

Inception Start:  
Current Year Start: 1/1/2021  
Current Period Start: 7/1/2021  
Period End: 9/30/2021



	QTD	YTD	Since Inception	QTD	YTD	Since Inception	QTD	YTD	Since Inception
<i>Ares US Real Estate Opportunity Fund III</i>	(Jul-21 - Sep-21)	(Jan-21 - Sep-21)	( - Sep-21)	(Jul-21 - Sep-21)	(Jan-21 - Sep-21)	( - Sep-21)	(Jul-21 - Sep-21)	(Jan-21 - Sep-21)	( - Sep-21)

A. Capital Account Statement for Sound Retirement Trust

A.1 NAV Reconciliation and Summary of Fees, Expenses & Incentive Allocation		LP's Allocation of Total Fund			Total Fund (incl. GP Allocation)			GP's Allocation of Total Fund		
Beginning NAV - Net of Incentive Allocation		\$0	\$0	\$0	\$365,229,300	(\$24,178,444)	\$0	\$11,557,245	(\$418,394)	\$0
Contributions - Cash & Non-Cash		109,775	109,775	109,775	85,000,000	425,000,000	425,000,000	2,529,021	12,645,111	12,645,111
Distributions - Cash & Non-Cash		0	0	0	0	0	0	0	0	0
Total Cash / Non-Cash Flows (contributions, less distributions)		109,775	109,775	109,775	85,000,000	425,000,000	425,000,000	2,529,021	12,645,111	12,645,111
Transfer of Interest		0	0	0	0	0	0	0	0	0
Net Operating Income (Expense):										
(Management Fees - Gross of Offsets, Waivers & Rebates):		(23,384)	(23,384)	(23,384)	(4,109,574)	(14,814,360)	(27,274,841)	0	0	0
Management Fee Rebate		0	0	0	0	0	0	0	0	0
(Partnership Expenses - Total):		(1,097)	(1,097)	(1,097)	(1,683,869)	(3,626,655)	(7,079,988)	(44,510)	(81,405)	(203,798)
(Partnership Expenses - Accounting, Administration & IT)		0	0	0	(74,434)	(212,926)	(233,956)	(2,215)	(6,208)	(6,961)
(Partnership Expenses - Audit & Tax Preparatory)		0	0	0	(51,178)	(153,533)	(397,937)	(1,523)	(3,222)	(11,531)
(Partnership Expenses - Bank Fees)		0	0	0	(734,540)	(1,428,217)	(2,045,263)	(21,855)	(38,753)	(60,853)
(Partnership Expenses - Custody Fees)		0	0	0	0	0	0	0	0	0
(Partnership Expenses - Due Diligence)		0	0	0	0	(23,750)	(165,402)	0	152	(4,921)
(Partnership Expenses - Legal)		(1,097)	(1,097)	(1,097)	(908,008)	(998,234)	(1,362,638)	(22,332)	(22,953)	(35,159)
(Partnership Expenses - Organization Costs)		0	0	0	230,322	(428,115)	(2,492,911)	6,853	(221)	(74,172)
(Partnership Expenses - Other Travel & Entertainment)		0	0	0	0	0	0	0	0	0
(Partnership Expenses - Other)		0	0	0	(146,032)	(381,881)	(381,881)	(3,438)	(10,201)	(10,201)
Total Offsets to Fees & Expenses (applied during period):		0	0	0	0	0	0	0	0	0
Offset Categories		% Offset to LP*								
Advisory Fee Offset		0%	0	0	0	0	0	0	0	0
Broken Deal Fee Offset		0%	0	0	0	0	0	0	0	0
Transaction & Deal Fee Offset		0%	0	0	0	0	0	0	0	0
Directors Fee Offset		0%	0	0	0	0	0	0	0	0
Monitoring Fee Offset		0%	0	0	0	0	0	0	0	0
Capital Markets Fee Offset		0%	0	0	0	0	0	0	0	0
Organization Cost Offset		0%	0	0	0	0	0	0	0	0
Placement Fee Offset		0%	0	0	0	0	0	0	0	0
Other Offset		0%	0	0	0	0	0	0	0	0
Unapplied Offset Balance (Roll-forward) - Beginning Balance		0	0	0	0	0	0	0	0	0
Plus: Total Offsets to Fees & Expenses (recognized during period)		0	0	0	0	0	0	0	0	0
Less: Total Offsets to Fees & Expenses (applied during period)		0	0	0	0	0	0	0	0	0
Unapplied Offset Balance (Roll-forward) - Ending Balance		0	0	0	0	0	0	0	0	0
(Total Management Fees & Partnership Expenses, Net of Offsets & Rebates, Gross of Fee Waiver)		(24,481)	(24,481)	(24,481)	(5,793,443)	(18,441,015)	(34,354,829)	(44,510)	(81,405)	(203,798)
Fee Waiver		0	0	0	0	0	0	0	0	0
Interest Income		0	0	0	0	0	0	0	0	0
Dividend Income		0	0	0	5,151,896	8,384,392	8,384,392	153,285	249,463	249,463
(Interest Expense)		(335)	(335)	(335)	(399,268)	(3,231,488)	(4,262,328)	(11,877)	(89,898)	(126,818)
Other Income/(Expense)		0	0	0	0	0	0	0	0	0
Total Net Operating Income / (Expense)		(24,816)	(24,816)	(24,816)	(1,040,815)	(13,288,111)	(30,232,765)	96,898	78,160	(81,153)
(Placement Fees)		0	0	0	0	0	0	0	0	0
Realized Gain / (Loss)		0	0	0	0	0	0	0	0	0
Change in Unrealized Gain / (Loss)		(2,055)	(2,055)	(2,055)	65,600,589	127,255,628	120,021,837	1,951,827	3,830,115	3,571,034
Change in Accrued Incentive Allocation		(4,599)	(4,599)	(4,599)	0	0	0	0	0	0

