

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q**

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2022

OR
☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____
Commission File Number: 001-40622

BRIDGE INVESTMENT GROUP HOLDINGS INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

82-2769085
(I.R.S. Employer
Identification No.)

111 East Sego Lily Drive, Suite 400
Salt Lake City, Utah
(Address of principal executive offices)

84070
(Zip Code)

(Registrant's telephone number, including area code): (801) 716-4500

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.01 par value per share	BRDG	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐
Non-accelerated filer ☒
Emerging growth company ☒

Accelerated filer ☐
Smaller reporting company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 6, 2022, the registrant had 29,091,417 shares of Class A common stock (\$0.01 par value per share) outstanding and 85,691,621 shares of Class B common stock (\$0.01 par value per share) outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act, about, among other things, our operations, taxes, earnings and financial performance, and dividends. All statements other than statements of historical facts contained in this report may be forward-looking statements. Statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, including, among others, statements regarding expected growth, future capital expenditures, fund performance and debt service obligations, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “outlook,” “indicator,” “may,” “will,” “should,” “expects,” “plans,” “seek,” “anticipates,” “plan,” “forecasts,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions. Accordingly, we caution you that any such forward looking statements are not guarantees of future performance and are subject to known and unknown risks, assumptions and uncertainties that are difficult to predict and beyond our ability to control. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results, performance or achievements may prove to be materially different from the results expressed or implied by the forward-looking statements. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate.

These forward-looking statements speak only as of the date of this quarterly report and are subject to a number of important factors that could cause actual results to differ materially from those in the forward-looking statements, including those described in Part II, Item 1A, “Risk Factors” of this report and Part I, Item 1A, “Risk Factors” in our annual report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) on March 18, 2022.

You should read this quarterly report and the documents that we reference in this quarterly report completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

Certain Definitions

As used in this quarterly report on Form 10-Q, unless the context otherwise requires, references to:

- “we,” “us,” “our,” the “Company,” “Bridge,” “Bridge Investment Group” and similar references refer: (1) following the consummation of the Transactions, including our initial public offering, or the IPO, to Bridge Investment Group Holdings Inc., and, unless otherwise stated, all of its subsidiaries, including the Operating Company and, unless otherwise stated, all of the Operating Company’s subsidiaries, and (2) prior to the completion of the IPO, to the Operating Company and, unless otherwise stated, all of the Operating Company’s subsidiaries and the Contributed Bridge GPs.
- “assets under management” or “AUM” refers to the assets we manage. Our AUM represents the sum of (a) the fair value of the assets of the funds and vehicles we manage, plus (b) the contractual amount of any uncalled capital commitments to those funds and vehicles (including our commitments to the funds and vehicles and those of Bridge affiliates). Our AUM is not reduced by any outstanding indebtedness or other accrued but unpaid liabilities of the assets we manage. Our calculations of AUM and fee-earning AUM may differ from the calculations of other investment managers. As a result, these measures may not be comparable to similar measures presented by other investment managers. In addition, our calculation of AUM (but not fee-earning AUM) includes uncalled commitments to (and the fair value of the assets in) the funds and vehicles we manage from Bridge and Bridge affiliates, regardless of whether such commitments or investments are subject to fees. Our definition of AUM is not based on any definition contained in the agreements governing the funds and vehicles we manage or advise.
- “BIGRM” refers to Bridge Investment Group Risk Management, Inc. BIGRM is incorporated in the State of Utah and is licensed under the Utah State Captive Insurance Companies Act.
- “Bridge GPs” refers to the following entities:
 - o Bridge Office Fund GP LLC (“BOF I GP”)
 - o Bridge Office Fund II GP LLC (“BOF II GP”)
 - o Bridge Seniors Housing & Medical Properties Fund GP LLC (“BSH I GP”)

- oBridge Seniors Housing & Medical Properties Fund II GP LLC (“*BSH II GP*”)
- oBridge Seniors Housing Fund III GP LLC (“*BSH III GP*”)
- oBridge Opportunity Zone Fund GP LLC (“*BOZ I GP*”)
- oBridge Opportunity Zone Fund II GP LLC (“*BOZ II GP*”)
- oBridge Opportunity Zone Fund III GP LLC (“*BOZ III GP*”)
- oBridge Opportunity Zone Fund IV GP LLC (“*BOZ IV GP*”)
- oBridge Opportunity Zone Fund V GP LLC (“*BOZ V GP*”)
- oBridge Multifamily & Commercial Fund III GP LLC (“*BMF III GP*”)
- oBridge Multifamily Fund IV GP LLC (“*BMF IV GP*”)
- oBridge Multifamily Fund V GP LLC (“*BMF V GP*”)
- oBridge Workforce and Affordable Housing Fund GP LLC (“*BWH I GP*”)
- oBridge Workforce and Affordable Housing Fund II GP LLC (“*BWH II GP*”)
- oBridge Debt Strategies Fund GP LLC (“*BDS I GP*”)
- oBridge Debt Strategies Fund II GP LLC (“*BDS II GP*”)
- oBridge Debt Strategies Fund III GP LLC (“*BDS III GP*”)
- oBridge Debt Strategies Fund IV GP LLC (“*BDS IV GP*”)
- oBridge Agency MBS Fund GP LLC (“*BAMBS GP*”)
- oBridge Net Lease Income Fund GP LLC (“*BNLI GP*”)
- oBridge Logistics U.S. Venture I GP LLC (“*BLV I GP*”)
- oBridge Logistics Developer GP LLC (“*BLD GP*”)
- oBridge Single-Family Rental Fund IV GP LLC (“*BSFR IV GP*”)

•“*Class A common stock*” refers to the Class A common stock, \$0.01 par value per share, of the Company.

•“*Class A Units*” refers to the Class A common units of the Operating Company.

•“*Class B common stock*” refers to the Class B common stock, \$0.01 par value per share, of the Company.

•“*Class B Units*” refers to the Class B common units of the Operating Company.

•“*Continuing Equity Owners*” refers collectively to direct or indirect holders of Class A Units and our Class B common stock who may exchange at each of their respective options (subject in certain circumstances to time-based vesting requirements and certain other restrictions), in whole or in part from time to time, their Class A Units (along with an equal number of shares of Class B common stock (and such shares shall be immediately cancelled)) for, at our election, cash or newly issued shares of our Class A common stock.

•“*Contributed Bridge GPs*” refers to the following entities:

- oBOF I GP
- oBOF II GP
- oBSH I GP
- oBSH II GP
- oBSH III GP
- oBOZ I GP
- oBOZ II GP
- oBOZ III GP
- oBOZ IV GP
- oBMF III GP
- oBMF IV GP
- oBWH I GP
- oBWH II GP
- oBDS II GP
- oBDS III GP
- oBDS IV GP

•“*fee-earning AUM*” refers to the assets we manage from which we earn management fee or other revenue.

•“*IPO*” refers to the initial public offering of shares of the Company’s Class A common stock.

•“*LLC Interests*” refers to the Class A Units and the Class B Units.

•“*Operating Company*,” “*Bridge Investment Group LLC*” and “*Bridge Investment Group Holdings LLC*” refer to Bridge Investment Group Holdings LLC, a Delaware limited liability company, which was converted to a limited liability company organized under the laws of the State of Delaware from a Utah limited liability company formerly named “Bridge Investment Group LLC” in connection with the IPO.

•“*Original Equity Owners*” refers to the owners of LLC Interests in the Operating Company, collectively, prior to the IPO.

•“*Transactions*” refers to the IPO and certain organizational transactions that were effected in connection with our IPO, and the application of the net proceeds therefrom. See Note 1, “Organization,” to the condensed, consolidated and combined financial statements included elsewhere in this annual report for a description of the Transactions.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

BRIDGE INVESTMENT GROUP HOLDINGS INC.
Condensed Consolidated Balance Sheets
(Dollar amounts in thousands, except per share data)

	March 31, 2022	December 31, 2021
	<i>(Unaudited)</i>	<i>(Audited)</i>
Assets		
Cash and cash equivalents	\$ 149,121	\$ 78,417
Restricted cash	9,162	5,455
Marketable securities, at fair value	10,950	8,035
Receivables from affiliates	56,028	35,379
Notes receivable from affiliates	34,364	118,508
Other assets	32,599	44,463
Other investments	58,214	44,006
Accrued performance allocations	505,410	439,548
Intangible assets, net	6,432	3,441
Goodwill	55,982	9,830
Deferred tax assets, net	64,375	59,210
Total assets	\$ 982,637	\$ 846,292
Liabilities and shareholders' equity		
Accrued performance allocations compensation	\$ 50,258	\$ 41,020
Accrued compensation and benefits	21,028	15,107
Accounts payable and accrued expenses	26,531	13,586
Due to affiliates	50,526	46,134
General Partner notes payable, at fair value	11,729	12,003
Insurance loss reserves	8,191	8,086
Self-insurance reserves and unearned premiums	4,874	3,504
Other liabilities	22,827	8,973
Notes payable	148,249	148,142
Total liabilities	\$ 344,213	\$ 296,555
Commitments and contingencies (Note 17)	—	—
Shareholders' equity:		
Preferred stock, \$0.01 par value, 20,000,000 authorized, 0 issued and outstanding as of March 31, 2022 and December 31, 2021, respectively	—	—
Class A common stock, \$0.01 par value, 500,000,000 authorized; 28,917,960 and 25,159,799 issued and outstanding as of March 31, 2022 and December 31, 2021, respectively	289	230
Class B common stock, \$0.01 par value, 239,208,722 authorized; 85,838,275 and 86,672,305 issued and outstanding as of March 31, 2022 and December 31, 2021, respectively	859	867
Additional paid-in capital	59,247	53,527
Retained earnings	21,038	17,184
Accumulated other comprehensive loss	(12)	(21)
Bridge Investment Group Holdings Inc. equity	81,421	71,787
Non-controlling interests in Bridge Investment Group Holdings LLC	311,915	272,482
Non-controlling interests in Bridge Investment Group Holdings Inc.	245,088	205,468
Total shareholders' equity	638,424	549,737
Total liabilities and shareholders' equity	\$ 982,637	\$ 846,292

See accompanying notes to condensed consolidated and combined financial statements.

BRIDGE INVESTMENT GROUP HOLDINGS INC.
Condensed Consolidated and Combined Statements of Operations
(Dollar amounts in thousands, except per share data)
(Unaudited)

	Three Months Ended March 31,	
	2022	2021
Revenues:		
Fund management fees	\$ 52,700	\$ 30,851
Property management and leasing fees	18,279	16,747
Construction management fees	1,887	1,826
Development fees	1,259	386
Transaction fees	21,998	5,326
Fund administration fees	3,640	—
Insurance premiums	2,416	1,894
Other asset management and property income	1,955	1,520
Total revenues	104,134	58,550
Investment income:		
Incentive fees	—	910
Performance allocations:		
Realized	8,937	5,557
Unrealized	65,862	14,719
Earnings (losses) from investments in real estate	40	(3)
Total investment income	74,839	21,183
Expenses:		
Employee compensation and benefits	47,480	27,151
Incentive fee compensation	—	82
Performance allocations compensation:		
Realized	560	494
Unrealized	9,238	1,429
Loss and loss adjustment expenses	1,751	786
Third-party operating expenses	6,768	8,626
General and administrative expenses	9,508	4,101
Depreciation and amortization	633	753
Total expenses	75,938	43,422
Other income (expense):		
Realized and unrealized gains (losses), net	427	5,798
Interest income	1,209	608
Interest expense	(1,621)	(1,587)
Total other income	15	4,819
Income before provision for income taxes	103,050	41,130
Income tax provision	(5,545)	(410)
Net income	97,505	40,720
Net income attributable to non-controlling interests in Bridge Investment Group Holdings LLC	36,713	3,949
Net income attributable to Bridge Investment Group Holdings LLC	60,792	36,771
Net income attributable to Common Control Group prior to Transactions and IPO	—	36,771
Net income attributable to non-controlling interests in Bridge Investment Group Holdings Inc. subsequent to Transactions and IPO	51,020	—
Net income attributable to Bridge Investment Group Holdings Inc. subsequent to Transactions and IPO	\$ 9,772	\$ —
Earnings per share of Class A common stock - Basic and Diluted (Note 21)	\$ 0.35	
Weighted-average shares of Class A common stock outstanding - Basic and Diluted (Note 21)	23,138,030	

See accompanying notes to condensed consolidated and combined financial statements.

BRIDGE INVESTMENT GROUP HOLDINGS INC.
Condensed Consolidated and Combined Statements of Comprehensive Income
(Dollar amounts in thousands)
(Unaudited)

	Three Months Ended March 31,	
	2022	2021
Net income	\$ 97,505	\$ 40,720
Other comprehensive income - foreign currency translation adjustments, net of tax	9	1
Total comprehensive income	97,514	40,721
Less: comprehensive income attributable to non-controlling interests in Bridge Investment Group Holdings LLC	36,713	3,949
Comprehensive income attributable to Bridge Investment Group Holdings LLC	60,801	36,772
Less: comprehensive income attributable to Common Control Group prior to Transactions and IPO	—	36,772
Less: comprehensive income attributable to non-controlling interests in Bridge Investment Group Holdings Inc. subsequent to Transactions and IPO	51,020	—
Comprehensive income attributable to Bridge Investment Group Holdings Inc. subsequent to Transactions and IPO	<u>\$ 9,781</u>	<u>\$ —</u>

See accompanying notes to condensed consolidated and combined financial statements.

BRIDGE INVESTMENT GROUP HOLDINGS INC.
Condensed Consolidated and Combined Statements of Changes in Shareholders'/Members' Equity (Unaudited)
(Dollar amounts in thousands, except per share data)

	Net Investment in CCG ⁽¹⁾	Class A Common Stock	Class B Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	NCI in Operating Company or CCG ⁽²⁾	NCI in Bridge Investment Group Holdings Inc. ⁽³⁾	Total Shareholders'/ Members' Equity
Balance as of December 31, 2021	\$ —	\$ 230	\$ 867	\$ 53,527	\$ 17,184	\$ (21)	\$ 272,482	\$ 205,468	\$ 549,737
Net income	—	—	—	—	9,772	—	36,713	51,020	97,505
Conversion of 2019 profit interest awards	—	8	—	(8)	—	—	—	—	—
Exchange of Class A Units for Class A common stock and redemption of corresponding Class B common stock including the deferred tax effect and amounts payable under the Tax Receivable Agreement	—	8	(8)	775	—	—	—	—	775
Issuance of Class A Units for acquisition	—	—	—	—	—	—	—	14,930	14,930
Fair value of non-controlling interest in acquired business	—	—	—	—	—	—	20,053	—	20,053
Share-based compensation, net of forfeitures	—	43	—	1,570	—	—	7	5,624	7,244
Capital contributions	—	—	—	—	—	—	170	—	170
Distributions	—	—	—	—	—	—	(17,510)	(28,571)	(46,081)
Dividends on Class A Common Stock/Units, \$0.21 per share	—	—	—	—	(5,918)	—	—	—	(5,918)
Foreign currency translation adjustment	—	—	—	—	—	9	—	—	9
Reallocation of equity	—	—	—	3,383	—	—	—	(3,383)	—
Balance as of March 31, 2022	<u>\$ —</u>	<u>\$ 289</u>	<u>\$ 859</u>	<u>\$ 59,247</u>	<u>\$ 21,038</u>	<u>\$ (12)</u>	<u>\$ 311,915</u>	<u>\$ 245,088</u>	<u>\$ 638,424</u>
Balance as of December 31, 2020	\$ 186,091	\$ —	\$ —	\$ —	\$ —	\$ 4	\$ 15,376	\$ —	\$ 201,471
Net income prior to Transactions and IPO	36,771	—	—	—	—	—	3,949	—	40,720
Foreign currency translation adjustment prior to Transactions and IPO	—	—	—	—	—	1	—	—	1
Share-based compensation prior to Transactions and IPO	741	—	—	—	—	—	100	—	841
Capital contributions prior to Transactions and IPO	428	—	—	—	—	—	—	—	428
Distributions prior to Transactions and IPO	(21,796)	—	—	—	—	—	(6,190)	—	(27,986)
Repurchase of membership interests prior to Transactions and IPO	(68)	—	—	—	—	—	(43)	—	(111)
Balance as of March 31, 2021	<u>\$ 202,167</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 5</u>	<u>\$ 13,192</u>	<u>\$ —</u>	<u>\$ 215,364</u>

For a description of the Transactions related to our initial public offering ("IPO") refer to Note 1.

(1) Net investment in Common Control Group ("CCG")

(2) Non-controlling interests ("NCI") in Bridge Investment Group Holdings LLC or Common Control Group

(3) Non-controlling interests ("NCI") in Bridge Investment Group Holdings Inc.

See accompanying notes to condensed consolidated and combined financial statements.

BRIDGE INVESTMENT GROUP HOLDINGS INC.
Condensed Consolidated and Combined Statements of Cash Flows (Unaudited)
(Dollar amounts in thousands)

	Three Months Ended March 31,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 97,505	\$ 40,720
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	633	753
Amortization of financing costs and debt discount and premium	131	131
Share-based compensation	7,266	841
Equity in income of investments	(997)	(4,258)
Changes in unrealized gain on General Partner notes payable	(171)	(1,540)
Amortization of lease liabilities	(100)	(68)
Unrealized performance allocations	(65,862)	(14,719)
Unrealized accrued performance allocations compensation	9,238	1,429
Changes in operating assets and liabilities:		
Receivable from affiliates	(19,873)	2,499
Prepaid and other assets	2,140	1,792
Accounts payable and accrued expenses	13,320	(3,814)
Accrued payroll and benefits	5,921	1,862
Other liabilities	323	(298)
Insurance loss and self-insurance reserves	1,475	(179)
Accrued performance allocations compensation	(560)	1,153
Net cash provided by operating activities	50,389	26,304
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	(17,273)	(2,584)
Distributions from investments	1,147	-
Issuance of notes receivable	(68,980)	(60,001)
Proceeds from collections on notes receivable	190,092	96,392
Purchase of tenant improvements, furniture and equipment	(195)	(133)
Deposits	(13,748)	—
Cash paid for acquisition, net of cash acquired	(15,089)	—
Net cash provided by investing activities	75,954	33,674
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contributions from non-controlling interests	170	429
Distributions to non-controlling interests	(46,081)	(27,986)
Repurchase of membership interests	—	(111)
Repayments of General Partner notes payable	(103)	(62)
Dividends paid on Class A common stock	(5,918)	—
Net cash used in financing activities	(51,932)	(27,730)
Net increase in cash, cash equivalents, and restricted cash	74,411	32,248
Cash, cash equivalents and restricted cash - beginning of period	83,872	107,354
Cash, cash equivalents and restricted cash - end of period	<u>\$ 158,283</u>	<u>\$ 139,602</u>
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	\$ 618	\$ 410
Cash paid for interest	3,041	3,019
Non-cash investing and financing activities:		
Establishment of lease liabilities in exchange for lease right-of-use assets	\$ 15,824	\$ —
Origination of short-term loan receivable for prepaid acquisitions	40,000	—
Deferred tax effect resulting from exchange of Class A Units under Tax Receivable Agreement	5,166	—
Issuance of Class A Units for acquisition	14,930	—
Non-controlling interest assumed in business combination	20,053	—
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	\$ 149,121	\$ 133,620
Restricted cash	9,162	5,982
Cash, cash equivalents, and restricted cash	<u>\$ 158,283</u>	<u>\$ 139,602</u>

See accompanying notes to condensed consolidated and combined financial statements.

BRIDGE INVESTMENT GROUP HOLDINGS INC.
Notes to Condensed Consolidated and Combined Financial Statements

1. ORGANIZATION

Bridge Investment Group Holdings Inc. (the “Company”) is a leading, vertically integrated real estate investment manager, diversified across specialized asset classes. Our business operation includes ten specialized and synergistic investment platforms, including Multifamily, Workforce and Affordable Housing, Seniors Housing, Office, Development, Net Lease Income, Logistics, Debt Strategies, Agency MBS and Single-Family Rental. We provide investors with a diverse range of real estate investment products managed by our dedicated, specialized and synergistic investment teams. Our broad range of products allow us to capture new market opportunities and serve investors with various investment objectives.

The Company was incorporated as a Delaware corporation on March 18, 2021, for the purpose of facilitating an initial public offering (“IPO”) and other related transactions in order to carry on the business of Bridge Investment Group Holdings LLC (formerly known as Bridge Investment Group LLC, or, the “Operating Company”), and its wholly owned subsidiaries. The Company is the sole managing member of the Operating Company, and its only material asset is its ownership interest in the Operating Company. As the sole managing member of the Operating Company, Bridge Investment Group Holdings Inc. indirectly operates and controls all of the Operating Company’s business and affairs.

The Operating Company is the ultimate controlling entity, through its wholly owned subsidiary Bridge Fund Management Holdings LLC, of the following investment manager entities, which we refer to collectively as the Fund Managers: Bridge Multifamily Fund Manager LLC, Bridge Seniors Housing Fund Manager LLC (“BSHM”), Bridge Debt Strategies Fund Manager LLC, Bridge Office Fund Manager LLC (“BOFM”), Bridge Development Fund Manager LLC, Bridge Agency MBS Fund Manager LLC, Bridge Net Lease Fund Manager LLC, Bridge Logistics Properties Fund Manager LLC, and Bridge Single-Family Rental Fund Manager LLC (together, the “Fund Managers”). The Fund Managers provide real estate and fund investment advisory services on a discretionary basis to multiple investment funds and other vehicles, including joint venture real estate projects, separately managed accounts and privately offered real estate-related limited partnerships, including any parallel investment vehicles and feeder funds (collectively, the “funds”). The Operating Company is entitled to a pro rata portion of the management fees of the funds based on its ownership in the Fund Managers.

