PRIVILEGED AND CONFIDENTIAL

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
Quarterly Review

September 30, 2021

Presented by

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Section One

FUND SUMMARY

Fund:	Mesirow Financial Real Estate Value Fund IV, L.P.
Fund strategy:	To invest in U.S. multifamily value-added investments
Geographic Focus:	Solely within the United States
Fund Size:	$750,000,000
General Partner:	Mesirow Financial REVF IV-GP, LLC, a Delaware limited liability company
Structure:	A Delaware limited partnership
Initial Closing Date:	May 1, 2020
Final Closing Date:	May 27, 2021
Investment Period:	Three (3) years from the Final Closing Date
Term of the Fund:	The Fund will terminate on December 31, following the eighth anniversary of the Final Closing Date (subject to one (1) one-year extension period, at the General Partner's sole discretion)
Distributions:	8% preferred return (compounded annually) to the Limited Partners pro rata based upon their capital contributions; after return of capital to the Limited Partners; and thereafter, 75% Limited Partners / 25% General Partner
Legal Counsel:	Greenberg Traurig LLP
Auditor:	Ernst & Young LLP
Fund Investors:	Thrivent White Rose Real Estate Fund II, L.P. Retirement Plan for Chicago Transit Authority Employees' Trust Puget Sound Electrical Workers Pension Trust Washington State Plumbing & Pipefitting Industry Pension Plan Western Washington Laborers-Employers Pension Trust Fund Laborers National Pension Fund Central Laborers' Pension Fund Nalpak MFREVF IV, LLC Nalpak I, L.P. UA Union Local No. 290 Plumber, Steamfitter & Shipfitter Industry Pension Trust Pipeliners Local Union 798 Teamsters Local 237 Additional Security Benefit Fund Teamsters Local 237 Supplemental Fund for Housing Authority Employees Ray & Kay Eckstein Charitable Trust

Mesirow Real Estate Value Fund IV Feeder, L.P.
Midwest Operating Engineers Pension Fund
Pipefitters Union Local No. 537 Pension Fund
Oklahoma Firefighters Pension & Retirement System
Jewish Home and Care Center Foundation, Inc.
Pipefitters Local #120 Pension Fund
Locals 302 & 612 of the IUOE-Employers Construction Industry Retirement Trust
Municipal Employees' Retirement Fund of the City of Hartford
Laborers' & Retirement Board Employees' A & B Fund of Chicago
County Employees' Annuity & Benefit Fund of Cook County
LPF (MREF IV) Investment Corp. (c/o LiUNA Pension Fund of Central and Eastern Canada)
United Association National Pension Fund
Construction Industry and Laborers Joint Pension Trust for Southern Nevada Plan A
Teachers' Retirement System of the City of New York
New York City Employees' Retirement System
Board of Education Retirement System of the City of New York
State of Connecticut, acting through its Treasurer
Boston Retirement System
Mesirow Financial Employee Real Estate Value Fund IV, L.P.
Mesirow Financial REVF IV-GP, LLC

Section Two

EXECUTIVE SUMMARY

Letter to Investors

FUND SUMMARY

As of September 30, 2021, Mesirow Financial Real Estate Value Fund IV, L.P. ("Fund") consisted of four (4) geographically diverse, multifamily investments totaling approximately $321.4 million in estimated fair market value (inclusive of $39.1 million in land acquisition and predevelopment costs for a ground-up development project located in Philadelphia with a construction budget of $182.5 million). Of these four assets, three (3) are operating properties and one (1) is a JV development property. The Fund's investments are located within four (4) distinct markets, which correspond to four (4) separate sub-regions as reported by NCREIF. A detailed discussion of each investment can be found in Section Four of this report.

DISCUSSION OF RECENT QUARTER'S ACTIVITY

The General Partner is pleased to report that the Fund held its final investor close on May 27, 2021. The Fund was oversubscribed and reached its hard cap of $750 million in commitments from thirty-two (32) institutional investors, the General Partner and our Team. As of September 30, 2021, the Fund had committed approximately 20.6% and invested approximately 10.0% of the total commitments.

As the broad effects of coronavirus (COVID-19) continues to subside, we wanted to reiterate that both our Firm and our Team continue to be prepared from a business continuity standpoint. This includes the appropriate infrastructure, procedures, and safeguards should we experience a resurgence with the virus or mandated shutdowns. As of the writing of this report, our initial investments are open for business, including the leasing office and all amenities, while continuing to follow Federal, State and CDC guidelines in conjunction with our on-site management company.

On December 10, 2020, the General Partner closed on its first investment, a 276-unit garden style project called The Scenic at River East located in Fort Worth, Texas. The property is located within an Opportunity Zone in the River East corridor, across from the Trinity River and is approximately one mile from the CBD. The purchase price was $51.25 million or $185,688 per unit. At acquisition, the Fund placed a seven-year interest-only fixed rate loan with Fannie Mae in the amount of $33,345,000 at an interest rate of 2.42% per annum. Greystar was selected to be the property manager.

On February 3, 2021, the General Partner closed on its second investment, a joint venture development with Greystar to build a luxury 409-unit, 20-story high-rise at a cost of $182.5 million (or approximately $446,155 per unit), located in Center City Philadelphia, Pennsylvania immediately adjacent to the Thomas Jefferson University and Hospital. The 409 units will average 734 square feet and consist of 73 studio units, 116 junior one-bedroom units, 88 one-bedroom units, 16 one-bedroom den units, 35 junior two-bedroom units, 77 two-bedroom units and four three-bedroom units. The ownership venture will be 85.0% owned by the Fund and 15.0% owned by Greystar. The total equity investment by the Fund is approximately $54.3 million. On June 22, 2021, the venture acquired the land, and simultaneously closed on a $118.61 million construction loan with J.P. Morgan at 65% loan to cost. Construction has commenced, and is expected to be completed 26 months later in September of 2023.

On May 18, 2021, the General Partner acquired its third investment, a 261-unit seven-story mid-rise community called Elan 16Forty in Fort Lauderdale, FL. The purchase price was $83.5 million or $319,923 per unit. The property resides on East Sunrise Boulevard and is situated just one mile south of downtown, the Fort Lauderdale Central Business District and Las Olas Boulevard. At acquisition, the Fund placed a seven-year fixed rate loan with Fannie Mae through its Green Rewards Program. The loan amount is $51,950,000 and is interest-only for 4 years at an interest rate of 3.04% per annum. RAM Partners was selected to be the property manager.

On September 1, 2021, the General Partner closed on its fourth investment, a 302-unit mixed-use style community located in Alexandria, Virginia. The property is located on Cardinal Place and is less than a mile from the Washington, D.C. “Van Dorn” metro stop and approximately seven miles from the Pentagon, National Landing, and Amazon’s HQ2. The purchase price was $128,550,000 or $425,662 per unit. At acquisition, the Fund placed a seven-year fixed rate loan with Fannie Mae through its Green Certification Program. The loan amount is $83,558,000 and is interest-only for 7 years at an interest rate of 2.63% per annum. Bozzuto was selected to be the property manager.

STRATEGY FOR 2021

Looking forward throughout 2021 and beyond, our acquisition strategy will concentrate on any market dislocations or opportunities created by COVID-19. In the foreseeable future, the Fund will be targeting and seeking additional exposure throughout the United States, with a concentration in parts of the Southeast, Southwest, Northeast, Northwest, and Midwest. Favorable demographics, a national housing shortage and the Implementation of hands-on asset management and thoughtful renovation campaigns will continue to allow us to unlock value and realize favorable risk-adjusted returns.

Our clients are the foundation of our business, and we very much appreciate your support of the Mesirow Financial Real Estate Value Fund IV, L.P. If you have any questions or information requests, please do not hesitate to contact us at 312/595-6938 or acripps@mesirowfinancial.com.

Sincerely,

Alasdair Cripps
Chief Executive Officer &
Co-Chief Investment Officer

Benjamin Blakney
President

John Pierson
Senior Managing Director &
Chief Financial Officer

Kevin Price
Managing Director
Head of Asset Management

Market Analysis

U.S. ECONOMIC OUTLOOK

Real U.S. Gross Domestic Product ("GDP") grew by a 2.0% annualized rate during the third quarter of 2021. This compares to a 6.7% annualized growth rate during the second quarter, a 6.3% annualized growth rate during the first quarter, and a 4.3% annualized growth rate during the fourth quarter of 2020.[1] The continued growth (from the fourth quarter of 2020 through the third quarter of 2021) reflects the continued economic recovery, reopening of establishments, and strong governmental response to the COVID-19 pandemic.

The ongoing U.S. economic recovery is being driven primarily by the successful rollout of COVID-19 vaccinations and aggressive federal stimulus. Indeed, as of this writing, at least 228.6 million persons in the U.S. (or 69% of the population) have received at least one dose of a COVID-19 vaccination. Overall, 194.2 million persons in the U.S. (or 59% of the population) have been fully-vaccinated. Real U.S. GDP is expected to continue to expand throughout the balance of 2021, as successful U.S. and international COVID-19 vaccinations, and the effects of stimulus packages, continue to take hold. These packages include the U.S.'s record \$1.9 trillion COVID-19 relief package of 2021, and its record \$2.0 trillion-plus package of 2020. Additionally, subsequent to the quarter end, the U.S. passed a record \$1.0 trillion infrastructure bill. Overall, real U.S. GDP is expected to grow by annualized rates of 5.6% in 2021, 3.8% in 2022, and 2.9% in 2023.[2]

As of this writing the major risks to the U.S. economy include ongoing disruption to the global supply chain, the emergence of COVID-19 variants and the anemic labor market participation rate. Additional risks to the global economy include destabilization and geopolitical uncertainty in the Middle East and North Korea as well as stagnant economic growth and uncertainty in Europe as pertains to the viability of the European Union ("EU") bloc in its present form.

With regard to the national unemployment rate, per the Bureau of Labor Statistics ("BLS") the U.S. unemployment rate was 4.8% as of the quarter ended September 30, 2021, versus 7.8% for the prior year (a 300-basis point decline). This steep decline underscores the robust nature of the current expansion. However, with regard to the labor market participation rate, as of this writing just 61.6% of the U.S. adult population now participates in the labor market versus the 15-year peak of 66.4% in January, 2007. As a point of reference, the average labor market participation rate from September, 1969 through September, 2021 was 64.3% -- a full 270 basis points above the current level. However, we expect this rate to improve over the balance of 2021.

NATIONAL REAL ESTATE CAPITAL MARKETS

The average direct capitalization ("cap") rate for U.S. primary market apartment product was 4.0 – 4.5% as of the quarter ended September 30, 2021 (unchanged from the prior quarter). The average cap rate range for secondary market product during the quarter was 4.5 – 5.0% (also unchanged versus the prior quarter). For primary market product, the cap rate spread of approximately 273 basis points over the 10-year U.S. Treasury yield of 1.52% (as of September 30, 2021) was above the 25-year historic average spread of

[1] Source: U.S. Department of Commerce, Bureau of Economic Analysis ("BEA")

[2] Source: S&P Global Market Intelligence

between 200 and 225 basis points (as of the third quarter end). The secondary market cap rate spread of approximately 323 basis points over the 10-year U.S. Treasury yield of 1.52% (as of September 30, 2021) was also above the 25-year historic average spread of between 225 and 275 basis points (as of the third quarter end). 10-year U.S. Treasury yields rallied to near all-time lows in immediate response to the coronavirus pandemic; however, more recently yields have drifted upward as investors continue to gain comfort in the belief that the worst of the pandemic is behind us. Since U.S. multifamily cap rates have also compressed but by a lesser clip, cap rate spreads relative to U.S. Treasury yields as of the end of the third quarter of 2021, are still within historical averages. To be sure, volatility or disruptions subsequent to the third quarter end could certainly impact this spread relationship; however, as of the third quarter end, overall spread levels remained relatively healthy

To recap, U.S. multifamily sales volume was $175.8 billion in 2018, while sales volume for 2019 rose 4.7% to a record $184.1 billion. However, due to the fallout of the coronavirus pandemic, in 2020 total U.S. apartment transaction volume fell by 34.6% to $120.4 billion. During the third quarter of 2021, however, total sales volume rebounded to $59.4 billion versus the $46.6 billion achieved in the prior quarter (a 27.5% increase). Given the strong fundamentals, and continued pent-up capital demand for the U.S. multifamily asset type, transaction volume is expected to rebound significantly in 2022 as the country continues to emerge from the pandemic environment.

For reference, multifamily was the first U.S. property sector to surpass peak 2007 volume, and apartments continue to account for between 30 to 35 percent of all dollars invested in the four major property sectors. Also, in the aftermath of the Great Recession, institutional capital for multifamily initially flowed to primary, core, and urban markets predominantly located on the coasts; however, the continued strong fundamentals in the sector, and the desire for yield continues to raise the relative share of transactions in non-coastal, suburban and secondary markets. In short, investors in the multifamily sector continue to recognize its solid fundamentals, favorable demographics, and long-term favorable performance relative to other property sectors.

DEBT AVAILABILITY

In October 2019, the Fed cut rates by 25 basis points to a target level of 1.75%, and in March 2020, the Fed cut rates substantially further to a target range of just 0.0% to 0.25%. As of September 30, 2021, the Fed’s target rate range held firm at just 0.0% to 0.25%.

While the market saw rate relief in 2019 which has held firm, in light of circumstances surrounding the coronavirus pandemic, underwriting standards remain higher now than before the pandemic for most commercial product types. With regard to historical and current multifamily lending caps, during the quarter ended September 30, 2019, the Federal Housing Finance Agency (“FHFA”) raised the multifamily lending cap for Fannie Mae and Freddie Mac (“the GSEs”) from $36.5 billion to $100.0 billion per each GSE ($200 billion combined, with no exclusions), and this cap remained in effect through December 31, 2020. During the first quarter of 2021, the FHFA lowered the cap to $70 billion per each GSE ($140 billion combined). The FHFA has stated that these cap levels will hold firm through year-end 2021. Notwithstanding the recent FHFA cap reduction and spread volatility tied to the coronavirus pandemic, the still-sizable level of the overall GSE lending caps should provide continued relief to borrowers who seek to procure commercial multifamily loan products in the near term.

U.S. APARTMENT FUNDAMENTALS

The U.S. multifamily sector continues to boast the lowest vacancy rate of the four major property types (apartment, office, retail and industrial) with a 4.7% vacancy rate as of September 30, 2021. This figure is 60 basis points lower than the 5.3% level from the prior quarter, and is 330 basis points lower than the 12-year peak vacancy of 8.0% at December 31, 2009. Demand has been fueled in part by demographic factors. First, while the U.S. population grew by approximately 8.0% (to approximately 331 million persons) from 2009 to 2020, over this same period the 80-million-plus strong Generation Y cohort (currently aged approximately 25 years to approximately 37 years) reached young adulthood. Significantly, this is the largest of any U.S. cohort in history (exceeding that of the Baby Boomers at 77 million persons), and the Generation Y cohort continues to exhibit the strongest propensity to rent. Moreover, from 2009 through March 31, 2020, the Generation Y unemployment rate fell from 9.3% to 4.1% (a 520-basis point decrease), although more recently as of the quarter ended September 30, 2021 and as a result of fallout from the novel coronavirus pandemic -- the rate stands at 5.3%. Despite the more recent fallout, we have witnessed a continued de-coupling within the Generation Y cohort, i.e., more household formations by Generation Y members. New household formation has moved from approximately 500,000 per year during the Great Recession to more than 1.3 million today, with a projection of 1.5 to 1.6 million per year over the next few years. Notwithstanding the impacts of the coronavirus pandemic, which could dampen this projection level in the immediate near term, favorable long-term demographic trends in the Generation Y, Generation Z, Baby Boomer, and immigrant sub-groups should continue to support this household growth over the longer term beyond 2021. Indeed, while the U.S. population is expected to rise by a net 80.0 million people (or 25.0%) from 2014 through 2050, 38.0% of this figure (or 30.4 million people) will be foreign born, and foreign-born persons display a higher propensity to rent.

Multifamily demand has also been fueled by a confluence of factors concerning mortgage underwriting criteria, and personal balance sheets as they relate to Generation Y in particular, but also to Generation Z. While long-term interest rates remain near historic lows, credit underwriting standards are still tighter than before the Great Recession circa 2009. Indeed, over the past 18 months, the capital costs of home ownership which include related down-payment requirements, have risen significantly. Additionally, while consumer balance sheets had in many instances recovered from the Great Recession's aftermath, these balance sheets are again in duress this time by the novel coronavirus fallout. Also, from an economic, financial well-being standpoint, Generation Y in particular was hard hit by both the Great Recession, and the coronavirus pandemic, and this generation continues to be disproportionately-burdened with high levels of student loan debt. Thus, the intersection of all of these factors continues to make it more difficult on a relative basis for the Generation Y (and Generation Z) cohorts to obtain mortgage financing, and this confluence continues to help buoy U.S. multifamily demand (on the part of end-users). Viewed through a different lens, the national homeownership rate in 2004 (before The Great Recession) was 69.2% but is now just 65.4% and this rate could fall even further in the post-pandemic environments.