Ending NAV - Net of Incentive Allocation		78,305	78,305	78,305	514,789,073	514,789,073	514,789,073	16,134,991	16,134,991	16,134,991
Reconciliation for Accrued Incentive Allocation	Accrued Incentive Allocation - Starting Period Balance	0	0	0	0	0	0	0	0	0
	Incentive Allocation - Paid During the Period	0	0	0	0	0	0	0	0	0
	Accrued Incentive Allocation - Periodic Change	(4,599)	(4,599)	(4,599)	0	0	0	0	0	0
	Accrued Incentive Allocation - Ending Period Balance	(4,599)	(4,599)	(4,599)	0	0	0	0	0	0
	Ending NAV - Gross of Accrued Incentive Allocation	\$82,904	\$82,904	\$82,904	\$514,789,073	\$514,789,073	\$514,789,073	\$16,134,991	\$16,134,991	\$16,134,991

A.2 Commitment Reconciliation:		LP's Allocation of Total Fund			Total Fund (incl. GP Allocation)			GP's Allocation of Total Fund		
Total Commitment		\$1,472,931	\$1,472,931	\$1,472,931	\$1,697,296,500	\$1,697,296,500	\$1,697,296,500	\$50,500,000	\$50,500,000	\$50,500,000
Beginning Unfunded Commitment:		\$0	\$0	\$0	\$1,357,296,500	\$1,396,046,500	\$0	\$40,383,910	\$50,000,000	\$0
(Less Contributions)		(109,775)	(109,775)	(109,775)	(85,000,000)	(425,000,000)	(425,000,000)	(2,529,021)	(12,645,111)	(12,645,111)
Plus Recallable Distributions		0	0	0	0	0	0	0	0	0
(Less Expired/Released Commitments)		0	0	0	0	0	0	0	0	0
+/- Other Unfunded Adjustment or Commitment Changes		1,472,931	1,472,931	1,472,931	0	301,250,000	1,697,296,500	0	500,000	50,500,000
Ending Unfunded Commitment		\$1,363,156	\$1,363,156	\$1,363,156	\$1,272,296,500	\$1,272,296,500	\$1,272,296,500	\$37,854,889	\$37,854,889	\$37,854,889

