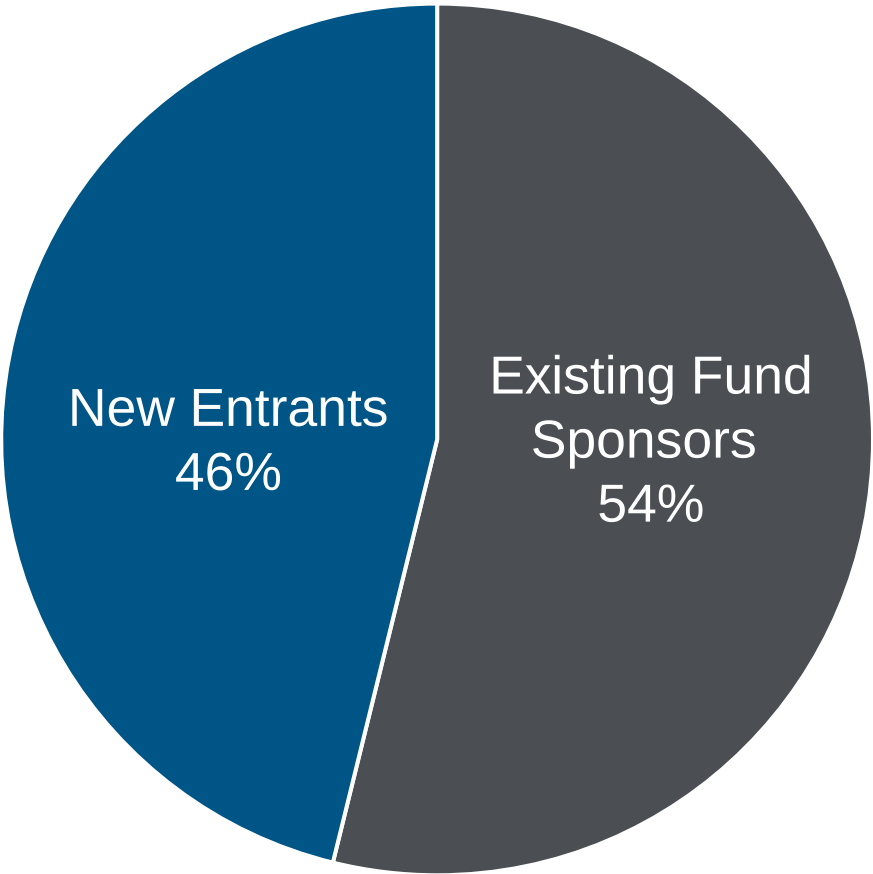
2. Manager experience in the interval / tender offer fund market delineates between a first-time entrant or repeat sponsor. New entrants represent funds launched by fund sponsors with no existing interval or tender offer funds.

Recent Fund Launches Averaged 6 Months in SEC Registration

Average Months in SEC Registration and Number of Funds Launched by Asset Class^{1,2}



Ratio of New Entrants vs. Existing Sponsors for Funds Launched in Past Year



Sources: XA Investments;
Notes: Data as of 9/30/2024 or latest publicly available. Represents funds launched between 9/30/2023 - 9/30/2024.

1. Funds not filed under the 1933 Act do not have an effective date and can be considered automatically effective. Therefore, non-1933 Act funds have been omitted from this data. Months in registration represents all funds that have gone effective in the past year as of 9/30/2023.
2. The ALTI Private Equity Access and Commitments Fund and the Versus Capital Infrastructure Income Fund were both omitted from the data for spending an extraordinary 49 and 46 months in registration, respectively.

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

Currently, there are 53 funds in the SEC registration process, up from 43 funds in Q2 2024.¹

Fund Name	Sponsor	Asset Class	Structure	Initial Filing	Latest Filing	Number of N-2 Filings	Months in Registration	New Entrant?
Russell Investments Strategic Credit Fund	Russell Investment Management	Credit	Interval	7/30/2024	9/30/2024	2	2	Yes
Connetic Ventures Fund	Connetic Ventures	Venture / Private Equity	Interval	10/6/2023	9/30/2024	4	12	Yes
Axxes Opportunistic Credit Fund	Axxes Advisors	Credit	Interval	3/15/2024	9/27/2024	5	7	Yes
Variant Alternative Lending Fund	Variant	Credit	Tender Offer	5/10/2024	9/27/2024	3	5	No
Prospect Enhanced Yield Fund	Prospect	Credit	Interval	7/23/2024	9/26/2024	2	3	No
HarbourVest Private Investments Fund	HarbourVest	Multi-Asset	Tender Offer	6/21/2024	9/26/2024	2	4	Yes
FT Vest Rising Dividend Achievers Total Return Fund	First Trust	Specialty / Other	Tender Offer	9/20/2024	9/20/2024	1	N/A ²	No
Collier Private Credit Secondaries	Collier Capital	Credit	Tender Offer	9/18/2024	9/18/2024	1	1	No
TCW Private Asset Income Fund	TCW	Credit	Interval	9/16/2024	9/16/2024	1	1	No
Lord Abbett Municipal Opportunities Fund	Lord Abbett	Tax Free Bond	Interval	7/22/2024	9/13/2024	2	3	No
83 Investments Group Income Fund	M83 Investment Group	Credit	Tender Offer	9/6/2024	9/6/2024	1	1	Yes
Nuveen Enhanced CLO Income Fund	Nuveen	Credit	Interval	8/30/2024	8/30/2024	1	1	No
Russell Investments New Economy Infrastructure Fund	Russell Investment Management	Real Estate / Real Asset	Interval	6/21/2024	8/30/2024	2	4	Yes
Blackstone Private Multi-Asset Credit Fund	Blackstone	Credit	Interval	8/21/2024	8/28/2024	2	2	No
Gladstone Alternative Income Fund	Gladstone Capital Corporation	Credit	Interval	7/12/2024	8/28/2024	2	3	Yes
ABL Longevity Growth and Income Fund	ABL Wealth Advisors	Multi-Asset	Interval	9/7/2023	8/28/2024	8	13	Yes
MA Specialty Credit Income Fund	MA Asset Management	Credit	Interval	7/1/2024	8/27/2024	2	3	Yes
Sphinx Opportunity Fund II	Sphinx Investments	Specialty / Other	Interval	6/21/2024	8/23/2024	2	4	Yes
Sphinx Opportunity Fund	Sphinx Investments	Real Estate / Real Asset	Interval	4/5/2024	8/23/2024	2	6	Yes
Booster Income Opportunities Fund	Booster Asset Management	Credit	Interval	5/30/2024	8/20/2024	2	4	Yes
ISQ Infrastructure Income Fund	I Squared Capital	Real Estate / Real Asset	Tender Offer	8/19/2024	8/19/2024	1	2	Yes
Wellington Global Multi-Strategy Fund	Wellington Management	Hedge Fund	Interval	6/14/2024	8/13/2024	2	4	Yes
OneAscent Private Markets Access Fund	OneAscent	Multi-Asset	Interval	4/23/2024	8/13/2024	2	6	Yes
Eagle Point Defensive Income Trust	Eagle Point	Credit	Interval	8/12/2024	8/12/2024	1	2	No
Rockefeller Municipal Opportunities Fund	Rockefeller Asset Management	Tax Free Bond	Interval	8/8/2024	8/8/2024	1	2	Yes
Sound Point Alternative Income Fund	Skypoint	Credit	Interval	8/7/2024	8/7/2024	1	2	No
The Pop Venture Fund	Pop Venture Advisers	Venture / Private Equity	Interval	3/29/2024	8/7/2024	3	7	Yes