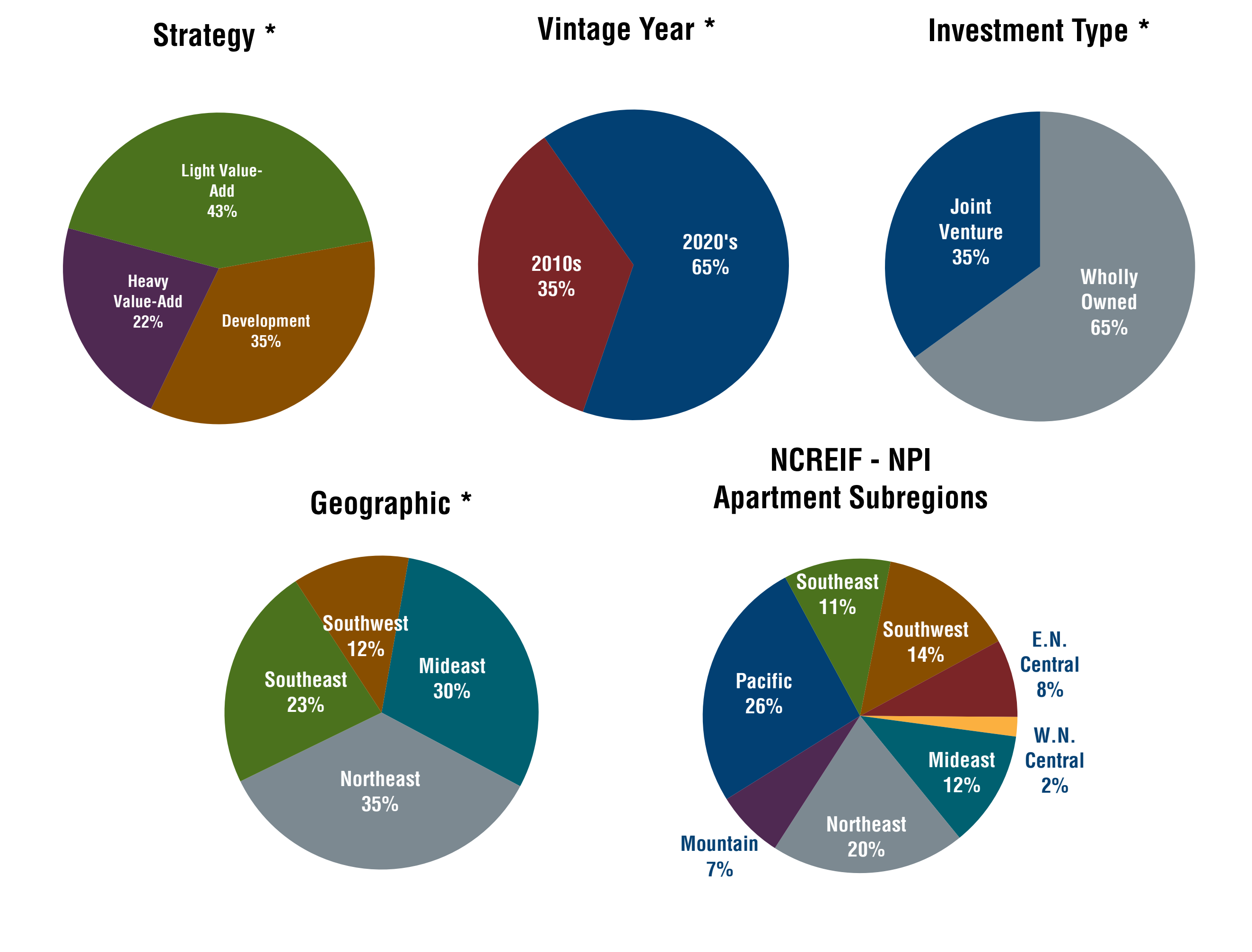
On the supply side, strong multifamily fundamentals in certain U.S. markets have spurred new construction in this sector after several years of well-below average construction starts and completions. For 2018, annual completions totaled 290,000 units, and for 2019 annual completions totaled 280,000 units. Total U.S. completions for 2020 reached 310,000 units. For reference, completions averaged approximately 288,000 units per annum from 1994 through 2009. While fallout from the novel coronavirus pandemic exerted upward pressure on vacancy levels, and tempered rent growth in certain markets over the past 18 months, vacancy levels and rent growth will likely improve for the balance of 2021 and beyond. For instance, Reis projects that vacancy rates will likely end calendar year 2021 at just 4.8% versus the current

4.7% level, and from 2022 through 2025 vacancies will average just 4.8%. Axiometrics recently noted that a main reason the multifamily sector continues to perform strongly is that the Generation Y cohort, which is the prime renter sub-group, continues to be either unwilling or unable to purchase a home (at percentage and volume levels commiserate with prior generations).

We believe opportunities in the multifamily space continue to exist, particularly in the heavy and light value-added strategies. We continue to remain extremely disciplined in our tactical approach to market and asset selection, taking into consideration factors such as submarkets, submarket demand drivers, and each property's location and relative competitive position within that submarket. Factors such as location and neighborhood amenities, positive neighborhood adjacencies, the quality of the immediate local infrastructure, high barriers to entry, high cost-to-own versus rent, proximity to employment nodes, the depth and quality of surrounding employment opportunities, proximity to transportation mediums, visibility and ease of navigation to and from the property, onsite amenities, construction quality, and other idiosyncratic features remain important drivers for successful property investment.

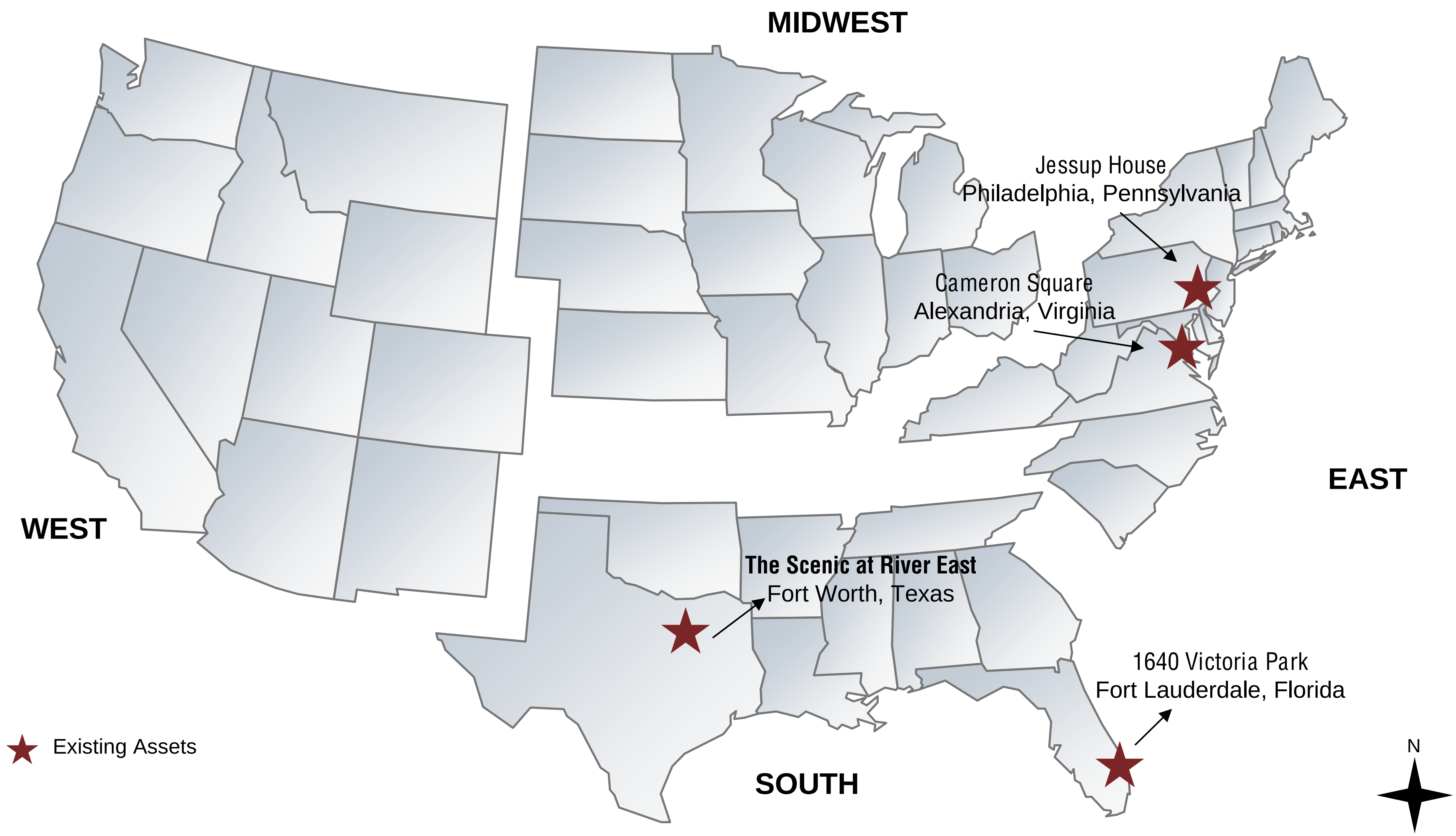
Portfolio Composition

The Fund’s four (4) multifamily investments as of September 30, 2021, of which three (3) are operating properties and one (1) is a “build-to-core” development project, are collectively located within four (4) distinct markets and within four (4) NCREIF sub-regions. The age of the current portfolio is relatively new by design and consists entirely of 2010’s vintage or newer. It also should be noted that three (3) of the properties are wholly owned, and one (1) is a joint venture.



* Weighted by capital committed for investment

Investments by NCREIF Region



Section Three

FUND PERFORMANCE

Fund Investment Summary

The Fund held its final investor closing on May 27, 2021, with a total Fund size of $750 million in capital commitments from thirty-two (32) institutional investors, the General Partner, and our Team. As of September 30, 2021, the total capital called from the investors was $75 million and the current net asset value of the Fund is approximately $87.12 million.

Investment Summary	
Total Real Estate Investments at Estimated Market Value [1]	$321,445,329
Debt [1]	$226,055,024
Net Asset Value [2]	$87,120,082
Capital Commitment [3]	$750,000,000
Capital Called [3]	$75,000,000
Number of Investments	4
Cash Balance of Fund [4]	$6,342,979
Distributions Since Inception [3]	$0
Fund Closing Date	May 27, 2021
Number of Institutional Investors	32

[1] Reflects adjustment to fair value.
[2] Net asset value is based on values from internal valuation of real estate assets and estimated market valuations of debt obligations, which are subject to significant assumptions and uncertainties.
[3] The capital commitments, called capital, and distributions for the Total Fund include the amounts for the parallel employee fund. Includes capital called for asset management fees and recallable capital that had been previously distributed to investors.
[4] Includes unrestricted cash only

Teachers' Retirement System of the City of New York

Fund Investment Summary as of September 30, 2021

Investor Investment Summary	
Total Real Estate Investments at Estimated Market Value [1]	$321,445,329
Debt [1]	$226,055,024
Net Asset Value [2]	$87,120,082
TRS-CNY - Capital Commitment [3]	$40,500,000
TRS-CNY - Capital Called [3]	$4,050,000
TRS-CNY - NAV at 09/30/2021 [2]	$4,612,053
TRS-CNY - Since Inception Distributions [3]	$0
TRS-CNY - Cash Received (Paid) as Cost of Carry from Investors [4]	($10,652)

1 Reflects adjustment to fair value.

2 Net asset value is based on values from internal valuation of real estate assets and estimated market valuations of debt obligations, which are subject to significant assumptions and uncertainties.

3 The capital commitments, called capital, and distributions for the Total Fund include the amounts for the parallel employee fund. Includes capital called for asset management fees and recallable capital that had been previously distributed to investors.

4 Not included in any Fund financial statement or performance data.

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
Performance Returns – Fund Level
September 30, 2021

TOTAL FUND

	IRR Gross of Fees	IRR Net of Fees
Current Quarter	43.01%	34.66%
Year to Date	52.39%	29.78%
Inception to Date	50.03%	23.47%

(1) Returns are calculated in accordance with the "Fund Level" internal rate of return (IRR) as published in the Real Estate Information Standards (REIS) Performance Measurement Resource Manual, developed with participation from NCREIF's Performance Measurement Committee. At the fund level, the inputs for the IRR formula are based upon actual cash flows between the investors and the partnership. General partner (GP) cash flows are excluded from this calculation.

(2) In accordance with the Limited Partnership Agreement, any amounts contributed to the partnership by limited partners (LPs) at subsequent closings shall be treated as if the new partners (NPs) have purchased a pro rata share of the interests of the partnership from the preexisting fund partners (PFPs), and a portion of the capital account of each PFP shall be allocated to such NPs so that after such allocation the capital account of such NPs and such PFPs are in proportion to their percentage interests. Consistently, the gross IRR for each LP is calculated as their pro rata share of the fund level IRR. In addition, for IRR and preferred return purposes, the asset management fees funded by NPs at each subsequent closing date are treated as though they were funded on the same date as when they were initially funded by the PFPs.

(3) The IRR is a since inception calculation that solves for the discount rate, which makes the net present value of an investment equal to zero. The calculation is based on cash-on-cash returns over equal periods modified for the residual value (i.e., the partnership's or investor's ending net asset value (NAV) of the investment). The NAV is used as the ending value. Transactions are accounted for on a monthly basis, and annualized values are used for reporting purposes.

(4) The quarterly IRR (or end-to-end performance calculation) is similar to the IRR. However, it is measuring the return between two points in time. The calculation takes into account the beginning NAV as the initial investment. The subsequent monthly cash flows and the ending NAV for the specified time period (i.e., one quarter, one year, etc.) are utilized in the same fashion as the IRR calculation. All returns greater than one year are annualized.

(5) The "Since Inception" IRRs include asset management fees, syndication costs, and organization costs accrued since the May 1, 2020 Initial Closing Date of the Fund. Since inception, the partnership has incurred $683,190 and $112,473 of syndication costs and organization costs, respectively.

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
Performance Returns – Fund Level
September 30, 2021

TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

	IRR Gross of Fees	IRR Net of Fees
Current Quarter	43.01%	33.20%
Year to Date	52.39%	30.28%
Inception to Date	50.03%	24.49%

(1) Returns are calculated in accordance with the "Fund Level" internal rate of return (IRR) as published in the Real Estate Information Standards (REIS) Performance Measurement Resource Manual, developed with participation from NCREIF's Performance Measurement Committee. At the fund level, the inputs for the IRR formula are based upon actual cash flows between the investors and the partnership. General partner (GP) cash flows are excluded from this calculation.

(2) In accordance with the Limited Partnership Agreement, any amounts contributed to the partnership by limited partners (LPs) at subsequent closings shall be treated as if the new partners (NPs) have purchased a pro rata share of the interests of the partnership from the preexisting fund partners (PFPs), and a portion of the capital account of each PFP shall be allocated to such NPs so that after such allocation the capital account of such NPs and such PFPs are in proportion to their percentage interests. Consistently, the gross IRR for each LP is calculated as their pro rata share of the fund level IRR. In addition, for IRR and preferred return purposes, the asset management fees funded by NPs at each subsequent closing date are treated as though they were funded on the same date as when they were initially funded by the PFPs.

(3) The IRR is a since inception calculation that solves for the discount rate, which makes the net present value of an investment equal to zero. The calculation is based on cash-on-cash returns over equal periods modified for the residual value (i.e., the partnership's or investor's ending net asset value (NAV) of the investment). The NAV is used as the ending value. Transactions are accounted for on a monthly basis, and annualized values are used for reporting purposes.

(4) The quarterly IRR (or end-to-end performance calculation) is similar to the IRR. However, it is measuring the return between two points in time. The calculation takes into account the beginning NAV as the initial investment. The subsequent monthly cash flows and the ending NAV for the specified time period (i.e., one quarter, one year, etc.) are utilized in the same fashion as the IRR calculation. All returns greater than one year are annualized.

(5) The "Since Inception" IRRs include asset management fees, syndication costs, and organization costs accrued since the May 1, 2020 Initial Closing Date of the Fund. Since inception, the partnership has incurred $683,190 and $112,473 of syndication costs and organization costs, respectively.

Section Four

DISCUSSION OF INVESTMENTS

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
INVESTMENTS IN REAL ESTATE
September 30, 2021

		Investments in Real Estate		Mortgage Loans Payable		
Property and Location	Date Acquired	Invested Capital (1)	Estimated Market Value at 09/30/21	Outstanding Principal at 09/30/21	Deferred Loan Costs, Net 09/30/21	Mortgage Loans Payable, Net 09/30/21
Scenic at River East Fort Worth, Texas	12/10/20	$ 52,000,705	$ 59,340,000	$ 33,345,000	$ 148,796	$ 33,196,204
Jessup House Philadelphia, Pennsylvania	02/03/21	32,055,329	39,055,329	-	-	-
1640 Victoria Park Fort Lauderdale, Florida	05/18/21	84,121,165	91,350,000	52,222,000	250,542	51,971,458
Cameron Square Alexandria, Virginia	09/01/21	129,384,367	131,700,000	83,558,000	404,226	83,153,774
		$ 297,561,566	$ 321,445,329	$ 169,125,000	$ 803,564	$ 168,321,436
Loan to Value				52.61%		

(1) Invested capital represents the initial purchase price of the property plus closing costs and capital improvement additions for the investment property.

(2) For each of the "build-to-core" development projects, the remaining construction costs for completion are excluded from each of the amounts reflected above.

The Scenic at River East, Fort Worth, Texas

999 SCENIC HILL DRIVE

INVESTMENT SUMMARY

Location:	Fort Worth, TX
Classification:	Garden-style
Year Built:	2018
Size:	276 Units
Occupancy:	93.1%
Acquisition Date:	December 10, 2020
Acquisition Price:	$51,250,000 or $185,688/unit
Gross Asset Value:	$59,340,000 or $215,000/unit
Mortgage Balance:	$33,345,000
Interest Rate:	2.42%
Maturity Date:	January 1, 2028

BACKGROUND:

The Scenic at River East is a 276-unit, luxury garden-style property that was built in 2018 and is located in Fort Worth. The property consists of fourteen three-story apartment buildings and five three-story townhome buildings plus a leasing office / club building. The current amenity package at the property includes: a resort-style swimming pool; a pool pavilion featuring an outdoor kitchen, grilling area, flat screen television, Foosball gaming station, and cornhole; a third-floor resident sky lounge with a private dining area and terrace with premium views of the Fort Worth skyline; a fully equipped 24-hour fitness center including outdoor yoga space; two pet parks; package lockers; a bike repair station; and a fire pit. The Scenic at River East is located in the River East corridor of Fort Worth, Texas, approximately one mile from the CBD, in an Opportunity Zone that is currently undergoing a substantial upward shift in its economic base (due to a marked uptick in commercial investment in the neighborhood).

The Scenic at River East is located in the emerging River East corridor, and the asset is just a five to 10-minute walk from both local and eclectic restaurants, brew pubs, craft cocktail lounges, boutique shops, Texas cultural heritage sites, and other entertainment venues on nearby Race Street. The property is also situated just across the street from Riverside Park, which overlooks the west fork Trinity River in the immediate foreground, and the downtown Fort Worth skyline further out. Of note, the property is just a mile from the Fort Worth central business district ("CBD"). Furthermore, the property is also just a five-minute commute from Fort Worth's world-renowned stockyards and is in close proximity to the Near Southside's cultural villages, and the West 7th Street entertainment node.

The Scenic at River East is located immediately adjacent to a 51-lot, detached, single-family housing community called *The Bluffs at River East*, which is 60% sold out at prices ranging from $375,000 up to $600,000. The property is also situated adjacent to a detached single-family housing community whose home values range above $2 million. Additionally, the property is adjacent to Fort Worth's two largest employment centers -- Downtown Fort Worth, and the Fort Worth Medical district – which employ nearly 100,000 people within a four-mile radius. Major employers include: The City of Fort Worth; Tarrant County;

GM; Facebook; Lockheed Martin; Kubota; JPMorgan Chase & Company; and Texas Health Harris Methodist Hospital.

INVESTMENT STRATEGY:

The value-add strategy for the investment is for select unit interior upgrades, upgrade and improve upon the property's amenity package, and significantly improve operations and property management. The improvements will allow the property to compete with newer upper-tier properties in the marketplace and capture higher rental rates.