Each time that we establish a new fund, our direct owners establish a new general partner for that fund. We refer to these general partners collectively as the “Bridge GPs.” The Operating Company and the Bridge GPs are under common control by the direct owners of the Operating Company and the Bridge GPs. Under the terms of the Bridge GP operating agreements, they are entitled to performance fees from the funds once certain threshold returns are achieved for the limited partners.

Reorganization in Connection with IPO

In connection with the IPO, the Company completed a series of organizational transactions (the “Transactions”). The Transactions included:

- The Operating Company amended and restated its existing limited liability company agreement to, among other things, (1) convert the Operating Company to a limited liability company organized under the laws of the State of Delaware, (2) change the name of the Operating Company from “Bridge Investment Group LLC” to “Bridge Investment Group Holdings LLC,” (3) convert all existing ownership interests in the Operating Company into 97,463,981 Class A Units and a like amount of Class B Units and (4) appoint the Company as the sole managing member of the Operating Company upon its acquisition of LLC Interests;
- The Company amended and restated its certificate of incorporation to, among other things, provide for (1) the recapitalization of the Company’s outstanding shares of existing common stock into one share of Class A common stock, (2) the authorization of additional shares of Class A common stock, with each share of Class A common stock entitling its holder to one vote per share on all matters presented to the Company’s stockholders generally and (3) the authorization of shares of Class B common stock, with each share of Class B common stock entitling its holder to ten votes per share on all matters presented to the Company’s stockholders generally, and that shares of Class B common stock may only be held by the Continuing Equity Owners and their respective permitted transferees;
- A series of transactions were effectuated such that, among other things, direct and indirect owners of interests in the Operating Company, various fund manager entities, and certain general partner entities contributed all or part of their respective interests to the Operating Company shares of Class B common stock and Class A Units, a portion of which were further contributed to the Company in exchange for shares of Class A common stock; and

•The Company entered into (1) a stockholders agreement with certain of the Continuing Equity Owners (including each of our executive officers), (2) a registration rights agreement with certain of the Continuing Equity Owners (including each of our executive officers) and (3) a tax receivable agreement with the Operating Company and the Continuing Equity Owners (the “Tax Receivable Agreement”).

Initial Public Offering

On July 20, 2021, the Company completed its initial public offering of 18,750,000 shares of its Class A common stock at a public offering price of \$16.00 per share (the “IPO”) receiving approximately \$277.2 million in net proceeds, after deducting the underwriting discounts and commissions and estimated offering expenses. The net proceeds from the IPO were used to purchase 18,750,000 newly issued Class A common units (“Class A Units”) from the Operating Company at a price per unit equal to the initial public offering price per share of Class A common stock in the IPO, less the underwriting discounts and commissions and estimated offering expenses. The Operating Company used net proceeds from the public offering to pay approximately \$139.9 million in cash to redeem certain of the Class A Units held directly or indirectly by certain of the owners of LLC Interests in the Operating Company, prior to the IPO (collectively, “Original Equity Owners”). See Note 16, “Shareholders’ Equity,” for additional details.

In connection with the IPO, owners of the Contributed Bridge GPs contributed 24% to 40% of their interests in the respective Contributed Bridge GPs in exchange for LLC Interests in the Operating Company. Prior to the IPO, the Operating Company did not have any direct interest in the Contributed Bridge GPs. These combined financial statements prior to the IPO include 100% of the operations of the Contributed Bridge GPs for the periods presented on the basis of common control.

Subsequently, on August 12, 2021, the underwriters exercised their over-allotment option to purchase an additional 1,416,278 shares of our Class A common stock. The Company used 100% of the net proceeds of approximately \$18.2 million, after taking into account the underwriting discounts and commissions and estimated offering expenses, to purchase 1,416,278 newly issued Class A Units directly from the Operating Company, at a price per Class A Unit equal to the IPO price per share of Class A common stock in the IPO, less the underwriting discounts and commissions and estimated offering expenses payable by the Company. The Operating Company used all of the net proceeds from the sale of Class A Units to the Company related to this over-allotment option to redeem certain of the Class A Units held directly or indirectly by certain of the Original Equity Owners.

Prior to the IPO, the Operating Company and the then-existing Bridge GPs were under common control by the Original Equity Owners. The Original Equity Owners had the ability to control the Operating Company and each applicable Bridge GP and manage and operate these entities through the Fund Managers, a common board of directors, common ownership, and shared resources and facilities. The Operating Company and the then-existing Bridge GPs represented the predecessor history for the consolidated operations. As a result, the financial statements for the periods prior to the IPO are the combined financial statements of the Operating Company and the then-existing Bridge GPs, as applicable, as the predecessor to the Company for accounting and reporting purposes. We carried forward unchanged the value of the related assets and liabilities recognized in the Contributed Bridge GPs’ financial statements prior to the IPO into our financial statements. We have assessed the Contributed Bridge GPs for consolidation subsequent to the Transactions and IPO and have concluded that the Contributed GPs represent variable interests for which the Operating Company is the primary beneficiary. As a result, the Operating Company consolidates the Contributed Bridge GPs following the Transactions. BDS I GP LLC was not contributed as part of the Transactions and as such, was derecognized upon the Company’s IPO.

As part of the Transactions, the Operating Company acquired the non-controlling interest of its consolidated subsidiaries BSHM and BOFM, which was accounted for as an equity transaction with no gain or loss recognized in the combined statement of operations. The carrying amounts of the non-controlling interest in BSHM and BOFM were adjusted to zero.

Following the Transactions and the IPO, the Company became a holding company whose principal asset is a controlling financial interest in the Operating Company through its ownership of the Operating Company’s Class A Units and 100% of the Class B Common Units (“Class B Units”) (voting only) in the Operating Company. The Company acts as the sole managing member of the Operating Company and, as a result, indirectly operates and controls all of the Operating Company’s business and affairs and its direct and indirect subsidiaries. As a result, the Company consolidates the financial results of the Operating Company and reports non-controlling interests related to the Class A Units of the Operating Company. The assets and liabilities of the Operating Company represent substantially all of the Company’s consolidated assets and liabilities, with the exception of certain deferred income taxes and payables due to affiliates pursuant to the Tax Receivable Agreement, as amended and restated (the “TRA”) (see Note 15, “Income Taxes,” for additional information). As of March 31, 2022, the Company held approximately 23% of the economic interest in the Operating Company. To the extent the Operating Company’s members exchange their Class A Units into the Company’s Class A common stock in the future, the Company’s economic interest in the Operating Company will increase.

2.SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation — The Operating Company and the Contributed Bridge GPs were historically under common control. Prior to the IPO, the financial statements were the combined financial statements of the Operating Company and the then-existing Contributed Bridge GPs. Subsequent to the IPO, the financial statements are the consolidated financial statements of the Company and its subsidiaries. The accompanying unaudited condensed consolidated and combined financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information. Management believes it has made all necessary adjustments (consisting of only normal recurring items) such that the condensed consolidated and combined financial statements are presented fairly and that estimates made in preparing the condensed consolidated and combined financial statements are reasonable and prudent. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. The condensed consolidated and combined financial statements include the accounts of the Company, its wholly owned or majority-owned subsidiaries and entities in which the Company is deemed to have a direct or indirect controlling financial interest based on either a variable interest model or voting interest model. All intercompany balances and transactions have been eliminated in consolidation. These unaudited condensed consolidated and combined financial statements should be read in conjunction with the Company’s audited consolidated and combined financial statements included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2021, filed with the Securities and Exchange Commission (“SEC”).

Reclassifications — Certain prior year amounts on the condensed consolidated balance sheet have been reclassified to conform with the presentation as of March 31, 2022. These prior year reclassifications included combining current and long-term asset classifications to present a non-classified balance sheet and to condense tenant improvements, furniture and equipment with other assets. Certain prior year amounts on the condensed consolidated and combined statement of operations related to fund administration fees were reclassified from other asset management and property income to conform with presentation as of March 31, 2022.

These reclassifications did not affect net income or shareholders’ equity as of or for the periods ended March 31, 2022 and December 31, 2021, respectively.

Principles of Consolidation — The Company consolidates entities in which it has a controlling financial interest by first considering if an entity meets the definition of a variable interest entity (“VIE”) for which the Company is deemed to be the primary beneficiary, or if the Company has the power to control an entity through a majority of voting interest or through other arrangements.

Variable Interest Entities — A VIE is consolidated by its primary beneficiary, which is defined as the party who has a controlling financial interest in the VIE through (a) power to direct the activities of the VIE that most significantly affect the VIE’s economic performance, and (b) obligation to absorb losses or right to receive benefits of the VIE that could be significant to the VIE. The Company also considers interests held by its related parties, including de facto agents. The Company may perform a related party analysis to assess whether it is a member of a related party group that collectively meets the power and benefits criteria and, if so, whether the Company is most closely associated with the VIE. In performing the related party analysis, the Company considers both qualitative and quantitative factors, including, but not limited to: the amount and characteristics of its investment relative to the related party; the Company’s and the related party’s ability to control or significantly influence key decisions of the VIE including consideration of involvement by de facto agents; the obligation or likelihood for the Company or the related party to fund operating losses of the VIE; and the similarity and significance of the VIE’s business activities to those of the Company and the related party. The determination of whether an entity is a VIE, and whether the Company is the primary beneficiary, may involve significant judgment, including the determination of which activities most significantly affect the entities’ performance, and estimates about the current and future fair values and performance of assets held by the VIE.

Voting Interest Entities — Unlike VIEs, voting interest entities have sufficient equity to finance their activities and equity investors exhibit the characteristics of a controlling financial interest through their voting rights. The Company consolidates such entities when it has the power to control these entities through ownership of a majority of the entities’ voting interests or through other arrangements.

At each reporting period, the Company reassesses whether changes in facts and circumstances cause a change in the status of an entity as a VIE or voting interest entity, and/or a change in the Company’s consolidation assessment. Changes in consolidation status are applied prospectively. An entity may be consolidated as a result of this reassessment, in which case, the assets, liabilities and non-controlling interest in the entity are recorded at fair value upon initial consolidation. Any existing equity interest held by the Company in the entity prior to the Company obtaining control will be remeasured at fair value, which may result in a gain or loss recognized upon initial consolidation. The Company may also deconsolidate a subsidiary as a result of this reassessment, which may result in a gain or loss recognized upon deconsolidation depending on the carrying values of deconsolidated assets and liabilities compared to the fair value of any interests retained.

Non-controlling Interests — Non-controlling interests represent the share of consolidated entities owned by third parties. Bridge recognizes each non-controlling shareholder's respective ownership at the estimated fair value of the net assets at the date of formation or acquisition. Non-controlling interests are subsequently adjusted for the non-controlling shareholder's additional contributions, distributions and their share of the net earnings or losses of each respective consolidated entity. Net income is allocated to non-controlling interests based on the weighted-average ownership interest during the period. The net income that is not attributable to Bridge is reflected in net income attributable to non-controlling interests in the consolidated statements of operations and comprehensive income and shareholders' equity.

Non-controlling interests include non-controlling interests attributable to Bridge Investment Group Holdings Inc. and non-controlling interests attributable to the Operating Company. Non-controlling interests attributable to the Operating Company represent third-party equity interests in the Operating Company subsidiaries related to general partner and fund manager equity interests as well as profit interests awards. Non-controlling interests attributable to Bridge Investment Group Holdings Inc. include equity interests in the Operating Company owned by third-party investors. Non-controlling interests in the Operating Company are adjusted to reflect their ownership percentage in the Operating Partnership at the end of the period, through a reallocation between controlling and non-controlling interest in the Operating Partnership, as applicable.

Use of Estimates — The preparation of condensed consolidated and combined financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Management believes that estimates utilized in the preparation of the consolidated financial statements are prudent and reasonable. Such estimates include those used in the valuation of investments, which directly affect accrued performance allocations and related compensation, the carrying amount of the Company's equity method investments, the measurement of deferred tax balances (including valuation allowances), and the accounting for goodwill, all of which involve a high degree of judgement and complexity and may have a significant impact on net income. Actual results could differ from those estimates and such differences could be material.

The COVID-19 pandemic has caused uncertainty and disruption in the global economy and financial markets. As a result, management's estimates and assumptions may be subject to a higher degree of variability and volatility that may result in material differences from the current period.

Cash and Cash Equivalents — The Company considers all cash on hand, demand deposits with financial institutions and short-term highly liquid investments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents are financial instruments that are exposed to concentrations of credit risk. Cash balances may be invested in money market accounts that are not insured. The Company holds and invests its cash with high-credit quality institutions in amounts that regularly exceed the amount insured by the Federal Deposit Insurance Corporation for a single financial institution. However, the Company has not realized any losses in such cash investments or accounts and believes it is not exposed to any significant credit risk.

Restricted Cash — Restricted cash primarily consists of a collateral trust account for the benefit of the insurance carriers associated with Bridge Investment Group Risk Management, Inc. ("BIGRM"). These funds are held as collateral for the insurance carriers in the event of a claim that would require a high deductible payment from BIGRM.

Marketable Securities — The Company's marketable securities are classified as trading securities and reported at fair value, with changes in fair value recognized through realized and unrealized gains (losses) on investments. Fair value is based on quoted prices for identical assets in active markets. Realized gains and losses are determined on the basis for the actual cost of the securities sold. Dividends on equity securities are recognized as income when declared.

Fair Value — GAAP establishes a hierarchical disclosure framework that prioritizes the inputs used in measuring financial instruments at fair value into three levels based on their market price observability. Market price observability is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Financial instruments with readily available quoted prices from an active market or for which fair value can be measured based on actively quoted prices generally have a higher degree of market price observability and a lesser degree of judgment inherent in measuring fair value.

Financial assets and liabilities measured and reported at fair value are classified as follows:

- Level 1 — Pricing inputs are unadjusted, quoted prices in active markets for identical assets or liabilities as of the measurement date.
- Level 2 — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in inactive markets; and model-derived valuations with directly or indirectly observable significant inputs. Level 2 inputs include prices in markets with few transactions, non-current prices, prices for which little public information exists or

prices that vary substantially over time or among brokered market makers. Level 2 inputs include interest rates, yield curves, volatilities, prepayment risks, loss severities, credit risks and default rates.

•Level 3 — Valuations that rely on one or more significant unobservable inputs. These inputs reflect the Company's assessment of the assumptions that market participants would use to value the instrument based on the best information available.

In some instances, an instrument may fall into more than one level of the fair value hierarchy. In such instances, the instrument's level within the fair value hierarchy is based on the lowest of the three levels (with Level 3 being the lowest) that is significant to the fair value measurement. The Company's assessment of the significance of an input requires judgment and considers factors specific to the instrument. The Company accounts for the transfer of assets into or out of each fair value hierarchy level as of the beginning of the reporting period. (See Note 7 "Fair Value Measurements" for further detail.)

Fair Value Option — The fair value option provides an option to elect fair value as a measurement alternative for selected financial instruments. (See Note 7 "Fair Value Measurements" for further detail). The fair value option may be elected only upon the occurrence of certain specified events, including when the Company enters into an eligible firm commitment, at initial recognition of the financial instrument, as well as upon a business combination or consolidation of a subsidiary. The election is irrevocable unless a new election event occurs. The Company elected the fair value option for the General Partner notes payable. The carrying value of the General Partner notes payable represents the related General Partner lenders' net asset value ("NAV"), in the respective fund and the General Partner lenders are entitled to receive distributions and carried interest. The NAV changes over time so marking the General Partner notes payable to fair value reflect these changes.

Receivables from Affiliates — Receivables consist principally of amounts due from the funds and other affiliates. These include receivables associated with fund or asset management fees, property management fees and other fees. Additionally, the Company is entitled to reimbursements and/or recovers certain costs paid on behalf of the private funds managed by the Company and related properties operated by the Company, which include: (i) organization and offering costs associated with the formation and offering; (ii) direct and indirect operating costs associated with managing the operations of the properties; and (iii) costs incurred in performing investment due diligence. During the normal course of business, the Company makes short-term uncollateralized loans to the funds for asset acquisition and working capital.

The Company also has notes receivable with employees to purchase an equity interest in the Company or its affiliates or managed funds. Interest income is recognized based upon contractual interest rate and unpaid principal balance of the loans. Loan fees on originated loans are deferred and amortized as adjustments to interest income over the expected life of the loans using the effective yield method.

The Company facilitates the payments of these fees, which are recorded as receivables, principally from affiliated parties on the condensed consolidated balance sheets, until such amounts are repaid. The Company assesses the collectability of such receivables considering the offering period, historical and forecasted capital raising, and establishes an allowance for any balances considered not collectible. None of the receivables were considered not collectible as of March 31, 2022 and December 31, 2021, respectively.

Accrued Performance Allocations — Performance allocations that are received in advance that remain subject to clawback are recorded as accrued performance allocations in the consolidated balance sheets. The Company's share of net income or loss may differ from the stated ownership percentage interest in an entity if the governing documents prescribe a substantive non-proportionate earnings allocation formula or a preferred return to certain investors. The Company's share of earnings (losses) from equity method investments is determined using a balance sheet approach referred to as the hypothetical liquidation at book value ("HLBV") method. Under the HLBV method, at the end of each reporting period Bridge calculates the accrued performance allocations that would be due to Bridge for each fund pursuant to the fund agreements as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. As the fair value of underlying investments varies between reporting periods, it is necessary to make adjustments to amounts recorded as accrued performance allocations to reflect either (a) positive performance resulting in an increase in the accrued performance allocation to the general partner, or (b) negative performance that would cause the amount due to Bridge to be less than the amount previously recognized as revenue, resulting in a negative adjustment to the accrued performance allocation to the general partner. In each scenario, it is necessary to calculate the accrued performance allocation on cumulative results compared to the accrued performance allocation recorded to date and make the required positive or negative adjustments. Bridge ceases to record negative performance allocations once previously accrued performance allocations for such fund have been fully reversed. Bridge is not obligated to pay guaranteed returns or hurdles in this situation, and therefore, cannot have negative performance allocations over the life of a fund. The carrying amounts of equity method investments are reflected in accrued performance allocations on the consolidated balance sheets as of March 31, 2022 and December 31, 2021, respectively, which are based on asset valuations one quarter in arrears.

Other Investments — A non-controlling, unconsolidated ownership interest in an entity may be accounted for using one of: (i) equity method where applicable; (ii) fair value option if elected; (iii) fair value through earnings if fair value is readily determinable, including election of net asset value (“NAV”) practical expedient where applicable; or (iv) for equity investments without readily determinable fair values, the measurement alternative to measure at cost adjusted for any impairment and observable price changes, as applicable. Changes in fair value of equity method investments are recorded as realized and unrealized gains (losses) in other income (expense) on the condensed consolidated and combined statements of operations.

Equity Method Investments

The Company accounts for investments under the equity method of accounting if it has the ability to exercise significant influence over the operating and financial policies of an entity but does not have a controlling financial interest. The equity method investment is initially recorded at cost and adjusted each period for capital contributions, distributions and the Company’s share of the entity’s net income or loss as well as other comprehensive income or loss.

For certain equity method investments, the Company records its proportionate share of income on a one to three-month lag. Distributions of operating profits from equity method investments are reported as operating activities, while distributions in excess of operating profits are reported as investing activities in the condensed consolidated and combined statements of cash flows under the cumulative earnings approach.

Impairment of Investments

Evaluation of impairment applies to equity method investments and equity investments under the measurement alternative. If indicators of impairment exist, the Company will estimate the fair value of its investment. In assessing fair value, the Company generally considers, among others, the estimated enterprise value of the investee or fair value of the investee’s underlying net assets, including net cash flows to be generated by the investee as applicable, and for equity method investees with publicly traded equity, the traded price of the equity securities in an active market.

For investments under the measurement alternative, if the carrying value of the investment exceeds its fair value, an impairment is deemed to have occurred.

For equity method investments, further consideration is made if a decrease in value of the investment is other-than-temporary to determine if impairment loss should be recognized. Assessment of other-than-temporary impairment (“OTTI”) involves management judgment, including, but not limited to, consideration of the investee’s financial condition, operating results, business prospects and creditworthiness, the Company’s ability and intent to hold the investment until recovery of its carrying value, or a significant and prolonged decline in traded price of the investee’s equity security. If management is unable to reasonably assert that an impairment is temporary or believes that the Company may not fully recover the carrying value of its investment, then the impairment is considered to be other-than-temporary.

Leases — In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842) (“ASC 842”). ASC 842 requires an entity to recognize right-of-use assets and lease liabilities on its balance sheet for all leases and to disclose certain information about leasing arrangements. Lessees and lessors are required to disclose qualitative and quantitative information about leasing arrangements to enable a user of the financial statements to assess the amount, timing and uncertainty of cash flows arising from leases. For public business entities, ASC 842 was effective for annual reporting periods beginning after December 15, 2018. On June 3, 2020, the FASB extended the adoption date for all other entities, including emerging growth companies (“EGCs”), as defined by the SEC, that have elected to defer adoption until the standard is effective for non-public business entities, to annual periods beginning after December 15, 2021, and interim periods within annual periods beginning after December 15, 2022, with early adoption permitted. The Company qualifies as an EGC and elected to take advantage of the extended transition period afforded to EGCs as it applies to the adoption of new accounting standards.