Source: XA Investments; SEC filings. Data as of 9/30/2024.

Notes: Funds sorted by initial filing date.

1. Reflects an adjusted number compared to last quarter. Funds that have not filed an N-2 or N-2/A in the last 12 months were excluded from the backlog of funds in registration due to inactivity.
2. 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 vs. 1933 Act funds.

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

Currently, there are 53 funds in the SEC registration process, up from 43 funds in Q2 2024.¹

Fund Name	Sponsor	Asset Class	Structure	Initial Filing	Latest Filing	Number of N-2 Filings	Months in Registration	New Entrant?
First Eagle Real Estate Lending Fund	First Eagle	Real Estate / Real Asset	Interval	12/29/2023	7/30/2024	3	10	No
FT Vest Total Return Income Fund: Series A3	First Trust	Specialty / Other	Tender Offer	7/26/2024	7/26/2024	1	N/A ²	No
FT Vest Hedged Equity Income Fund: Series A3	First Trust	Specialty / Other	Tender Offer	7/22/2024	7/22/2024	1	N/A ²	No
North Haven Private Assets Fund	Morgan Stanley	Venture / Private Equity	Tender Offer	7/22/2024	7/22/2024	1	3	No
Callodine Specialty Income Fund	Callodine Capital Management	Credit	Interval	7/16/2024	7/16/2024	1	3	Yes
Global X Venture Fund	Global X Management Company	Venture / Private Equity	Interval	7/5/2024	7/5/2024	1	3	Yes
T. Rowe Price OHA Flexible Credit Income Fund	OHA Private Credit Advisors	Credit	Interval	7/2/2024	7/2/2024	1	N/A ²	No
Macquarie Energy Transition Infrastructure Fund	Central Park Advisers	Real Estate / Real Asset	Tender Offer	6/17/2024	6/17/2024	1	N/A ²	No
StartInvest Venture Fund	StartInvest	Venture / Private Equity	Interval	6/6/2024	6/6/2024	1	4	Yes
FT Vest Total Return Income Fund: Series A2	First Trust	Specialty / Other	Tender Offer	6/4/2024	6/4/2024	1	N/A ²	No
Baseline CRE Income Fund	Baseline Partners	Real Estate / Real Asset	Interval	8/4/2023	5/31/2024	3	14	Yes
Lord Abbett Flexible Income Fund	Lord Abbett	Credit	Interval	12/26/2023	5/23/2024	2	10	No
First Trust Enhanced Private Credit Fund	First Trust	Credit	Tender Offer	5/6/2024	5/6/2024	1	N/A ²	No
Aether Infrastructure & Natural Resources Fund	Aether Investment Partners	Real Estate / Real Asset	Interval	2/28/2024	5/6/2024	2	8	Yes
Steadfast Structured Growth Fund	Veripax Wealth Management	Credit	Interval	4/30/2024	4/30/2024	1	5	Yes
MidBridge Private Markets Fund	Seneca Management and MidOcean	Multi-Asset	Tender Offer	1/5/2023	4/29/2024	5	21	Yes
Privacore PCAAM Alternative Income Fund	Privacore Capital Advisors	Credit	Interval	4/25/2024	4/25/2024	1	N/A ²	Yes
CION Grosvenor Infrastructure Fund	CION Grosvenor	Real Estate / Real Asset	Interval	11/22/2023	3/21/2024	2	11	No
FT Vest Hedged Equity Income Fund: Series A2	First Trust	Specialty / Other	Tender Offer	3/11/2024	3/11/2024	1	N/A ²	No
Accordant Real Estate Growth Fund	Accordant	Real Estate / Real Asset	Interval	3/7/2024	3/7/2024	1	7	No
Gemcorp Commodities Alternative Products Fund	Gemcorp	Specialty / Other	Interval	2/27/2024	2/27/2024	1	N/A ²	Yes
Fairway Private Markets Fund	Fairway Capital Management	Multi-Asset	Tender Offer	1/31/2024	1/31/2024	1	8	No
Fidelity Floating Rate Opportunitites Fund	Fidelity	Credit	Interval	1/5/2024	1/5/2024	1	9	No
Nuveen Enhanced Floating Rate Income Fund	Nuveen	Credit	Interval	11/21/2023	11/21/2023	1	11	No
AB CarVal Opportunistic Credit Fund	AB CarVal Investors	Credit	Interval	3/27/2023	10/31/2023	4	19	Yes
Equi Diversified Core Fund	Equilibrium Ventures	Specialty / Other	Tender Offer	5/9/2023	10/18/2023	2	17	Yes

Source: XA Investments; SEC filings. Data as of 9/30/2024.
Notes: Funds sorted by initial filing date.
1. Reflects an adjusted number compared to last quarter. Funds that have not filed an N-2 or N-2/A in the last 12 months were excluded from the backlog of funds in registration due to inactivity.
2. 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 vs. 1933 Act funds.