Interior unit renovations will include: a premium closet organizing system; USB ports (kitchens and master bedrooms); a smart-enabled learning thermostat; LED lighting in the kitchen area; and premium barn-style sliding doors (in select units).

Other areas of renovation include: the third-floor resident sky lounge; the pool area and outdoor kitchen; the two pet parks; and the fitness center; additional carport parking; and implementing an LED lighting program.

Diligent asset management, an operational focus, and prudent capital expenditures will allow The Scenic at River East to compete with upper-tier properties that have a higher rental rate structure, while still being postioned as a value alternative.

OPERATIONAL UPDATE:

The property was acquired on December 10, 2020 and as of September 30, 2021, the property was 93.1% occupied, which is an increase of 200 basis points from the previous quarter. Performance continued to accelerate during the third quarter driven by organic rent growth and strict expense controls. Rent growth on new leases and renewal leases increased during the quarter by 7.3% and 8.0%, respectively. As a result, NOI increased by $37,576 or 7.1% over the previous quarter.

Immediately post-closing we engaged one of our preferred design firms, Thiel and Thiel, to design an additional outdoor amenity pavilion with grilling stations, TV's, gaming, and soft seating. This addition will further enhance the existing amenities by providing more opportunities for outdoor resident functions and space for residents to gather and entertain outside of their units. Designs were approved during the first quarter. Construction commenced during the second quarter of 2021 and was complete in September of 2021. Thiel and Thiel has also been engaged to enhance the existing resident lounge to encourage co-working usage, resident functions, and private resident events. With an existing catering kitchen, views overlooking the Trinity River and downtown Fort Worth, we are confident we can turn this underutilized space into a highly desirable resident amenity. We anticipate completion of this amenity by the first quarter of 2022.

During the first quarter of 2021 we took steps to immediately reduce legacy operating expenses by rebidding service contracts. We have executed a landscaping agreement with a new vendor which carries an annual expense of $39,600. This equates to a savings of $21,840 or 35.5% annually. Additionally, we renegotiated the Valet Trash agreement with the existing vendor from $14 to $9.50 per door, per month. This equates to a savings of $14,904 or 32.2% annually.

In terms of unit interiors, they are well appointed with a modern and up-to-date finish package, however we added Nest Thermostats and USB ports to 100% of the units, post close. We intend to further enhance the current offering with a custom Elfa closet in each master bedroom. We have completed 30 closets or 9.2% of the property and are receiving a $30 premium per unit. Additionally, during our due diligence, we identified a studio floorplan that has very limited closet space and made up the bulk of the property's vacancy. By flipping the location of the barn doors, upgrading them in the process, and adding 2 built-in wardrobe closets, we are confident we can turn around perception on this floor plan while raising the effective rents in the process.

Enhancements to the pet park were completed during the third quarter of 2021 to include a wash station, water stations, agility equipment and new turf. Pet occupancy averages 35% and this amenity upgrade will enable us to enhance the resident experience and drive future ancillary income and organic rent growth.

With regards to parking, we have completed construction on 15 additional carports, which will rent for $45 per month. Prior ownership did not focus on parking revenue, and by adding these additional carports will enable us to satisfy the demand for covered parking and continue to drive ancillary revenue.

Lastly, during the first quarter of 2021 the State of Texas experienced an unprecedented winter storm with prolonged and historically low temperatures. The property was proactive and prepared, taking such measures as draining fire suppression systems to limit freezing, draining the pool below the skimmers to limit damage, turning off the main water supply for a limited amount of time and messaging residents frequently. The property did experience some damage although there was no major disruption to operations. Greystar compiled all costs and a claim of approximately $832,088 has been filed.

The property's real estate taxes are monitored by a third-party consultant, Ryan. The agreed upon fee structure provides them with a percentage of the savings achieved through their efforts, but with a fee cap. There are 2 years remaining of the tax abatement, which will end in 2022. Our 2021 value was recently issued at $51,441,066, an increase of $6,041,066 or 13.4% over the 2020 assessment of $45,400,000. ARB reduced this assessment to $49,715,000. We have filed a protective appeal and will litigate as needed.

MARKET UPDATE:

The 556,482 unit Dallas metropolitan area ended the third quarter of 2021 at 5.3% vacancy, a decrease of 100 basis points from the previous quarter. Between now and year-end, 7,596 units of competitive apartment stock will be introduced to the metro. In response, the vacancy rate will continue to drift downward to finish the year at 5.1%. Construction activity is expected to continue during each of the following two years, during which a total of 15,877 units is projected to be introduced to the market. The market vacancy rate will finish both years at 4.9%. Between now and year-end 2021 asking rents are expected to rise 0.6% to a level of $1,374, while effective rents will increase by 0.6% to $1,301. On an annualized basis, asking and effective rents are anticipated to advance at a rate of 3.8% through year end 2023, reaching average rates of $1,480 and $1,402 per unit, respectively.

The Scenic at River East is located in the Northeast submarket, one of nine distinct geographic concentrations within Fort Worth. The submarket is comprised of 25,303 units and had a third quarter vacancy rate of 4.6%, up 10 basis points from the previous quarter. This submarket has been extremely stable, having added only 4,584 units since 2011. According to Reis, there are 1,182 units expected to be delivered thru 2024.

Between now and year-end, 562 units of competitive apartment stock will be introduced to the submarket, and Reis estimates that net total absorption will be positive 461 units. As a result, the vacancy rate will drift upward by 0.3 percentage points to 4.7%. During 2022 and 2023, developers are expected to deliver a total of 816 units of market rate rental apartments to the submarket amounting to 16.0% of the new construction introduced to Fort Worth. Net new household formations at the metro level during 2022 and 2023 are anticipated to average 2.0% annually, enough to facilitate an absorption rate averaging 2,414 units per year. The Northeast submarket will capture 17.7% of this absorption. The submarket vacancy rate will finish both years at 4.4%. Between now and year-end 2021 asking rents are expected to climb 0.5% to a level of $1,209, while effective rents will increase by 0.3% to $1,165. On an annualized basis through 2022 and 2023, asking and effective rents are anticipated to rise by 3.5% and 3.3%, respectively, to finish 2023 at $1,296 and $1,24.

The Scenic at River East, Fort Worth, Texas

999 Scenic Hill Drive

Kitchen

Bedroom

Bathroom

Leasing Office

Added Dog Park

Added Pavilion

Grilling Area

Outdoor Seating Area

Sky Lounge

Fitness Center

Pool Pavilion

Resort-Style Pool

The Scenic at River East

999 Scenic Hill Drive
Fort Worth, Texas 76111

Performance:

QUARTERLY AVERAGE OCCUPANCY			
Third Quarter **2021**	Second Quarter **2021**	First Quarter **2021**	Fourth Quarter **2020**
92.7%	90.7%	92.4%	91.6%

The property was 93.1% occupied at the end of the third quarter, 2021.
** Property was acquired 12/10/2020*

Property Type / Year Built: Garden Style / 2018

No of Units: 276 units
Average Unit Size: 927 square feet

Unit Mix:

Description	No. of Units	Unit Size (SF)	Total Size (SF)
0 BR / 1 BA	20	603	12,060
1 BR / 1 BA	24	603	14,472
1 BR / 1 BA	36	667	24,012
1 BR / 1 BA	9	678	6,102
1 BR / 1 BA	36	776	27,936
1 BR / 1 BA	20	861	17,220
1 BR / 1.5 BA TH	8	1,505	12,040
2 BR / 2 BA	32	914	29,248
2 BR / 2 BA	27	1,122	30,294
2 BR / 2 BA	30	1,161	34,830
2 BR / 2 BA	2	1,219	2,438
2 BR / 2 BA	9	1,233	11,097
2 BR / 2 BA	8	1,343	10,744
2 BR / 2 BA TH	15	1,552	23,280
Totals / Avg.	276	927	255,773

Land Area / Density: 13.2 acres / 20.9 units per acre

Parking:

229	Surface spaces
165	Tuck-Under garage spaces
48	Carport spaces
442	Residential parking spaces / 1.60 per unit

Project Amenities: The amenities include a resort-style pool; a pool pavilion featuring an outdoor kitchen, grilling area, flat screen television, Foosball gaming station, and cornhole; a third-floor resident sky lounge with a private dining area and terrace with premium views of the Fort Worth skyline; a fully equipped 24-hour fitness center including outdoor yoga space; two pet parks; package lockers; a bike repair station; and a fire pit.

Property Management: The property is being managed by Greystar

Jessup House, Philadelphia, Pennsylvania

123 SOUTH 12TH STREET

INVESTMENT SUMMARY

Location:	Philadelphia, PA
Classification:	High-Rise
Year Built:	2023
Size:	409 Units
Occupancy:	N/A
Acquisition Date:	February 3, 2021
Acquisition Price:	$182,477,237 or $446,155/unit
Gross Asset Value:	$39,055,329 or $95,490/unit
Mortgage Balance:	$0
Interest Rate:	LIBOR plus 2.65%
Maturity Date:	June 22, 2025

BACKGROUND:

Jessup House will be a 409-unit, 20-story high-rise luxury apartment building constructed by a joint venture entity owned eight-five percent (85%) by the Fund and fifteen percent (15%) by Greystar. The total projected construction cost is $182,477,237, or $446,155 per unit. The project will offer condominium-quality finishes, market leading amenities, 125 structured parking spaces, along with 10,700 rentable retail square feet. The unit mix will include 73 studios averaging 444 square feet, 116 junior one-bedroom units averaging 546 square feet, 88 one-bedroom units averaging 695 square feet, 16 one-bedroom den units averaging 809 square feet, 35 junior two-bedroom units averaging 1,011 square feet, 77 two-bedroom units averaging 1,144 square feet and four three-bedroom units averaging 1,714 square feet. The property's 409 units will average 734 square feet per unit. The current amenity package at the property includes: a leasing lounge; a Club Room with a pool and outdoor amenity space; a fitness center; coworking space; and a Sky Lounge with outdoor amenity space on the 20th floor. Additionally, due to the projects timing, it will be able to take advantage of a full 10-year tax abatement on the improvements.

The development site is in downtown Philadelphia, also known as Center City. The project is less than a block from Thomas Jefferson University and Hospital ("TJUH"), Philadelphia's largest employer. The site is one of the last remaining large development sites in Center City. The project's location at Jessup House is near Restaurant Row, multiple SEPTA rail stops as well as large employers. TJUH is also expanding their presence by building a 19-story, 462,000 square foot Specialty Care Pavilion at a cost of over $760 million within a block of 12th and Sansom project. The Pavilion will centralize an array of clinical services and house over 300 exam rooms, 10 operating rooms and imaging and lab services among others.

The immediate area includes an almost unlimited amount of retail and entertainment amenities, including theaters, award-winning restaurants, museums, and a highly rated urban park system. The property is located across the street from an urban Target store and is near a Trader Joe's and Mom's Organic Market for residents' grocery options. Two blocks to the east is Restaurant Row where some of Philadelphia's highest-rated restaurants are located. The project is also several blocks from Fashion District Philadelphia, an 838,000 square foot retail redevelopment.

INVESTMENT STRATEGY:

SOUTH ELEVATION

The strategy for Jessup House is to take advantage of the differential between core cap rates achieved on stabilized properties versus the cap rate on which one can build (yield on-cost). In addition, well-located developments in strong markets with high barriers to entry should allow for the ability of the property to grow rents and, thereby, the property's value in the future. Once the property is stabilized, we will secure permanent financing, subject to the Fund's maximum leverage provisions, with the intention of returning a substantial portion of the Fund's equity in the investment. The permanent financing will have flexible pre-payments and assumable provisions for potential buyers.

OPERATIONAL UPDATE:

The Venture, now called Jessup House, closed the land acquisition for $20,250,000 on June 22, 2021. Additionally, a four year, interest only construction loan for $118,610,204 closed on June 22, 2021, and demolition of the parking structure is in progress. Jessup House is projected to have a 28-month construction period with the initial leasing starting after 25 months, or approximately mid- 2023. The project is projected to have a 21-month lease-up period, with an approximate stabilization in late spring 2025. As developer, Greystar will be responsible for overseeing the development of the entire project and the day-to-day management of the Venture during the construction phase. The Fund and Greystar have jointly hired the general contractor for the project, who is subject to usual and customary general contractor requirements such as a guaranteed maximum price contract with a cost overrun guarantee and the ability to pay overruns if they occur. The Fund will retain all control and ownership rights for the project.

Greystar is fully integrated real estate service provider. They have a presence in over 190 markets globally, supported by more than 60 offices. They have an array of service offerings and more than 700,000 units and student beds managed globally. Their vertically integrated business model leverages expertise across multiple disciplines to deliver strong results for their clients. They offer property management, investment management, and development and construction services across their platform. Greystar has sponsored over 200 rental housing projects comprising more than 300,000 units, with a total capitalized value of more than $16 billion in the US. This will be Fund IV's first investment with Greystar, but the Mesirow Financial Real Estate Direct Investments Team in Fund III is currently working with Greystar on a joint development construction opportunity in Edina, Minnesota. That project is scheduled to be completed by the end of 2021 and is projected to be on budget.

The project's architect will be the BLT Architects, a Philadelphia-based architectural firm that has been in business for over 50 years. They are a full-service design firm offering architecture and interior design services with expertise in mixed-use, multi–family residential, hospitality, office, higher education, and transit-based projects. The firm has won numerous awards for their work including the 2020 AIA Excellence in Architecture Design.

Clemens Construction Company has been selected as the general contractor for the project. Clemens Construction Company is a Philadelphia-based full service commercial general contractor that was founded over 40 years ago. They have 175 employees and provide an array of construction services and specialize in complex urban infill projects such as the construction of ground-up commercial, education, hospitality, institutional, multi-family projects. They completed over 6,300 units and over $1.2 billion of multifamily and mixed-use projects. Founded in 1979 by James X. Clemens, Clemens Construction Company began as a boutique general contractor with a portfolio spanning several market segments, regions, and types of projects. In 1997, Jimmy Clemens retired and sold the firm to the current President, Stephen W. Pouppirt. In the 20 years since Steve has led Clemens Construction Company, their team of construction professionals has built a reputation of providing excellent quality and personalized attention to their clients. Their clients recognize this as 90% of their business is repeat business.

MARKET UPDATE:

The Philadelphia MSA is home to 24 Fortune 1000 companies, 115 universities, over 120 hospitals, and the 13th largest GDP in the world. The Center City submarket (where the subject property will be located) is the largest of the twenty-eight distinct geographic concentrations that form the Philadelphia apartment market. Forty-two percent (42%) of all jobs in Philadelphia are located in Center City. Center City has seen annual average job growth of 2% in last 6 years, fueled primarily by the “Meds & Eds” sector. These jobs pay well as household income averages greater than $125K in 38% of households in Center City.

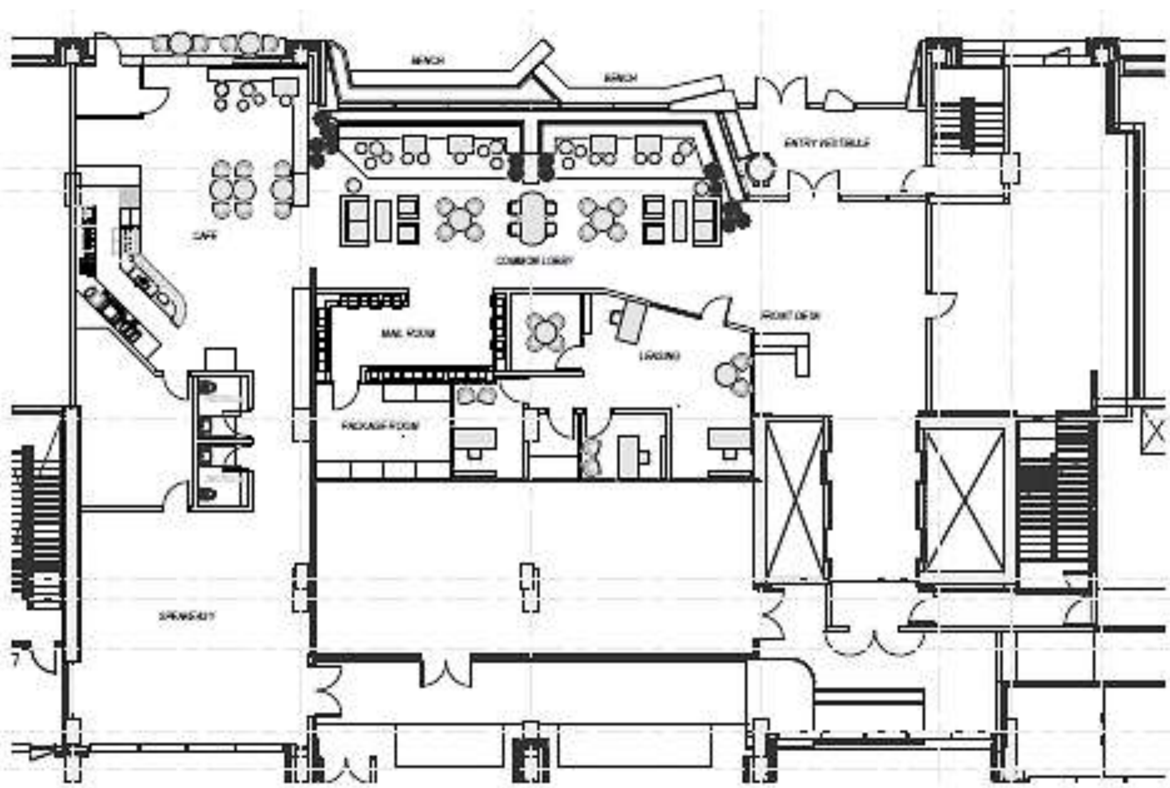
The Philadelphia metropolitan area is comprised of 234,971 units and ended the second quarter of 2021 with a 7.4% vacancy rate. Asking rents advanced every month during the third quarter, with September's increase of 2.6% bringing the cumulative quarterly total up to 6.0%. Reis is tracking apartment construction activity that will deliver 1,649 units to the metro by the end of the year, and net total absorption will be positive 1,306 units. As a result, the vacancy rate will drift upward by 0.1 percentage points to 4.2%. During 2022 and 2023, construction activity under surveillance is projected to deliver a total of 7,026 units. Net new household formations at the metro level during 2022 and 2023 are projected to average 0.7% annually, enough to facilitate an absorption rate averaging 3,049 units per year. Because this amount does not exceed the forecasted new construction, the market vacancy rate will rise by 30 basis points to finish 2023 at 4.5%. Between now and year-end 2021 asking rents are expected to rise 0.7% to a level of $1,551, while effective rents will climb by 0.8% to $1,494. On an annualized basis through 2022 and 2023, asking and effective rents are anticipated to increase by 4.0% and 3.8%, respectively, to finish 2023 at $1,677 and $1,611.