In July 2018, the FASB issued ASU 2018-11, *Targeted Improvements to Topic 842, Leases* (“ASU 2018-11”). This guidance allows entities to not apply the new lease standard in the comparative periods they present in their financial statements in the year of adoption. In addition, this guidance provides lessors with a practical expedient to not separate non-lease components from the associated lease components when certain criteria is met. The Company adopted ASC 842 on January 1, 2022, using the practical expedient to not apply the new lease standard in the comparative periods presented in the financial statements allowed for in ASU 2018-11. The Company also applied the package of practical expedients, which exempts the Company from having to reassess whether any expired or expiring contracts contain leases, revisit lease classification for any expired or expiring leases and reassess initial direct costs for any existing leases. The Company did not, however, elect the hindsight practical expedient to determine the lease terms for existing leases.

Upon adoption of ASC 842, the Company recorded a right-of-use (“ROU”) asset and lease liability of approximately \$13.7 million and \$15.8 million, respectively, which represents the aggregate discounted amount of the Company’s minimum lease obligations as of the adoption date. Included in the ROU asset was approximately \$2.1 million of deferred rent and lease incentives, which was reclassified from other liabilities upon adoption of ASC 842; however, these amounts were not reclassified as of December 31, 2021, and are therefore not comparative. The adoption of this standard did not have a material impact on the condensed consolidated statement of operations for the three months ended March 31, 2022, as all of the Company’s leases are still classified as operating leases, which under the new guidance will continue to be recognized as expense on a straight-line basis.

The Company determines whether an arrangement contains a lease at inception of the arrangement. A lease is a contract that provides the right to control an identified asset for a period of time in exchange for consideration. For identified leases, the Company determines the classification as either an operating or finance lease. The Company primarily enters into operating lease agreements, as the lessee, for office space and certain equipment. Operating leases are included in other assets and other liabilities in the condensed consolidated balance sheet. Certain leases include lease and non-lease components, which the Company accounts for separately. Lease ROU assets and lease liabilities are measured based on the present value of future minimum lease payments over the lease term at the commencement date. Leases may include options to extend or terminate the lease which are included in the ROU assets and lease liability when they are reasonably certain of exercise. Lease ROU assets are presented net of deferred rent and lease incentives. The Company uses its incremental borrowing rate based on information available at the inception date in determining the present value of future minimum lease payments. Operating lease expense associated with minimum lease payments is recognized on a straight-line basis over the lease term in general, administrative and other expenses in the condensed consolidated statements of income. Minimum lease payments for leases with an initial term of twelve months or less are not recorded in the condensed consolidated balance sheet. See Note 17 for more information.

Business Combinations — The determination of whether an acquisition qualifies as an asset acquisition or business combination is an area that requires management’s use of judgment in evaluating the criteria of the screen test.

Definition of a Business — The Company evaluates each purchase transaction to determine whether the acquired assets meet the definition of a business. If substantially all of the fair value of gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets, then the set of transferred assets and activities is not a business. If not, for an acquisition to be considered a business, it would have to include an input and a substantive process that together significantly contribute to the ability to create outputs (i.e., there is a continuation of revenue before and after the transaction). A substantive process is not ancillary or minor, cannot be replaced without significant costs, effort or delay or is otherwise considered unique or scarce. To qualify as a business without outputs, the acquired assets would require an organized workforce with the necessary skills, knowledge and experience that performs a substantive process.

Asset Acquisitions — For acquisitions that are not deemed to be businesses, the assets acquired are recognized based on their cost to the Company as the acquirer and no gain or loss is recognized. The cost of assets acquired in a group is allocated to individual assets within the group based on their relative fair values and does not give rise to goodwill. Transaction costs related to acquisition of assets are included in the cost basis of the assets acquired.

Acquisitions of Businesses — The Company accounts for acquisitions that qualify as business combinations by applying the acquisition method. Transaction costs related to acquisition of a business are expensed as incurred and excluded from the fair value of consideration transferred. The identifiable assets acquired, liabilities assumed and non-controlling interests in an acquired entity are recognized and measured at their estimated fair values. The excess of the fair value of consideration transferred over the fair values of identifiable assets acquired, liabilities assumed and non-controlling interests in an acquired entity, net of fair value of any previously held interest in the acquired entity, is recorded as goodwill. Such valuations require management to make significant estimates and assumptions.

Goodwill — Goodwill represents the excess amount of consideration transferred in a business combination above the fair value of the identifiable net assets. As of March 31, 2022 and December 31, 2021, the Company had goodwill of \$56.0 million and \$9.8 million, respectively. In January 2022, the Company acquired a 60% interest in Gorelick Brothers Capital’s (“GBC”) asset and property management business. The acquisition of GBC was accounted for as a business combination and recorded pursuant to the acquisition method of accounting. A majority of the fair value of the purchase consideration was attributed to goodwill, which was due to synergies expected through the ability to provide a vertically integrated approach upon launching the Bridge Single-Family Rental (“Bridge SFR”) investment strategy. Refer to Note 8 for further details on the GBC transaction. As of December 31, 2021, the Company had goodwill of \$9.8 million related to the acquisitions of Bridge Property Management, L.C. (“BPM”) and Bridge Acquisitions, Asset Management, and Dispositions LLC (“BAA&D”) in 2012, and Bridge Commercial Real Estate LLC (“BCRE”) and affiliated companies in 2016.

Goodwill is assessed for impairment at least annually using a qualitative and, if necessary, a quantitative approach. The Company performs its annual goodwill impairment test as of December 31, or more frequently, if events and circumstances indicate

that an impairment may exist. Goodwill is tested for impairment at the reporting unit level. The initial assessment for impairment under the qualitative approach is to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount, including goodwill. If the qualitative assessment indicates that it is more likely than not that the fair value of a reporting unit is less than the carrying amount, a quantitative assessment is performed to measure the amount of impairment loss, if any. The quantitative assessment includes comparing the fair value of a reporting unit with its carrying amount, including goodwill. If the carrying amount of the reporting unit exceeds its fair value, an impairment loss is recognized equal to the lesser of (a) the difference between the carrying amount of the reporting unit and its fair value and (b) the total carrying amount of the reporting unit's goodwill. The Company performed an annual goodwill impairment assessment as of December 31, 2021, and determined that there was no impairment of goodwill.

The Company also tests goodwill for impairment in other periods if an event occurs or circumstances change such that it is more likely than not to reduce the fair value of the reporting unit below its carrying amount. Inherent in such fair value determinations are certain judgments and estimates relating to future cash flows, including the Company's interpretation of current economic indicators and market valuations, and assumptions about the Company's strategic plans with regard to its operations. Due to the uncertainties associated with such estimates, actual results could differ from such estimates. As of March 31, 2022, there were no indicators of goodwill impairment.

Revenue Recognition — Revenues consist of fund management fees, property management and leasing fees, construction management fees, development fees, transaction fees, insurance premiums and other asset management and property income. The Company recognizes revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company's revenue is based on contracts with a determinable transaction price and distinct performance obligations with probable collectability. Revenues are not recognized until the performance obligation(s) are satisfied.

Fund Management Fees — Fund management fees are generally based on a defined percentage of total commitments, invested capital or NAV of the investment portfolios managed by the Fund Managers. Following the expiration or termination of the investment period, the basis on which management fees are earned for certain closed-end funds and managed accounts, generally changes from committed capital to invested capital with no change in the management fee rate. The fees are generally based on a quarterly measurement period and amounts are paid in advance of recognizing revenue. Fund management fees are recognized as revenue in the period advisory services are rendered, subject to our assessment of collectability. Fund management fees also include management fees for joint ventures and separately managed accounts. For Company sponsored closed-end funds, the capital raising period is generally 18 to 24 months. The Fund Managers charge catch-up management fees to investors who subscribe in later closings in amounts equal to the fees they would have paid if they had been in the initial closing (plus interest as if the investor had subscribed in the initial closing). Catch-up management fees are recognized in the period in which the limited partner subscribes to the fund. Fund management fees are presented net of placement agent fees, where Bridge is acting as an agent in the arrangement.

Property Management and Leasing Fees — Property management fees are earned as the related services are provided under the terms of the respective property management agreements. Included in management fees are certain expense reimbursements where the Company is considered the principal under the agreements and is required to record the expense and related reimbursement revenue on a gross basis. The Company also earns revenue associated with the leasing of commercial assets. The revenue is recognized upon the execution of the lease agreement.

Construction Management Fees — Construction management fees are earned as the services are provided under the terms of the property management agreement with each property.

Development Fees — Development fees are earned as the services are provided under the terms of the development agreement with each asset.

Transaction Fees — The Company earns transaction fees associated with the due diligence related to the acquisition of assets and financing of assets. The fees are recognized upon the acquisition of the asset or origination of the mortgage or other debt, as applicable.

Fund Administration Fees — The Company earns fund administration fees as services are provided under the terms of the respective fund administration agreement. Fund administration fees include a fixed annual amount plus a percentage of

invested or deployed capital. Fund administration fees also include investor services fees which are based on an annual fee per investor.

Insurance Premiums — BIGRM insures multifamily and commercial properties owned by the funds. BIGRM insures direct risks including lease security deposit fulfillment, lessor legal liability, workers compensation deductible, property deductible and general liability deductible reimbursements. Tenant liability premiums are earned monthly. Deposit eliminator premiums are earned in the month that they are written. Workers' compensation and property deductible premiums are earned over the terms of the policy period.

Other Asset Management and Property Income — Other Asset Management and Property Income is comprised of, among other things interest on catch-up management fees, fees related to in-house legal and tax professional fees, which is generally billed on an hourly rate to various Bridge funds and properties and other miscellaneous fees.

Investment Income — Investment income is based on certain specific hurdle rates as defined in the applicable investment management agreements or fund or joint venture governing documents. Substantially all performance income is earned from funds and joint ventures managed by affiliates of the Company.

Incentive Fees — Incentive fees comprise fees earned from certain fund investor investment mandates for which the Company does not have a general partner interest in a fund. The Company recognizes incentive fee revenue only when these amounts are realized and no longer subject to significant reversal, which is typically at the end of a defined performance period and/or upon expiration of the associated clawback period.

Performance Allocations — The Company accounts for accrued performance obligations, which represents a performance-based capital allocation from a fund General Partner to the Company, as earnings from financial assets within the scope of ASC 323, *Investments*—Equity Method and Joint Ventures. The underlying investments in the funds upon which the allocation is based reflect valuations on a three-month lag. The Company recognizes performance allocation as a separate revenue line item in the consolidated and combined statements of operations with uncollected carried interest as of the reporting date reported within investments in the consolidated balance sheet.

Carried interest is allocated to the Company based on cumulative fund performance to date, subject to the achievement of minimum return levels in accordance with the respective terms set out in each fund's partnership agreement or other governing documents. At the end of each reporting period, a fund will allocate carried interest applicable to the Company based upon an assumed liquidation of that fund's net assets on the reporting date, irrespective of whether such amounts have been realized. Carried interest is recorded to the extent such amounts have been allocated and may be subject to reversal to the extent that the amount allocated exceeds the amount due to the general partner based on a fund's cumulative investment returns. Accordingly, the amount recognized as performance allocation revenue reflects our share of the gains and losses of the associated fund's underlying investments measured at their then-fair values, relative to the fair values as of the end of the prior period.

As the fair value of underlying assets varies between reporting periods, it is necessary to make adjustments to amounts recorded as carried interest to reflect either (i) positive performance resulting in an increase in the carried interest allocated to the Company or (ii) negative performance that would cause the amount due to the Company to be less than the amount previously recognized as revenue, resulting in a reversal of previously recognized carried interest allocated to the Company. Accrued but unpaid carried interest as of the reporting date is recorded within accrued performance allocations compensation in the condensed consolidated balance sheet.

Carried interest is realized when an underlying investment is profitably disposed of, and the fund's cumulative returns are in excess of the specific hurdle rates as defined in the applicable investment management agreements or fund or joint venture governing documents. Since carried interest is subject to reversal, the Company may need to accrue for potential repayment of previously received carried interest. This accrual represents all amounts previously distributed to the Company that would need to be repaid to the funds if the funds were to be liquidated based on the current fair value of the underlying funds' investments as of the reporting date. The actual repayment obligations, however, generally do not become realized until the end of a fund's life.

Employee Compensation and Benefits — Employee compensation and benefits comprises salaries, bonus (including discretionary awards), related benefits, share-based compensation, and cost of processing payroll. Bonuses are accrued over the employment period to which they relate. Equity-classified awards granted to employees that have a service condition are measured at

fair value at date of grant and remeasured at fair value only upon a modification of the award. The fair value of profit interests awards is determined using a Monte Carlo valuation at date of grant or date of remeasurement. The fair value of Restricted Stock Units ("RSUs") and Restricted Stock Awards is determined using the Company's closing stock price on the grant date. The Company recognizes compensation expense over the requisite service period of the awards, with the amount of compensation expense recognized at the end of a reporting period at least equal to the fair value of the portion of the award that has vested through that date. Compensation expense is adjusted for actual forfeitures upon occurrence. Please refer to Note 20, "Share-Based Compensation and Profits Interests," for additional information.

Incentive Fees and Performance Allocations Compensation — The Company records incentive fee compensation when it is probable that a liability has been incurred and the amount is reasonably estimable. The incentive fee compensation accrual is based on a number of factors, including the cumulative activity for the period and the expected timing of the distribution of the net proceeds in accordance with the applicable governing agreement.

A portion of the performance allocations earned is awarded to employees. The Company evaluates performance allocations to determine if they are compensatory awards or equity-classified awards based on the underlying terms of the award agreements on the grant date.

Performance allocations awards granted to employees and other participants are accounted for as a component of compensation and benefits expense contemporaneously with our recognition of the related realized and unrealized performance allocation revenue. Upon a reversal of performance allocation revenue, the related compensation expense, if any, is also reversed. Liabilities recognized for carried interest amounts due to affiliates are not paid until the related performance allocation revenue is realized.

Third-party Operating Expenses — Third-party operating expenses represent transactions, largely operation and leasing of assets, with third-party operators of real estate owned by the funds where the Company was determined to be the principal rather than the agent in the transaction.

Realized and Unrealized Gain (Losses) — Realized gain (loss) occurs when the Company redeems all or a portion of its investment or when the Company receives cash income, such as dividends or distributions. Unrealized appreciation (depreciation) results from changes in the fair value of the underlying investment as well as from the reversal of previously recognized unrealized appreciation (depreciation) at the time an investment is realized. Realized and unrealized gains (losses) are presented together as realized gains (losses) in the condensed consolidated and combined statements of operations.

Finally, the realized and unrealized change in gain (loss) associated with the financial instruments that we elect the fair value option is also included in realized and unrealized gains (losses).

Income Taxes — Prior to the IPO, other than our subsidiaries BIGRM and BPM, the Operating Company and its subsidiaries were limited liability companies or limited partnerships and, as such, were not subject to income taxes and the individual owners of Bridge were required to report their distributive share of the Operating Company's realized income, gains, losses, deductions, or credits on their individual income tax returns. In preparation for the IPO, the Company was incorporated as a corporation for U.S. federal income tax purposes and from the IPO therefore is subject to U.S. federal and state income taxes on its share of taxable income generated by the Operating Company.

The Operating Company is treated as a pass-through entity for U.S. federal and state income tax purposes. As such, income generated by the Operating Company flows through to its members, including the Company, and is generally not subject to U.S. federal or state income tax at the level of the Operating Company. The Operating Company's non-U.S. subsidiaries generally operate as corporate entities in non-U.S. jurisdictions, with certain of these entities subject to local or non-U.S. income taxes. Additionally, certain subsidiaries are subject to local jurisdiction taxes at the entity level, with the related tax provision reflected in the consolidated and combined statements of operations. As a result, the Operating Company does not generally record U.S. federal and state income taxes on its income or that of its subsidiaries, except for certain local and foreign income taxes discussed above.

Taxes are accounted for using the asset and liability method of accounting. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of differences between the carrying amounts of assets and liabilities and their respective tax bases, using tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period when the change is enacted. The principal items giving rise to temporary differences are certain basis differences resulting from exchanges of units in the Operating Company.

Deferred income tax assets is primarily comprised of the TRA between the Operating Company and each of the Continuing Equity Owners and deferred income taxes related to the operations of BIGRM. Deferred tax assets are reduced by a valuation allowance when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The realization of

deferred tax assets is dependent on the amount, timing and character of the Company's future taxable income. When evaluating the realizability of deferred tax assets, all evidence – both positive and negative – is considered. This evidence includes, but is not limited to, expectations regarding future earnings, future reversals of existing temporary tax differences and tax planning strategies.

The Company is subject to the provisions of ASC Subtopic 740-10, *Accounting for Uncertainty in Income Taxes*. This standard establishes consistent thresholds as it relates to accounting for income taxes. It defines the threshold for recognizing the benefits of tax return positions in the financial statements as more likely than not to be sustained by the relevant taxing authority and requires measurement of a tax position meeting the more likely than not criterion, based on the largest benefit that is more than 50% likely to be realized. If upon performance of an assessment pursuant to this subtopic, management determines that uncertainties in tax positions exist that do not meet the minimum threshold for recognition of the related tax benefit, a liability is recorded in the condensed consolidated and combined financial statements. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits as general, administrative and other expenses in the condensed consolidated and combined statements of operations. See Note 15 "Income Taxes" for more information.

Other than BIGRM and Bridge PM, Inc., the Operating Company and its subsidiaries are limited liability companies and partnerships, as such, are not subject to income taxes; the individual members of the Operating Company are required to report their distributive share of the Operating Company's realized income, gains, losses, deductions, or credits on their individual income tax returns.

Tax Receivable Agreement — In connection with the IPO, the Company entered into a TRA with the Operating Company and each of the Continuing Equity Owners that provides for the payment by the Company to the Continuing Equity Owners of 85% of the amount of tax benefits, if any, that the Company actually realizes (or in some circumstances is deemed to realize) as a result of (1) increases in the Company's allocable share of the tax basis of the Operating Company's assets resulting from (a) the Company's purchase of Class A Units directly from the Operating Company and the partial redemption of Class A Units by the Operating Company in connection with the IPO, (b) future redemptions or exchanges (or deemed exchanges in certain circumstances) of Class A Units for Class A common stock or cash and (c) certain distributions (or deemed distributions) by the Operating Company; (2) the Company's allocable share of the existing tax basis of the Operating Company's assets at the time of any redemption or exchange of Class A Units (including in connection with the IPO), which tax basis is allocated to the Class A Units being redeemed or exchanged and acquired by the Company and (3) certain additional tax benefits arising from payments made under the TRA. The Company will retain the benefit of the remaining 15% of these net cash tax savings under the TRA.

Segments — The Company operates as one business, a fully integrated real estate investment manager. The Company's chief operating decision maker, which is the executive chairman, utilizes a consolidated approach to assess financial performance and allocate resources. As such, the Company operates as one business segment.

Earnings Per Share — Basic earnings per share is calculated by dividing net income available to Class A common stockholders by the weighted-average number of Class A common shares outstanding for the period.

Diluted earnings per share of Class A common stock is computed by dividing net income available to Class A common stockholders after giving consideration to the reallocation of net income between holders of Class A common stock and non-controlling interests, by the weighted-average number of shares of Class A common stock outstanding during the period adjusted to give effect to potentially dilutive securities, if any. Potentially dilutive securities include unvested Restricted Stock Awards, RSUs, and Class A Units exchangeable on a one-for-one basis with shares of Class A common stock. The effect of potentially dilutive securities is reflected in diluted earnings per share of Class A common stock using the more dilutive result of the treasury stock method or the two-class method.

Unvested share-based payment awards, including Restricted Stock and RSUs, that contain non-forfeitable rights to dividends (whether paid or unpaid) are participating securities. Outstanding Class A Units are also considered participating securities. As a result of being participating securities, Restricted Stock Awards, RSUs and Class A Units are considered in the computation of earnings per share of Class A common stock pursuant to the two-class method.

3.REVENUE

The Company earns base management fees for the day-to-day operations and administration of its managed private funds and other investment vehicles. Other revenue sources include construction and development fees, insurance premiums, fund administration fees, and other asset management and property income, which includes property management and leasing fees, and are described in more detail in Note 2. The following tables present revenues disaggregated by significant product offerings, which align with the

Company's performance obligations and the basis for calculating each amount for the three months ended March 31, 2022 and 2021, respectively (in thousands):

FUND MANAGEMENT FEES	Three Months Ended March 31,			
	2022		2021	
Funds	\$	51,209	\$	29,470
Joint ventures and separately managed accounts		1,491		1,381
Total fund management fees	\$	<u>52,700</u>	\$	<u>30,851</u>

PROPERTY MANAGEMENT AND LEASING FEES	Three Months Ended March 31,			
	2022		2021	
Seniors Housing	\$	7,106	\$	6,557
Multifamily		5,313		4,094
Office		4,264		6,096
Single-Family Rental		1,596		—
Total property management and leasing fees	\$	<u>18,279</u>	\$	<u>16,747</u>

CONSTRUCTION MANAGEMENT FEES	Three Months Ended March 31,			
	2022		2021	
Multifamily	\$	1,383	\$	925
Office		434		749
Seniors Housing		70		152
Total construction management fees	\$	<u>1,887</u>	\$	<u>1,826</u>

TRANSACTION FEES	Three Months Ended March 31,			
	2022		2021	
Acquisition fees	\$	16,597	\$	4,651
Brokerage fees		5,401		675
Total transaction fees	\$	<u>21,998</u>	\$	<u>5,326</u>

For the three months ended March 31, 2022 and 2021, no individual client represented 10% or more of the Company's total reported revenues and substantially all of revenue was derived from operations in the United States.