Performance and Fee Analysis

Section Summary

- Despite some outflows in the category, 3 of the top 15 performing funds were hedge funds.
- The top performing fund for the 1-year period ended 6/30/2024 was the Stone Ridge Reinsurance Risk Premium Interval Fund (39.4%), followed by the Skybridge Multi-Adviser Hedge Fund Portfolios LLC (33.2%) and the Advantage Advisers Xanthus Fund, L.L.C. (31.9%).
- Most non-listed CEFs have management fees in the range of 1.00 to 1.50% with an average of 1.19%.
- 12% of funds in the market charge a total return or net profit-based performance fee, despite suitability restrictions limiting sales to Qualified Clients (QC) only.¹
- Net expense ratios for non-listed CEFs average 2.42% including other expenses such as performance fees and acquired fund fees, if any.
- Non-listed CEF sponsors continue to strategically use fee waivers to enhance capital raising efforts. See page 65 for more information.

Source: XA Investments

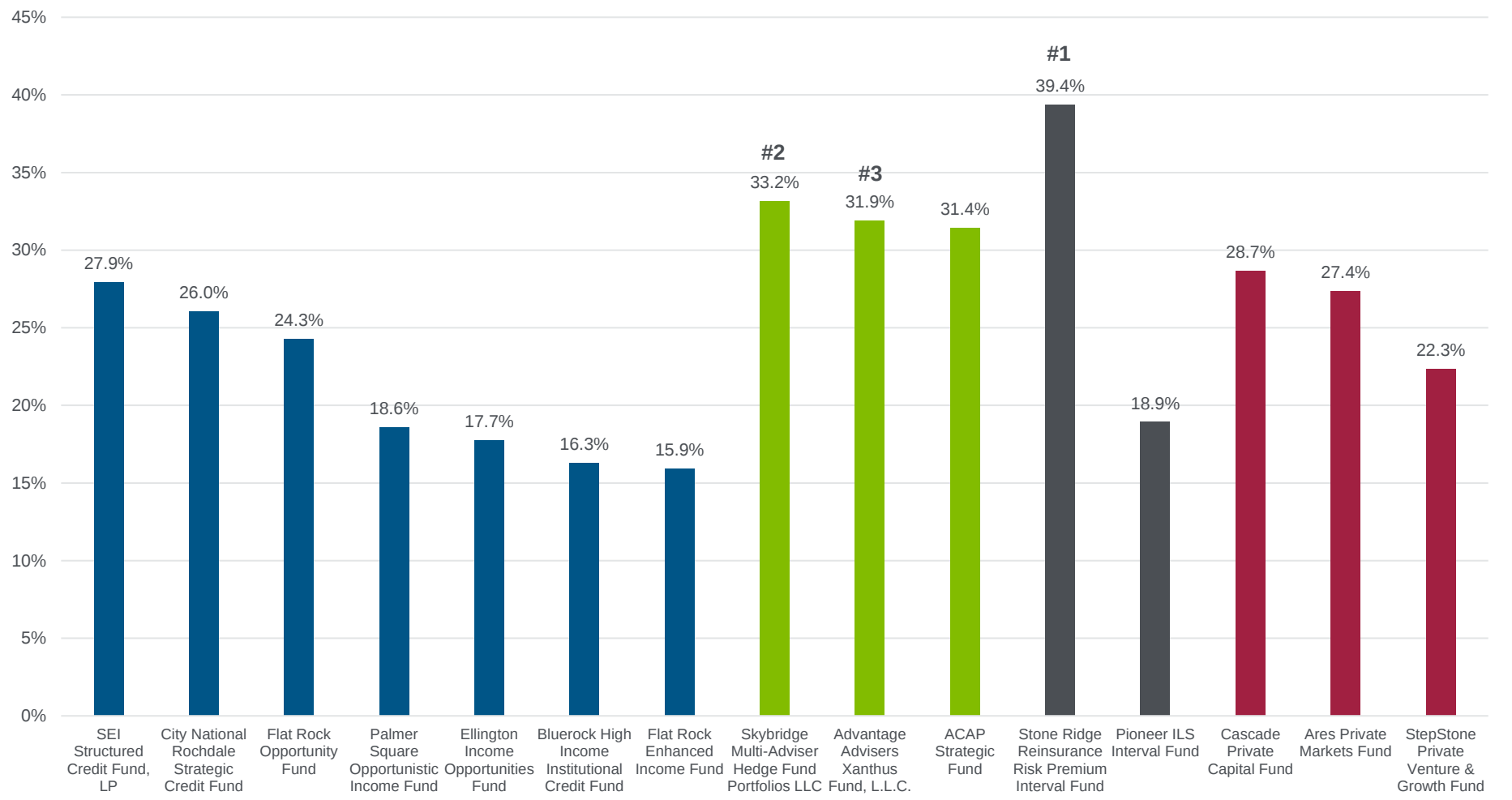
1. Percentage of the total number of interval and tender offer funds (235 funds).

Top Performing Non-listed CEFs

Hedge fund strategies have performed well in the interval / tender offer fund market.