Jessup House is located in the Center City submarket; with 26,205 units, amounting to 11.2% of the total metro inventory, the Center City submarket is the largest of the twenty-eight competitive Philadelphia submarkets identified by Reis's researchers. In the ten-year period beginning with fourth quarter of 2011, new additions to the submarket totaled 10,852 units, amounting to an annualized inventory growth rate of 5.5%; over the same period, the metro growth rate has been 1.6%. No more speculative apartment inventory will be introduced for the rest of the calendar year, and Reis estimates that net total absorption will be positive 343 units. Consequently, the vacancy rate will drift upward by 0.1 percentage points to 7.5%. During 2022 and 2023, developers are expected to deliver a total of 3,605 units of market rate rental apartments to the submarket amounting to 51.3% of the new construction introduced to Philadelphia. Net new household formations at the metro level during 2022 and 2023 are anticipated to average 0.7% annually, enough to facilitate an absorption rate averaging 3,049 units per year. The Center City submarket will benefit disproportionately from this growth rate, posting absorption averaging 1,618 units per year, 53.1% of the projected metro total. Because this amount does not exceed the forecasted new construction, the submarket vacancy rate will rise by 30 basis points to finish 2023 at 7.8%. Between now and year-end 2021 asking rents are expected to rise 0.7% to a level of $2,505, while effective rents will increase by 0.4% to $2,315. On an annualized basis through 2022 and 2023, asking and effective rents are expected to climb by 5.0% and 4.8%, respectively, to finish 2023 at $2,763 and $2,545.

Jessup House, Philadelphia, Pennsylvania
123 South 12th Street

Renderings

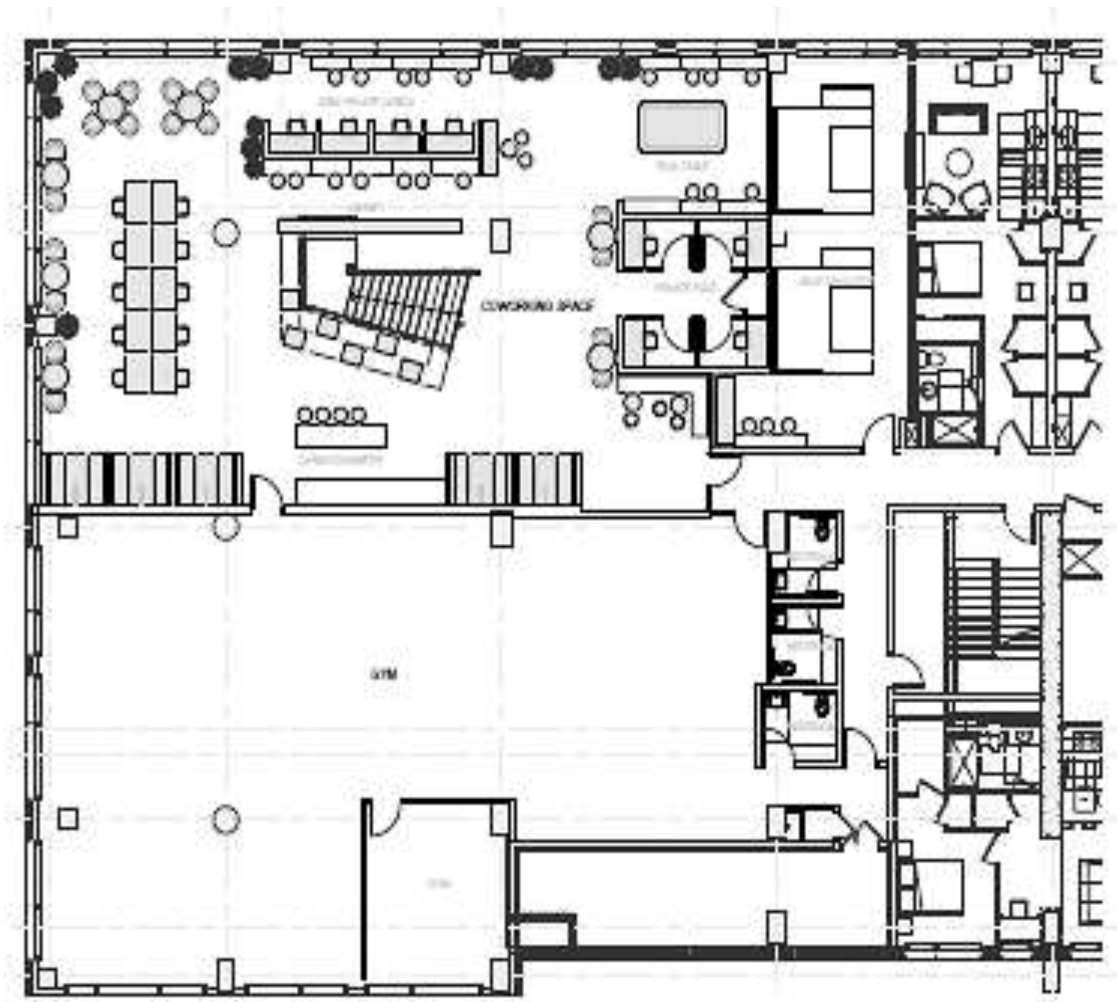
1st Floor Plan



Mesirow Financial
INSTITUTIONAL REAL ESTATE

Lobby | Mood

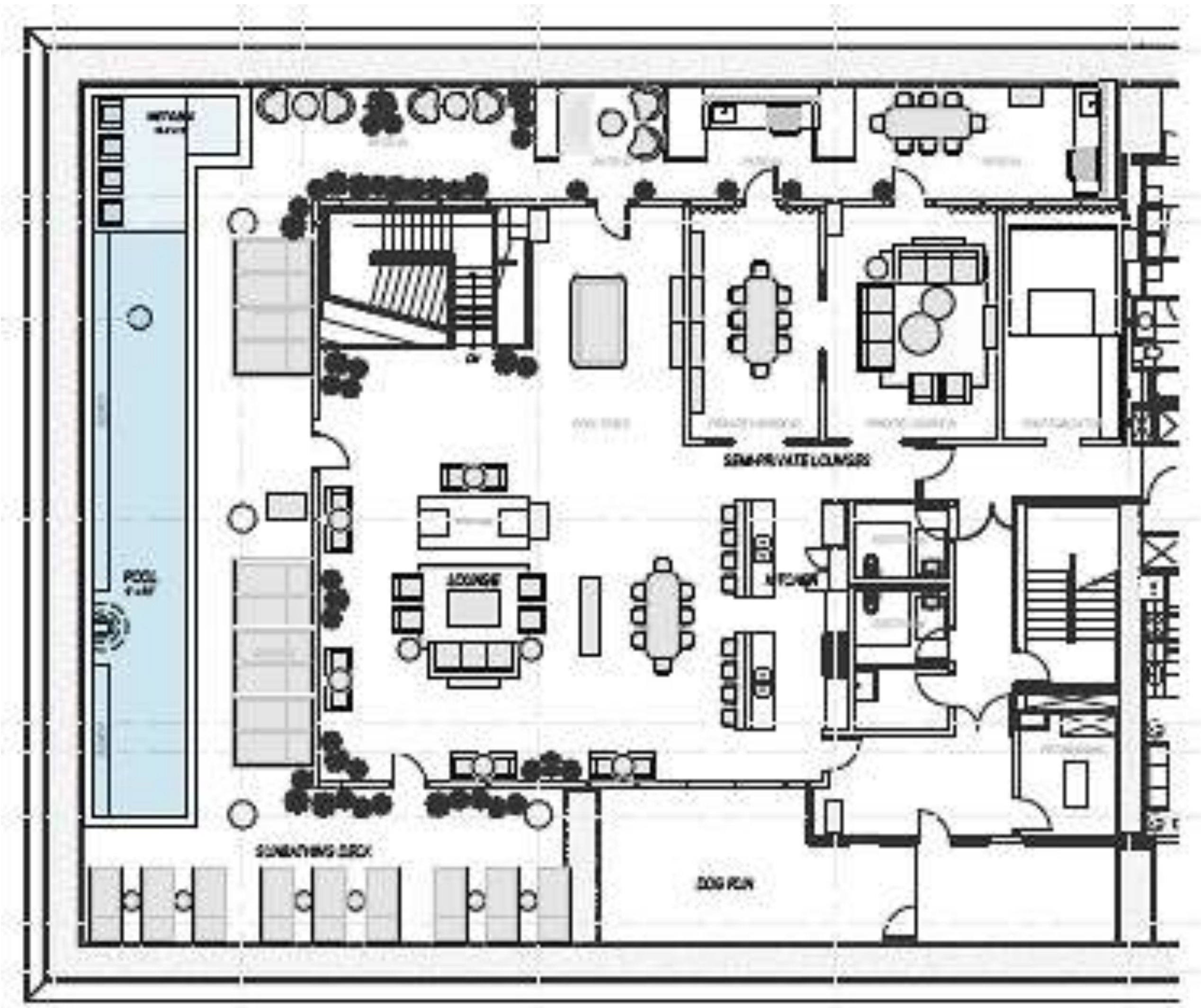
2nd Floor Plan



Co-Working | Mood

Fitness | Mood

3rd Floor Plan



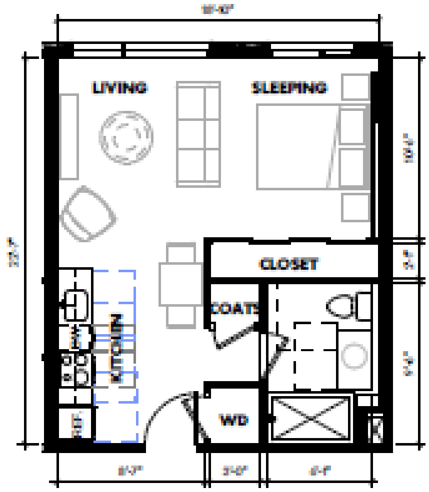
Lounge & Kitchen | Mood





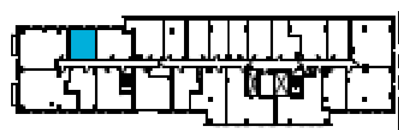


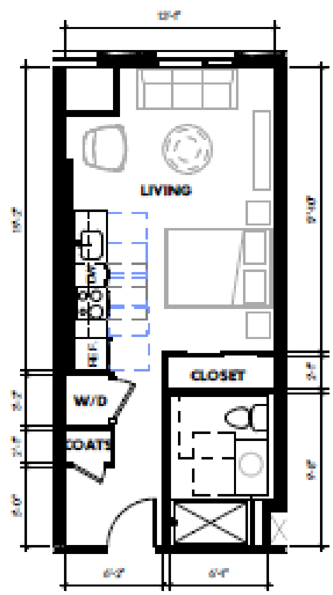
Floor Plans



UNIT PLAN - TYPE 1A

SQUARE FOOTAGE : +/- 455 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19

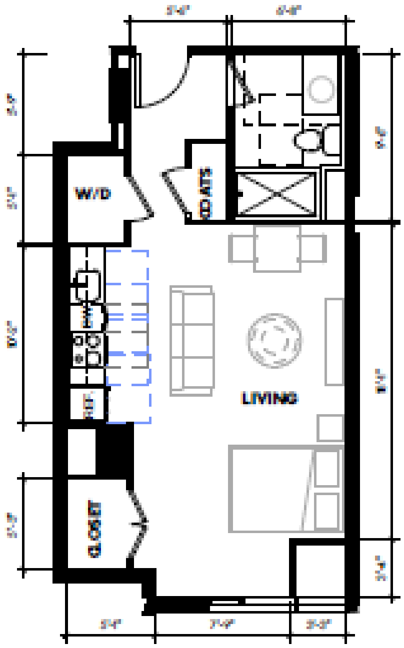




UNIT PLAN - TYPE 1B

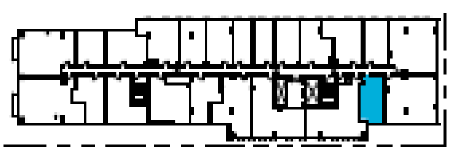
SQUARE FOOTAGE : +/- 425 SF
TOTAL UNITS : 32
UNIT LOCATION : LEVELS 4-19 (2 PER FLOOR)

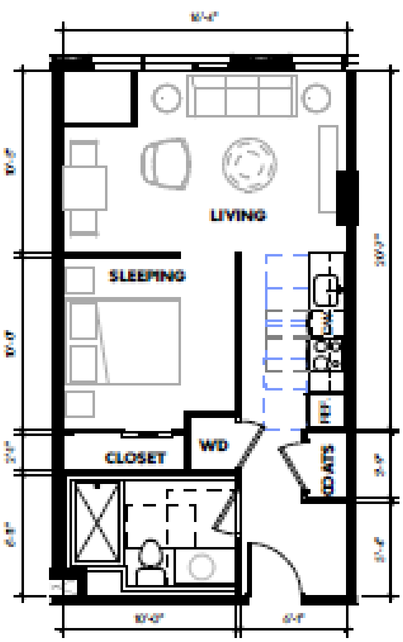
Floor Plans



UNIT PLAN - TYPE 1C

SQUARE FOOTAGE : +/- 465 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19 (1 PER FLOOR)

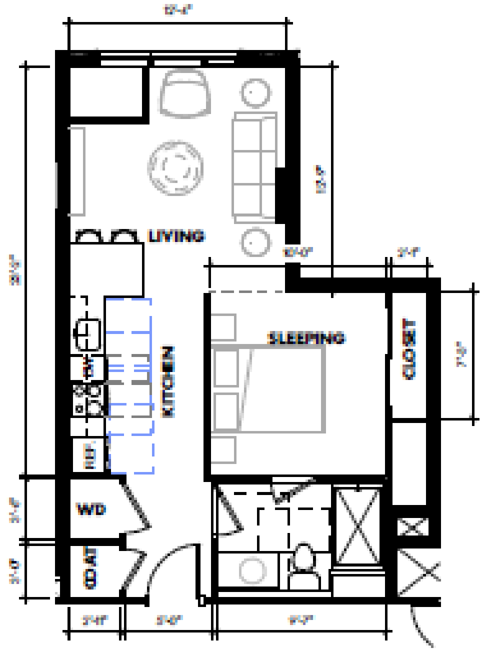




UNIT PLAN - TYPE 2A

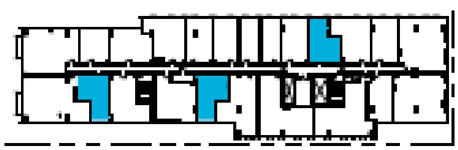
SQUARE FOOTAGE : +/- 520 SF
TOTAL UNITS : 64
UNIT LOCATION : LEVELS 4-19 (4 PER FLOOR)

Floor Plans



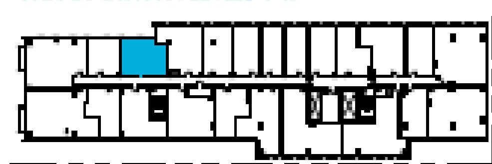
UNIT PLAN - TYPE 2B

SQUARE FOOTAGE : +/- 540 SF
TOTAL UNITS : 49
UNIT LOCATION : LEVEL 2, LEVELS 4-19 (3 PER FLOOR)



UNIT PLAN - TYPE 3A

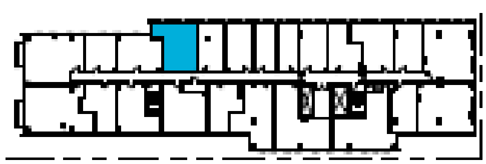
SQUARE FOOTAGE : +/- 620 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19



Floor Plans

UNIT PLAN - TYPE 3B

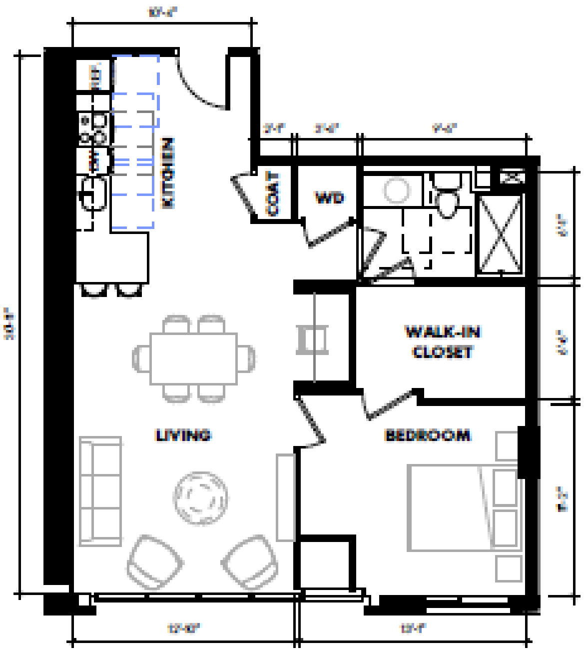
SQUARE FOOTAGE : +/- 700 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19



UNIT PLAN - TYPE 3C

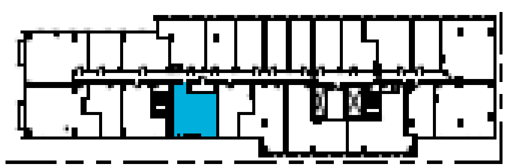
SQUARE FOOTAGE : +/- 680 SF
TOTAL UNITS : 32
UNIT LOCATION : LEVELS 4-19 (2 PER FLOOR)

Floor Plans



UNIT PLAN - TYPE 3D

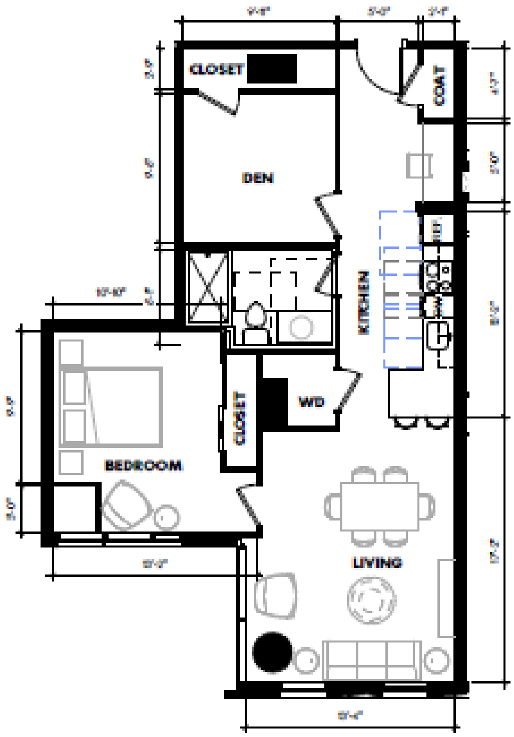
SQUARE FOOTAGE : +/- 745 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19 (1 PER FLOOR)