As of March 31, 2022 and December 31, 2021, the Company had \$5.1 million and \$3.2 million, respectively, of deferred revenues, which is included in other liabilities in the condensed consolidated balance sheets for the periods then ended. During the three months ended March 31, 2022, the Company recognized \$0.8 million as revenue from amounts included in the deferred revenue balance as of December 31, 2021. The Company expects to recognize the deferred revenues within a year of the balance sheet date.

4. MARKETABLE SECURITIES

The Company invests a portion of the premiums received at BIGRM in exchange traded funds and mutual funds. As of March 31, 2022 and December 31, 2021, the Company's investment securities are summarized as follows (in thousands):

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
March 31, 2022:				
Exchange traded funds	\$ 1,594	\$ —	\$ (18)	\$ 1,576
Mutual funds	9,424	—	(50)	9,374
Total marketable securities	<u>\$ 11,018</u>	<u>\$ —</u>	<u>\$ (68)</u>	<u>\$ 10,950</u>
December 31, 2021:				
Exchange traded funds	\$ 1,159	\$ 16	\$ (4)	\$ 1,171
Mutual funds	6,873	18	(27)	6,864
Total marketable securities	<u>\$ 8,032</u>	<u>\$ 34</u>	<u>\$ (31)</u>	<u>\$ 8,035</u>

5. INVESTMENTS

The Company has interests in 151 partnership or joint venture entities. The limited liability companies and limited partnerships in which the Company is the general partner are generally engaged directly or indirectly in the acquisition, development, operation and ownership of real estate. The accounting principles of these entities are substantially the same as those of the Company. Additionally, the Company has direct investments in several funds, including certain Bridge-sponsored funds. The Company's investments are summarized below (in thousands):

Investments		Carrying Value	
		March 31, 2022	December 31, 2021
Accrued performance allocations	(1)	\$ 505,410	\$ 439,548
Other investments:			
Partnership interests in Company-sponsored funds	(2)	43,423	31,984
Investments in third-party partnerships	(3)	10,465	7,701
Other	(4)	4,326	4,321
Total other investments		<u>\$ 58,214</u>	<u>\$ 44,006</u>

(1) Represents various investment accounts in carried interest in the Contributed Bridge GP funds. There is a disproportionate allocation of returns to the Company as general partner or equivalent based on the extent to which cumulative performance of the fund exceeds minimum return hurdles. Investment is valued using NAV of the respective vehicle.

(2) Partnership interests in Company-sponsored funds are valued using NAV of the respective vehicle.

(3) Investments in limited partnership interest in third-party private property technology ("proptech") venture capital firms are valued using NAV of the respective vehicle.

(4) Other investments are accounted for using the measurement alternative to measure at cost adjusted for any impairment and observable price changes.

The Company recognized investment income of \$75.2 million and \$26.0 million for the three months ended March 31, 2022 and 2021, respectively, of which \$74.8 million and \$20.3 million, respectively, related to accrued performance allocations recognized under the equity method.

Of the total accrued performance allocations balance as of March 31, 2022 and December 31, 2021, \$50.9 million and \$41.0 million, respectively, were payable to affiliates, of which \$50.3 million and \$41.0 million, respectively, were included in accrued performance allocations compensation in the condensed consolidated balance sheets as of the periods then ended and \$0.6 million was included in accounts payable and accrued expenses as of March 31, 2022.

The Company evaluates each of its equity method investments, excluding Accrued Performance Allocations, to determine if any were significant as defined by the SEC. As of March 31, 2022 and December 31, 2021, no individual equity method investment held by the Company met the significance criteria. As a result, the Company is not required to provide separate financial statements for any of its equity method investments.

Fair value of the investments is reported on a three-month lag from the fund financial statements due to timing of the information provided by the funds and third-party entities unless information is available on a more-timely basis.

6. NOTES RECEIVABLES FROM AFFILIATES

As of March 31, 2022 and December 31, 2021, the Company had the following notes receivable from affiliates outstanding (in thousands):

	March 31, 2022	December 31, 2021
Bridge Multifamily Fund V	\$ —	\$ 55,000
Bridge Logistics U.S. Venture I	—	31,644
Bridge Seniors Housing Fund III	—	24,500
Bridge Office Fund II	15,000	3,000
Bridge Single-Family Rental Fund IV	15,000	—
Total short-term notes receivables from affiliates	\$ 30,000	\$ 114,144
Notes receivables from employees	4,364	4,364
Total notes receivable from affiliates	\$ 34,364	\$ 118,508

Interest on the short-term notes receivables from affiliates accrues at a fixed rate of 4.025% per annum. As of March 31, 2022 and December 31, 2021, the Company had approximately \$0.1 million and \$0.3 million, respectively, of interest receivable outstanding, which is included in other assets in the accompanying condensed consolidated balance sheets for the periods then ended.

During 2021, the Company executed multiple notes with employees, none of whom are officers or immediate family members of officers, to invest in the Company or the Operating Company. As of March 31, 2022, the aggregate outstanding principal amount outstanding was \$4.4 million. These notes mature in 2027 and are interest-only for the first two years after origination at a rate of 4.025% per annum.

7. FAIR VALUE MEASUREMENTS

Exchange traded funds: Valued using the market price of the fund as of the consolidated balance sheet dates, March 31, 2022 and December 31, 2021. Exchange traded funds valued using quoted prices are classified within Level 1 of the fair value hierarchy.

Mutual funds: Valued at the number of shares of the underlying fund multiplied by the closing NAV per share quoted by that fund as of the consolidated balance sheet dates, March 31, 2022 and December 31, 2021. The value of the specific funds the Company has invested in are validated with a sufficient level of observable activity to support classification of the fair value measurement as Level 1 in the fair value hierarchy.

Accrued performance allocations and partnership interests: The Company generally values its investments in accrued performance allocations and partnership interests using the NAV per share equivalent calculated by the investment manager as a practical expedient to determining a fair value. The Company does not categorize within the fair value hierarchy investments where fair value is measured using the NAV per share practical expedient.

Other investments: Investments are accounted for using the measurement alternative to measure at cost adjusted for any impairment and observable price changes. Unrealized gains or losses on other investments are included in investment income (loss) on the consolidated and combined statements of operations.

General Partner notes payable: Valued using the NAV per share equivalent calculated by the investment manager as a practical expedient to determining an independent fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents assets that are measured at fair value on a recurring basis as of March 31, 2022 and December 31, 2021 (in thousands):

	Level 1	Level 2	Level 3	Measured at NAV	Total
March 31, 2022					
Assets:					
Exchange traded funds	\$ 1,576	\$ —	\$ —	\$ —	\$ 1,576
Mutual funds	9,374	—	—	—	9,374
Accrued performance allocations	—	—	—	505,410	505,410
Partnership interests	—	—	—	53,888	53,888
Other investments	—	—	4,326	—	4,326
Total assets at fair value	<u>\$ 10,950</u>	<u>\$ —</u>	<u>\$ 4,326</u>	<u>\$ 559,298</u>	<u>\$ 574,574</u>
Liabilities:					
General Partner notes payable	\$ —	\$ —	\$ —	\$ 11,729	\$ 11,729
December 31, 2021					
Assets:					
Exchange traded funds	\$ 1,171	\$ —	\$ —	\$ —	\$ 1,171
Mutual funds	6,864	—	—	—	6,864
Accrued performance allocations	—	—	—	439,548	439,548
Partnership interests	—	—	—	39,685	39,685
Other investments	—	—	4,321	—	4,321
Total assets at fair value	<u>\$ 8,035</u>	<u>\$ —</u>	<u>\$ 4,321</u>	<u>\$ 479,233</u>	<u>\$ 491,589</u>
Liabilities:					
General Partner notes payable	\$ —	\$ —	\$ —	\$ 12,003	\$ 12,003

The following table presents a rollforward of Level 3 assets at cost adjusted for any impairment and observable price changes (in thousands):

	Other Investments
Balance as of December 31, 2021	\$ 4,321
Purchases	5
Balance as of March 31, 2022	<u>\$ 4,326</u>

Accrued carried interest allocations, investments in funds, and investments in limited partnership interests in third-party private funds are valued using NAV of the respective vehicle. The following table presents investments carried at fair value using NAV (in thousands):

	Fair Value	Unfunded Commitments
March 31, 2022:		
Accrued performance allocations	\$ 505,410	\$ —
Partnership interests:		
Company-sponsored open-end fund	14,440	—
Company-sponsored closed-end funds	28,983	3,927
Third-party closed-end funds	10,465	4,258
Total partnership interests	<u>\$ 53,888</u>	<u>\$ 8,185</u>
December 31, 2021:		
Accrued performance allocations	\$ 439,548	\$ —
Partnership interests:		
Company-sponsored open-end fund	15,474	—
Company-sponsored closed-end funds	16,510	20,885
Third-party closed-end funds	7,701	2,436
Total partnership interests	<u>\$ 39,685</u>	<u>\$ 23,321</u>

The Company can redeem its investment in the Company-sponsored open-end fund with a 60-day notice. The Company's interests in its closed-end funds are not subject to redemption, with distributions to be received through liquidation of underlying investments of the funds. The closed-end funds generally have eight-to-ten year terms, which may be extended in certain circumstances.

Fair Value Information of Financial Instruments Reported at Cost

The carrying values of cash, accounts receivable, due from and to affiliates, interest payable and accounts payable approximate fair value due to their short-term nature and negligible credit risk. The following table presents the carrying amounts and estimated fair values of financial instruments reported at amortized cost (in thousands):

	Level 1	Level 2	Level 3	Total	Carrying Value
As of March 31, 2022:					
Notes payable (private notes)	\$ —	\$ —	\$ 138,122	\$ 138,122	\$ 150,000
As of December 31, 2021:					
Notes payable (private notes)	\$ —	\$ —	\$ 144,577	\$ 144,577	\$ 150,000

Fair values of the private notes were estimated by discounting expected future cash outlays at interest rates available to the Company for similar instruments.

8. BUSINESS COMBINATION AND GOODWILL

On January 31, 2022, the Company acquired certain assets of Gorelick Brothers Capital ("GBC"), including a 60% interest in GBC's asset and property management business (the "GBC Acquisition"). The 60% interest in GBC's asset and property management business was acquired by the Operating Company for consideration of \$30.0 million (total implied value of \$50.0 million) with 50% paid in cash and 50% with 694,412 Class A Units of the Operating Company, which was based on an average of the Company's closing stock price prior to the closing of the transaction. Upon consummation of the GBC Acquisition, (i) the GBC team and Bridge launched a single-family rental ("SFR") strategy on the Bridge platform, (ii) Bridge and the former key principals of GBC formed and jointly own a new SFR investment manager within Bridge, and (iii) Bridge and the former GBC principals completed a \$660.0 million recapitalization of a portfolio comprising more than 2,700 homes in 14 markets, concentrated in the Sunbelt and certain Midwest

markets of the United States. The Operating Company now indirectly owns a 60% majority of the newly created Bridge SFR investment manager, and the former principals of GBC own the remaining 40%.

A majority of the fair value of the purchase consideration was attributed to goodwill, with synergies expected to accrue from the vertically integrated Bridge SFR investment strategy. As part of the transaction, approximately \$1.0 million of liabilities were assumed by the Operating Company as consideration for the purchase price. The number of Class A Units of the Operating Company that were transferred to GBC as a portion of the total consideration was based on an average closing price of the Company's Class A common stock from January 13, 2022 through January 27, 2022. Class A Units of the Operating Company are exchangeable on a one-for-one basis with Class A common stock, subject to certain conditions.

As of March 31, 2022, the estimated fair values and allocation of consideration are preliminary, based on information available at the time of closing as the Company continues to evaluate the underlying inputs and assumptions. Accordingly, these provisional values may be subject to adjustment during the measurement period, not to exceed one year, based upon new information obtained about facts and circumstances that existed at the time of closing (in thousands).

Consideration

Cash	\$	15,089
Class A Units		14,930
Total consideration for equity interest acquired	\$	30,019

Assets acquired, liabilities assumed and non-controlling interests

Cash	\$	56
Working capital		623
Trade name ⁽¹⁾		150
In place contracts ⁽¹⁾		3,195
Other liabilities		(104)
Fair value of net assets acquired	\$	3,920
Non-controlling interest ⁽¹⁾		(20,053)
Goodwill ⁽¹⁾		46,152
Total assets acquired, liabilities assumed and non-controlling interests, net	\$	<u>30,019</u>

(1) The fair value was determined using Level 3 assumptions.

In connection with the GBC Acquisition, the Company expensed the closing costs during the period in which they were incurred, which is included in general and administrative expense on the consolidated statement of operations for the period then ended.

Intangible assets acquired consist of fund and property management contracts and trade name. The fair value of management contracts was estimated based upon estimated net cash flows generated from those contracts, discounted at 8.5% with remaining lives estimated between 5 and 10 years for fund management contracts and 30-days for property management contracts. The trade name was valued using a relief-from-royalty method, based on estimated savings from an avoided royalty rate of 1% on expected revenue discounted at 8.5%, with an estimated useful life of 4 years.

9.INSURANCE LOSS RESERVES AND LOSS AND LOSS ADJUSTMENT EXPENSES

BIGRM is a wholly owned subsidiary of Bridge and is licensed under the Utah Captive Insurance Companies Act. BIGRM provides the following insurance policies:

- Lease Security Deposit Fulfillment (limits \$500 per occurrence/per property unit)
- Lessor Legal Liability (limits \$100,000 per occurrence/per property unit)
- Workers' Compensation Deductible Reimbursement (limit \$250,000 per occurrence)
- Property Deductible Reimbursement (\$750,000 per occurrence/\$2,000,000 policy annual aggregate)
- General Liability Deductible Reimbursement (\$5,000,000 in excess of \$25,000 per occurrence; \$10,000,000 policy annual aggregate)

For BIGRM's insured risks, claim expenses and the related insurance loss reserve liabilities are based on the estimated cost necessary to settle all reported and unreported claims occurring prior to the balance sheet dates. Additionally, claims are expensed when insured events occur or the estimated settlement costs are updated based on the current facts and the reporting date. Additionally, insurance claim expenses and insurance loss reserves include provisions for claims that have occurred but have yet to be reported. Insurance expenses and the insurance loss reserves for both reported and unreported claims are based on the Company's previous experience and the analysis of a licensed actuary. Management believes such amounts are adequate to cover the ultimate net cost of insured events incurred through March 31, 2022. The insurance loss provisions are estimates and the actual amounts may ultimately be settled for a significantly greater or lesser amount. Any subsequent differences arising will be recorded in the period in which they are determined. As of March 31, 2022 and December 31, 2021, the Company had reserved \$8.2 and \$8.1 million, respectively.

10.SELF-INSURANCE RESERVES

Medical Self-Insurance Reserves — The Company is primarily self-insured for employee health benefits. The Company records its self-insurance liability based on claims filed and an estimate of claims incurred but not yet reported. There is stop-loss coverage for amounts in excess of \$125,000 per individual per year. If more claims are made than were estimated or if the costs of actual claims increase beyond what was anticipated, reserves recorded may not be sufficient and additional accruals may be required in future periods. As of March 31, 2022 and December 31, 2021, the Company had reserved \$3.8 million and \$2.5 million, respectively.

Property and Casualty Reserves — As part of its property management business, the Company arranges for property and casualty risk management for the properties and entities affiliated with the Company (the "Insurance Program"). The Company uses a broker to arrange for insurers to provide coverage deemed necessary by management and required by lenders or property owners. Under the terms of the risk management program, each property has a \$25,000 deductible for property and casualty claims for insured events. Insured property losses in excess of \$25,000 for multifamily properties and \$50,000 of commercial office properties are self-insured or fully insured as described below.

The Risk Management Program for property risks includes a Self-Insured Retention ("SIR") component in order to more efficiently manage the risks. The Company's SIR is comprised of a layer of losses that the Company is responsible for satisfying after the properties have met their \$25,000 deductible for each claim. That layer covers losses between \$25,000 and \$100,000 and has no aggregate limit for that layer of risk. All multifamily losses above \$100,000 are fully insured. For commercial office, all losses are fully insured after the \$50,000 deductible has been met. BIGRM, the captive risk management company wholly owned by the Operating Company, provides a \$5.0 million insurance policy to cover the following: 100% of the \$2.0 million layer above the multifamily deductible and SIR. All losses above \$2.0 million are fully insured by multiple outside insurance carriers. There is also a \$750,000 per occurrence limit for any single loss. All losses above the SIR thresholds are fully insured with the exception of catastrophic loss deductibles in excess of the deductibles outlined above. Catastrophic losses, in zones deemed catastrophic (CAT Zones), such as earthquake, named storm and flood zones, have deductibles that equal up to 5% of the insurable value of the property affected for a particular loss. Any catastrophic losses in non-CAT Zones are insured with the same \$25,000/\$50,000 deductibles and SIR of \$75,000 for multifamily properties as outlined above.

On June 20, 2020, the Company added a general liability self-insured retention aggregate limit of \$10.0 million with a per occurrence limit of \$2.0 million and per location limit of \$4.0 million. Any insurance claims above these limits are fully insured by multiple insurance carriers. BPM insured this retention with the BIGRM captive. As of both March 31, 2022 and December 31, 2021, the Company had reserved \$1.0 million.

As of March 31, 2022 and December 31, 2021, the total self-insurance reserve liability was \$4.9 million and \$3.5 million, respectively.

11.GENERAL PARTNER NOTES PAYABLE

The Bridge GPs traditionally have a General Partner commitment to the respective fund, which is usually satisfied by affiliates direct investment into the funds. For the General Partner commitments for BSH I GP and BMF III GP this commitment was satisfied by notes payable ("General Partner Notes Payable") between the General Partner and certain related parties or outside investors ("GP Lenders") for reduced management fees. Under the terms of the General Partner Notes Payable, the GP Lender enters into a notes payable with the respective General Partner, which then subscribes to the respective fund for the same amount as the amount of the General Partner Note Payable. The General Partner Notes Payable mature based upon the terms of the limited partnership agreement of the respective fund. The carrying value of the General Partner Notes Payable represents the related GP Lender's net asset value in the fund. The GP Lenders are entitled to all returned capital and profit distributions net of management fees and carried interest. We

have elected the fair value option for the General Partner Notes Payable so that changes in value are recorded in investment income (loss). The following table summarizes the carrying value of the General Partner Notes Payable (in thousands):

	Commitment	Fair Value	
		March 31, 2022	December 31, 2021
Bridge Seniors Housing Fund I	\$ 4,775	\$ 5,107	\$ 5,309
Bridge Multifamily Fund III	9,300	6,622	6,694
Total	<u>\$ 14,075</u>	<u>\$ 11,729</u>	<u>\$ 12,003</u>

The Company has no repayment obligation other than the return of capital and profit distributions, net of management fees and carried interest allocation of the respective fund.

12.LINE OF CREDIT

On July 22, 2020, the Company entered in a secured revolving line of credit to borrow up to \$75.0 million ("Line of Credit"). Debt issuance costs related to the Line of Credit are included in other assets in the condensed consolidated balance sheets. The Company did not have an outstanding balance on the Line of Credit as of March 31, 2022 and December 31, 2021. Borrowings under this arrangement accrue interest at LIBOR plus 2.25%. The revolving Line of Credit contains various financial covenants applicable to the Company. The covenants require the Company to maintain (1) a Consolidated Total Debt to Consolidated Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") ratio of no more than 3.0x, (2) minimum liquidity of \$2.5 million, (3) \$20.0 million of affiliate deposits in a specific financial institution and (4) minimum quarterly EBITDA of \$10.0 million. As of March 31, 2022, the Company was in full compliance with all debt covenants. The Line of Credit matures on July 22, 2022.

13.NOTES PAYABLE

On July 22, 2020, the Operating Company entered into a \$150.0 million Note Purchase Agreement, pursuant to which it issued two tranches of notes (the "Private Notes"). As of March 31, 2022 and December 31, 2021, unamortized deferred financing costs were \$1.8 million and \$1.9 million, respectively, and the net carrying value of the Private Notes was \$148.2 million and \$148.1 million, respectively. The Private Notes have two tranches: a 5-year 3.9% fixed rate tranche that matures on July 22, 2025 and a 7-year 4.15% fixed rate tranche that matures on July 22, 2027. The Private Notes contain various financial covenants applicable to the Operating Company. The covenants require the Operating Company to maintain (1) a Consolidated Total Debt to Consolidated EBITDA ratio of no more than 3.0x, (2) minimum liquidity of \$2.5 million, and (3) minimum quarterly EBITDA of \$10.0 million. As of March 31, 2022, the Operating Company was in full compliance with all debt covenants. The Private Notes are collateralized by the assets held by the Operating Company.

The following table presents scheduled principal payments of the Operating Company's debt as of March 31, 2022 (in thousands):

2022	\$ —
2023	—
2024	—
2025	75,000
2026	—
Thereafter	75,000
Total	<u>\$ 150,000</u>

The Company typically incurs and pays debt issuance costs when entering into a new debt obligation or when amending an existing debt agreement. Debt issuance costs related to the Company's Private Notes are recorded as a reduction of the corresponding debt obligation. All debt issuance costs are amortized over the remaining term of the related obligation.