Credit	Hedge Fund	Specialty / Other	Venture / Private Equity
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Top 15 Funds by 1-Year Total Return (6/30/2023 - 6/30/2024)

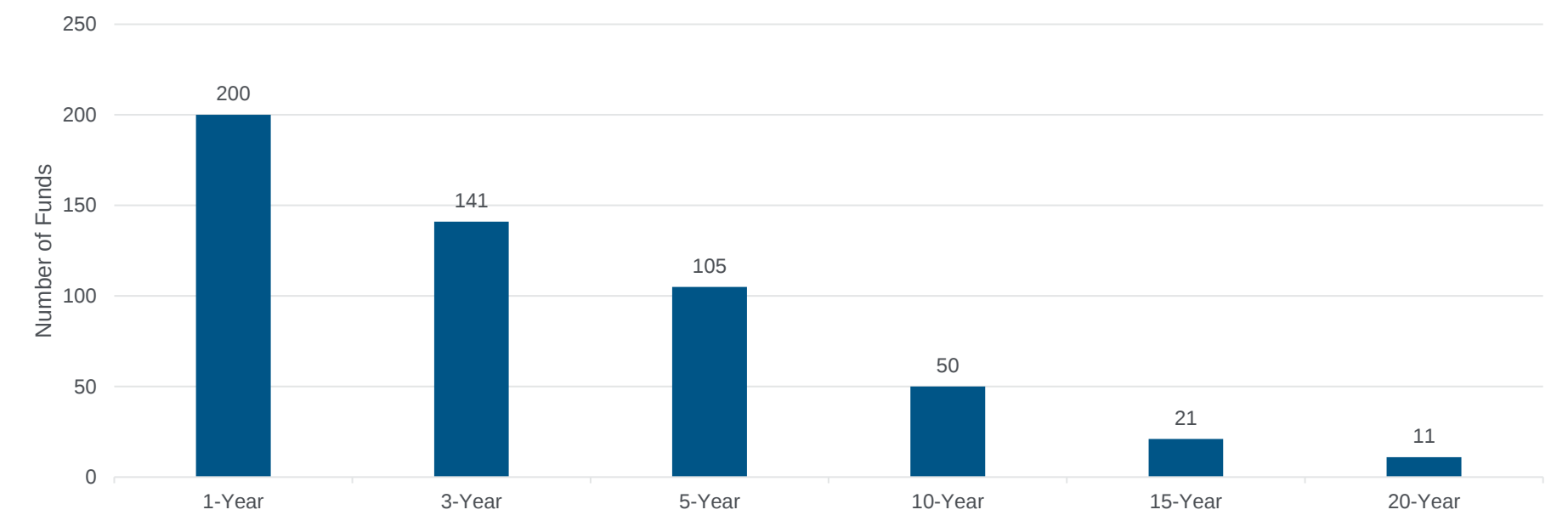


Source: CEFData.com; XA Investments.
Notes: Performance data is reported in Form NPORT-P (“NPORTs”), which are filed quarterly with the SEC. NPORT filings are typically lagged 60 days from the end of the reporting period. The performance data shown above is as of 6/30/2024 and represents the latest publicly available data. Funds shown have at least one year of performance history and \$50mm in total managed assets.

Non-listed CEF Market Maturation

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 fund track records.

Fund Performance Track Record Milestones



Fund Performance Track Record Milestones by Asset Class

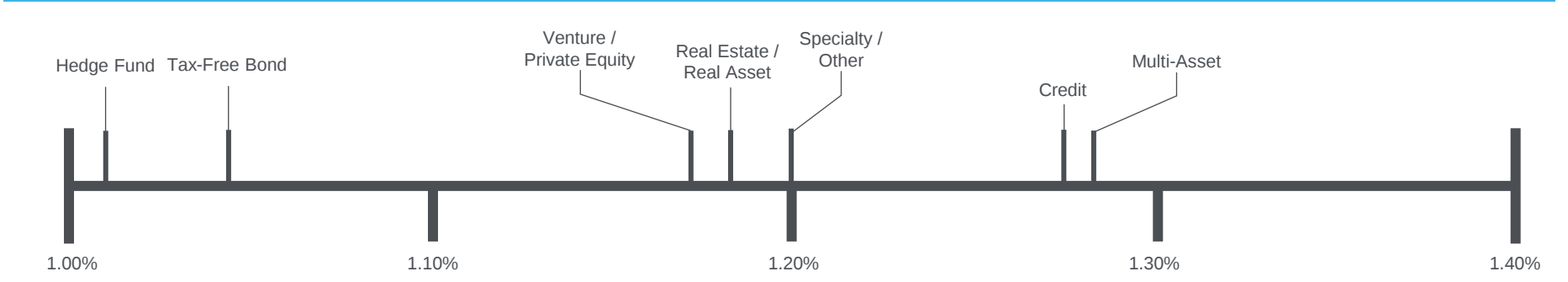
Performance Track Record	1-Year	3-Year	5-Year	10-Year	15-Year	20-Year
Credit	58	38	29	6	3	1
Multi-Asset	10	5	3	3	2	1
Hedge Fund	34	33	31	25	11	9
Real Estate / Real Asset	28	18	11	4	-	-
Specialty / Other	20	15	10	6	4	-
Tax-Free Bond	5	3	2	-	-	-
Venture / Private Equity	45	29	19	6	1	-
% of Total Market	85%	60%	45%	21%	9%	5%

Source: XA Investments.
Note: Data as of 9/30/2024 or latest publicly available.