UNIT PLAN - TYPE 3F

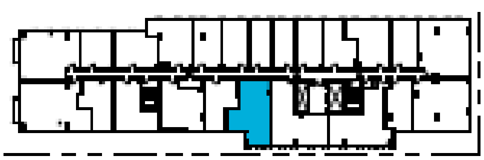
SQUARE FOOTAGE : +/- 675 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19

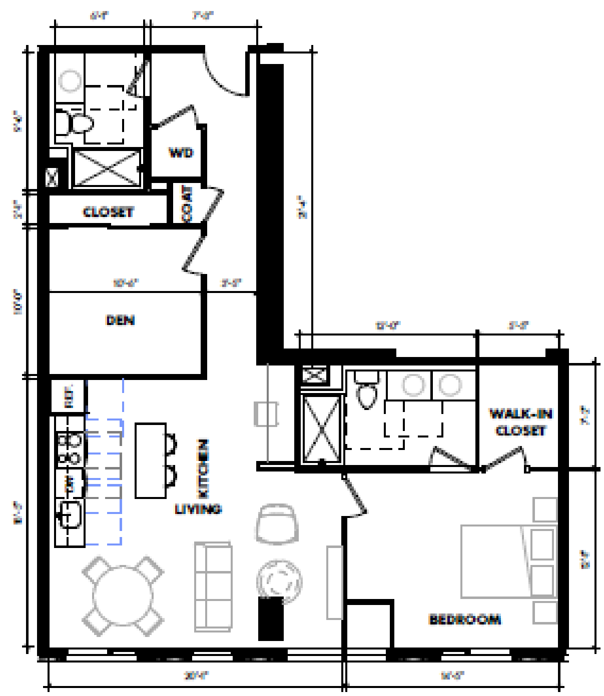
Floor Plans



UNIT PLAN - TYPE 4A

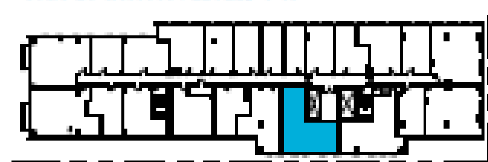
SQUARE FOOTAGE : +/- 830 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19 (1 PER FLOOR)



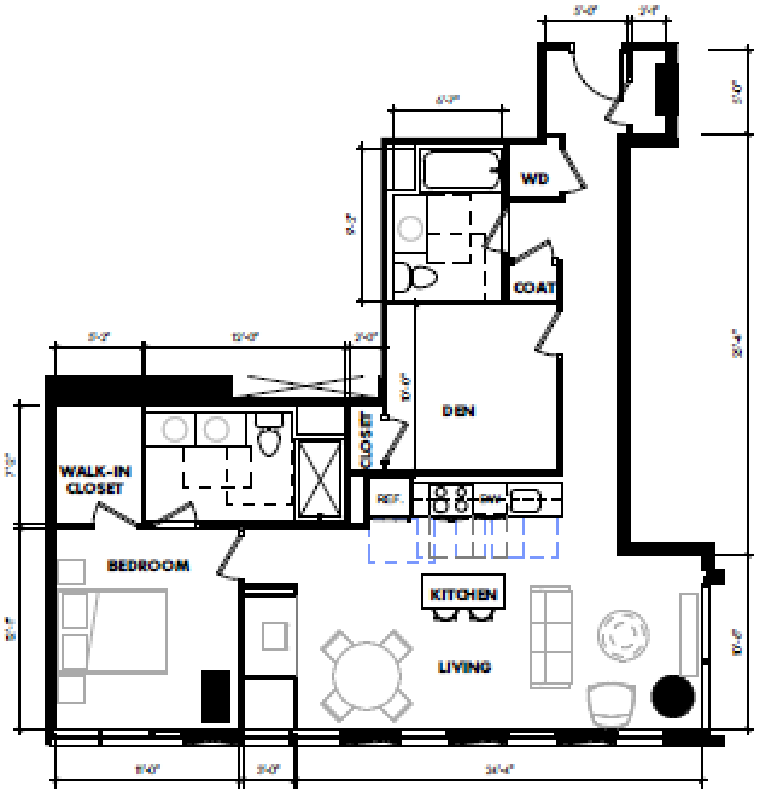


UNIT PLAN - TYPE 4B

SQUARE FOOTAGE : +/- 1030 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19

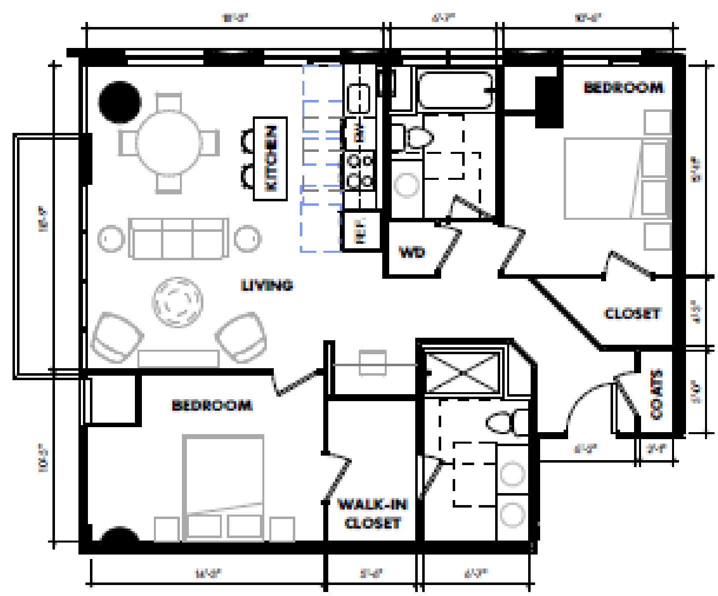


Floor Plans



UNIT PLAN - TYPE 4C

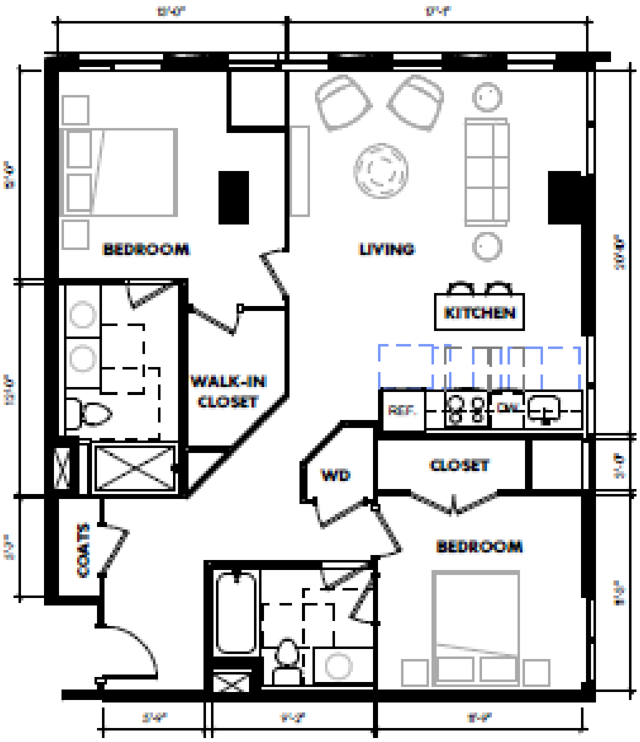
SQUARE FOOTAGE : +/- 1030 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19



UNIT PLAN - TYPE 5A

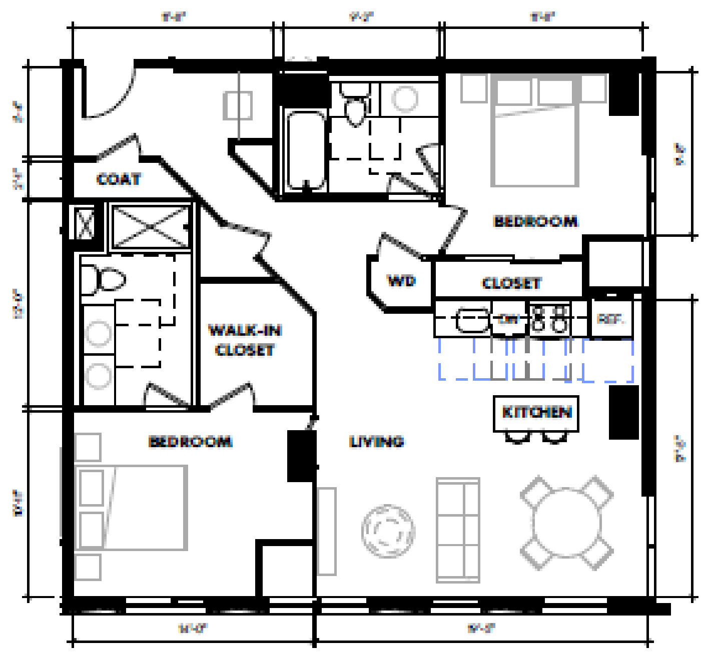
SQUARE FOOTAGE : +/- 1060 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19

Floor Plans



UNIT PLAN - TYPE 5B

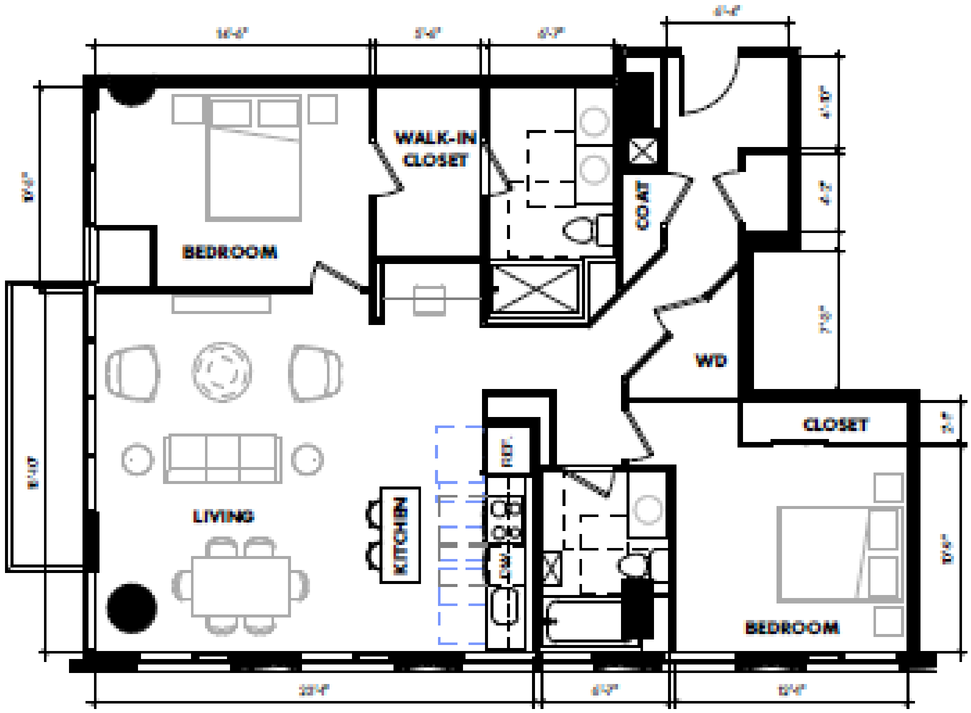
SQUARE FOOTAGE : +/- 1130 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19



UNIT PLAN - TYPE 5C

SQUARE FOOTAGE : +/- 1080 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19

Floor Plans



UNIT PLAN - TYPE 5D

SQUARE FOOTAGE : +/- 1200 SF
TOTAL UNITS : 16
UNIT LOCATION : LEVELS 4-19

Jessup House

123 South 12th Street
Philadelphia, Pennsylvania 19107

Performance:

QUARTERLY AVERAGE OCCUPANCY			
Third Quarter **2021**	Second Quarter **2021**	First Quarter **2021**	Fourth Quarter **2020**
*	*	*	*

** Joint Venture investment 04/26/2021. Property currently under development.*

Property Type / Year Built: 20-story High-Rise / 2023 (Estimate)

No of Units: 409 units

Average Unit Size: 734 square feet

Unit Mix:

Description	No. of Units	Unit Size (SF)	Total Size (SF)
0 BR / 1 BA	73	444	32,412
1 BR / 1 BA JR	116	546	63,336
1 BR / 1 BA	88	695	61,160
1 BR / 1 BA DEN	16	809	12,944
2 BR / 2 BA JR	35	1,011	35,385
2 BR / 2 BA	77	1,144	88,088
2 BR / 2 BA / B	4	1,714	6,856
Totals / Avg.	409	734	300,181

Land Area / Density: 0.61 acres / 20.9 units per acre

Parking:

96	Single spaces
29	Tandem spaces
125	Residential garage parking spaces / 0.3 per unit

Project Amenities: The amenities include a leasing lounge; a Club Room with a pool and outdoor amenity space; a fitness center; co-working space; and a Sky Lounge with outdoor amenity space on the 20th floor.

Property Management: The property is being managed by Greystar

1640 Victoria Park, Fort Lauderdale, Florida

1640 EAST SUNRISE BOULEVARD

INVESTMENT SUMMARY

Location:	Fort Lauderdale, FL
Classification:	Mid-Rise
Year Built:	2014
Size:	261 Units
Occupancy:	98.1%
Acquisition Date:	May 18, 2021
Acquisition Price:	$83,500,000 or $319,923/unit
Gross Asset Value:	$91,350,000 or $350,000/unit
Mortgage Balance:	$52,222,000
Interest Rate:	2.975%
Maturity Date:	June 1, 2028

BACKGROUND:

1640 Victoria Park is a 261-unit, luxury mid-rise property consisting of three residential seven-story buildings along with a stand-alone clubhouse that was built in 2014 and is located in Fort Lauderdale. A parking garage is situated along the middle building providing walkway access to each of the other two buildings on each floor. The current amenity package at the property includes: a resort style pool, cabanas, and outdoor kitchen with barbeque grills, an 8,500 square foot fitness facility, a sky lounge and dog park with washing station. 1640 Victoria Park's 261 units consist of 146 one-bedroom units averaging 864 square feet; 104 two-bedroom units averaging 1,287 square feet; and 11 three-bedroom / two-bath units averaging 1,582 square feet. Overall, the property averages a spacious 1,063 square feet per unit. The property also features one 2,287 square foot retail space that is fully leased to a tanning salon. 1640 Victoria Park features 531 total parking, yielding a healthy parking ratio of 2.03 per unit.

1640 Victoria Park is located on East Sunrise Boulevard in East Fort Lauderdale, one of South Florida's most desirable sub-markets. The property has 700 feet of frontage on East Sunrise Boulevard and benefits from exposure to 56,000 vehicles per day. In addition to the high visibility, the property is situated just one mile north of downtown, the Fort Lauderdale Central Business District and Las Olas Boulevard. Within two miles to the east is the 1.4 million square foot Galleria Mall and Fort Lauderdale's famous beachfront. That area includes a wide array of restaurants, bars, lounges, and performance venues. To the property's west is Holiday Park, one of Fort Lauderdale's most popular parks that has lighted athletic fields, the Jimmy Evert Tennis Center, basketball courts, fitness stations, picnic areas, roller hockey rinks, walking/jogging trails and is a favorite spot for pet owners. The Florida Panthers NHL team is also poised to break ground on a renovated War Memorial Auditorium that will include a practice facility for the team and another indoor rink for public use. The property has access to Interstate 95 and is 15 minutes away from Fort Lauderdale International Airport.

Investment Strategy:

The value-add strategy for 1640 Victoria Park is to upgrade the common areas and units while streamlining expenses and optimizing overall operations. The General Partner also plans to implement energy efficient cost saving measures in common areas and units that align with our ESG strategy. To further drive expense savings, immediately post close, the Team will also conduct a lighting audit across the property for potential LED conversion and renegotiate all service contracts.

Interior unit renovations will include: closet organizers, Nest thermostats, new backsplashes and kitchen lighting and flooring throughout the unit (including bedrooms which are currently carpeted).

Diligent asset management, an operational focus, and prudent capital expenditures will allow 1640 Victoria Park to compete with upper-tier properties that have a higher rental rate structure, while still being positioned as a value alternative.

Operational Update:

1640 Victoria Park was acquired on May 18, 2021 and as of the quarter ending September 30, 2021 the property was 98.1% occupied, an increase of 310 basis points since take over. Immediately post-close, we put the property onto the YieldStar revenue management system and re-priced all units on a floor plan, amenity, and unit type basis to optimize unit pricing. Rent growth on new leases and renewal leases increased during the quarter by 22.1% and 4.5% respectively.

Immediately post-close, we rebranded the property from “Elan 16Forty to “1640 Victoria Park” and changed all signage and digital branding. Additionally, we began implementing the improvement strategy as noted above. Specific to income, the following fees have been increased or added: increased administration fees from $350 to $400, $25 per month parking charge as it was previously included in the rent, increased the second parking spot from $25 to $75, added a $5 pest fee per month, increased the trash fee from $15 to $25 per month, increased pet rent from $20 to $25 per month, added an access control fee of $100 per move-in, and increased the utility billing fee from $6.50 to $7.25 per month. With regards to expenses, all service contracts are in the process of being rebid to explore potential cost saving opportunities.

With regards to the amenities and common areas, we enlisted IDDI, an internationally recognized designer based in Fort Lauderdale to reprogram these spaces with a more engaging and forward design. This will include reconfiguring the clubhouse and leasing layout along with all new décor, incorporating more communal and co-working spaces, introducing a 24-hour Package Concierge service and modernizing the pool area to better compete with neighboring properties. Additionally, the hallway corridors will be renovated with new carpet, paint, tile, lighting and signage. The designs have been approved and we anticipate completion during the second half of 2022.

With regards to interior renovations, the scope being contemplated includes Nest thermostats, a new kitchen backsplash, and extending the bamboo flooring throughout the bedrooms, which are currently carpeted. A test unit is in process and we anticipate a full roll out to a be implemented during the fourth quarter.

With regard to fixes expenses, the property's real estate taxes are monitored by a third-party consultant, Rennert Vogel Mandler & Rodriguez, P.A., under a fee structure that provides them with a percentage of the savings achieved through their efforts, but with a fee cap. The 2021 initial assessed value was $73,064,010, an increase of $7,384,010 or 11.2% over the 2020 assessed value of $65,680,000. An appeal was immediately filed, and we were successful in lowering our assessed value to $65,804,520. This equates to a reduction of $7,259,490 or 9.9%, which will yield a gross savings of approximately $120,000. We will continue to actively monitor all taxes and will file appeals as appropriate.