The following table presents the activity of the Company's debt issuance costs for the three months ended March 31, 2022 (in thousands):

Unamortized debt issuance costs as of December 31, 2021	\$ 1,858
Amortization of debt issuance costs	(107)
Unamortized debt issuance costs as of March 31, 2022	<u>\$ 1,751</u>

14.OTHER INCOME — REALIZED GAINS (LOSSES)

Realized gains (losses) in the condensed consolidated and combined statements of operations consist primarily of the realized and unrealized gains and losses on investments (including foreign exchange gains and losses attributable to foreign denominated investments and related activities) and other financial instruments, including the General Partner Note Payable for which the fair value option has been elected. Unrealized gains or losses result from changes in the fair value of these investments and other financial instruments during a period. Upon disposition of an investment or financial instrument, previously recognized unrealized gains or losses are reversed and an offsetting realized gain or loss is recognized in the current period.

The following table summarizes realized gains (losses) on investments and other financial instruments for the three months ended March 31, 2022 and 2021, respectively (in thousands):

	Three Months Ended March 31, 2022			
	Net Realized Gains (Losses)		Net Unrealized Gains (Losses)	Total
Investment in Company-sponsored funds	\$ 6	\$	(1,240)	\$ (1,234)
Investment in third-party partnerships	(11)		1,569	1,558
General Partner Notes Payable	(96)		267	171
Total realized gains (losses)	<u>\$ (101)</u>	<u>\$</u>	<u>596</u>	<u>\$ 495</u>

	Three Months Ended March 31, 2021			
	Net Realized Gains (Losses)		Net Unrealized Gains (Losses)	Total
Investment in Company-sponsored funds	\$ 1	\$	4,044	\$ 4,045
Investment in third-party partnerships	(43)		243	200
Other investments	17		(4)	13
General Partner Notes Payable	—		1,540	1,540
Total realized gains (losses)	<u>\$ (25)</u>	<u>\$</u>	<u>5,823</u>	<u>\$ 5,798</u>

15.INCOME TAXES

The Company is taxed as a corporation for U.S. federal and state income tax purposes. In addition to U.S. federal and state income taxes, the Company is subject to local and foreign income taxes, with respect to the Company's allocable share of any taxable income generated by the Operating Company that flows through to the Company.

The Operating Company and its subsidiaries, other than BIGRM and BPM, are limited liability companies or limited partnerships and, as such, are not subject to income taxes. The individual owners of the Operating Company and its subsidiaries are required to report their distributive share of realized income, gains, losses, deductions, or credits on their individual income tax returns.

In connection with the exchanges of Operating Company interests for Class A common stock by the Original Equity Owners in July and August 2021, the Company's ownership in the Operating Company increased, which resulted in a deferred tax asset. Additionally, in connection with the exchange transactions the Company recorded an initial corresponding TRA liability of \$44.4 million, representing 85% of the incremental net cash tax savings for the Company due to the exchanging Original Equity Owners. During the three months ended March 31, 2022, certain Original Equity Owners exchanged a portion of their Class A Units for Class A common stock, which also resulted in a redemption of the corresponding Class B common stock. The exchange increased the deferred income tax asset from \$59.0 million, and the corresponding TRA liability from \$46.1 million, as of December 31, 2021, to \$64.1 million and \$50.5 million as of March 31, 2022, respectively.

The Company's effective tax rate was approximately 5% and 1% for the three months ended March 31, 2022 and 2021, respectively. The Company's effective tax rate is dependent on many factors, including the estimated amount of income subject to tax. Consequently, the effective tax rate can vary from period to period. The Company's overall effective tax rate in each of the periods described above is less than the statutory rate primarily because (a) the Company was not subject to U.S. federal taxes prior to the Transactions and the IPO and (b) a portion of income is allocated to non-controlling interests, and the tax liability on such income is borne by the holders of such non-controlling interests.

The Company evaluates the realizability of its deferred tax asset on a quarterly basis and adjusts the valuation allowance when it is more likely than not that all or a portion of the deferred tax asset may not be realized.

As of March 31, 2022, the Company had no unrecognized tax positions and does not expect any changes to uncertain tax positions within the next 12 months.

The Company files its tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by U.S. federal, state, local and foreign tax authorities. Although the outcome of tax audits is always uncertain, based on information available to the Company as of the date hereof, the Company does not believe the outcome of any future audit will have a material adverse effect on the Company's condensed consolidated and combined financial statements.

16.SHAREHOLDERS' EQUITY

Initial Public Offering

On closing of the IPO, owners of the Contributed Bridge GPs contributed their interests in the respective Contributed Bridge GPs in exchange for LLC Interests in the Operating Company. Prior to the IPO, the Operating Company did not have any direct interest in the Contributed Bridge GPs. Subsequent to the Transactions, the Operating Company consolidates the Contributed Bridge GPs. These condensed consolidated and combined financial statements include 100% of the results of operations and performance of the Contributed Bridge GPs for the periods presented, including prior to the IPO, on the basis of common control prior to the Transactions. The net income that is not attributable to the Operating Company is reflected in net income attributable to non-controlling interests in the subsidiaries in the condensed consolidated and combined statements of operations and comprehensive income.

Prior to the Transactions, the Contributed Bridge GPs had three classes of shares: (i) Class A; (ii) Class C; and (iii) Class D. Class A represents the voting interest and Classes C and D represent allocations of carried interest to employees of the Operating Company, which are included in performance allocations compensation. As part of the Transactions, all of the Class C shares of the Contributed Bridge GPs were exchanged for interests in the Operating Company. Generally, if at the termination of a fund (and at interim points in the life of a fund), the fund has not achieved investment returns that exceed the preferred return threshold or (in all cases) the applicable Bridge GP receives net profits over the life of the fund in excess of its allocable share under the applicable partnership agreement, the Bridge GP will be obligated to repay an amount equal to the excess of amounts previously distributed to the Bridge GP over the amounts to which the Bridge GP was ultimately entitled (generally net of income tax liabilities associated with related allocations of taxable income).

All of the distributable earnings of the Operating Company prior to the IPO were payable to the Original Equity Owners. As of March 31, 2022 and December 31, 2021, there was \$1.4 million that was declared that had not yet been distributed to Original Equity Owners.

Changes in Shareholders' Equity and Non-Controlling Interests

Collapse of 2019 Profits Interest Awards

On January 1, 2022, the Company's 2019 profits interests awards were collapsed into 790,424 shares of Class A common stock and 13,255,888 Class A Units. The profits interests were collapsed based on their fair values and the relative value of the Company, based on Distributable Earnings attributable to the Operating Company, Distributable Earnings of the applicable subsidiary where such profits interests were held, and the market price of the Company's Class A common stock as of the date of the collapse. This resulted in a decrease in net income attributable to non-controlling interests for periods subsequent to January 1, 2022; however, there was a corresponding increase in the number of outstanding Class A Units and shares of Class A common stock. The collapse of the 2019 profits interests awards was partially accounted for as a modification and partially accounted for as cancellations. For the 2019 profits interest awards that were cancelled, the Company accelerated the recognition of the unamortized share-based compensation expense amounting to \$0.6 million for the three months ended March 31, 2022.

Issuance of Class A Units for Acquisition

In January 2022, the Company acquired a 60% interest in GBC's asset and property management business for consideration of \$30 million, with 50% paid in cash and 50% with 694,412 Class A Units of the Operating Company valued at \$14.9 million, which was based on an average of the Company's closing stock price prior to the closing of the GBC Acquisition.

Non-controlling Interest in Bridge Investment Group Holdings Inc.

Certain current and former employees of the Company directly or indirectly own interests in the Operating Company, presented as non-controlling interests in the Operating Company. Non-controlling interests in the Operating Company have the right to require the Operating Company to redeem part or all of such member's Class A Units for cash based on the market value of an equivalent number of shares of Class A common stock at the time of redemption, or at the Company's election as managing

member of Operating Company, through issuance of shares of Class A common stock on a one-for-one basis. At the end of each period, non-controlling interests in Operating Company is adjusted to reflect their ownership percentage in Operating Company at the end of the period, through a reallocation between controlling and non-controlling interests in Operating Company.

During the three months ended March 31, 2021, 834,030 Class A Units were redeemed, with the issuance of Class A common stock on a one-for-one basis.

Bridge Investment Group Holdings Inc.

The Company has two classes of common stock outstanding, Class A common stock and Class B common stock. Class A common stock is traded on the New York Stock Exchange. The Company is authorized to issue 500,000,000 shares of Class A common stock with a par value of \$0.01 per share, 239,208,722 shares of Class B common stock with a par value of \$0.01 per share, and 20,000,000 shares of preferred stock, with a par value of \$0.01 per share. Each share of Class A common stock is entitled to one vote and each share of Class B common stock is entitled to ten votes. See Note 1 “Organization” for more information about the Company’s common stock.

As of March 31, 2022, 28,917,960 shares of Class A common stock (including Restricted Stock) were outstanding, 85,838,275 shares of Class B common stock were outstanding, and there were no shares of our preferred stock outstanding.

The following table presents a reconciliation of Bridge Investment Group Holdings Inc. common stock for the three months ended March 31, 2022:

	Bridge Investment Group Holdings Inc.		
	Class A Common Stock	Class A Restricted Common Stock	Class B Common Stock
Balance as of December 31, 2021	22,742,137	2,417,662	86,672,305
Class A common stock issued - 2019 Profits Interests conversion	56,134	734,290	—
Class A common stock issued - unitholder conversions	834,030	—	(834,030)
Class A restricted common stock issued	—	2,176,482	—
Class A restricted common stock forfeited	—	(42,775)	—
Class A restricted common stock vested	260,234	(260,234)	—
Balance as of March 31, 2022	23,892,535	5,025,425	85,838,275

Dividends are reflected when paid in the consolidated and combined statements of stockholders’ equity, while distributions are reflected when declared by the Company’s board of directors. Dividends are made to Class A common stockholders and distributions are made to members of the Operating Company and holders of non-controlling interests in subsidiaries.

During the quarter ended March 31, 2022, the Company declared and paid a quarterly dividend of \$0.21 per share on Class A common stock totaling \$5.9 million.

Bridge Investment Group Holdings LLC

Prior to the IPO, the Operating Company had three classes of membership interests: (i) Class A; (ii) Class B-1; and (iii) Class B-2. Class A and Class B-1 represented the voting equity holders and Class B-2 represented profits interests awarded to employees of the Operating Company. Class B-1 and B-2 interests were issued as “profits interests,” pursuant to agreements entered into with certain employees during 2021, 2020 and 2019. At the time of issuance, the Class B-1 and B-2 interests had a capital account interest of zero percent. The holders of Class B-1 and B-2 interests were entitled to distributions in excess of the defined threshold per the respective award. The holders of Class B-2 interests did not have voting rights. As part of the Transactions, the Class B-1 and Class B-2 Units were exchanged for Class A Units in the Operating Company. As part of the Transactions and IPO, 97,463,981 new Class B Units were issued.

Net profits and any other items of income are allocated to the members’ capital accounts in a manner that is consistent with their respective ownership percentages. Distributions to members are generally made in a manner consistent with their respective ownership percentages at the time the profits were generated and are subject to approval of the Company’s board of directors. During the three months ended March 31, 2022, \$17.5 million was distributed to non-controlling interests in the Operating Company and \$28.6 million was distributed to non-controlling interest in the Company. During the three months ended March 31, 2021, \$21.8 million was distributed to the Operating Company’s members prior to the IPO and Transactions and \$6.2 million was distributed to non-controlling interests.

The Operating Company's Members' capital interests are transferable; however, transfers are subject to obtaining the prior written consent of the Company, with certain exceptions for transfers to affiliated parties. Members' liability is limited to the capital account balance. Distributions are reflected in the condensed consolidated and combined statements of changes in shareholders equity when declared by the board of directors and consist of distributions to members and non-controlling interest holders.

As of March 31, 2022, the Company is the sole managing member of the Operating Company, and owns 28,984,797 Class A Units and 97,463,981 million Class B Units (voting only), respectively, of the Operating Company, which is 23% and 100% of the total outstanding Class A Units and Class B Units, respectively. The Company controls the business and affairs of the Operating Company and its direct and indirect subsidiaries.

The following table presents a reconciliation of Bridge Investment Group Holdings LLC Interests for the three months ended March 31, 2022:

	Bridge Investment Group Holdings LLC	
	Class A Units	Class B Units
Balance as of December 31, 2021	109,699,232	97,463,981
Issuance of Class A Units	14,740,724	—
Balance as of March 31, 2022	124,439,956	97,463,981

17.COMMITMENTS AND CONTINGENCIES

The Company leases office space generally under long-term non-cancelable operating lease agreements. The terms of each lease are unique and some permit early cancellation, while other leases have only a short period of time remaining on what was originally a longer dated lease agreement that is nearing the maturity. Certain leases contain renewal options, rent escalations, and terms to pay a proportionate share of the operating expenses. Rent expense is recorded on a straight-line basis over the lease term for leases with determinable rent escalation and lease incentives.

The following is a summary of the Company's leases as of March 31, 2022 (dollar amounts in thousands):

Right-of-use assets, included in Other assets	\$	13,469
Lease Liabilities, included in Other liabilities	\$	15,642
Weighted average remaining lease term (in years)		5.3
Weighted average discount rate		4.03 %

The components of lease expense included in general and administrative in the condensed consolidated statement of operations for the three months ended March 31, 2022 are as follows (in thousands):

Operating lease costs	\$	1,065
Variable lease costs		32
Total lease costs, included in general and administrative expenses	\$	1,097
Cash paid for amounts included in the measurement of operating lease liabilities	\$	1,167

Of the total leases costs for the three months ended March 31, 2022, \$0.2 million was related to short-term leases with a term of less than one year. Total rent expense for all of the Company's office leases for the three months ended March 31, 2021 was \$1.0 million (net of lease incentive amortization of \$0.1 million).

As of March 31, 2022, the maturities of operating lease liabilities were as follows (in thousands):

Remainder of 2022	\$	2,593
2023		3,496
2024		2,958
2025		2,901
2026		2,864
Thereafter		2,621
Total lease liabilities		17,433
Less: Imputed interest		(1,791)
Total operating lease liabilities	\$	<u>15,642</u>

Allocated Performance Income — Allocated performance income is affected by changes in the fair values of the underlying investments in the funds that we advise. Valuations, on an unrealized basis, can be significantly affected by a variety of external factors including, but not limited to, public equity market volatility, industry trading multiples and interest rates. Generally, if at the termination of a fund (and at interim points in the life of a fund), the fund has not achieved investment returns that (in most cases) exceed the preferred return threshold or (in all cases) the applicable Bridge GP receives net profits over the life of the fund in excess of its allocable share under the applicable partnership agreement, the Bridge GP will be obligated to repay carried interest that was received by the Bridge GP in excess of the amounts to which the Bridge GP is entitled. This contingent obligation is normally reduced by income taxes paid by the members of the Bridge GP (including the Company) related to its carried interest. Additionally, at the end of the life of the funds there could be a payment due to a fund by the Bridge GP if the Bridge GP has recognized more performance income than was ultimately earned. The general partner clawback obligation amount, if any, will depend on final realized values of investments at the end of the life of the fund.

As of March 31, 2022 and December 31, 2021, if the Company assumed all existing investments were worthless, the amount of performance income subject to potential repayment by the Bridge GPs, net of tax distributions, which may differ from the recognition of revenue, would have been approximately \$122.6 million and \$120.9 million, respectively, of which \$108.0 million and \$106.9 million, respectively, is reimbursable to the Bridge GPs by certain professionals who are the recipients of such performance income. Management believes the possibility of all of the investments becoming worthless is remote. If the funds were liquidated at their fair values as of March 31, 2022, there is no contingent repayment obligation or liability.

Legal Matters — In the normal course of business, the Company is party to certain claims or legal actions. Although the amount of the ultimate exposure cannot be determined at this time, the Company believes that the resolution of these matters will not have a material adverse effect on its financial position, liquidity or results of operations.

Standby Letters of Credit — As of March 31, 2022, the Company has guaranteed a \$6.0 million standby letter of credit related to the self-insurance program of the properties owned by the funds. Additionally, as of March 31, 2022, the Company has guaranteed a \$362,000 standby letter of credit related to an operating lease.

Indemnifications and Other Guarantees — In the normal course of business and consistent with standard business practices, the Company has provided general indemnifications to certain officers and directors when they act in good faith in the performance of their duties for the Company. The Company's maximum exposure under these arrangements cannot be determined as these indemnities relate to future claims that may be made against the Company or related parties, but which have not yet occurred. No liability related to these indemnities has been recorded in the condensed consolidated balance sheet as of March 31, 2022. Based on past experience, management believes that the risk of loss related to these indemnities is remote.

The Company may incur contingent liabilities for claims that may be made against it in the future. The Company enters into contracts that contain a variety of representations, warranties and covenants. For example, the Company, and certain of the Company's funds have provided non-recourse carve-out guarantees for fraud, willful misconduct and other customary wrongful acts, in connection with certain investment vehicles that the Company manages. The Company's maximum exposure under these arrangements is currently unknown, and the Company's liabilities for these matters would require a claim to be made against the Company in the future.

18.VARIABLE INTEREST ENTITIES

A VIE is an entity that lacks sufficient equity to finance its activities without additional subordinated financial support from other parties, or whose equity holders lack the characteristics of a controlling financial interest. The Company sponsors private funds and other investment vehicles as general partner for the purpose of providing investment management services in exchange for management fees and performance-based fees. These private funds are established as limited partnerships or equivalent structures. Limited partners of the private funds do not have either substantive liquidation rights, or substantive kick-out rights without cause, or

substantive participating rights that could be exercised by a simple majority of limited partners or by a single limited partner. Accordingly, the absence of such rights, which represent voting rights in a limited partnership, results in the private funds being considered VIEs. The nature of the Company's involvement with its sponsored funds comprises fee arrangements and equity interests. The fee arrangements are commensurate with the level of management services provided by the Company and contain terms and conditions that are customary to similar at-market fee arrangements.

The Company does not consolidate its sponsored private funds where it has insignificant direct equity interests or capital commitments to these funds as general partner. As the Company's direct equity interests in its sponsored private funds as general partner absorb insignificant variability, the Company is considered to be acting in the capacity of an agent of these funds and is therefore not the primary beneficiary of these funds. The Company accounts for its equity interests in unconsolidated sponsored private funds under the equity method. Additionally, the Company has investments in funds sponsored by third parties that we do not consolidate as we are not the primary beneficiary. The Company's maximum exposure to loss is limited to the carrying value of its investment in the unconsolidated private funds, totaling \$53.9 million and \$39.7 million as of March 31, 2022 and December 31, 2021, respectively, included in other investments on the condensed consolidated balance sheets.

The Operating Company consolidates certain VIEs for which it is the primary beneficiary. Pre-IPO VIEs consisted of certain operating entities not wholly owned by the Company and included Bridge Seniors Housing Fund Manager LLC, Bridge Debt Strategies Fund Manager LLC, Bridge Office Fund Manager LLC, Bridge Agency MBS Fund Manager LLC, Bridge Net Lease Fund Manager LLC, Bridge Logistics Properties Fund Manager LLC, and the Bridge GPs. As part of the Transactions and IPO, the Operating Company acquired the non-controlling interest of its consolidated subsidiaries BSHM and BOFM, which was accounted for as an equity transaction with no gain or loss recognized in combined net income for the period then ended. The carrying amounts of the non-controlling interest in BSHM and BOFM were adjusted to zero.

The assets of the Operating Company's consolidated VIEs totaled \$916.2 million and \$787.3 million as of March 31, 2022 and December 31, 2021 respectively, while the liabilities of the consolidated VIEs totaled \$288.0 million and \$249.7 million as of same dates. The assets of the consolidated VIEs may only be used to settle obligations of the same VIE. In addition, there is no recourse to the Company for the consolidated VIEs' liabilities. Additionally, the Operating Company is a VIE that is consolidated by the Company.

19.RELATED PARTY TRANSACTIONS

Substantially all of the Company's revenue is earned from its affiliates, including fund management fees, property management and leasing fees, construction management fees, development fees, transaction fees, insurance premiums, and real estate mortgage brokerage and administrative expense reimbursements. The related accounts receivable is included within receivables from affiliates within the condensed consolidated balance sheets.

The Company has investment management agreements with the funds that it manages. In accordance with these agreements, the funds may bear certain operating costs and expenses which are initially paid by the Company and subsequently reimbursed by the funds.

The Company also has entered into agreements to be reimbursed for its expenses incurred for providing administrative services to certain related parties, including Bridge Founders Group, LLC. Employees and other related parties may be permitted to invest in Bridge funds alongside fund investors. Participation is limited to individuals who qualify under applicable securities laws. These funds generally do not require these individuals to pay management or performance fees. The Company considers its corporate professionals and non-consolidated funds to be affiliates. Amounts due from and to affiliates were composed of the following (in thousands):

	March 31, 2022	December 31, 2021
Fees receivable from non-consolidated funds	\$ 31,630	\$ 23,991
Payments made on behalf of and amounts due from non-consolidated entities	24,398	11,388
Total receivables from affiliates	<u>\$ 56,028</u>	<u>\$ 35,379</u>

As of March 31, 2022 and December 31, 2021, the Company had accrued a \$50.5 million and \$46.1 million due to affiliates in connection with the TRA (see Note 2, "Significant Accounting Policies," for more details), which was included in due to affiliates for the period then ended.

