

FUND ADMINISTRATION SERVICES

The **Berdon Fund Services** team draws on broad expertise and deep resources to help you manage your compliance responsibilities for current and pending compliance and tax rules. We identify potential areas of risk and exposure and offer solutions that can place you in a stronger position. Finely attuned to adhering to best practices, we match the particular needs of your funds with the services we provide — paying careful attention to deadlines and keeping you compliant at reasonable costs. Our goal is to give you the compliance support to act confidently in your relationships with investment managers, sponsors, investors, custodians, and selling agents.

OUR ARRAY OF SERVICES

Accounting and Administration at the Fund Level

- Maintain books and records of the fund
- Pay bills
- Prepare cash receipts
- Make investor capital calls
- Calculate investor capital distributions
- Prepare bank reconciliations
- Maintain general ledger
- Prepare monthly reporting

Financial Statement Preparation

- Draft quarterly and annual consolidated financial statements and footnotes
- Prepare all audit-related workpapers and serve as liaison with outside auditor
- Prepare consolidation workpapers
- Prepare schedules for waterfall calculations

Budgeting

- Prepare annual budgets
- Prepare projected sources and uses of cash

Investor Reporting

- Prepare investor-specific quarterly reports requested by institutional investors
- Analyze internal rate of return (IRR)
- Reconcile partners' capital
- Calculate management fees
- Disclose geographic diversification
- Disclose asset diversification
- Delivery by secure internet portal

General Partners and Fund Managers

- Analyze and monitor GP's waterfall provisions
- Prepare federal, state, and local partnership tax returns
- Prepare tax projections
- Prepare GP's books and records
- Calculate management fees
- Coordinate payroll and payroll tax compliance
- Assist with regulatory compliance – registered investment advisor, etc.

Accounting Oversight of Third Party Property Managers and Portfolio Companies

- Monitor accounting procedures including GAAP and tax
- Monitor management and asset management fees
- Monitor third party property manager's compliance with property management agreement

Acquisitions

- Financial due diligence
- Reconcile historical P&L to ARGUS underwriting
- Abstract leases and reconcile to historical billings and ARGUS underwriting
- Coordinate the tenant estoppel process
- Coordinate the Subordination, Non-disturbance and Attornment Agreements (SNDA) process
- Coordinate/prepare closing adjustments and prorations schedules
- Record purchase on a GAAP and tax basis
- Reconcile cash to HUD -1 closing statement

Fair Value Analysis

- Assist with the supporting documentation for fair value reporting under GAAP

ADDITIONAL SERVICES

Tax

- Prepare federal, state, and local partnership tax returns
- Prepare personal property tax returns
- Prepare tax projections
- Assist with structuring acquisitions and dispositions in a tax efficient manner
- Monitor non-U.S. investor's tax compliance
- Prepare federal and state exemption certificates
- Calculate required withholding of federal and state taxes

Compliance with Legal Documents

- Abstract, organize and store:
 - Mortgages payable
 - Mortgages and mezzanine loans receivable
 - Credit facilities
 - Partnership/operating agreements
 - Lockbox accounts and associated waterfalls
 - JV agreements
 - Property management agreements

Insurance

- Analyze and monitor property insurance policies and premiums
- Analyze and monitor insurance provisions in tenants' commercial leases

Operational Agreed-upon Procedures

- Perform internal audit related function with respect to third party property managers
 - Compliance with property management agreement
 - Operating escalation true-ups
 - Percentage rent provisions

Loan Servicing

- Prepare abstract loan documents
- Prepare monthly interest, amortization, and escrow invoice
- Coordinate payment of real estate taxes and insurance premiums from escrow accounts
- Oversee escrow disbursements from replacement tenant improvement (TI) reserves

Database

- Create database to assist deal managers in their oversight of each asset
 - Current month/quarter
 - Year to date
 - Inception to date
- Create database of performances for use in road shows for future fund launches

For more information, contact [Michael Gottstein](mailto:mgottstein@BerdonFundServices.com) at 212.331.7656 | mgottstein@BerdonFundServices.com