MARKET UPDATE:

The Fort Lauderdale metropolitan area is comprised of 101,384 units in twelve geographic concentrations. During September, net absorption totaled 205 units, while there was no new development the net effect of absorption and construction dynamics caused the vacancy rate to drift downward by 20 basis points to 5.7%, a decrease of 90 basis points from the previous quarter. With respect to new deliveries, Reis's new construction analysts report that 1,431 units of new market rate apartment inventory will be introduced to the metro by the end of the year, and net total absorption will be positive 1,265 units. Consequently, the vacancy rate will drift upward by 0.1 percentage points to 5.8% with an additional 5,378 units projected to deliver in 2022 and 2023. Net new household formations at the metro level during 2022 and 2023 are projected to average 2.0% annually, enough to facilitate an absorption rate averaging 2,630 units per year. The market vacancy rate will finish 2022 at 5.4% and will increase 0.2 percentage points to 5.6% by year-end 2023. Between now and year-end 2021 asking rents are expected to increase 1.1%, while effective rents will advance by 0.9%. On an annualized basis through 2022 and 2023, asking and effective rents are expected to climb by 4.3% and 4.4%, respectively.

The Fort Lauderdale submarket where the subject property is located is one of twelve distinct geographic concentrations within Fort Lauderdale, containing 12,000 market rate rental units, or 11.8% of the metro's total inventory of market rate rental apartments. In the ten-year period beginning with fourth quarter of 2011, new additions to the submarket totaled 7,837 units, amounting to an annualized inventory growth rate of 11.2%; over the same period, the metro growth rate has been 2.8%. The submarket's average vacancy rate declined by 190 basis points during third quarter to 13.5%, which is 5.3 percentage points higher than the long-term average, and 7.8 percentage points higher than the current metro average. Between now and year-end, no more competitive apartment stock will be introduced to the submarket, and Reis estimates that net total absorption will be positive 76 units. As a result, the vacancy rate will drift downward to finish the year at 12.9%. Between now and year-end 2021 asking rents are expected to climb 2.0%, while effective rents will advance by 1.8%. Thereafter, Reis projects that asking rent growth will decelerate to an annualized average of 7.1% during 2022 and 2023, while effective rents will rise by a more rapid annualized average rate of 8.2%.

1640 Victoria Park, Fort Lauderdale, Florida

1640 East Sunrise Boulevard

Pre-Renovated Kitchen

Renovated Kitchen

Pre-Renovated Unit

Renovated Unit

Grilling Area

Outdoor Seating Area

Game Room

Business Center with Co-Working Space

8,500 Fitness Center

Resort-style Pool and Cabanas

1640 Victoria Park

1640 East Sunrise Boulevard
Fort Lauderdale, Florida 33304

Performance:

QUARTERLY AVERAGE OCCUPANCY			
Third Quarter 2021	Second Quarter 2021	First Quarter 2021	Fourth Quarter 2020
98.5%	96.0%	*	*

The property was 98.1% occupied at the end of the third quarter, 2021.
** Property was acquired 5/18/2021*

Property Type / Year Built: 7-story Mid-Rise / 2014

No of Units: 261 units
Average Unit Size: 1,063 square feet

Unit Mix:

Description	No. of Units	Unit Size (SF)	Total Size (SF)
1 BR / 1 BA	15	686	10,290
1 BR / 1 BA	42	791	33,222
1 BR / 1 BA DEN	39	932	36,348
1 BR / 1 BA	5	891	4,455
1 BR / 1 BA	26	930	24,180
1 BR / 1 BA DEN	19	930	17,670
2 BR / 2 BA	4	1,025	4,100
2 BR / 2 BA	6	1,365	8,190
2 BR / 2 BA	23	1,207	27,761
2 BR / 2 BA	26	1,217	31,642
2 BR / 2 BA	6	1,325	7,950
2 BR / 2 BA	10	1,368	13,680
2 BR / 2 BA	19	1,382	26,258
2 BR / 2 BA	5	1,318	6,590
2 BR / 2 BA DEN	5	1,538	7,690
3 BR / 2 BA	4	1,553	6,212
3 BR / 2 BA	7	1,599	11,193
Totals / Avg.	261	1,063	277,431

Land Area / Density: 4.2 acres / 62.1 units per acre

Parking:

515	Single garage spaces
14	Disabled accessible garage spaces
2	Standard surface spaces
531	Residential garage parking spaces / 0.3 per unit

Project Amenities: The amenities include a resort style pool, cabanas, and outdoor kitchen with barbeque grills; an 8,500 square foot fitness facility; a sky lounge; and a dog park with washing station.

Property Management: The property is being managed by RAM Partners, LLC

Cameron Square, Alexandria, Virginia

5555 CARDINAL PLACE (WASHINGTON D.C. MSA)

INVESTMENT SUMMARY

Location:	Alexandria, VA
Classification:	Mid-Rise
Year Built:	2020
Size:	302 Units
Occupancy:	95.0%
Acquisition Date:	September 1, 2021
Acquisition Price:	$128,550,000 or $425,662/unit
Gross Asset Value:	$131,700,000 or $436,093/unit
Mortgage Balance:	$83,558,000
Interest Rate:	2.63%
Maturity Date:	September 1, 2028

BACKGROUND:

Cameron Square is a five-story mixed-used building, comprised of 302 units. The property was built in 2020 by Novare Group on 2.47 acres in Alexandria, Virginia. The property consists of 36 studio units averaging 665 square feet; 163 one-bedroom units averaging 706 square feet; 20 one-bedroom with den units averaging 949 square feet; 51 two-bedroom units averaging 1,048 square feet; 24 two-bedroom with den units averaging 1,108 square feet; and 8 three-bedroom units averaging 1,392 square feet. Overall, the property averages 825 square feet per unit across its 302 units. Cameron Square features 417 total parking spaces for a ratio of 1.92 spaces per unit for residents and retail guests. The current amenity package includes a luxurious swimming pool with sundeck, outdoor dining area with grills, outdoor fireplace, open air breezeway with entertainment space, outdoor meditation space, firepit with seating, expansive fitness center, a yoga and spin room, a game room with billiards, shuffleboard, and wall Scrabble, a package locker service, electric vehicle charging stations, onsite storage, work from home offices, bicycle storage with repair station and pet spa.

Cameron Square is located in Alexandria, Virginia, an in-fill Washington D.C. suburb in the Landmark neighborhood of Alexandria and has convenient access to Interstate 395, Interstate 495 (the Capital Beltway) and is less than a mile from the Van Dorn Street Metro station, offering residents immediate connectivity throughout the DC Metro area. The property is only five stops from Amazon's new "HQ2," which will eventually employ over 30,000 people and only seven stops from downtown D.C. The property is also only a 15 minute drive from Ronald Regan Washington National Airport. The biggest news for the immediate area is the redevelopment of the shuttered Landmark Mall. The redevelopment is a $2 billion project to turn the 52-acre site into a four million square foot urban, walkable village with the centerpiece being Inova's Health System's planned $1 billion hospital and medical campus. Cameron Square features 20,942 square feet of ground-level retail space of which 12,750 is currently leased to complementary retail tenants such as F45 Training, Carabella Dental, Metropolitan Nail Bar, and Montessori Kids Universe.

INVESTMENT STRATEGY:

The Fund's strategy for the property will be to stabilize the property's occupancy, continue leasing efforts for the remaining vacant retail space, and provide improved asset and property management including an ESG overlay throughout the property. Upon takeover, the team will evaluate ways to enhance ancillary income such as parking as well as evaluate current operating expenses. In terms of asset repositioning, the Team will implement an ESG program that will ensure the property has LED lighting, efficient water fixtures and other energy saving features. Even though the property has recently been constructed, the property can benefit from a few capital improvements. Potential interior unit upgrades include closet organizers, moveable islands, and updating flat panel barn doors to sleek glass barn doors. The capital budget is approximately $515,000, or $1,800 per unit.

OPERATIONAL UPDATE:

The property was acquired on September 1, 2021, and as of September 30, 2021, the property was 95.0% occupied. We have hired a "best in-class" operator for our third-party management – Bozzuto Management Company (Bozzuto). Bozzuto is based in Greenbelt, MD, a suburb of Washington D.C. Bozzuto provides on-site management for 43,000 units in just the Mid-Atlantic Market which includes Washington DC, Maryland, Virginia, and Pennsylvania. Nationally, Bozzuto provides on-site management for over 72,000 units. The Team is very familiar with Bozzuto's capabilities as it currently uses Bozzuto for onsite property management at Potomac Club, a 406-unit community located just south of Cameron Square in Woodbridge, VA, as well as The Batch Yard located in the greater Boston MSA. Bozzuto will manage the property at a below-market rate of 2.0% of gross receipts and will be subject to termination with a 30-day notice.

Upon acquisition we immediately increased certain ancillary fees in order to maximize revenue going forward. They include increasing the monthly parking charge to $75 for the first space and $100 for the second space, increasing the monthly trash charge from $5 to $10 per month and pest control from $2 to $5 per month. Additionally, we eliminated all upfront concessions being offered on new leases and reversed the $400 administration fee credit that was being applied to each unit upon move-in.

The previous owner was not utilizing a revenue management system. Upon closing we implemented Yieldstar, which will allow rental rates for individual unit types to react more quickly to supply and demand variations. Given the strength of both the both the property and submarket, we are optimistic in our ability to further increase rates while remaining competitive.

As mentioned previously, the property features 20,942 square feet of ground-level retail space of which 12,750 is currently leased to complementary retail tenants including F45 Training, Carabella Dental, Metropolitan Nail Bar, and Montessori Kids Universe. Carabella Dental and F45 Training received their certificates of occupancy i and are now open for business. Metropolitan Nail Bar is finalizing their build-out and will open for business during the fourth quarter of 2021. And lastly, the Montessori School is working on building permits and preparing for a first quarter 2022 opening.

After interviewing several retail leasing companies, we opted to retain KLNB, a prominent local leasing brokerage firm with over 50 years of experience in the market. The retail spaces are approximately 60% leased with an additional retail tenant currently in negotiation for 1,499 square feet of space.

With regard to fixes expenses, the property's real estate taxes are monitored by a third-party consultant, Ryan. Their fee structure provides them with a percentage of the savings achieved through their efforts, but with a fee cap. We will actively monitor all taxes, and will appeal as appropriate.

MARKET UPDATE:

Per Reis, the Suburban Virginia apartment market is comprised of 203,348 units in 14 geographic concentrations. The vacancy rate at the end of the third quarter was 5.0%. With respect the new deliveries, approximately 1,934 units, 3,452 units and 3,345 units are projected to deliver in 2021, 2022 and 2023, respectively. As a result, the vacancy rate is expected to rise by 110 basis points over the next three years to 6.1% by year-end 2023. Asking rents are projected to decrease by 5.0% through 2023.

Cameron Square is in the Seminary Road/Landmark submarket per Reis. The submarket is comprised of 22,117 units, almost 10.8% of the total Northern Virginia inventory and had a vacancy rate of 5.5% at the end of the third quarter 2021. Reis projects an additional 938 units of new construction will be delivered to the submarket between 2021, 2022 and 2023. As a result, the vacancy rate is expected to rise by 50 basis over the next three years to 6.0% by year-end 2023. Asking rents are projected io decrease by 8.0% through 2023.

Cameron Square, Alexandria, Virginia

5555 Cardinal Place

Kitchen

Bathroom

Lobby

Open Air Breezeway w/Entertainment

Work from Home Offices

Residents Lounge

Fitness Center

Spin Room

Game Room

Outdoor Fireplace

Outdoor Dining Area w/Grills

Resort-Style Pool

Cameron Square

5555 Cardinal Place
Alexandria, Virginia 22304 (Washington D.C. MSA)

Performance:

QUARTERLY AVERAGE OCCUPANCY			
Third Quarter **2021**	Second Quarter **2021**	First Quarter **2021**	Fourth Quarter **2020**
95.0%	*	*	*

The property was 95.0% occupied at the end of the third quarter, 2021.
** Property was acquired 9/1/2021*

Property Type / Year Built: Mid-Rise / 2020

No of Units: 302 units
Average Unit Size: 825 square feet

Unit Mix:

Description	No. of Units	Unit Size (SF)	Total Size (SF)
Studio	36	665	23,940
1 BR / 1 BA	163	706	115,078
1 BR / 1 BA + Den	8	871	6,968
1 BR / 2 BA + Den	12	1,002	12,024
2 BR / 2 BA	51	1,048	53,448
2 BR / 2 BA + Den	24	1,108	26,592
3 BR / 2 BA	8	1,392	11,136
Totals / Avg.	302	825	249,204

Commercial Space: 20,942 square feet of ground floor retail

Land Area / Density: 2.47 Acres / 122.3 units per acre

Parking:

404	Garage Standard Parking
13	Garage Handicap Parking
417	Parking spaces / 1.38 per unit

Project Amenities: The amenities include a luxurious swimming pool with sundeck, outdoor dining area with grills, outdoor fireplace, open air breezeway with entertainment space, outdoor meditation space, firepit with seating, expansive fitness center, a yoga and spin room, a game room with billiards, shuffleboard, and wall Scrabble, a package locker service, electric vehicle charging stations, onsite storage, work from home offices, bicycle storage with repair station and pet spa.

Property Management: The property is being managed by Bozzuto Management Company

Section Five

DEBT SUMMARY

Fund Debt Summary

As shown in the summary below, as of September 30, 2021, the Fund's total debt is $226,055,024 (shown net of $1,144,976 in unamortized deferred loan costs) representing approximately 52.61% loan to value, inclusive of $57,733,588 (net of $341,412 in unamortized deferred loan costs) drawn on the Fund's $75 million subscription facility. The debt of the Fund is fixed on three (3) of the four (4) multifamily investment properties (representing 74.44% of the Fund's total debt, inclusive of the credit facility), and represented a weighted average interest rate of 2.45% at quarter-end.

Debt Summary	
Total Debt [1]	$226,055,024
Property Level [1]	$168,321,436
Fund Level	$57,733,588
Loan to Real Estate Asset Value	52.61%
Fixed Rate Loans (% of total)	74.44%
Floating Rate Loans (% of total)	25.56%
Weighted Average Interest Rate	2.45%

[1] Reflects adjustment to fair value.

Debt Summary by Property

PROPERTY	LOAN AMOUNT	TERM AND MATURITY DATE	RATE	PAYMENT TERMS	LENDER
Scenic at River East	$33,345,000	7 Years January 1, 2028	2.42%	Interest Only	Fannie Mae
12th & Sansom	$118,610,204*	3 Years June 22, 2025	30-day LIBOR + 265 bp	Interest Only	J.P. Morgan
1640 Victoria Park	$52,222,000	7 Years June 1, 2028	2.975%	Interest Only for 4 Years, and 3 Years of Principal and Interest, 30 Yr. Amortization	Fannie Mae
Cameron Square	$83,558,000	7 Years September 1, 2028	2.63%	Interest Only	Fannie Mae

* Maximum construction loan amount

Section Six

FINANCIAL STATEMENTS

Financial Statements

One	**Net Income Allocation**
Two	**Fund Capital Account Summary**
Three	**Investor Capital Account Summary**
Four	**Consolidated Statement of Net Assets**
Five	**Consolidated Statement of Operations**
Six	**Statement of Changes in Aggregate Net Assets**
Seven	**Statement of Partners' Net Assets**
Eight	**Consolidated Statement of Cash Flows**
Nine	**Notes to Consolidated Financial Statements**

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
NET INCOME ALLOCATION - ACCRUAL BASIS
For the Nine Months Ended September 30, 2021

LP - TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

	Total Fund	Limited Partner Share
Net investment income (loss) before asset management fees and net realized and unrealized gain (loss)	$877,580	$30,709
Less: asset management fee	(6,268,502)	(378,000)
Net investment income (loss) before net realized and unrealized gain (loss)	(5,390,922)	(347,291)
Add: net realized and unrealized gain (loss)	20,692,867	946,448
Net income (loss)	$15,301,945	$599,157

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
CAPITAL ACCOUNT SUMMARY
Inception to Date Activity by Quarter
September 30, 2021

TOTAL FUND

Quarter End	Committed Capital	Contributions	Syndication Costs	Distributions Return of Capital	Distributions Operating	Income (Loss)	Cumulative Book Value Capital Account	Unrealized Appreciation (Depreciation)	Cumulative Market Value Capital Account	Net Contribution (Distribution)
06/30/2020	$250,679,500	$0	($461,030)	$0	$0	($545,704)	($1,006,734)	$0	($1,006,734)	$0
09/30/2020	91,095,500	0	(11,751)	0	0	(984,288)	(2,002,773)	0	(2,002,773)	0
12/31/2020	5,950,000	0	(25,401)	0	0	(417,953)	(2,446,127)	(123,233)	(2,569,360)	0
03/31/2021	89,000,000	0	(1,311)	0	0	(1,338,305)	(3,785,743)	(323)	(3,909,299)	0
06/30/2021	309,000,000	49,715,000	(176,564)	0	0	(3,249,014)	42,503,679	(501)	42,379,622	49,715,000
09/30/2021	0	24,857,500	(7,135)	0	0	(803,598)	66,550,446	20,693,694	87,120,083	24,857,500
TOTAL	$745,725,000	$74,572,500	($683,192)	$0	$0	($7,338,862)		$20,569,637		$74,572,500

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
CAPITAL ACCOUNT SUMMARY
Inception to Date Activity by Quarter
September 30, 2021

LP - TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

Quarter End	Committed Capital	Contributions	Syndication Costs	Distributions: Return of Capital	Distributions: Operating	Income (Loss)	Cumulative Book Value Capital Account	Unrealized Appreciation (Depreciation)	Cumulative Market Value Capital Account	Net Contribution (Distribution)
06/30/2021	$40,500,000	$2,700,000	($36,717)	$0	$0	($313,263)	$2,350,020	($6,737)	$2,343,283	$2,700,000
09/30/2021	0	1,350,000	(387)	0	0	(34,028)	3,665,604	953,185	4,612,052	1,350,000
TOTAL	$40,500,000	$4,050,000	($37,104)	$0	$0	($347,291)		$946,448		$4,050,000

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
CONSOLIDATED STATEMENT OF NET ASSETS
September 30, 2021

Assets	
Investments in real estate	$321,445,329
Cash and cash equivalents	6,342,979
Escrows and deposits	1,166,589
Accounts receivable, net	138,260
Prepaid expenses	282,666
	329,375,823
Liabilities and net assets	
Mortgage loans payable, net	168,321,436
Credit facility payable, net	57,733,588
Accounts payable and accrued expenses	2,993,686
Asset management fee payable	1,482,056
Accrued real estate taxes	1,944,271
Retention payable	397,910
Due to affiliates	57,294
Deferred revenue	165,805
Accrued interest	475,240
Security deposits	371,354
	233,942,640
Net assets:	
Net assets - partners	**87,120,082**
Net assets - noncontrolling interests	**8,313,101**
Total net assets	**$95,433,183**