20.SHARE-BASED COMPENSATION AND PROFITS INTERESTS

Restricted Stock and RSUs

On July 6, 2021, the Company adopted the 2021 Incentive Award Plan, which became effective on July 20, 2021, under which 6,600,000 shares of the Company's Class A common stock were reserved for issuance. On January 1, 2022, the number of shares available under the 2021 Incentive Award Plan increased to 8,836,972. As of March 31, 2022, 4,503,756 shares remained available for future grants. Restricted Stock and RSUs are subject to graded vesting with approximately one-third of such grants vesting on the third, fourth and fifth anniversaries of the grant date. At vesting of the RSUs, the Company issues shares of Class A common stock.

The fair value of the Restricted Stock and RSUs is based upon our stock price at grant date and is expensed over the vesting period. We classify both Restricted Stock and RSUs as equity instruments. Share-based compensation expense is included in employee compensation and benefits in the consolidated and combined statement of operations, with the corresponding increase included in additional paid-in capital or non-controlling interests on the condensed consolidated balance sheet. If the recipient leaves prior to vesting of the Restricted Stock or RSUs, the awards are forfeited. During the three months ended March 31, 2022, the Company reversed \$55,000 of share-based compensation related to Restricted Stock and RSU forfeitures.

Restricted Stock is Class A common stock with certain restrictions that relate to trading and carry the possibility of forfeiture. Holders of Restricted Stock have full voting rights and receive dividend equivalents during the vesting period. RSUs represent rights to one share of common stock for each unit. Holders of RSUs receive dividends during the vesting period but do not have voting rights.

During the three months ended March 31, 2022, 50,137 RSUs were issued at a weighted-average fair value per share of \$23.84. The following summarizes Restricted Stock activity for the three months ended March 31, 2022 (in thousands, except per share data):

	Restricted Stock		Weighted- average fair value per share
Balance as of December 31, 2021	2,417,662	\$	15.82
Issued	2,910,772		24.55
Vested	(260,234)		24.60
Forfeited	(42,775)		16.00
Balance as of March 31, 2022	<u>5,025,425</u>	\$	<u>20.42</u>

The total value at grant date of Restricted Stock and RSUs granted during the three months ended March 31, 2022, was \$71.5 million and \$1.2 million, respectively. As of March 31, 2022, 5,025,425 shares of Restricted Stock and 66,637 RSUs were expected to vest with an aggregate intrinsic value of \$102.3 million and \$1.4 million, respectively.

At March 31, 2022, the aggregate unrecognized compensation cost for all unvested Restricted Stock and RSU awards was \$84.4 million, which is expected to be recognized over a weighted-average period of 2.4 years.

Profits Interests

The Operating Company issued profits interests in the Operating Company and certain Fund Managers in 2019, 2020, and 2021 to certain members of management to participate in the growth of the Operating Company and the respective Fund Managers. A holding company was formed for each of the Fund Managers to hold these profits interests. The holding company's ownership equates from 5% to 40% of the related Fund Managers above a certain income and valuation threshold. The Operating Company issued two types of profits interests: (i) award shares and (ii) anti-dilutive shares. The fair value of these awards was determined using a Monte Carlo Valuation model. Each of the awards has an earnings threshold for distributions and equity appreciation. The grant date fair value of the profits interests awards are expensed over the vesting period. The award shares are subject to graded vesting with approximately one-third of such grants vesting on the third, fourth and fifth anniversaries of the grant date. The Operating Company also issued anti-dilutive awards to active partners. Since the anti-dilutive awards were fully vested, the Company recorded 100% of the fair value as share-based compensation in the year the anti-dilutive shares were granted.

If the recipient leaves after the awards vest, the Company has the option to repurchase the shares at fair value. If the recipient leaves prior to vesting, the awards are forfeited.

At March 31, 2022, the aggregate unrecognized compensation cost for all unvested profits interests awards was \$10.1 million, which is expected to be recognized over a weighted-average period of 2.1 years.

The following table summarizes our share-based compensation expense associated with our profits interests awards, Restricted Stock, and RSUs, which is recorded in employee compensation and benefits on the consolidated and combined statement of operations and comprehensive income (in thousands):

	Three Months Ended March 31,	
	2022	2021
Profits interests award shares	\$ 1,616	\$ 841
Restricted Stock and RSUs	5,650	—
Total share-based compensation	<u>\$ 7,266</u>	<u>\$ 841</u>

As of March 31, 2022, unrecognized share-based compensation on Restricted Stock, RSUs and profits interests awards is expected to be recognized as follows (in thousands):

	Total	As of March 31, 2022 Restricted Stock and RSUs	Profit interest awards
Remainder of 2022	\$ 26,628	\$ 22,990	\$ 3,638
2023	25,967	22,935	3,032
2024	23,486	21,341	2,145
2025	13,026	12,070	956
2026	5,349	5,034	315
Thereafter	42	42	—
Total	<u>\$ 94,498</u>	<u>\$ 84,412</u>	<u>\$ 10,086</u>

21.EARNINGS PER SHARE

Basic and diluted earnings per share of Class A common stock is presented only for the three months ended March 31, 2022. There were no shares of Class A common stock outstanding prior to the Transactions and the IPO, therefore, no earnings per share information has been presented for any period prior to the date of the IPO. The following table presents our EPS for the three months ended March 31, 2022 (in thousands, except per share amounts):

Numerator:		Three Months Ended March 31, 2022
Income attributable to Bridge Investment Group Holdings Inc.	\$	9,780
Less:		
Income allocated to Restricted Stock and RSUs		(695)
Distributions on Restricted Stock and RSUs		(1,071)
Earnings available to Class A common shareholders - basic and diluted	<u>\$</u>	<u>8,014</u>
Denominator:		
Weighted-average shares of Class A common stock outstanding - basic and diluted		23,138,030
Earnings per share of Class A common stock - basic and diluted	\$	0.35

Basic earnings per share is calculated by dividing earnings available to Class A common shareholders by the weighted-average number of Class A common shares outstanding for the period. Restricted Stock and RSUs that contain non-forfeitable rights to dividends are participating securities and are included in the computation of earnings per share pursuant to the two-class method. Accordingly, distributed and undistributed earnings attributable to unvested Restricted Stock have been excluded as applicable, from earnings available to Class A common stockholders used in basic and diluted earnings per share.

Diluted earnings per share of Class A common stock is computed by dividing earnings available to Bridge Investment Group Holdings Inc., giving consideration to the reallocation of net income between holders of Class A common stock and non-controlling interests, by the weighted-average number of shares of Class A common stock outstanding adjusted to give effect to potentially dilutive securities, if any.

Shares of the Company's Class B common stock do not share in the earnings or losses attributable to the Company and therefore are not participating securities. As a result, a separate presentation of basic and diluted earnings per share of Class B common stock under the two-class method has not been included.

22.SUBSEQUENT EVENTS

Other than as disclosed elsewhere in these notes to condensed, consolidated and combined financial statements, no subsequent events have occurred that would require recognition in the condensed, consolidated and combined financial statements or disclosure in the accompanying footnotes.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This section presents management's perspective on our financial condition and results of operations. The following discussion and analysis is intended to highlight and supplement data and information presented elsewhere in this quarterly report on Form 10-Q, including the condensed consolidated and combined financial statements and related notes, and should be read in conjunction with the accompanying tables and our annual audited financial statements in our annual report on Form 10-K, filed with the SEC on March 18, 2022. To the extent that this discussion describes prior performance, the descriptions relate only to the periods listed, which may not be indicative of our future financial outcomes. In addition to historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause results to differ materially from management's expectations. Factors that could cause such differences are discussed in the sections titled "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors." We assume no obligation to update any of these forward-looking statements. In addition, amounts and percentages in the tables below may reflect rounding adjustments and consequently totals may not appear to sum.

Overview

We are a leading, vertically integrated real estate investment manager, diversified across specialized asset classes, with approximately \$38.8 billion of AUM as of March 31, 2022. Our ability to scale our specialized and operationally driven investment approach across multiple attractive sectors within real estate equity and debt, in a way that creates sustainable and thriving communities, is the ethos of who we are and the growth engine of our success. We have enjoyed significant growth since our establishment as an institutional fund manager in 2009, driven by strong investment returns, and our successful efforts to develop an array of investment platforms focused on sectors of the U.S. real estate market that we believe are the most attractive. We have extensive multi-channel distribution capabilities and currently manage capital on behalf of more than 190 global institutions and more than 11,000 individual investors across our investment strategies.

Business Segment

We operate as one business, a fully integrated real estate investment manager. The Company's chief operating decision maker, which is the executive chairman, utilizes a consolidated approach to assess financial performance and allocate resources. As such, the Company operates as one business segment.

Recent Events

On January 31, 2022, the Company acquired certain assets of Gorelick Brothers Capital ("GBC"), including a 60% interest in GBC's asset and property management business (the "GBC Acquisition"). The 60% interest in GBC's asset and property management business was acquired by the Operating Company for consideration of approximately \$30 million (total implied value of \$50 million) with 50% paid in cash and 50% with 694,412 Class A Units of the Operating Company, which was based on an average of the Company's closing stock price prior to the closing of the GBC Acquisition. Upon consummation of the GBC Acquisition, (i) the GBC team and Bridge launched a single-family rental ("SFR") strategy on the Bridge platform, (ii) Bridge and the former key principals of GBC formed and jointly own a new SFR investment manager within Bridge, and (iii) Bridge and the former GBC principals completed a \$660 million recapitalization of a portfolio comprising more than 2,700 homes in 14 markets, concentrated in the Sunbelt and certain Midwest markets of the United States. The Operating Company now indirectly owns a 60% interest in the newly created Bridge SFR investment manager, and the former principals of GBC own the remaining 40%. See Note 8, "Business Combinations and Goodwill," to our condensed consolidated and combined financial statements for additional information on this transaction.

Trends Affecting Our Business

Our business is affected by a variety of factors, including conditions in the financial markets and economic and political conditions. Changes in global economic conditions and regulatory or other governmental policies or actions can materially affect the values of our holdings and the ability to source attractive investments and completely deploy the capital that we have raised. However, we believe our disciplined investment philosophy across our diversified investment strategies has historically contributed to the stability of our performance throughout market cycles.

In addition to these macroeconomic trends and market factors, our future performance is heavily dependent on our ability to attract new capital, generate strong, stable returns, source investments with attractive risk-adjusted returns and provide attractive investment products to a growing investor base. We believe our future performance will be influenced by the following factors:

- *The extent to which fund investors favor private markets investments.* Our ability to attract new capital is partially dependent on fund investors' views of alternative investments relative to traditional asset classes. We believe our fundraising efforts will continue to be subject to certain fundamental asset management trends, including (1) the increasing importance and market share of alternative investment strategies to fund investors of all types as fund investors focus on lower correlated and absolute levels of return, (2) the increasing demand for private markets from private wealth fund investors, (3) shifting asset allocation policies of institutional fund investors, (4) de-leveraging of the global banking system, bank consolidation and increased regulatory requirements and (5) increasing barriers to entry and growth.
- *Our ability to generate strong, stable returns and retain investor capital throughout the market cycle.* Our ability to raise and retain capital is significantly dependent on our track record and the investment returns we are able to generate for our fund investors. The capital we raise drives growth in our AUM, management fees and performance fees. Although our AUM and fees generated have grown significantly since our inception and particularly in recent years, a significant deterioration in the returns we generate for our fund investors, adverse market conditions or an outflow of capital in the alternative asset management industry in general, or in the real estate space in which we specialize, could negatively affect our future growth rate. In addition, market dislocations, contractions or volatility could adversely affect our returns in the future, which could in turn affect our fundraising abilities. Our ability to retain and attract fund investors also depends on our ability to build and maintain strong relationships with both existing and new fund investors, many of whom place significant emphasis on an asset manager's track record of strong fund performance and distributions. While we believe that our reputation for generating attractive risk-adjusted returns is favorable to our ability to continue to attract investors, we may face greater challenges in raising capital for new verticals as we continue to expand our market presence and asset classes.
- *Our ability to source investments with attractive risk-adjusted returns.* Our ability to continue to grow our revenue is dependent on our continued ability to source attractive investments and efficiently deploy the capital that we have raised. Although the capital deployed in any one quarter may vary significantly from period to period due to the availability of attractive opportunities and the long-term nature of our investment strategies, we believe that our ability to efficiently and effectively invest our growing pool of fund capital puts us in a favorable position to maintain our revenue growth over time. Our ability to identify attractive investments and execute on those investments, including any value-add strategies with respect to such investments, is dependent on a number of factors, including the general macroeconomic environment, market positioning, valuation, size, and the liquidity of such investment opportunities. Moreover, with respect to our Debt Strategies and Agency MBS Funds, macro-economic trends or adverse credit and interest rate environments affecting the quality or quantity of new issuance debt and mortgage-backed securities or a substantial increase in defaults could adversely affect our ability to source investments with attractive risk-adjusted returns. Furthermore, fluctuations in prevailing interest rates could affect not only our returns on debt and mortgage-backed securities, but also our cost of, and ability to secure, borrowings to finance our equity asset acquisitions.
- *The attractiveness of our product offerings to a broad and evolving investor base.* Investors in our industry may have changing investment priorities and preferences over time, including with respect to risk appetite, portfolio allocation, desired returns and other considerations. We continue to expand and diversify our product offerings to increase investment options for our fund investors, while balancing this expansion with our goal of continuing to deliver the consistent, attractive returns that have cultivated our reputation. We believe that continuing to strike that balance is crucial to both our fund investors' success and satisfaction, as well as our ability to maintain our competitive position and grow our revenue.
- *Our ability to maintain our data advantage relative to competitors.* Our proprietary data and technology platforms, analytical tools and deep industry knowledge allow us to provide our fund investors with customized investment solutions, including specialized asset management services, tailored reporting packages, customized performance benchmarks as well as experienced and responsive compliance, administration, and tax capabilities. Our ability to maintain our data advantage is dependent on a number of factors, including our continued access to a broad set of private market information and our ability to grow our relationships with sophisticated partners and wealth management platforms.

Impact of COVID-19

The spread of COVID-19 throughout the world has led many countries to institute a variety of public health measures, which led to significant disruption and uncertainty in the global financial markets. While many of the initial restrictions in the United States have been relaxed or lifted in an effort to generate more economic activity, the risk of future outbreaks of COVID-19, or variants thereof, or

of other public health crises remain, and some restrictions remain in place and lifted restrictions may be reimposed to mitigate risks to public health in jurisdictions where additional outbreaks have been detected. Moreover, even where restrictions are and remain lifted, people may not participate in the economy at pre-pandemic levels for a prolonged period of time, potentially further delaying global economic recovery.

We continue to closely monitor developments related to COVID-19 and assess any negative impacts to our business. The COVID-19 pandemic has affected, and may further affect, our business in various ways. In particular, it is possible that our future results may be adversely affected by slowdowns in fundraising activity, the pace of capital deployment and the expansion of our tenant base and our ability to collect rental income when due. See “Risk Factors—Risks Related to Our Industry—The COVID-19 pandemic has caused severe disruptions in the U.S. and global economy, may affect the investment returns of our funds, has disrupted, and may continue to disrupt, industries in which we and our funds operate and could potentially negatively impact us or our funds” in our annual report on Form 10-K.

Countries around the world continue to recover from the economic impacts of the COVID-19 pandemic. While economic activity remains robust, global supply chain disruptions, labor shortages and rising commodity prices continue to have a negative impact across sectors and regions, and concerns regarding geopolitical risk, inflation and increasing interest rates are deepening.

Key Financial Measures

Our key financial and operating measures are discussed below. Additional information regarding our significant accounting policies can be found in Note 2, “Significant Accounting Policies,” to our condensed consolidated and combined financial statements, which appear elsewhere in this quarterly report on Form 10-Q.

Revenues

Fund Management Fees. Our Fund Management fees are generally based on a defined percentage of total commitments, invested capital, or net asset value (“NAV”) of the investment portfolios that we manage. Generally, with respect to fund management fees charged on committed capital, fund management fees are earned at the management fee rate on committed capital and, beginning at the expiration of the investment period, on invested capital. The majority of our fee-earning AUM pays fees on committed capital during the respective funds’ investment periods, which generally produces more management fee revenue than fees paid on invested capital. The fees are generally based on a quarterly measurement period and paid in advance. We typically share a portion of the fees we earn on capital raised through wirehouse and distribution channels. Fund management fees are recognized as revenue in the period in which advisory services are rendered, subject to our assessment of collectability. As of March 31, 2022, our weighted-average management fee varies by fund and is based upon the size of the commitment; however, the low average for a single fund is 0.85% and the high average for a single fund is 1.99% of committed or invested capital for our closed-end funds. Fund management fees also includes management fees for joint ventures and separately managed assets. Management fees for those types of assets is usually less than 1% and typically charged on invested capital or invested equity. For our sponsored closed-end funds, our capital raising period is traditionally 18 to 24 months. After the initial closing of a closed-end fund, we charge catch-up management fees to investors who subscribe in subsequent closings in amounts equal to the fees they would have paid if they had subscribed in the initial closing plus interest. Catch-up management fees are recognized in the period in which the investor subscribes to the fund. Fund management fees are presented net of placement agent fees, where we are acting as an agent in the arrangement.

Property Management and Leasing Fees. We have vertically integrated platforms where we operate a significant percentage of the real estate properties owned by our funds. As of March 31, 2022, we managed approximately 100% of the multifamily properties, 93% of the workforce and affordable housing properties, 81% of the office properties, and 33% of the seniors housing properties owned by our funds. We also provide property management services for a limited number of third-party owned assets. These fees are based upon cash collections at the managed properties and traditionally range from 2.5% to 3.5% for multifamily and workforce and affordable housing properties, 2% to 3% for office properties and 4% to 5% for seniors housing properties. Additionally, we receive leasing fees upon the execution of a leasing agreement for our office assets. We determined that certain third-party asset management costs, for which we are deemed to be the primary obligor, are recorded as gross revenue with a corresponding expense. The gross presentation has no impact on our net income to the extent the expense incurred, and corresponding cost reimbursement income are recognized, in the same period. The offset is recorded in third-party operating expenses on the consolidated and combined statement of operations.

Construction Management Fees and Development Fees. The majority of our equity funds have a value-add component, where we seek to make improvements or reposition the properties, or have a development strategy. Similar to Property Management Fees, we perform the construction management and development management for certain managed properties and receive fees for these services. These fees are earned as the work is completed. The rates used are based upon market rates and are updated on an annual

basis. For small projects, we occasionally charge an immaterial flat fee. For significant projects, the range is generally 0.5% to 5.0% of construction costs.

Transaction Fees. We earn transaction fees associated with the due diligence related to the acquisition of assets and origination of debt financing for assets. The fee is recognized upon the acquisition of the asset or origination of the mortgage or other debt. For the three months ended March 31, 2022, the fee range for acquisition fees was 0.5% to 1.0% of the gross acquisition cost of the investment or, in the case of development projects, the total development budget, and the fee range for debt origination was 0.3% to 1.0%.

Fund administration Fees. The Company earns fund administration fees for providing such services to our funds. Fund administration fees include a fixed annual amount plus a percentage of invested or deployed capital. Fund administration fees also include investor services fees, which are based on an annual fee per investor. Fees are earned as services are provided, and are recognized on a straight-line basis.

Insurance Premiums. BIGRM is our subsidiary that provides certain insurance products for multifamily and commercial properties owned by the funds. BIGRM insures direct risks including lease security deposit fulfillment, tenant legal liability, workers compensation deductible, property deductible and general liability deductible reimbursements. Tenant legal liability premiums are earned monthly. Deposit eliminator premiums are earned in the month that they are written. Workers' compensation and property deductible premiums are earned over the terms of the policy period.

Other Asset Management and Property Income. Other asset management and property income is comprised of, among other things, interest on catch-up management fees, fees related to in-house legal and tax professional fees, which are generally billed on an hourly rate to various Bridge funds and properties, and other miscellaneous fees.

Performance Fees. We earn two types of performance fee revenues: incentive fees and performance allocations, as described below. Incentive fees comprise fees earned from certain fund investor investment mandates for which we do not have a general partner interest in a fund. Performance allocations include the allocation of performance-based fees, commonly referred to as carried interest, from limited partners in the funds to us. As of March 31, 2022, we had approximately \$14.6 billion of carry-eligible AUM across approximately 43 funds and other vehicles, of which 19 were in accrued carried interest positions.

Incentive fees are generally calculated as a percentage of the profits earned with respect to certain accounts for which we are the investment manager, subject to the achievement of minimum return levels or performance benchmarks. Incentive fees are a form of variable consideration and represent contractual fee arrangements in our contracts with our customers. Incentive fees are typically subject to reversal until the end of a defined performance period, as these fees are affected by changes in the fair value of the assets under management or advisement over such performance period. Moreover, incentive fees that are received prior to the end of the defined performance period are typically subject to clawback, net of tax. We recognize incentive fee revenue only when these amounts are realized and no longer subject to significant reversal, which is typically at the end of a defined performance period and/or upon expiration of the associated clawback period (i.e., crystallization). However, clawback terms for incentive fees received prior to crystallization only require the return of amounts on a net of tax basis. Accordingly, the tax basis portion of incentive fees received in advance of crystallization is not subject to clawback and is therefore recognized as revenue immediately upon receipt. Incentive fees received in advance of crystallization that remain subject to clawback are recorded as deferred incentive fee revenue and included in accrued performance allocations compensation in the condensed consolidated balance sheets.