Management Fees and Net Expense Ratios by Assets Class

Management fees across the market are typically between 1.00% and 1.50%. Categories like Credit, Multi-Asset, and VC / PE tend to 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	73	1.27%	1.25%	0.50%	2.00%
Multi-Asset	13	1.28%	1.25%	1.00%	1.50%
Hedge Fund	34	1.01%	1.00%	0.55%	1.75%
Real Estate / Real Asset	34	1.19%	1.25%	0.22%	1.75%
Specialty / Other	26	1.20%	1.00%	0.05%	2.75%
Tax-Free Bond	6	1.04%	1.00%	0.75%	1.50%
Venture / Private Equity	48	1.18%	1.25%	0.10%	2.50%
All Funds	234 ²	1.19%	1.25%	0.05%	2.75%

Net Expense Ratio (%) ³				
# of Funds	Average	Median	Min	Max
70	2.84%	2.23%	0.00%	11.10%
10	2.78%	2.33%	2.08%	5.39%
33	1.92%	1.69%	0.00%	9.32%
32	2.04%	1.75%	0.34%	7.49%
23	2.30%	2.34%	0.75%	5.30%
6	1.21%	1.16%	0.98%	1.50%
46	2.54%	2.14%	0.00%	6.91%
220 ³	2.42%	2.03%	0.00%	11.10%

Sources: XA Investments; CEFDData.com; sponsor websites, prospectuses, and annual/semiannual reports.
Notes: Data reflects most recent data available as of 9/30/2024. Asset classes listed in descending order by number of funds.

- Graphic is illustrative. There are funds that charge management fees outside the range of 1.00%-1.40%.
- Management fees are sourced from fund prospectuses and may be charged on total managed assets or net assets. The SEI Structured Credit Fund, LP was removed from this statistic for not having a standard management fee.
- 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 greater than 15% were also excluded. Net expense ratio values of zero reflect expenses being waived and/or reimbursed by the fund adviser.

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

Funds that entered the market in Q3 2024 have fee structures representative of the broader marketplace.

Most funds (181 out of 235, or 77%) are not subject to an income incentive or performance fee.

54 out of 235 or 23% of funds are subject to income incentive or performance fees.

Credit funds account for 81% of funds charging an income incentive fee.

Hedge Fund and Venture / Private Equity funds account for 68% 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 detail the number of funds subject to the various fee combinations.

Entire Non-listed CEF Universe ¹		
Combination of Fee Types by Fund	Number of Funds	% of Total Funds
Management Fee Only	56	23.83%
Management Fee + Acquired Fund Fees & Expenses ("AFF&E")	125	53.19%
Management Fee + Income Incentive Fee	15	6.38%
Management Fee + Total Return or Net Profit Fee	6	2.55%
Management Fee + Income Incentive Fee + AFF&E	11	4.68%
Management Fee + Total Return or Net Profit Fee + AFF&E	22	9.36%
Total	235	100.00%

Q3 2024 Non-listed CEF Market Entrants ²		
Combination of Fee Types by Fund	Number of Funds	% of Total Funds
Management Fee Only	2	28.57%
Management Fee + AFF&E	4	57.14%
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	1	14.29%
Management Fee + Total Return or Net Profit Fee + AFF&E	0	0.00%
Total	7	100.00%

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

1. Represents the 235 total CEFs in the non-listed market.

2. Represents the 7 non-listed CEFs that entered the market in Q3 2024.

Fee Waivers and Expense Limitation / Reimbursement Agreements Can Help New Non-listed CEFs Scale

Interval and tender offer fund sponsors continue to strategically use fee waivers to accelerate growth.

Strategic Use of Fee Waivers

- The use of fee waivers is a common practice and can help attract large seed investors into a fund as scale is critical to success.
- When fee waivers and expense limitation agreements are used successfully, they result in increased market acceptance, broader investor uptake, and a larger asset base.
- 100% of the sampled¹ funds have either a Fee Waiver, Expense Limitation / Reimbursement agreement, or Unitary Fee.
- Fee waivers and Expense Limitation / Reimbursement Agreements alone may not be enough to help a fund reach the \$100mm threshold that is crucial for long term fund viability, as brand name and distribution capabilities are also factors in gaining scale so it may be better for them to raise a private fund with institutional investors before launching a registered fund.

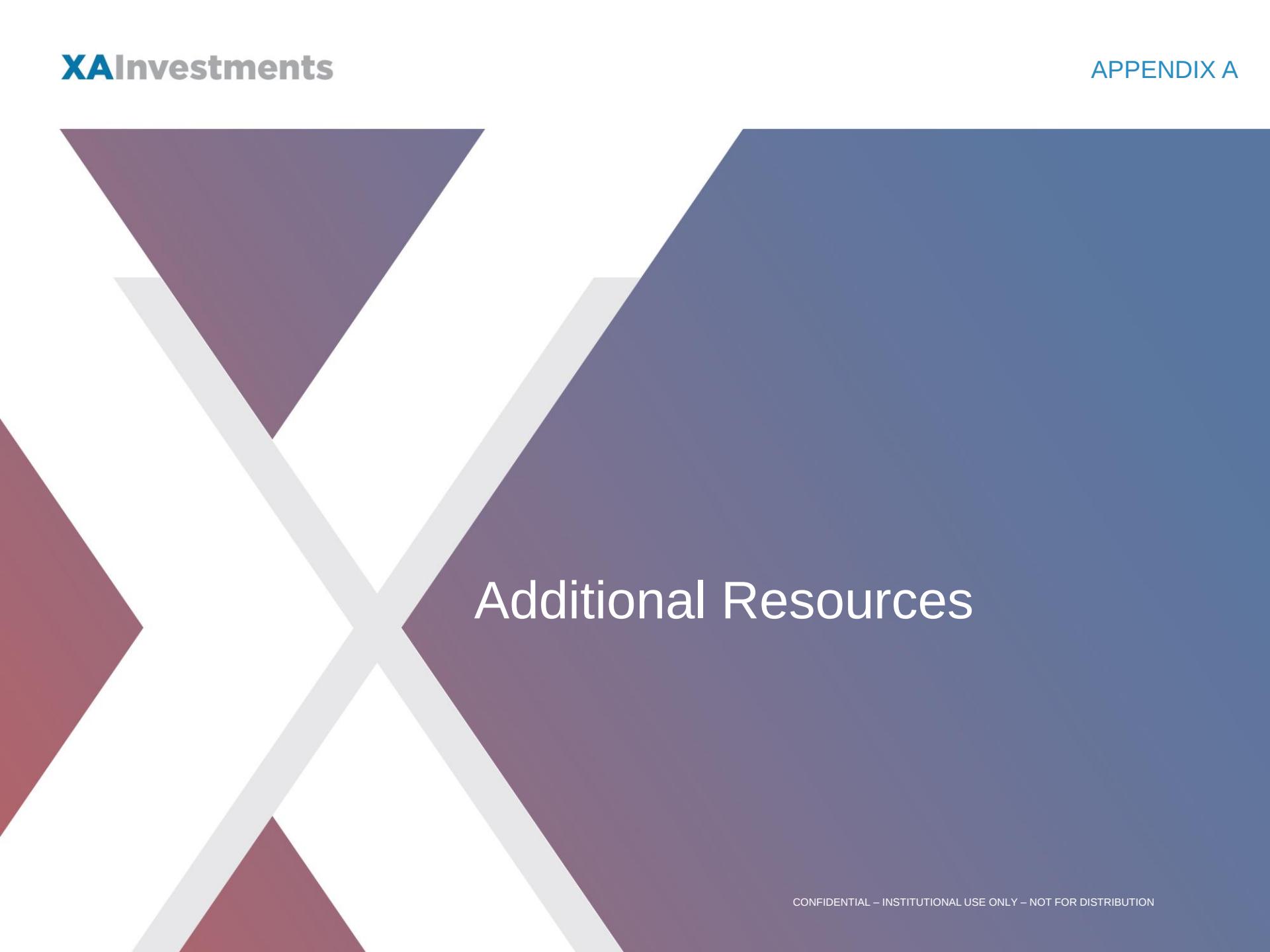
Fee Waiver and Agreement Status of Sampled Interval / Tender Offer Funds¹