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
CONSOLIDATED STATEMENT OF OPERATIONS
For the Nine Months Ended September 30, 2021

	Three Months Ended	Year to Date Ended
Revenues		
Rental income	$3,179,832	$5,893,096
Tenant reimbursements	1,824	1,824
Other income	158,947	314,990
Total revenues	**3,340,603**	**6,209,910**
Expenses		
Real estate taxes	648,365	1,293,256
Property payroll and related benefits	272,207	510,623
Utilities - net	91,757	165,712
Property management fees	80,355	142,802
Property marketing expenses	77,013	152,960
Other property operating expenses	195,617	505,065
Administrative	80,724	194,261
Insurance	98,906	182,670
Property repairs and maintenance	51,653	144,791
Total expenses	**1,596,597**	**3,292,140**
Net investment income (loss) before interest and asset management fee	**1,744,006**	**2,917,770**
Mortgage interest expense	1,061,660	2,033,063
Net investment income (loss) before asset management fee	**682,346**	**884,707**
Asset management fee	1,482,056	6,268,502
Net investment income (loss)	**(799,710)**	**(5,383,795)**
Net realized and unrealized gain (loss):		
Changes in unrealized gain (loss):		
Investments in real estate	24,008,527	24,008,527
Net realized and unrealized gain (loss)	**24,008,527**	**24,008,527**
Net income (loss)	**23,208,817**	**18,624,732**
Net investment (income) loss attributable to noncontrolling interests	(3,889)	(7,124)
Net realized and unrealized (gain) loss attributable to noncontrolling interests	(3,314,838)	(3,315,660)
Net income (loss) attributable to partners	**$19,890,090**	**$15,301,948**

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
STATEMENT OF CHANGES IN AGGREGATE NET ASSETS
For the Nine Months Ended September 30, 2021

				Allocation of investment performance for the period			
Partners:	Partners' net assets at 12/31/20	Contributions	Syndication costs	Net investment income (loss)	Net realized and unrealized gain (loss)	Distributions	Partners' net assets at 09/30/21
Limited Partners:							
Thrivent White Rose Real Estate Fund II, LP	($270,724)	$4,000,000	$20,662	($143,763)	$919,457	$0	$4,525,632
Retirement Plan for Chicago Transit Authority Emp Trust	(257,300)	3,500,000	18,079	(152,043)	851,191	0	3,959,927
Puget Sound Electrical Workers Pension Trust	(242,598)	3,300,000	17,047	(143,355)	802,552	0	3,733,646
Washington State Plumbing & Pipefitting Ind Pension Pln	(242,598)	3,300,000	17,047	(143,355)	802,552	0	3,733,646
Western Washington Laborers-Employers Pension Trust Fd	(242,598)	3,300,000	17,047	(143,355)	802,552	0	3,733,646
Laborers National Pension Fund	(170,362)	2,000,000	10,331	(116,882)	539,729	0	2,262,816
Central Laborers' Pension Fund	(127,772)	1,500,000	7,748	(87,661)	404,797	0	1,697,112
Nalpak MFREVF IV, LLC	(114,994)	1,350,000	6,974	(78,895)	364,317	0	1,527,402
Nalpak I, LP	(6,389)	75,000	387	(4,383)	20,240	0	84,855
UL290 Plumber, Steamfitter & Shipfitter Ind Pension Tst	(63,886)	750,000	3,874	(43,831)	202,398	0	848,555
Pipeliners Local Union 798	(45,507)	500,000	2,583	(32,970)	141,599	0	565,705
Teamsters Local 237 Addl Security Benefit Fund	(45,507)	500,000	2,583	(32,970)	141,599	0	565,705
Teamsters Local 237 Supl Fund For Housing Auth Empl	(22,754)	250,000	1,292	(16,485)	70,799	0	282,852
Ray & Kay Eckstein Charitable Trust	(102,217)	1,200,000	6,198	(70,129)	323,837	0	1,357,689
Mesirow Real Estate Value Fund IV Feeder, LP	(68,033)	747,500	3,861	(49,291)	211,690	0	845,727
Midwest Operating Engineers Pension Fund	(473,768)	7,000,000	36,159	(251,586)	1,609,049	0	7,919,854
Pipefitters Union Local No. 537 Pension Fund	(45,507)	500,000	2,583	(32,971)	141,599	0	565,704
Oklahoma Firefighters Pension & Retirement System	0	5,000,000	(45,807)	(495,422)	1,198,268	0	5,657,039
Jewish Home and Care Center Foundation, Inc.	0	400,000	(3,665)	(55,634)	111,862	0	452,563
Pipefitters Local #120 Pension Fund	0	500,000	(4,581)	(69,542)	139,827	0	565,704
IUOE-Employers Construction Industry Retirement Trust	0	2,000,000	(18,323)	(251,502)	532,641	0	2,262,816
Municipal Employees' Retirement Fund - City of Hartford	0	1,000,000	(9,162)	(139,084)	279,654	0	1,131,408
Laborers' & Retirement Board Employees' A&B Fund	0	1,000,000	(9,162)	(99,084)	239,654	0	1,131,408
County Employees' & Officers' A&B Fund of Cook County	0	3,000,000	(27,484)	(297,253)	718,961	0	3,394,224
LPF (MREV IV) Investment Corp. (c/o LiUNA Pension Fund of CEC)	0	4,500,000	(41,226)	(445,879)	1,078,441	0	5,091,336
United Association National Pension Fund	0	3,000,000	(27,484)	(297,253)	718,961	0	3,394,224
Construction Industry & Laborers Joint PT - Southern NV	0	900,000	(8,245)	(113,176)	239,688	0	1,018,267
Teachers' Retirement System of the City of New York	0	4,050,000	(37,104)	(347,291)	946,448	0	4,612,053
New York City Employees' Retirement System	0	3,450,000	(31,607)	(295,841)	806,233	0	3,928,785
Board of Education Retirement System of the City of New York	0	2,500,000	(22,903)	(214,378)	584,227	0	2,846,946
State of Connecticut, acting through its Treasurer	0	7,500,000	(68,710)	(643,132)	1,752,680	0	8,540,838
Boston Retirement System	0	1,000,000	(9,162)	(99,084)	239,654	0	1,131,408
Total Limited Partners	(2,542,514)	73,572,500	(190,170)	(5,407,480)	17,937,156	0	83,369,492
General Partners:							
Mesirow Financial REVF IV-GP, LLC	(26,846)	1,000,000	5,165	16,558	2,755,712	0	3,750,589
Total General Partners	(26,846)	1,000,000	5,165	16,558	2,755,712	0	3,750,589
	($2,569,360)	$74,572,500	($185,005)	($5,390,922)	$20,692,868	$0	$87,120,081

If applicable, the carried interest allocation is presented entirely within the "net realized and unrealized gain (loss)" column.

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
STATEMENT OF PARTNERS' NET ASSETS
September 30, 2021

Partners:	Partners' committed capital	Partners' contributed capital	Syndication costs	Allocation of accumulated investment performance: Accumulated net investment income (loss)	Allocation of accumulated investment performance: Accumulated net realized and unrealized gain (loss)	Distributions	Partners' net assets at 09/30/21
Limited Partners:							
Thrivent White Rose Real Estate Fund II, LP	$40,000,000	$4,000,000	($36,646)	($343,004)	$905,281	$0	$4,525,631
Retirement Plan for Chicago Transit Authority Emp Trust	35,000,000	3,500,000	(32,065)	(346,795)	838,788	0	3,959,928
Puget Sound Electrical Workers Pension Trust	33,000,000	3,300,000	(30,233)	(326,978)	790,857	0	3,733,646
Washington State Plumbing & Pipefitting Ind Pension Pln	33,000,000	3,300,000	(30,233)	(326,978)	790,857	0	3,733,646
Western Washington Laborers-Employers Pension Trust Fd	33,000,000	3,300,000	(30,233)	(326,978)	790,857	0	3,733,646
Laborers National Pension Fund	20,000,000	2,000,000	(18,323)	(251,502)	532,641	0	2,262,816
Central Laborers' Pension Fund	15,000,000	1,500,000	(13,742)	(188,626)	399,481	0	1,697,113
Nalpak MFREVF IV, LLC	13,500,000	1,350,000	(12,368)	(169,764)	359,532	0	1,527,400
Nalpak I, LP	750,000	75,000	(687)	(9,431)	19,974	0	84,856
UL290 Plumber, Steamfitter & Shipfitter Ind Pension Tst	7,500,000	750,000	(6,871)	(94,313)	199,740	0	848,556
Pipeliners Local Union 798	5,000,000	500,000	(4,581)	(69,542)	139,827	0	565,704
Teamsters Local 237 Addl Security Benefit Fund	5,000,000	500,000	(4,581)	(69,542)	139,827	0	565,704
Teamsters Local 237 Supl Fund For Housing Auth Empl	2,500,000	250,000	(2,290)	(34,771)	69,913	0	282,852
Ray & Kay Eckstein Charitable Trust	12,000,000	1,200,000	(10,994)	(150,901)	319,585	0	1,357,690
Mesirow Real Estate Value Fund IV Feeder, LP	7,475,000	747,500	(6,848)	(103,965)	209,041	0	845,728
Midwest Operating Engineers Pension Fund	70,000,000	7,000,000	(64,130)	(600,257)	1,584,242	0	7,919,855
Pipefitters Union Local No. 537 Pension Fund	5,000,000	500,000	(4,581)	(69,542)	139,827	0	565,704
Oklahoma Firefighters Pension & Retirement System	50,000,000	5,000,000	(45,807)	(495,422)	1,198,268	0	5,657,039
Jewish Home and Care Center Foundation, Inc.	4,000,000	400,000	(3,665)	(55,634)	111,862	0	452,563
Pipefitters Local #120 Pension Fund	5,000,000	500,000	(4,581)	(69,542)	139,827	0	565,704
IUOE-Employers Construction Industry Retirement Trust	20,000,000	2,000,000	(18,323)	(251,502)	532,641	0	2,262,816
Municipal Employees' Retirement Fund - City of Hartford	10,000,000	1,000,000	(9,162)	(139,084)	279,654	0	1,131,408
Laborers' & Retirement Board Employees' A&B Fund	10,000,000	1,000,000	(9,162)	(99,084)	239,654	0	1,131,408
County Employees' & Officers' A&B Fund of Cook County	30,000,000	3,000,000	(27,484)	(297,253)	718,961	0	3,394,224
LPF (MREV IV) Investment Corp. (c/o LiUNA Pension Fund of CEC)	45,000,000	4,500,000	(41,226)	(445,879)	1,078,441	0	5,091,336
United Association National Pension Fund	30,000,000	3,000,000	(27,484)	(297,253)	718,961	0	3,394,224
Construction Industry & Laborers Joint PT - Southern NV	9,000,000	900,000	(8,245)	(113,176)	239,688	0	1,018,267
Teachers’ Retirement System of the City of New York	40,500,000	4,050,000	(37,104)	(347,291)	946,448	0	4,612,053
New York City Employees’ Retirement System	34,500,000	3,450,000	(31,607)	(295,841)	806,233	0	3,928,785
Board of Education Retirement System of the City of New York	25,000,000	2,500,000	(22,903)	(214,378)	584,227	0	2,846,946
State of Connecticut, acting through its Treasurer	75,000,000	7,500,000	(68,710)	(643,132)	1,752,680	0	8,540,838
Boston Retirement System	10,000,000	1,000,000	(9,162)	(99,084)	239,654	0	1,131,408
Total Limited Partners	735,725,000	73,572,500	(674,031)	(7,346,444)	17,817,469	0	83,369,494
General Partners:							
Mesirow Financial REVF IV-GP, LLC	10,000,000	1,000,000	(9,161)	7,582	2,752,168	0	3,750,589
Total General Partners	10,000,000	1,000,000	(9,161)	7,582	2,752,168	0	3,750,589
	$745,725,000	$74,572,500	($683,192)	($7,338,862)	$20,569,637	$0	$87,120,083

If applicable, the carried interest allocation is presented entirely within the "accumulated net realized and unrealized gain (loss)" column.

MESIROW FINANCIAL REAL ESTATE VALUE FUND IV, L.P.
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Nine Months Ended September 30, 2021

	Three Months Ended	Year to Date Ended
Cash flows provided by / (used in) operating activities:		
Net income (loss)	$19,890,089	$15,301,946
Adjustments to reconcile net income (loss) to net cash provided by / (used in) operating activities:		
Unrealized (gain) loss on real estate investments	(24,008,527)	(24,008,527)
Amortization of deferred financing costs	71,669	158,442
Net investment (income) loss attributable to noncontrolling interests	3,889	7,124
Net unrealized (gain) loss attributable to noncontrolling interests	3,314,838	3,315,660
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(58,884)	(83,160)
(Increase) decrease in prepaid expenses	119,981	(182,232)
(Increase) decrease in escrows and deposits	(976,964)	(700,806)
Increase (decrease) in accounts payable and accrued expenses	810,946	2,883,600
Increase (decrease) in asset management fee payable	(1,929,167)	(153,742)
Increase (decrease) in accrued real estate taxes	793,002	1,944,271
Increase (decrease) in retention payable	397,910	397,910
Increase (decrease) in due to affiliates	(487,903)	(204,302)
Increase (decrease) in deferred revenue	83,382	107,234
Increase (decrease) in accrued interest	215,420	414,127
Increase (decrease) in security deposits	223,372	309,047
Net cash provided by / (used in) operating activities	(1,536,947)	(493,408)
Cash flows provided by / (used in) investing activities:		
Investments in real estate	(134,962,463)	(246,136,802)
Net cash provided by / (used in) investing activities	(134,962,463)	(246,136,802)
Cash flows provided by / (used in) financing activities:		
Proceeds from mortgage loans payable	83,558,000	135,780,000
Proceeds from borrowings under credit facility payable	28,750,000	38,300,000
Finance fees	(543,846)	(810,245)
Capital contributions	24,857,501	74,572,503
Capital contributions from noncontrolling interest holders	761,345	4,937,149
Syndication costs	(7,172)	(182,726)
Net cash provided by / (used in) financing activities	137,375,828	252,596,681
Net increase (decrease) in cash and cash equivalents	**876,418**	**5,966,471**
Cash and cash equivalents - beginning of period	5,466,559	376,510
Cash and cash equivalents - end of period	$6,342,977	$6,342,981
Supplemental cash flow information:		
Cash paid for interest, net of amounts capitalized	$774,569	$1,460,494

1. Nature and Organization of the Partnership

Mesirow Financial Real Estate Value Fund IV, L.P. (the Partnership), a Delaware limited partnership, was formed on March 21, 2019, between Mesirow Financial REVF IV-GP, LLC (the General Partner), a Delaware limited liability company, and an initial limited partner. The Limited Partnership Agreement (LPA) of the Partnership was amended and restated as of May 1, 2020, to permit the admission of various institutional investors (the Limited Partners) upon the execution of a subscription agreement providing for, among other things, the commitment of capital by such Limited Partner to the Partnership. The purpose of the Partnership is to invest in value-added real estate opportunities in the multifamily sector located solely in the United States, diversified by geographic region, product type, vintage year, and metropolitan market.

The General Partner shall invest in the Partnership, directly or indirectly, up to 3% of the aggregate amount of all capital commitments, not to exceed $10,000,000 of capital. Limited Partners were admitted to the Partnership at the Initial Closing, as defined in the LPA, which occurred on May 1, 2020, which is considered inception of operations of the Partnership (Inception Date) and at one or more subsequent closings to be held not later than 12 months after the Initial Closing (such date, the Final Closing Date). Each Limited Partner is required to make capital contributions of the Limited Partner's committed capital through the Expiration Date, which is defined as the date that represents the third anniversary of the Final Closing Date. On April 28, 2021, the General Partner exercised its option to extend the Final Closing Date, which occurred on May 27, 2021.

During the Investment Period, defined as the period of time between the Initial Closing and the Expiration Date, capital commitments may be called by the General Partner to fund investments and any expenses of the Partnership. During the Investment Period, proceeds distributable (or previously distributed) to the Partners that constitute a return of capital contributions may be reinvested (or recalled for reinvestment) by the General Partner, capped at 30%. During and after the Investment Period, distributable proceeds may be reinvested in other existing investments of the Partnership and used for partnership expenses and repayment of the Credit Facility (see Note 3).

The Partnership, along with Mesirow Financial Employee Real Estate Value Fund IV, L.P. (Employee Fund), a Delaware limited partnership, are members of Mesirow Financial REVF IV REIT, LLC (the Trust), a Delaware limited liability company. On September 25, 2020, the Trust sold 125 preferred shares at $500 per share (Class B Units). The purpose of the Trust is to retain title to the portfolio real estate investments made by the Partnership, the Employee Fund, and the Class B Units. The ownership interests of the Trust are based upon the relative capital commitments of the Partnership, the Employee Fund, and the Class B Units. As of September 30, 2021, the Trust is owned 99.42% by the Partnership, 0.57% by the Employee Fund, and 0.01% by the Class B Units, based upon the commitments of $745,725,000, $4,275,000, and $62,500, respectively. As of September 30, 2021, $74,572,500, $427,500, and $62,500 of the commitments, respectively, have been funded into the Trust.

The Partnership shall terminate on December 31, 2029, the calendar year-end following the eighth anniversary of the Final Closing Date, unless dissolved earlier pursuant to the provisions of the LPA. The Partnership may be extended for one additional one-year term after such date by the General Partner in its sole discretion and thereafter for one additional one-year term upon approval of a majority in Interest of Fund Partners (as defined by the LPA).

In accordance with provisions of the LPA, after the allocation of asset management fees to the Limited Partners, profits and losses of the Partnership, as well as Distributable Proceeds, as defined, are initially apportioned among the Limited Partners and the General Partner (the Partners) in proportion to their Percentage Interests, as defined, which is approximately 98.66% and 1.34%, respectively, as of September 30, 2021. The amount initially apportioned to the General Partner, as a result of its capital commitment, will be distributed to the General Partner. After the return of capital to the Limited Partners, the Limited Partners receive an 8% preferred return compounded annually. Thereafter, the remaining Distributable Proceeds shall be distributed 75% to the Limited Partners and 25% to the General Partner.

2. Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements of the Partnership have been presented in conformity with accounting principles generally accepted in the United States.

Principles of Consolidation

The consolidated financial statements are presented on the fair value basis of accounting and include the accounts of the Partnership, the Trust, the wholly owned subsidiaries of the Trust, and joint ventures in which the Partnership holds a controlling interest. A controlling interest represents real estate ventures for which the Partnership has control of the major operating and financial policies of the entity. All intercompany transactions are eliminated in consolidation.