Performance allocations include the allocation of performance-based fees to us from limited partners in the funds in which we hold an equity interest. We are entitled to a performance allocation (typically 15% to 20%) based on cumulative fund or account performance to date, irrespective of whether such amounts have been realized. These performance allocations are subject to the achievement of minimum return levels (typically 6% to 8%), in accordance with the terms set forth in the respective fund's governing documents. We account for our investment balances in the funds, including performance allocations, under the equity method of accounting because we are presumed to have significant influence as the general partner or managing member. Accordingly, performance allocations are not deemed to be within the scope of Accounting Standards Codification Topic 606, or ASC 606, *Revenue from Contracts with Customers*. We recognize income attributable to performance allocations from a fund based on the amount that would be due to us pursuant to the fund's governing documents, assuming the fund was liquidated based on the current fair value of its underlying investments as of that date. Accordingly, the amount recognized as performance allocation income reflects our share of the gains and losses of the associated fund's underlying investments measured at their then-fair values, relative to the fair values as of the end of the prior period. We record the amount of carried interest allocated to us as of each period end as accrued performance allocations, which is included as a component of investments in the condensed consolidated balance sheets. Performance allocations are realized when an underlying investment is profitably disposed of and the fund's cumulative returns are in excess of the specific hurdle rates, as defined in the applicable governing documents. Performance allocations are subject to reversal to the extent that the

amount received to date exceeds the amount due to us based on cumulative results. As such, a liability is accrued for the potential clawback obligations if amounts previously distributed to us would require repayment to a fund if such fund were to be liquidated based on the current fair value of their underlying investments as of the reporting date. Actual repayment obligations generally do not become realized until the end of a fund's life.

Expenses

Employee Compensation and Benefits. Compensation comprises salaries, bonuses (including discretionary awards), related benefits, share-based compensation, compensatory awards, and the cost of processing payroll. Bonuses are accrued over the employment period to which they relate.

Share-Based Compensation. To further align the interests of our employees with our shareholders and to cultivate a strong sense of ownership and commitment to our Company, certain employees also are eligible to receive unvested Class A restricted common stock ("Restricted Stock"), Restricted Stock Units ("RSUs"), and profits interests awards. Equity-classified awards granted to employees that have a service condition only are measured at fair value at date of grant and remeasured at fair value only upon a modification of the award. The fair value of the Restricted Stock and RSUs is based upon our stock price at grant date. The fair value for profits interests awards classified as equity is determined using a Monte Carlo valuation on the grant date or date of remeasurement. We recognize compensation expense on a straight-line basis over the requisite service period of the awards not contingent on employment, with the amount of compensation expense recognized at the end of a reporting period at least equal to the fair value of the portion of the award that has vested through that date. Compensation expense is adjusted for actual forfeitures upon occurrence. See Note 20, "Share-Based Compensation and Profits Interests," to our consolidated and combined financial statements for more information about equity awards.

Performance Allocations Compensation. Performance fee-related compensation deemed to be compensatory awards represents the portion of performance allocation revenue and incentive fees that have been awarded to employees as a form of long-term incentive compensation. Performance fee-related compensation is generally tied to the investment performance of the funds. Up to 60% of performance allocation revenue is awarded to employees as part of our long-term incentive compensation plan, fostering alignment of interest with our fund investors and investors, and retaining key investment professionals. Performance allocations related compensation is accounted for as compensation expense in conjunction with the related performance allocation revenue and, until paid, is recorded as a component of accrued performance allocations compensation in the consolidated balance sheet. Amounts presented as realized indicate the amounts paid or payable to employees based on the receipt of performance allocation revenue from realized investment activity. Performance allocations related compensation expense may be subject to reversal to the extent that the related performance allocation revenue is reversed. Performance allocations related compensation paid to employees may be subject to clawback on an after-tax basis under certain scenarios. Incentive fee-related compensation is accrued as compensation expense when it is probable and estimable that payment will be made.

Loss and Loss Adjustment Expenses. Amount includes the estimated liability (based upon actuarial reports) of both losses which have been reported to us, but have not been processed and paid, and losses relating to insured events which have occurred but have not been reported to us.

Third-party Operating Expenses. Costs represents transactions, largely operation and leasing of assets, with third-party operators of real estate owned by the funds where we were determined to be the principal rather than the agent in the transaction.

General and Administrative Expenses. General and administrative expenses include costs primarily related to professional services, occupancy, travel, communication and information services, and other general operating items.

Depreciation and Amortization. Depreciation or amortization of tenant improvements, furniture and equipment and intangible assets is expensed on a straight-line basis over the useful life of the asset.

Other Income (Expense)

Realized and unrealized gains (losses). Realized and unrealized gains (losses) occur when the Company redeems all or a portion of its investment or when the Company receives cash income, such as dividends or distributions. Unrealized investment income (loss) results from changes in the fair value of the underlying investment as well as from the reversal of previously recognized unrealized income (loss) at the time an investment is realized. The Company's share of the investee's income and expenses for the Company's equity method investments (exclusive of carried interest) is also included within other investment income (loss). Investment income (loss) is presented together as realized and unrealized income (losses) in the consolidated and combined statements of operations. Finally, the realized and unrealized change in income (loss) associated with the financial instruments that we elect the fair value option is also included in realized and unrealized investment income (loss).

Interest Income. Interest (other than interest on catch-up management fees), dividends and other investment income are included in interest income. Interest income is recognized on an accrual basis to the extent that such amounts are expected to be collected using the effective interest method. Dividends and other investment income are recorded when the right to receive payment is established.

Other Income (Expense). Other income (expense) relates to non-operating and non-investment related expenses, which at times can include changes in our TRA liability.

Interest Expense. Interest expense includes interest related to our two tranches of privately offered notes, or the Private Placement Notes, which have a weighted-average fixed coupon rate of 4.025%, and our revolving credit facility, which has a variable interest rate of LIBOR plus 2.25%.

Income Tax Provision. Income tax expense consists of taxes paid or payable by us and our operating subsidiaries. Following our IPO, we are taxed as a corporation for U.S. federal and state income tax purposes and, as a result, are subject to U.S. federal and state income taxes, in addition to local and foreign income taxes, with respect to our allocable share of any taxable income generated by the Operating Company that will flow through to its members. The Operating Company has historically been treated as a partnership for U.S. federal and state income tax purposes. As such, income generated by the Operating Company flows through to its members and is generally not subject to U.S. federal or state income tax at the Operating Company level. Our non-U.S. subsidiaries operate as corporate entities in non-U.S. jurisdictions. Accordingly, in some cases, these entities are subject to local or non-U.S. income taxes. In addition, certain subsidiaries are subject to local jurisdiction taxes at the entity level, with the related tax provision reflected in the consolidated and combined statements of operations.

Net Income Attributable to Non-Controlling Interests in Bridge Investment Group Holdings LLC. Net Income Attributable to Non-Controlling Interests in Bridge Investment Group Holdings LLC represent the economic interests held by management and third parties in the consolidated subsidiaries of the Operating Company, fund manager entities, and employees in those entities. These non-controlling interests are allocated a share of income or loss in the respective consolidated subsidiary in proportion to their relative ownership interests, after consideration of contractual arrangements that govern allocations of income or loss.

Net Income Attributable to Non-Controlling Interests in Bridge Investment Group Holdings Inc. Net Income Attributable to Non-Controlling Interests in Bridge Investment Group Holdings Inc. represents the economic interests in the Operating Company held by the third-party owners of Class A Units of the Operating Company. Non-controlling interests in Bridge Investment Group Holdings Inc. are allocated a share of income or loss in the Operating Company in proportion to their relative ownership interests, after consideration of contractual arrangements that govern allocations of income or loss.

For additional discussion of components of our consolidated and combined financial statements, see Note 2, "Significant Accounting Policies," to our consolidated and combined financial statements.

Operating Metrics

We monitor certain operating metrics that are either common to the asset management industry or that we believe provide important data regarding our business.

Assets Under Management

AUM refers to the assets we manage. Our AUM represents the sum of (a) the fair value of the assets of the funds and vehicles we manage, plus (b) the contractual amount of any uncalled capital commitments to those funds and vehicles (including our commitments to the funds and vehicles and those of Bridge affiliates). Our AUM is not reduced by any outstanding indebtedness or other accrued but unpaid liabilities of the assets we manage. We view AUM as a metric to measure our investment and fundraising performance as it reflects assets generally at fair value plus available uncalled capital. Our calculations of AUM and fee-earning AUM may differ from the calculations of other investment managers. As a result, these measures may not be comparable to similar measures presented by other investment managers. In addition, our calculation of AUM (but not fee-earning AUM) includes uncalled commitments to (and the fair value of the assets in) the funds and vehicles we manage from Bridge and Bridge affiliates, regardless of whether such commitments or investments are subject to fees. Our definition of AUM is not based on any definition contained in the agreements governing the funds and vehicles we manage or advise.

The table below presents a rollforward of our AUM for the three months ended March 31, 2022 and 2021 (dollar amounts in millions):

	Three Months Ended March 31,	
	2022	2021
AUM as of January 1,	\$ 36,315	\$ 25,214
New capital / commitments raised ⁽¹⁾	1,101	178
Distributions / return of capital ⁽²⁾	(583)	(2,670)
Change in fair value and acquisitions ⁽³⁾	2,014	3,205
AUM as of end of period	<u>\$ 38,847</u>	<u>\$ 25,927</u>
Increase	2,532	713
Increase %	7 %	3 %

(1) New capital / commitments raised generally represents limited partner capital raised by our funds and other vehicles, including any reinvestments in our open-ended vehicles.

(2) Distributions / return of capital generally represents realized proceeds from the disposition of assets, current income, or capital returned to investors.

(3) Change in fair value and acquisitions generally represents realized and unrealized activity on investments held by our funds and other vehicles (including changes in fair value and changes in leverage) as well as the net impact of fees, expenses, and non-investment income.

Fee-Earning AUM

Fee-earning AUM reflects the assets from which we earn management fee revenue. The assets we manage that are included in our fee-earning AUM typically pay management fees based on capital commitments, invested capital or, in certain cases, NAV, depending on the fee terms.

Management fees are only marginally affected by market appreciation or depreciation because substantially all of the funds pay management fees based on commitments or invested capital.

Our calculation of fee-earning AUM may differ from the calculations of other investment managers and, as a result, may not be comparable to similar measures presented by other investments managers. The table below presents a rollforward of our total fee-earning AUM for the three months ended March 31, 2022 and 2021 (dollar amounts in millions):

	Three Months Ended March 31,	
	2022	2021
Fee-earning AUM as of beginning of period	\$ 13,363	\$ 10,214
Increases (capital raised/deployment) ⁽¹⁾	1,565	383
Changes in fair market value	10	2
Decreases (liquidations/other) ⁽²⁾	(281)	(289)
Fee-earning AUM as of end of period	<u>\$ 14,657</u>	<u>\$ 10,310</u>
Increase	\$ 1,294	\$ 96
Increase %	10 %	1 %

(1) Increases generally represent limited partner capital raised or deployed by our funds and other vehicles that is fee-earning when raised or deployed, respectively, including any reinvestments in our open-ended vehicles.

(2) Decreases generally represent liquidations of investments held by our funds or other vehicles or other changes in fee basis, including the change from committed capital to invested capital after the expiration or termination of the investment period.

The launch of new funds resulted in an increased fee-earning AUM during each of the three months ended March 31, 2022 and 2021. Fee-earning AUM increased from approximately \$10.3 billion as of March 31, 2021 and \$13.4 billion as of December 31, 2021 to \$14.7 billion as of March 31, 2022 due to our capital raising activities and deployment. The following table summarizes our balances of fee-earning AUM by fund as of March 31, 2022 and 2021 and December 31, 2021 and 2020 (in millions):

Fee-Earning AUM by Fund	As of March 31,		As of December 31,	
	2022	2021	2021	2020
Bridge Debt Strategies Fund IV	\$ 1,627	\$ 474	\$ 1,133	\$ 305
Bridge Opportunity Zone Fund IV	1,490	41	1,490	—
Bridge Multifamily Fund V	1,378	—	976	—
Bridge Multifamily Fund IV	1,342	1,574	1,284	1,574
Bridge Debt Strategies Fund III	1,137	1,549	1,286	1,549
Bridge Workforce Fund II	1,126	300	915	166
Bridge Opportunity Zone Fund III	1,019	1,028	1,019	1,028
Bridge Seniors Housing Fund II	801	769	805	769
Bridge Seniors Housing Fund I	626	622	626	626
Bridge Workforce Fund I	556	499	556	499
Bridge Office Fund I	499	500	499	500
Bridge Opportunity Zone Fund I	482	477	482	482
Bridge Opportunity Zone Fund II	408	408	408	408
Bridge Debt Strategies III JV Partners	285	329	308	416
Bridge Debt Strategies Fund II	280	604	354	678
Bridge Multifamily Fund III	260	356	269	401
Bridge Single-Family Rental IV Fund	222	—	—	—
Bridge Agency MBS Fund	194	116	123	104
Bridge Office Fund II	176	118	176	89
Bridge Debt Strategies II JV Partners	176	270	195	343
Bridge Debt Strategies Fund IV JV Partners	160	—	129	—
Bridge Office I JV Partners	130	154	130	154
Bridge Logistics U.S. Venture I	120	—	110	—
Bridge Net Lease Income Fund	58	—	29	—
Bridge Seniors Housing Fund III	57	33	33	33
Bridge Opportunity Zone Fund V	20	—	—	—
Bridge Debt Strategies I JV Partners	18	18	18	18
Bridge Office II JV Partners	6	21	6	21
Bridge Multifamily III JV Partners	4	10	4	10
Bridge Debt Strategies Fund I	—	40	—	41
Total Fee-Earning AUM	\$ 14,657	\$ 10,310	\$ 13,363	\$ 10,214

Our average remaining fund life for our closed-end funds was approximately 8.0 years as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively, and 7.2 years as of December 31, 2020.

Undeployed Capital

As of March 31, 2022, we had \$2.9 billion of undeployed capital available to be deployed for future investment or reinvestment. Of this amount, \$2.2 billion is currently fee-earning based on commitments and \$0.7 billion will be fee-earning if and when it is deployed.

Our Performance

We have a demonstrated record of producing attractive returns for our fund investors across our platforms. Our historical investment returns have been recognized by third parties such as Prequin Ltd., which ranked each of our last three multifamily funds and our first workforce and affordable housing funds in the top quartile for their vintage. Our historical investment returns for our closed-end funds by platform are shown in the chart below (dollar amounts in millions).

Performance Summary as of March 31, 2022										
(in millions)	Fund Commitment Capital	Unreturned Drawn Capital + Accrued Pref ⁽¹⁾	Cumulative Invested Capital ⁽²⁾	Realized Proceeds ⁽³⁾	Remaining Fair Value (RFV) ⁽⁴⁾	Unrealized MOIC ⁽⁵⁾	Total Fair Value (TFV) ⁽⁶⁾	TFV MOIC ⁽⁷⁾	Fund Gross IRR ⁽⁸⁾	Net IRR ⁽⁹⁾
Closed-End Funds ⁽¹⁾										
(Investment Period Beginning, Ending Date)										
Equity Strategies Funds										

Multifamily																
Bridge Multifamily I (Mar 2009, Mar 2012)	\$	124	\$	—	\$	150	\$	280	\$	—	N/A	\$	280	1.87 x	21.0 %	15.3 %
Bridge Multifamily II (Apr 2012, Mar 2015)		596		—		605		1,264		—	N/A		1,264	2.09 x	30.2 %	23.4 %
Bridge Multifamily III (Jan 2015, Jan 2018)		912		—		876		1,433		778	3.45 x		2,211	2.52 x	28.7 %	20.7 %
Bridge Multifamily IV (Jun 2018, Jun 2021)		1,590		1,518		1,353		212		2,770	2.20 x		2,983	2.20 x	47.4 %	37.2 %
Total Multifamily Funds	\$	3,222	\$	1,518	\$	2,984	\$	3,189	\$	3,548	2.40 x	\$	6,738	2.26 x	30.3 %	23.5 %
Bridge Workforce Housing I (Aug 2017, Aug 2020)																
		619		640		563		93		1,229	2.35 x		1,322	2.35 x	40.9 %	33.1 %
Bridge Office I (Jul 2017, Jul 2020)		573		624		596		172		558	1.21 x		730	1.23 x	7.3 %	4.5 %
Bridge Office II (Dec 2019, to present)		208		199		205		21		261	1.37 x		282	1.37 x	29.3 %	21.0 %
Total Office Funds	\$	781	\$	823	\$	801	\$	193	\$	819	1.26 x	\$	1,012	1.26 x	9.8 %	6.2 %
Seniors Housing																
Bridge Seniors I (Jan 2014, Jan 2018)		578		784		640		310		554	1.32 x		864	1.35 x	6.4 %	3.9 %
Bridge Seniors II (Mar 2017, Mar 2020)		820		816		717		182		779	1.33 x		961	1.34 x	10.3 %	7.0 %
Total Senior Housing Funds	\$	1,398	\$	1,600	\$	1,357	\$	492	\$	1,333	1.33 x	\$	1,825	1.35 x	7.9 %	5.1 %
Total Equity Strategies Funds	\$	6,020	\$	4,581	\$	5,705	\$	3,967	\$	6,929	1.87 x	\$	10,897	1.91 x	24.6 %	18.3 %
Debt Strategies Funds																
Bridge Debt I (Sep 2014, Sep 2017)		132		—		219		262		2	1.23 x		264	1.21 x	8.4 %	5.9 %
Bridge Debt II (July 2016, July 2019)		1,002		244		2,459		2,636		290	1.28 x		2,926	1.19 x	11.6 %	8.8 %
Bridge Debt III (May 2018, May 2021)		1,624		1,146		5,310		4,735		1,152	1.26 x		5,887	1.11 x	13.4 %	10.3 %
Total Debt Strategies Funds	\$	2,758	\$	1,390	\$	7,988	\$	7,633	\$	1,444	1.27 x	\$	9,077	1.14 x	12.2 %	9.3 %

Footnotes:

- (1) Closed-Ended funds represented herein does not include performance for (i) Opportunity Zone funds, as such funds are invested in active development projects and have minimal stabilized assets, or (ii) funds that are currently raising capital, including our open-ended funds. Each fund identified contemplates all associated parallel and feeder limited partnerships in which investors subscribe and accordingly share common management. All intercompany accounts and transactions have been eliminated in the combined presentation. Values and performance presented herein are the combined investor returns gross of any applicable legal entity taxes.
- (2) Fund Committed Capital represents total capital commitments to the fund, excluding joint ventures or separately managed accounts.
- (3) Unreturned Drawn Capital and Accrued Preferred represents the amount the fund needs to distribute to its investors as a return of capital and a preferred return before the General Partner is entitled to receive performance fees or allocations from the fund.
- (4) Cumulative Invested Capital represents the total cost of investments since inception (including any recycling or refinancing of investments).
- (5) Realized Proceeds represents net cash proceeds received in connection with all investments, including distributions from investments and disposition proceeds.
- (6) Remaining Fair Value ("RFV") is the estimated liquidation values of remaining fund investments that are generally based upon appraisals, contracts and internal estimates. There can be no assurance that RFV will be realized at valuations shown, and realized values will depend on numerous factors including, among others, future asset-level operating results, asset values and market conditions at the time of disposition, transaction costs, and the timing and manner of disposition, all of which may differ from the assumptions on which the RFV are based. Direct fund investments in real property are held at cost minus transaction expenses for the first six months from investment.
- (7) Unrealized MOIC represents the Multiple of Invested Capital ("MOIC") for RFV before management fees, expenses and carried interest, divided by the remaining invested capital attributable to those unrealized investments.
- (8) Total Fair Value ("TFV") represents the sum of Realized Proceeds and Remaining Fair Value, before management fees, expenses and carried interest.
- (9) TFV MOIC represents MOIC for Total Fair Value before management fees, expenses and carried interest, divided by Cumulative Invested Capital.
- (10) Fund Gross IRR is an annualized realized and unrealized fund-level internal rate of return to fund investors of all investments, before management fees, expenses and carried interest.
- (11) Fund Net IRR is an annualized realized and unrealized return to fee-paying investors (including GP affiliated fund investors that pay reduced or no fees), net of management fees, fund-level expenses and carried interest. Net return information reflects average fund investor level returns, which may differ from actual investor level returns due to timing, variance in fees paid by investors, and other investor-specific investment costs such as taxes.

The returns presented above are those of the primary funds in each platform and not those of the Company. The returns presented above do not include returns for joint ventures or separately managed accounts. An investment in our Class A common stock is not an investment in any of our funds. The historical returns attributable to our platforms are presented for illustrative purposes only and should not be considered as indicative of the future returns of our Class A common stock or any of our current or future funds. These returns are presented by platform and include multiple funds of varied vintage, including funds that are fully realized, and performance of a specific fund within a platform can vary materially from the return of the platform as a whole. The returns represent aggregate returns for the U.S. domiciled partnerships, and such aggregate returns may differ materially from the fund-level returns for each individual partnership co-investment vehicles or separately managed accounts or each non-U.S. partnership due to varied management fee structures, timing of investments, contributions and distributions and additional structuring costs and taxes.