Fund Name	Inception Date	Management Fee	Net Expense Ratio	Management Fee Waiver ²	Expense Limitation and Reimbursement Agreement ³	Expense Limitation Agreement Only ⁴	On Management Fees	On Operating Expenses	Net Assets
Coller Secondaries Private Equity Opportunities Fund	4/1/2024	1.65%	1.44% ⁵	Yes; 100% for 1 year	Yes	-	No	Yes	\$339mm
AB CarVal Credit Opportunities Fund	1/2/2024	1.50%	2.03%	-	Yes	-	No	Yes	\$176mm
Versus Capital Infrastructure Income Fund	4/1/2024	1.00%	1.80%	Yes; 50% until invest up is complete	-	-	-	-	\$105mm
CAZ Strategic Opportunities Fund	3/1/2024	1.25%	2.25%	-	Yes	-	No	Yes	\$82mm
John Hancock Multi Asset Credit Fund	6/18/2024	1.25%	1.75% ⁵	-	-	Yes	Yes; Reduce Management Fee	Yes	\$76mm
StepStone Private Credit Income Fund	6/3/2024	1.15%	1.47%	-	Yes	-	No	Yes	\$74mm
Denali Structured Return Strategy Fund	3/12/2024	1.65%	1.99%	-	Yes	-	Yes; Waive Management Fee	Yes	\$35mm
Meketa Infrastructure Fund	1/29/2024	1.50%	1.90%	-	Yes	-	Yes; Reduce Management Fee	Yes	\$26mm
Voya Enhanced Securitized Income Fund	5/1/2024	1.38%	3.44%	-	-	Yes	No	Yes	\$25mm
Institutional Investment Strategy Fund	3/5/2024	0.75% ⁶	0.75%	-	-	-	-	-	\$5mm
% of Total				20%	60%	20%	30%	80%	

Sources: XA Investments; SEC Filings; CEFData.com; fund websites, prospectuses, and annual / semiannual reports.

Notes: Data reflects most recent publicly available data as of 9/30/2024.

1. This slide represents a sample set of funds that have available information, sample includes funds launched in 2024 that have filed a NPORT. Funds sorted in descending order by Net Assets.
2. Fee Waiver is defined as an agreement separate to any Expense Limitation or Reimbursement agreements that reduces or removes and/or management fees on a fund for a specified period of time.
3. Expense Limitation and Reimbursement Agreement is defined as an agreement where the adviser will limit the amount of fees expenses for a defined period of time, subject to reimbursement.
4. Expense Limitation Agreement is defined as an agreement where the adviser will limit the amount of fees and/or expenses for a defined period of time, not subject to reimbursement.
5. Represents figure from latest prospectus.
6. The Institutional Investment Strategy Fund has a unitary fee.

A large, stylized 'X' graphic composed of several overlapping geometric shapes in shades of purple, blue, and red. The 'X' is formed by two intersecting diagonal bands. The upper-left and lower-right bands are a dark purple, while the upper-right and lower-left bands are a medium blue. The intersection of the bands is a lighter, almost white, color. The overall effect is a modern, abstract background for the slide.