The wholly owned subsidiaries of the Trust include: (1) MFREVF IV-River East, L.P. and (2) MFREVF IV-1640, LLC.

The Partnership's controlling interests in real estate ventures include (1) the Trust; and (2) MFG-Sansom Owner, LLC (12th & Sansom). The Trust owns 85% of 12th & Sansom through an investment by MFREVF IV-Sansom, LLC, a wholly owned subsidiary of the Trust. The other members' interests are reflected as noncontrolling interests on the accompanying consolidated financial statements.

Noncontrolling Interests

The Partnership follows the provisions of Accounting Standards Codification (ASC) 810, *Consolidation*, for noncontrolling interests in consolidated financial statements. The guidance requires that noncontrolling interests in the Partnership's consolidated subsidiaries be classified in net assets and that the net increase or decrease in net asset value from operations be adjusted to include amounts attributable to noncontrolling interests.

Additionally, losses attributable to the noncontrolling interest in a subsidiary may exceed the noncontrolling interest's interests in the subsidiary's equity. Therefore, the noncontrolling interest shall continue to be allocated its share of losses even if that allocation results in a deficit noncontrolling interest balance.

The noncontrolling interests of the Partnership include the following:

- **Mesirow Financial Employee Real Estate Value Fund IV, L.P.** – As of September 30, 2021, the Employee Fund owns an approximate 0.57% interest in the Trust. The noncontrolling interest's share of net assets as of September 30, 2021, is a deficit of $544,744.

- **12.5% Class B Redeemable Cumulative Preferred Units** – On September 25, 2020, the Trust sold 125 preferred shares at $500 per share (Class B Units). The preferred shares yield a 12.5% return per annum, and preferred shareholders are not allocated income or loss. As of September 30, 2021, the Class B Units own an approximate 0.02% interest in the Trust. The noncontrolling interest's share of net assets as of September 30, 2021, is $62,500.

- **MFG-Sansom Owner, LLC** - As of September 30, 2021, the Trust owned an aggregate 85% partnership interest in MFG-Sansom Owner, LLC. The remaining 15% noncontrolling interest in MFG-Sansom Owner, LLC is held by Greystar. The noncontrolling interest's share of the Partnership as of September 30, 2021, is $7,705,857.

Management Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

The real estate and capital markets are cyclical in nature. Property and investment values are affected by, among other things, the availability of capital, occupancy rates, rental rates, and interest and inflation rates. As a result, determining real estate and investment values involves many assumptions. Amounts ultimately realized from each investment may vary significantly from the fair values presented.

Fair Value of Assets and Liabilities

Real Estate

Investments in real estate are shown in the accompanying consolidated statement of net assets at their estimated fair value. Real estate assets' initial estimated fair value is based upon the real estate's purchase price, inclusive of acquisition-related costs and expenses, plus subsequent capital improvement costs. Development costs and major renovations are capitalized as a component of cost, and routine maintenance and repairs are charged to expense as incurred. External appraisals for each investment property are performed prior to acquisition and then every three years thereafter. Otherwise, internal valuations are performed at least annually, or as often as necessary, to reflect market fluctuations. Although the valuation process is designed to estimate fair value, inherent uncertainties in the valuation process may cause the recorded value of real estate to differ significantly from that which would be obtained if the real estate assets were actually offered for sale in the marketplace.

With the exception of debt, all other assets and liabilities of the Partnership are valued at cost since these are the amounts at which they are expected to be realized or settled.

The purchase price of assets acquired and liabilities assumed is initially recorded based upon estimated fair value at the acquisition date.

Costs for building improvements, land improvements, capital improvements, furniture, fixtures, and equipment, as well as interest, real estate taxes, and other directly related costs incurred during construction periods, are capitalized in the consolidated financial statements and included in the cost basis of the real estate. The Partnership capitalizes these project costs associated with the initial construction of the project up to the time the property is substantially complete and ready for its intended use.

Fair Value Measurement

As of inception, the Partnership adopted authoritative guidance for fair value measurement and disclosure. ASC 820, *Fair Value Measurement*, establishes a fair value measurement framework, provides a single definition of fair value, and requires expanded disclosure summarizing fair value measurements.

The guidance clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based upon assumptions that market participants would use in pricing an asset or liability. The guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable input be used when available. Observable inputs are inputs that the market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Partnership. Unobservable inputs are inputs that reflect the Partnership's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is measured in three levels based on the reliability of inputs:

- *Level 1* — Valuations based on quoted prices in active markets for identical assets or liabilities that the Partnership has the ability to access. Valuation adjustment and block discounts are not applied to Level 1 instruments.

- *Level 2* — Valuations based on quoted prices in less active, dealer, or broker markets. Fair values are primarily obtained from third-party pricing services for identical or comparable assets or liabilities.

- *Level 3* — Valuations derived from other valuation methodologies, including pricing models, discounted cash flow models, and similar techniques, and not based on market, exchange, dealer, or broker-traded transactions. Level 3 valuations incorporate certain assumptions and projections that are not observable in the market and significant professional judgment in determining the fair value assigned to such assets or liabilities.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level of input that is significant to the fair value measurement in its entirety.

Valuation Methodology

The values of real estate properties have been prepared giving consideration to the income and sales comparison approaches of estimating property value. The income approach estimates an income stream for a property and discounts this income plus a reversion (presumed sale) into a present value at a risk-adjusted rate. Yield rates and growth assumptions used in this approach are derived from market transactions as well as other financial and industry data. The sales comparison approach compares recent transactions to the appraised property. Adjustments are made for dissimilarities that typically provide a range of value. Generally, the income approach carries the most weight in the value reconciliation. The terminal cap rate and the discount rate are significant inputs to these valuations.

External appraisal reports are prepared by independent, third-party appraisers on a rotating basis for all properties, so each property receives an external appraisal report upon acquisition and at least once every three years thereafter.

The fair values of mortgage loans payable are determined by discounting the future contractual cash flows to the present value using a current market interest rate. The market rate is determined by giving consideration to one or more of the following criteria as appropriate: (1) interest rates for loans of comparable quality and maturity, (2) actual market feedback received from lenders on current comparable deals, (3) market location, (4) loan-to-value ratio, (5) term to maturity, (6) amortization status, and (7) the value of the underlying collateral. Each loan is analyzed on an individual basis to ensure any special circumstances are reflected in the estimated market rate. Mortgage loans payable are adjusted by the difference between the present values of the future loan payments using the estimated market rates and the outstanding balance at the reporting date. Fair market value adjustments are included as a separate component of unrealized gain (loss).

Cash and Cash Equivalents

Cash and cash equivalents are valued at cost, which approximates fair value. The Partnership considers all highly liquid debt instruments purchased with an initial maturity of three months or less as cash equivalents.

Escrows and Deposits

In connection with some of the Partnership's mortgage financing agreements, the Partnership is required to maintain lender-held escrow accounts for real estate taxes, insurance, and capital improvements. In addition to these escrows, security deposits held on behalf of tenants and utility deposits held by the service provider, are reported as escrows and deposits within the consolidated financial statements.

Accounts Receivable

Accounts receivable includes amounts billed to but unpaid by tenants as of September 30, 2021 and is recorded net of no allowance for doubtful accounts.

Organizational Expenses

The General Partner or one of its affiliates shall bear and be charged with the fees of any placement agent or financial advisor in connection with the offering and sale of Limited Partner interests to prospective Limited Partners. The Partnership shall bear and be charged with all costs and expenses (other than placement fees) pertaining to the offering and sale of limited partner interests to prospective Limited Partners (Syndication Costs) and the organization of the Partnership and the General Partners (Organization Costs) (collectively, the Organizational Expenses), not to exceed $1,000,000. As of September 30, 2021, the Partnership has incurred Syndication Costs and Organization Costs of $683,190 and $112,473, respectively. For financial statement reporting purposes, the Syndication Costs are treated as a direct charge to capital and are recorded as a reduction of contributions on the consolidated statement of net assets and statement of changes in net assets. The Organization Costs are expensed in the period incurred and are recorded in the consolidated statement of operations.

Revenue Recognition

Both rental income and other income are recognized on an accrual basis in accordance with the terms of the underlying lease agreements. Other income primarily relates to lease cancellation charges, late fees, pet rent, parking and storage rent, applicant screening fees, forfeited deposits and damages, and other administrative charges. Interest income from deposits is accrued as earned in accordance with the contractual terms of the purchase and sale agreements.

Deferred Financing Costs

The Partnership defers financing costs and amortizes the costs to interest expense over the terms of the related debt using the straight-line method. Upon repayment of or in conjunction with a material change in the terms of the underlying debt agreement, any unamortized costs are charged to earnings. Deferred financing costs are reported as a direct reduction of the associated debt instrument.

Income Taxes

The Trust has elected to be taxed as a real estate investment trust (REIT) under the Internal Revenue Code of 1986, as amended, for federal income tax purposes. Since the Trust qualifies for taxation as a REIT, the Trust generally will not be subject to federal income tax on taxable income that is distributed to shareholders. A REIT is subject to a number of organizational and operational requirements, including a requirement that it currently distributes at least 90% of its REIT taxable income (subject to certain adjustments) to its shareholders. If the Trust fails to qualify as a REIT in any taxable year, without the benefit of certain relief provisions, the Trust will be subject to federal and state income tax on its taxable income at regular corporate tax rates.

Even if the Trust qualifies for taxation as a REIT, the Trust may be subject to certain state and local taxes on its income, property, or net worth and federal income and excise taxes on its undistributed income. For the nine months ended September 30, 2021, the Trust recognized a state income tax expense of $10,800, which is reflected in real estate taxes in the accompanying consolidated statement of operations.

Income taxes are not provided for by the Partnership since the Partners' proportional share of the Partnership's operating results are includable in the Partners' respective returns. The Partnership is subject to Illinois replacement tax, as defined, as well as other income taxes in states where the Partnership conducts business. Management evaluates the potential that the Partnership may be subject to income taxes in the future. As of September 30, 2021, there were no uncertain tax positions that had a material effect on the Partnership's consolidated financial statements. The Internal Revenue Service may conduct audits of the Partnership's tax return, and such examinations may result in adjustments to the amounts shown in the tax return and in these consolidated financial statements.

ASC 740, *Income Taxes*, provides guidance for how uncertain tax positions should be recognized, measured, presented, and disclosed in the consolidated financial statements. ASC 740 requires the evaluation of tax positions taken in the course of preparing the Partnership's tax returns to determine whether tax positions are more likely than not of being sustained by the applicable tax authority. Tax benefits of positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax expense in the current year

The Partnership has considered authoritative guidance clarifying the accounting for uncertainty in income taxes recognized in a company's financial statements and prescribing a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The guidance also provides for description, classification, interest and penalties, accounting in interim periods, disclosure, and transition. When considering the applicability of this guidance as it relates to the tax decisions, positions, and activity of the Partnership, the Partnership has determined that there are no uncertain tax positions adopted by the Partnership at September 30, 2021, that require it to comply with this guidance. In fact, when assessing the need for any potential liabilities, the Partnership believes that no reserve is necessary for more-likely-than-not situations. This conclusion considered all assets within the Partnership, including assets owned under both a wholly owned and joint venture structure.

New Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* (ASU 2016-02). ASU 2016-02 establishes a right-of-use (ROU) model that requires a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. ASU 2016-02 is effective for fiscal years beginning after December 15, 2021 for privately held entities, including interim periods within those fiscal years. A modified retrospective or retrospective transition approach is required for lessees for capital and operating leases existing at, or entered after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Partnership is currently evaluating the impact the adoption of ASU 2016-02 will have on its consolidated financial statements and disclosures.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement*. ASU No. 2018-13 modifies disclosure requirements for fair value measurements as part of the FASB disclosure framework project by eliminating, adding and modifying certain required disclosures. The Partnership has adopted ASU 2018-13 as of the effective date, May 1, 2020 (inception of operations), with no material impact to its consolidated financial statements.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus, or COVID-19, a global pandemic and recommended containment and mitigation measures worldwide. The continued rapid development and fast-changing nature of the COVID-19 pandemic creates many unknowns that have had and could continue to have a future significant impact on the Partnership. Its duration, severity and the extent of the adverse health impact on the general population, the tenants and employees of the Partnership's investment properties, and the potential changes in customer preferences for our properties, are among the many unknowns. These, among other items, have impacted the economy and our operations and could materially affect our future consolidated results of operations, financial condition, liquidity, investments and overall performance. Management considered the impact of the COVID-19 pandemic when evaluating and updating its estimates as of the September 30, 2021 balance sheet date, including the fair valuation of real estate investments and collectability of rents receivable.

3. Credit Facility

On June 5, 2020, the Trust (Borrower) and Partnership (Pledgor) entered into a revolving credit agreement in the amount of $25,000,000 with KeyBank National Association (Credit Facility), secured by the Unfunded Capital Commitments of all Partners (as defined in the LPA). On September 11, 2020 and July 30, 2021, the Credit Facility was amended to increase the Maximum Commitment (as defined) to $50,000,000 and $75,000,000, respectively. The Credit Facility has a three-year term, with a maturity date of June 5, 2023, and a one-year extension option. The Borrower can elect to draw on the Credit Facility with a loan based upon either London Interbank Offered Rate (LIBOR) or Base Rate floating (as defined in the Credit Facility). Interest accrues at LIBOR (0.09% at September 30, 2021) plus a spread of 1.65% per annum and is paid upon the earliest of (a) the first business day of each calendar month, (b) repayment of any principal on the advance, or (c) maturity of the LIBOR contract. For Base Rate loans, interest accrues at a spread of 0.65% per annum plus the greater of (a) Prime (3.25% at September 30, 2021), (b) the Federal Funds Rate (as defined in the Credit Facility), or (c) one-month LIBOR plus 1% per annum, and is paid upon the earlier of (a) repayment of any principal on the advance, or (b) the first business day of each calendar month. As of September 30, 2021, the outstanding borrowing on the Credit Facility was $58,075,000. Unamortized deferred financing costs of $341,412 as of September 30, 2021 are recorded against the outstanding borrowing on the accompanying consolidated statement of net assets.

4. Investments in Real Estate

The following table summarizes the Partnership's investments as of September 30, 2021:

Investment	Location	Units (unaudited)	Ownership %	Acquisition Date	Purchase Price	Invested Capital at 09/30/21	Carrying Value at 09/30/21
River East	Fort Worth, TX	276	100.00%	12/10/20	$ 51,250,000	$ 52,000,705	$ 59,340,000
Jessup House	Philadelphia, PA	409	85.00%	02/03/21	20,250,000	32,055,329	39,055,329
1640 Victoria Park	Fort Lauderdale, FL	261	100.00%	05/18/21	83,500,000	84,121,165	91,350,000
Cameron Square	Alexandria, VA	302	100.00%	09/01/21	128,550,000	129,384,367	131,700,000
						$ 297,561,566	$ 321,445,329

5. Mortgage Loans Payable and Other Debt

Below is a summary of the Partnership's non-recourse mortgage loans, including corresponding market value estimates as of September 30, 2021. All loans are fixed rate loans.

Investment	Maturity Date	Interest Only or Amortizing	Interest Rate	Initial Principal Balance	Outstanding Principal Balance at 09/30/21	Deferred Loan Costs, Net at 09/30/21	Mortgage Loans Payable, Net at 09/30/21
River East	01/01/28	Interest only	2.420%	$ 33,345,000	$ 33,345,000	$ 148,796	$ 33,196,204
Jessup House	06/22/25	Interest only	See Note 1	118,610,204	-	-	-
1640 Victoria Park	06/01/28	See Note 1	2.975%	52,222,000	52,222,000	250,542	51,971,458
Cameron Square	09/01/28	Interest only	2.630%	83,558,000	83,558,000	404,226	83,153,774
					$ 169,125,000	$ 803,564	$ 168,321,436

Note 1: The per annum interest rate on the loan is equal to LIBOR plus an applicable margin of 2.65%.
Note 2: Four years interest only and amortizing over remaining three-year loan term based upon 30-year amortization schedule.

Mortgage loans payable are collateralized by real estate investments with an aggregate estimated value of $321,445,329 as of September 30, 2021. The loan agreements contain financial and non-financial covenants. The Partnership believes it was in compliance with all covenants at September 30, 2021.

Guarantees

The mortgage encumbrances are collateralized by the underlying real estate assets and in some cases guaranteed solely by the noncontrolling interest holders. None of the mortgage encumbrances are cross collateralized, and the underlying real estate assets of each wholly owned subsidiary and real estate venture is not available to secure any other surety obligation. Creditors of the consolidated wholly owned subsidiaries and real estate ventures have no recourse to the general credit of the Partnership.

6. Related Party Transactions

Asset Management Fees

During the Investment Period, the Partnership shall pay the Investment Manager, with respect to each Limited Partner, an annual asset management fee, paid quarterly in arrears, in an amount equal to the greater of (a) 1.5% per annum (1.35% for Limited Partners with capital commitments of $25 million or greater and 1.0% for Limited Partners with capital commitments greater than $50 million) of such Limited Partner's Invested Capital, or (b) 1.1% per annum (1.0% for Limited Partners with capital commitments of $25 million or greater and 0.8% for Limited Partners with capital commitments greater than $50 million) of such Limited Partner's aggregate capital commitment. After the Investment Period, the Partnership shall pay the Investment Manager, with respect to each Limited Partner, an asset management fee in an amount equal to 1.5% per annum (1.35% for Limited Partners with capital commitments of $25 million or greater and 1.0% for Limited Partners with capital commitments greater than $50 million) of such Limited Partner's aggregate Invested Capital for all non-liquidated Portfolio Investments (as defined in the LPA). Limited Partners admitted to the Partnership subsequent to the Initial Closing of the Partnership are required to pay retroactive asset management fees as if they had been invested in the Partnership since the Initial Closing. Such retroactive fees are recognized in the consolidated statement of operations upon the respective Limited Partner's initial capital contribution.

For the nine months ended September 30, 2021, the Partnership incurred asset management fees of $6,268,502. The asset management fees are recorded in the consolidated statement of operations. As of September 30, 2021, the outstanding accrued asset management fees are $1,482,056.

Due to General Partner

In the ordinary course of business, the General Partner directly pays for the Organizational Expenses and Operating Expenses (as defined in the LPA) on behalf of the Partnership. In turn, the Partnership records and reimburses the General Partner for these expenses that are required to be borne by the Partnership. For the nine months ended September 30, 2021, expenses totaling $340,895 were advanced by the General Partner. As of September 30, 2021, the outstanding and unpaid amount due to the General Partner for these expenses is $57,294 and is recorded as due to affiliates on the consolidated statement of net assets.

7. Subsequent Events

The Partnership has evaluated events subsequent to September 30, 2021, through November 23, 2021, the date of issuance of the consolidated financial statements, and determined that no additional disclosure was necessary in these consolidated financial statements.