A.3 Miscellaneous**:		LP's Allocation of Total Fund			Total Fund (incl. GP Allocation)			GP's Allocation of Total Fund		
Incentive Allocation - Earned (period-end balance)****		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Incentive Allocation - Amount Held in Escrow (period-end balance)****		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Returned Clawback****		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capitalized Transaction Fees & Exp. - Paid to Non-Related Parties****		\$0	\$0	\$0	\$0	\$0	\$0			
Distributions Relating to Fees & Expenses****		\$0	\$0	\$0	\$0	\$0	\$0			
Fund of Funds: Gross Fees, Exp. & Incentive Allocation paid to the Underlying Funds****		\$0	\$0	\$0	\$0	\$0	\$0			

**B. Schedule of Fees, Incentive Allocation & Reimbursements Received by the GP & Related Parties, with Respect to the Fund and Portfolio Companies/Investments Held by the Fund**

B.1 Source Allocation:		LP's Allocation of Total Fund			Cumulative LPs' Allocation of Total Fund			Affiliated Positions***		
With Respect to the Fund's LPs	Management Fees - Net of Rebates, Gross of Offsets and Waivers	23,384	23,384	23,384	4,109,574	14,814,360	27,274,841			
	Partnership Expenses - Paid to GP & Related Parties - Gross of Offsets	0	0	0	0	0	0			
	(Less Total Offsets to Fees & Expenses - applied during period)	0	0	0	0	0	0			
	Capitalized Transaction Fees & Exp. - Paid to GP & Related Parties****	0	0	0	0	0	0			
	Accrued Incentive Allocation - Periodic Change	4,599	4,599	4,599	0	0	0			
With Respect to the Fund's Portfolio Companies/Invs.	Total Fees with Respect to Portfolio Companies/Investments:	0	0	0	0	0	0	0	0	0
	Advisory Fees****	0	0	0	0	0	0	0	0	0
	Broken Deal Fees****	0	0	0	0	0	0	0	0	0
	Transaction & Deal Fees****	0	0	0	0	0	0	0	0	0
	Directors Fees****	0	0	0	0	0	0	0	0	0
	Monitoring Fees****	0	0	0	0	0	0	0	0	0
	Capital Markets Fees****	0	0	0	0	0	0	0	0	0
	Other Fees****	0	0	0	0	0	0	0	0	0
	Total Reimbursements for Travel & Administrative Expenses****	0	0	0	0	0	0	0	0	0
Total Received by the GP & Related Parties		\$27,983	\$27,983	\$27,983	\$4,109,574	\$14,814,360	\$27,274,841	\$0	\$0	\$0

\*Current offset percentages for the specific LP; As offset calculations may change over the life of the Fund, the current offset percentages may not be applicable for calculating the non-QTD offset balances.

\*\*Content in A.3 aims to provide users with additional context on the balances provided in other sections; Some of the balances in A.3 represent a sub-total for an amount provided in another section; Balances in this section should be entered as a positive amount, even though similar balances in other sections may typically be presented as a negative amount; To prevent double-counting, or other miscalculations, users should avoid netting balances in A.3 with amounts in other sections.

\*\*\*Balances in this section represent fees & reimbursements received by the GP/Manager/Related Parties with respect to the Fund's investments that are not allocable to the Total Fund (i.e. allocated to ownership interests of LP co-investors & other vehicles managed-by/affiliated-with the GP/Manager/Related Party); To avoid double-counting, LP's Allocation of Total Fund should not reflect any pro-rata share of these positions; Balances in this section, plus the balances in the "Cumulative LPs' Allocation of Total Fund" section, should equal the total fees/reimbursements received by the GP/Manager/Related Parties With Respect to the Fund's Portfolio Companies/Invs.

\*\*\*\*Allocation for individual LPs, the Total Fund and all remaining positions may need to be estimated on a pro-rata basis.

Totals may not sum due to rounding.