Additional Resources

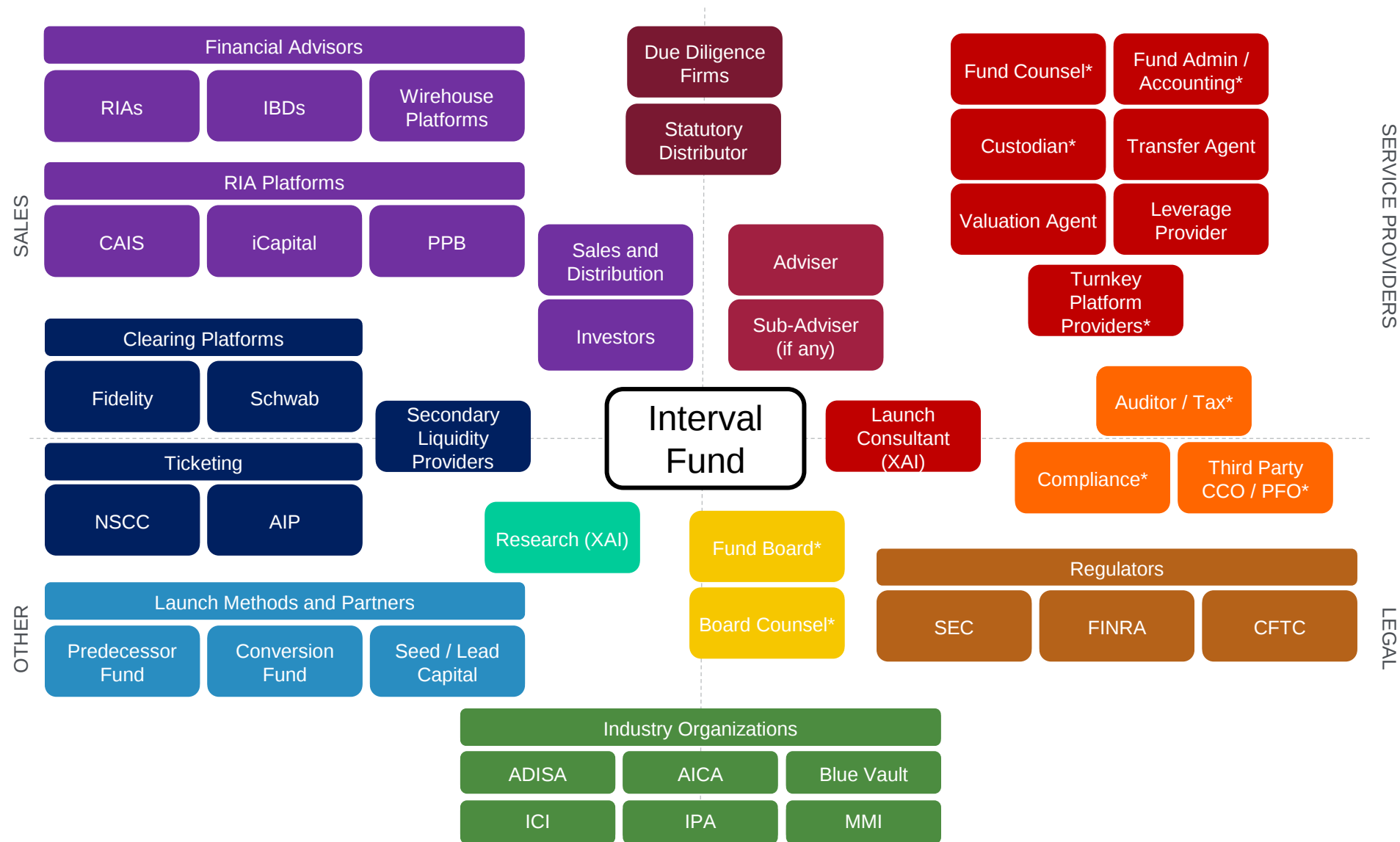
XAI Consulting: 10 Lessons Learned in Launching Interval and Tender Offer Funds

- 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: XA 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.

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 - Direct Listed CEFs
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.
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 Real Estate Investment Trusts (REITs) for tax purposes.

Source: XA Investments.

CEF Resources

Source	Summary and Link
Closed-End Fund Advisors ("CEFDData.com")	- As a Registered Investment Advisory firm, Closed-End Fund Advisors 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/
Morningstar	- Morningstar is an independent investment research, ratings, and data source. Their paper titled "Morningstar's Guide to Interval Funds" describes the history of the product structure, provides analysis on the current state of the interval fund market, and discusses key considerations investors need to make before investing in these funds. https://www.morningstar.com/lp/guide-to-interval-funds

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 ¹	
Annual fee for interval and tender offer fund research <i>Includes: monthly updates, alerts on N-2 filings for competitors, and quarterly in-depth research</i>	\$2,500
One-time fee for custom data analysis <i>Per client specifications</i>	\$5,000+

XAI Custom 15(c) Independent Reports for Fund Boards	
When the SEC’s Division of Examinations issued its 2024 examination priorities, fund advisory fees, including fund boards’ processes for assessing and approving advisory fees, were 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.	\$7,000 ²

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Notes:
1. Consulting clients receive XAI research for no additional cost throughout the duration of the engagement.
2. Discounts are available for multiple funds.

Two examples of our client updates are shown below:

XAI Monthly Update



BlackRock Proposes Conversion of Listed CEF to Interval Fund

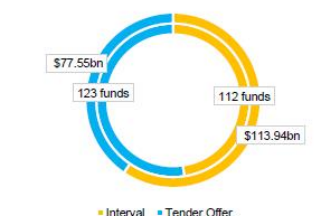
- On September 6th, 2024, the BlackRock Municipal Income Fund (NYSE: MUI, \$957mm in AUM) filed a proxy proposing that the fund change its structure from a closed-end fund ("CEF") listed on the NYSE to an interval fund. This proposal represents one of few listed CEF to interval fund conversions in recent years.
- MUI currently trades at a -5.41% discount as of 9/30/2024 and has traded at an average discount of -9.26% over the last five years.
- For more information on the conversion, read the Ignites article linked [HERE](#).

Sources: XAI Investments; Ignites; Bloomberg; SEC Filings.
Note: Data as of 9/30/2024.



Current Non-listed CEF Total Managed Assets

Non-Listed CEF Market: 235 Funds with \$191bn



Features the latest publicly available data as of 9/30/2024. Outer circle represents total managed assets. Inner circle represents number of funds.

Overview of Non-Listed CEF SEC Registrations

53 Total Non-Listed CEFs in Registration Process



As of 9/30/2024. Avg. Months in Registration represents the average time in registration for funds that have gone effective with an initial filing date after 1/1/2022. 1940 Act only funds are excluded from Avg. Months in Registration as they do not receive a Notice of Effectiveness from the SEC. Funds that have not filed an N-2 or N-2A in the last 12 months are also excluded from the backlog of funds in registration due to inactivity.

Developments in Non-Listed CEF Registrations

Initial Registration Statement Filings	Sponsor	New Entrant	Structure	Asset Class	Filing Date
FT Vest Rising Dividend Achievers Total Return Fund	First Trust	No	Tender Offer	Specialty / Other	9/20/2024
Collier Private Credit Secondaries	Collier	No	Tender Offer	Credit	9/18/2024
TCW Private Asset Income Fund	TCW	No	Interval Fund	Credit	9/16/2024
83 Investments Group Income Fund	M83 Investment Group, LLC	Yes	Tender Offer	Credit	9/6/2024
Post-Launch Filings	Sponsor	New Entrant	Structure	Asset Class	Effective Date
Diamond Hill Securitized Credit Fund	Diamond Hill	Yes	Interval	Credit	9/30/2024
Hamilton Lane Private Infrastructure Fund	Hamilton Lane	No	Tender Offer	Real Estate / Real Asset	9/27/2024

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

www.xainvestments.com

Interval Fund Filing Alerts

John Hancock Asset Backed Securities Fund



Prospectus Summary

Fund Structure:	Interval Fund
Term:	Perpetual
Suitability Minimum:	No suitability restrictions
Initial N-2 Filing Date:	10/3/2024
1940 Act Registered:	Yes
1933 Act Registered:	Yes
Adviser:	John Hancock Investment Management LLC
Sub-Adviser(s):	CQS (US), LLC
Investment Consultant:	None
New Entrant:	No
Predecessor Fund/Seed Capital:	Unknown
Asset Class:	Asset-Backed Securities
Objective:	The fund's investment objective is to seek to generate a return comprised of both current income and capital appreciation.

The fund is a non-diversified fund, which means that it may invest in a smaller number of issuers than a diversified fund and may invest more of its assets in the securities of a single issuer. Under normal market conditions, the fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in ABS-Related Investments (as defined below). More specifically, the fund seeks to achieve its investment objective of generating attractive risk-adjusted returns over the medium to long term by investing, on a global basis, in asset-backed securities ("ABS") markets and other appropriate markets described below, to generate returns in excess of any hedging and/or financing costs. The fund also seeks to identify mis-valuations and relative value opportunities in such markets. The fund uses a range of securities, derivatives and other financial instruments including, but not limited to, long and short positions in: ABS; mortgage-backed securities; agreements to pay or receive structured cash flows related to asset pools; bonds; commercial paper; preferred stock; common stock; sovereign, government sponsored entity, index-linked and supra-sovereign bonds; floating rate securities; loans; repurchase agreements; interest rate and credit default swaps and swaptions; equity and equity index swaps, futures and options; single-tranche credit default swaps; total return swaps; interest rate futures and options; bond futures and options; foreign exchange contracts, futures and options; other options and derivatives; collateralized debt obligations and collateralized mortgage obligations (collectively, "ABS-Related Investments").

Strategy:

Fund of Funds:	No
Invest-up Period:	3 months
Redemptions:	Quarterly 5% - 25%
NAV Frequency:	Daily
Minimum Investment:	\$X (Class I), \$X (Class A, Class U) initial investment, subsequent minimum TBD
Management Fee:	1.50% of Total Managed Assets
Acquired Fund Fees and Expenses:	None
Income Incentive/Performance Fee:	None
Fee Waiver:	Expense Limitation Agreement on fees and operating expenses
Distributor:	John Hancock Investment Management Distributors LLC
Fund Counsel:	K&L Gates, LLP
Fund Administration:	TBD
Custodian:	State Street Bank and Trust Company

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www.xainvestments.com

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, and following SEC governance suggestions, 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

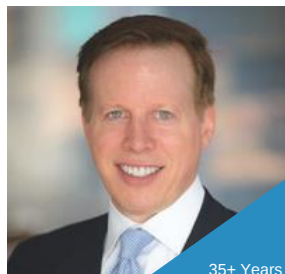
- *Experience*. The learning curve can be steep for closed-end funds with alternative strategies.
- *Fit Is Important*. Group fit is important to helping with critical and complex decision making.
- *Audit Committee Chair*. Identify these candidates early on because it can be difficult to find an audit 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.

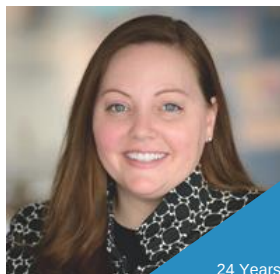
XA Investments Team



Ted Brombach
Co-CEO



John "Yogi" Spence
Co-CEO



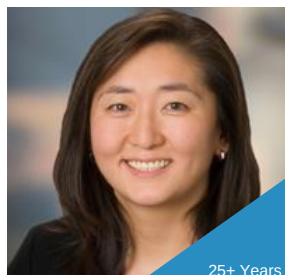
Kimberly Flynn
President



Ben McCulloch
General Counsel,
Managing Director



Kevin Davis
Managing Director,
Head of Sales & Distribution



Lisa Woo
Director of Fund Finance
and Operations



Jared Hagen
Vice President



Luke Gaskill
Analyst

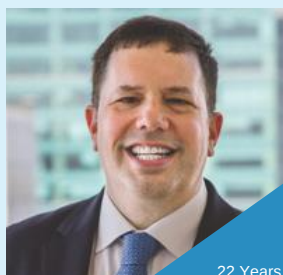


Luke Becker
Analyst



Lauren Hering
Analyst

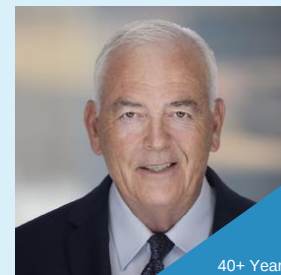
Senior Advisors



David Adler
Economics



Paul Williams
Product Development



Paul Dunn
Sales and Distribution

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Note: Years of investment / finance experience.

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

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

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

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

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

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