There is no guarantee that any fund or other vehicle within a platform will achieve its investment objectives or achieve comparable investment returns.

Results of Operations

Three Months Ended March 31, 2022 compared to Three Months Ended March 31, 2021

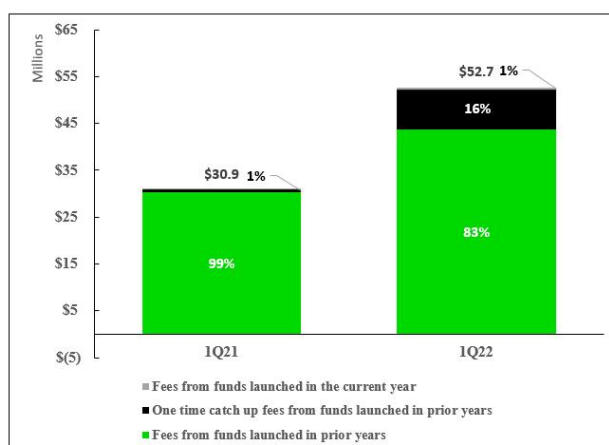
Revenues

<i>(in thousands)</i>	Three Months Ended March 31,		Amount	%
	2022	2021	Change	Change
Revenues:				
Fund management fees	\$ 52,700	\$ 30,851	\$ 21,849	71 %
Property management and leasing fees	18,279	16,747	1,532	9 %
Construction management fees	1,887	1,826	61	3 %
Development fees	1,259	386	873	226 %
Transaction fees	21,998	5,326	16,672	313 %
Fund administration fees	3,640	—	3,640	NA
Insurance premiums				28
	2,416	1,894	522	%
Other asset management and property income	1,955	1,520	435	29 %
Total revenues	<u>\$ 104,134</u>	<u>\$ 58,550</u>	<u>\$ 45,584</u>	78 %

Fund Management Fees. Our fee-earning AUM increased \$1.3 billion, or 10%, from \$13.4 billion as of December 31, 2021 and increased \$4.3 billion, or 42%, from \$10.3 billion as of March 31, 2021 to \$14.7 billion as of March 31, 2022. Our weighted-average management fee, which varies largely due to the size of investor commitments, increased from 1.54% as of December 31, 2021 and 1.47% as of March 31, 2021 to 1.57% as of March 31, 2022.

This resulted in an increase in fund management fees of \$21.8 million, or 71%, largely due to the launch of new funds in 2021, including Bridge Opportunity Zone Fund IV and Bridge Multifamily Fund V, which had its first closing subsequent to March 31, 2021. These two funds contributed an additional \$10.4 million of recurring fund management fees for three months ended March 31, 2022 compared to the three months ended March 31, 2021. Increased fee-earning AUM related to capital raises in our other funds, mainly from Bridge Workforce and Affordable Housing Fund II and Bridge Debt Strategies Fund IV, generated an additional \$5.8 million of recurring management fees. These increases were partially offset by decreases of \$2.8 million related to reductions in fee-earning AUM, which was primarily attributed to Bridge Multifamily Funds III and IV and Bridge Debt Strategies Funds II and III.

One-time catch up fees for the three months ended March 31, 2022 totaled \$8.4 million, which was primarily attributed to Bridge Multifamily Fund V, Bridge Workforce and Affordable Housing Fund II and Bridge Debt Strategies Fund IV that launched in 2021. The following chart presents the composition of our fund management fees for the three months ended March 31, 2022 and 2021 (in millions)⁽¹⁾:



(1) Fund management fees for the three months ended March 31, 2021, excludes fees for those funds launched subsequent to such date.

Property Management and Leasing Fees. Property management and leasing fees increased by \$1.5 million, or 9%, primarily due to acquisition of the SFR property management business, which was part of the GBC Acquisition.

Development Fees. Development fees increased by \$0.9 million, or 226%, due to an increase in the number of development deals under management, largely due to continued development of projects under the Bridge Opportunity Zone Funds I, II and III, and the launch of Bridge Opportunity Zone Fund IV in 2021.

Transaction Fees. Transaction fees increased by \$16.7 million, or 313%, primarily driven by a \$11.9 million increase in due diligence fees attributed to the deployment of \$639 million of capital during the three months ended March 31, 2022. The remaining \$4.7 million increase was related to debt origination fees, which were largely due to an increase in acquisitions and mortgage re-financings related to multifamily and SFR assets.

Fund Administration Fees. Fund administration fees were \$3.6 million during the three months ended March 31, 2022, for services Bridge began providing on January 1, 2022.

Insurance Premiums. Insurance premiums increased by \$0.5 million, or 28%, largely due to the increase in AUM.

Other Asset Management and Property Income. Other asset management and property income increased by \$0.4 million, or 29%, primarily due to an increase in other income.

Investment income

(in thousands)	Three Months Ended March 31,		Amount	%
	2022	2021	Change	Change
Investment income:				
Incentive fees	\$ —	\$ 910	\$ (910)	-100 %
Performance allocations:				
Realized gains	8,937	5,557	3,380	61 %
Unrealized gains	65,862	14,719	51,143	347 %
Earnings from investments in real estate	40	(3)	43	NM ⁽¹⁾
Total investment income	\$ 74,839	\$ 21,183	\$ 53,656	253 %

(1) The percentage change is not material.

Total investment income. Total investment income increased by \$53.7 million largely driven by our performance allocations.

Performance allocations. Performance allocations increased by \$54.5 million. The following table reflects our carried interest and incentive fees by fund (in thousands):

	Three Months Ended March 31, 2022				Three Months Ended March 31, 2021			
	Realized		Unrealized		Realized		Unrealized	
BMF IV GP	\$	—	\$	39,082	\$	—	\$	6,350
BMF III GP		1,709		9,301		3,976		1,040
BWH I GP		—		8,812		—		2,442
BDS IV GP		—		4,852		—		—
BOF II GP		—		3,620		—		(299)
BWH II GP		—		2,698		—		—
BDS II GP		1,664		1,721		—		3,325
BDS III GP		5,564		(3,601)		1,581		8,413
BAMBS GP		—		(558)		—		843
BOF I GP		—		(65)		—		(7,385)
BDS I GP		—		—		—		(10)
Total	\$	8,937	\$	65,862	\$	5,557	\$	14,719

For the three months ended March 31, 2022, the increase in unrealized performance allocation was largely due to an increase in performance income allocation related to the market appreciation from properties within our multifamily and workforce and affordable housing real estate equity funds and the increase in realized performance allocation was attributed to favorable market conditions in our debt funds. Performance income allocation is recorded one quarter in arrears, and as such the performance allocation income reflects asset valuations as of December 31, 2021. For the three months ended March 31, 2022 and 2021, the realized gains were primarily related to our Debt funds and Bridge Multifamily Fund III.

Expenses

(in thousands)	Three Months Ended March 31,		Amount		%
	2022	2021	Change	Change	
Expenses:					
Employee compensation and benefits	\$ 47,480	\$ 27,151	\$ 20,329	75 %	
Incentive fee compensation	—	82	(82)	-100 %	
Performance allocations compensation:					
Realized gains	560	494	66	13 %	
Unrealized gains	9,238	1,429	7,809	546 %	
Loss and loss adjustment expenses	1,751	786	965	123 %	
Third-party operating expenses	6,768	8,626	(1,858)	-22 %	
General and administrative expenses	9,508	4,101	5,407	132 %	
Depreciation and amortization	633	753	(120)	-16 %	
Total expenses	\$ 75,938	\$ 43,422	\$ 32,516	75 %	

Employee Compensation and Benefits. Employee compensation and benefits increased by \$20.3 million, or 75%, largely due to a \$13.9 million increase in salaries, bonuses and benefits attributed to higher headcount driven by our increase in AUM and the number of Bridge-sponsored funds, including the launch of the SFR platform upon consummation of the GBC Acquisition in January 2022. Further, share-based compensation expense was \$6.4 million higher for the three months ended March 31, 2022 compared to March 31, 2021, partially due to the accelerated share-based compensation recognized as part of the collapse of the 2019 Profits Interests awards in January 2022, but was primarily attributed to share-based compensation related to restricted stock and RSUs that were issued concurrent with the IPO in July 2021 and for awards granted in January 2022.

Performance Allocation Compensation. Performance allocation compensation increased by \$7.9 million or 410%, due to an increase of \$0.1 million related to realized performance allocation awards and a \$7.8 million increase in unrealized performance allocation compensation which is directly correlated to our performance allocations income during the three months ended March 31, 2022 compared to the three months ended March 31, 2021, and carry awards issued to employees in December 2021.

Loss and Loss Adjustment Expenses. Loss and loss adjustment expenses increased by \$1.0 million primarily due to tenant, workers comp, and general liability losses incurred or paid during the three months ended March 31, 2022 compared to 2021.

Third-party Operating Expenses. Third-party operating expenses decreased by \$1.9 million, or 22%, primarily due to leasing commissions on our significant leasing of commercial real estate in the Atlanta region during 2021, which did not recur in the first quarter of 2022.

General and Administrative Expenses. General and administrative expenses increased by \$5.4 million, or 132%, primarily due an increase in insurance, professional services and software licensing fees.

Other income (expense)

<i>(in thousands)</i>	Three Months Ended March 31,		Amount	%
	2022	2021	Change	Change
Other income (expense)				
Realized and unrealized gains (losses), net	\$ 427	\$ 5,798	\$ (5,371)	-93 %
Interest income	1,209	608	601	99 %
Interest expense	(1,621)	(1,587)	(34)	2 %
Total other income	<u>\$ 15</u>	<u>\$ 4,819</u>	<u>\$ (4,804)</u>	<u>-100 %</u>

Realized and Unrealized Gains. Net realized and unrealized gains decreased \$5.4 million, or 93%, for the three months ended March 31, 2022, due to the unrealized appreciation recognized on other investments during the three months ended March 31, 2021 that did not recur during the three months ended March 31, 2022.

Interest Income. Interest income increased \$0.6 million, or 99%, largely due to the timing of short-term borrowings by the funds.

Net Income Attributable to Non-Controlling Interests in Bridge Investment Group Holdings LLC. Net income attributable to non-controlling interests in Bridge Investment Group Holdings LLC is comprised of non-controlling interests related to the Operating Company's subsidiaries and to our profits interests programs. The following table summarizes the allocation of net income to the non-controlling interests in the Operating Company (in thousands):

	Three Months Ended March 31,	
	2022	2021
Non-controlling interests related to General Partners - realized	\$ 6,094	\$ —
Non-controlling interests related to General Partners - unrealized	30,769	—
Non-controlling interests related to Fund Managers	(378)	2,293
Non-controlling interests related to 2019 profits interests awards	—	1,656
Non-controlling interests related to 2020 profits interests awards	228	—
Total	<u>\$ 36,713</u>	<u>\$ 3,949</u>

Net Income Attributable to Non-Controlling Interests in Bridge Investment Group Holdings Inc. Net income attributable to non-controlling interests in Bridge Investment Group Holdings Inc. was \$51.0 million during the three months ended March 31, 2022.

On January 1, 2022, our 2019 profits interests awards were collapsed into 790,424 shares of our Class A common stock and 13,255,888 Class A Units in the Operating Company. We expect that the 2020 profits interests awards will be collapsed into Class A Units in the Operating Company (or shares of our Class A common stock) on or about January 1, 2023, and that remaining profits interests (relating to 2021 issuances) will be collapsed into Class A Units in the Operating Company (or shares of our Class A common stock) on or about July 1, 2023. The profits interests will be collapsed based on their then-current fair values and the relative value of the Company, based on Distributable Earnings (as defined subsequently) attributable to the Operating Company, Distributable Earnings of the applicable subsidiary where such profits interests are currently held, and the market price of our Class A common stock, in each case as of the date of the collapse. This will result in a decrease in net income attributable to non-controlling interests for the applicable periods; however, there will also be a corresponding increase in the number of outstanding Class A Units at the Operating Company or shares of our Class A common stock.

Non-GAAP Financial Measures

We use non-GAAP financial measures, such as Distributable Earnings, Fee Related Earnings, Fee Related Revenues and Fee Related Expenses, to supplement financial information presented in accordance with generally accepted accounting principles in the

United States, or GAAP. We believe that excluding certain items from our GAAP results allows management to better understand our consolidated financial performance from period to period and better project our future consolidated financial performance as forecasts are developed at a level of detail different from that used to prepare GAAP-based financial measures. Fee Related Revenues and Fee Related Expenses are presented separately in our calculation of non-GAAP measures in order to better illustrate the profitability of our Fee Related Earnings. Moreover, we believe these non-GAAP financial measures provide our stakeholders with useful information to help them evaluate our operating results by facilitating an enhanced understanding of our operating performance and enabling them to make more meaningful period to period comparisons.

There are limitations to the use of the non-GAAP financial measures presented in this report. For example, our non-GAAP financial measures may not be comparable to similarly titled measures of other companies. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes.

The non-GAAP financial measures are not meant to be considered as indicators of performance in isolation from or as a substitute for measures prepared in accordance with GAAP, and should be read only in conjunction with financial information presented on a GAAP basis. Reconciliations of each of Distributable Earnings, Fee Related Earnings, Fee Related Revenues and Fee Related Expenses to its most directly comparable GAAP financial measure are presented below. We encourage you to review the reconciliations in conjunction with the presentation of the non-GAAP financial measures for each of the periods presented. In future fiscal periods, we may exclude such items and may incur income and expenses similar to these excluded items.

Distributable Earnings. Distributable Earnings is a key performance measure used in our industry and is evaluated regularly by management in making resource deployment and compensation decisions, and in assessing our performance. We believe that reporting Distributable Earnings is helpful to understanding our business and that investors should review the same supplemental financial measure that management uses to analyze our performance.

Distributable Earnings differs from net income before provision for income taxes, computed in accordance with GAAP in that it does not include depreciation and amortization, unrealized performance allocations and related compensation expense, unrealized gains (losses), share-based compensation, net income attributable to non-controlling interests, charges (credits) related to corporate actions and non-recurring items. Such items, where applicable, include: charges associated with acquisitions or strategic investments, changes in the TRA liability, corporate conversion costs, amortization and any impairment charges associated with acquired intangible assets, transaction costs associated with acquisitions, impairment charges associated with lease right-of-use assets, gains and losses from the retirement of debt, charges associated with contract terminations and employee severance. Distributable Earnings is not a measure of performance calculated in accordance with GAAP. Although we believe the inclusion or exclusion of these items provides investors with a meaningful indication of our core operating performance, the use of Distributable Earnings without consideration of the related GAAP measures is not adequate due to the adjustments described herein. This measure supplements and should be considered in addition to and not in lieu of the results of operations discussed further under “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations” prepared in accordance with GAAP. Our calculations of Distributable Earnings may differ from the calculations of other investment managers. As a result, these measures may not be comparable to similar measures presented by other investment managers.

Fee Related Earnings. Fee Related Earnings is a supplemental performance measure used to assess our ability to generate profits from fee-based revenues that are measured and received on a recurring basis. Fee Related Earnings differs from net income before provision for income taxes, computed in accordance with GAAP in that it adjusts for the items included in the calculation of Distributable Earnings, and also adjusts Distributable Earnings to exclude realized performance allocations income and related compensation expense, net insurance income, earnings from investments in real estate, net interest (interest income less interest expense), net realized gain/(loss), and, if applicable, certain general and net administrative expenses when the timing of any future payment is uncertain. Fee Related Earnings is not a measure of performance calculated in accordance with GAAP. The use of Fee Related Earnings without consideration of the related GAAP measures is not adequate due to the adjustments described herein. Our calculations of Fee Related Earnings may differ from the calculations of other investment managers. As a result, these measures may not be comparable to similar measures presented by other investment managers.

Fee Related Revenues. Fee Related Revenues is a component of Fee Related Earnings. Fee Related Revenues is comprised of fund management fees, transaction fees net of any third-party operating expenses, net earnings from Bridge property operators, development fees, and other asset management and property income. Net earnings from Bridge property operators is calculated as a summation of property management, leasing fees and construction management fees less third-party operating expenses and property operating expenses. Property operating expenses is calculated as a summation of employee compensation and benefits, general and administrative expenses and interest expense at our property operators. We believe our vertical integration enhances returns to our shareholders and fund investors, and we view the net earnings from Bridge property operators as part of our fee related revenue as these services are provided to essentially all of the real estate properties in our equity funds. Net earnings from Bridge property

operators is a metric that is included in management's review of our business. Please refer to the reconciliation below to the comparable line items on the consolidated and combined statements of operations. Fee Related Revenues differs from revenue computed in accordance with U.S. GAAP in that it excludes insurance premiums. Additionally, Fee Related Revenues is reduced by the costs associated with our property operations, which are managed internally in order to enhance returns to the Limited Partners in our funds.

Fee Related Expenses. Fee Related Expenses is a component of Fee Related Earnings. Fee Related Expenses differs from expenses computed in accordance with GAAP in that it does not include incentive fee compensation, performance allocations compensation, share-based compensation, loss and loss adjustment expenses associated with our insurance business, depreciation and amortization, or charges (credits) related to corporate actions and non-recurring items, and expenses attributable to non-controlling interests in consolidated entities. Additionally, Fee Related Expenses is reduced by the costs associated with our property operations, which are managed internally in order to enhance returns to the Limited Partners in our funds. Fee Related Expenses are used in management's review of the business. Please refer to the reconciliation below to the comparable line items on the consolidated and combined statements of operations.

Fee Related Revenues and Fee Related Expenses are presented separately in our calculation of non-GAAP measures in order to better illustrate the profitability of our Fee Related Earnings.

Income before provision for income taxes is the GAAP financial measure most comparable to Distributable Earnings and Fee Related Earnings. The following table sets forth a reconciliation of net income to Distributable Earnings attributable to the Operating Company and to Total Fee Related Earnings attributable to the Operating Company for the three months ended March 31, 2022 and 2021 (in thousands).

	Three Months Ended March 31,	
	2022	2021
Net income	\$ 97,505	\$ 40,720
Income tax provision	5,545	410
Income before provision for income taxes	103,050	41,130
Depreciation and amortization	633	753
Less: Unrealized performance allocations	(65,862)	(14,719)
Plus: Unrealized performance allocations compensation	9,238	1,429
Less: Unrealized (gains) losses, net	(479)	(5,780)
Plus: Share-based compensation	7,264	841
Less: Net income attributable to noncontrolling interests in subsidiaries	150	(3,949)
Less: Net realized performance allocations attributable to non-controlling interests	(6,094)	—
Distributable Earnings attributable to the Operating Company	47,900	19,705
Realized performance allocations and incentive fees	(8,937)	(6,467)
Realized performance allocations and incentive fees compensation	560	576
Net realized performance allocations to non-controlling interests	6,094	—
Net insurance income	(665)	(1,108)
(Earnings) losses from investments in real estate	(40)	3
Net interest (income) expense and realized (gain) loss	450	940
Less: Net income attributable to noncontrolling interests in subsidiaries	(150)	3,949
Total Fee Related Earnings	45,212	17,598
Less: Total Fee Related Earnings attributable to non-controlling interests	150	(3,949)
Total Fee Related Earnings attributable to the Operating Company	<u>\$ 45,362</u>	<u>\$ 13,649</u>

The following table sets forth our total Fee Related Earnings and Distributable Earnings for the three months ended March 31, 2022 and 2021 (in thousands).

	Three Months Ended March 31,	
	2022	2021
Fund-level fee revenues		
Fund management fees	\$ 52,700	\$ 30,851
Transaction fees	21,998	5,326
Total net fund-level fee revenues	74,698	36,177
Net earnings from Bridge property operators	2,939	2,094
Development fees	1,259	386
Fund administration fees	3,640	—
Other asset management and property income	1,955	1,520
Fee Related Revenues	84,491	40,177
Cash-based employee compensation and benefits	(32,539)	(20,308)
Net administrative expenses	(6,740)	(2,271)
Fee Related Expenses	(39,279)	(22,579)
Total Fee Related Earnings	45,212	17,598
<i>Fee Related Earnings margin</i>	54 %	44 %
Net income attributable to non-controlling interests in Operating Company subsidiaries	150	(3,949)
Total fee related earnings to the Operating Company	45,362	13,649
Realized performance allocations and incentive fees	8,937	6,467
Realized performance allocations and incentive fees compensation	(560)	(576)
Net realized performance allocations attributable to non-controlling interests	(6,094)	—
Net insurance income	665	1,108
Earnings (losses) from investments in real estate	40	(3)
Net interest income (expense) and realized gain (loss)	(450)	(940)
Distributable Earnings attributable to the Operating Company	\$ 47,900	\$ 19,705

The following table sets forth the components of the employee compensation and benefits, general and administrative expenses, and total other income (expense) line items on our consolidated and combined statement of operations. Other income (expense) is disclosed in our non-GAAP measures based upon the nature of the income. Realized amounts are disclosed separately in order to determine Distributable Earnings. Other income from Bridge property operators is included in net earnings from Bridge property operators (in thousands).

	Three Months Ended March 31,	
	2022	2021
Cash-based employee compensation and benefits	\$ 32,539	\$ 20,308
Compensation expense of Bridge property operators	7,677	6,002
Share-based compensation	7,264	841
Employee compensation and benefits	\$ 47,480	\$ 27,151
Administrative expenses, net of Bridge property operators	\$ 6,740	\$ 2,271
Administrative expenses of Bridge property operators	2,768	1,830
General and administrative expenses	\$ 9,508	\$ 4,101
Net realized and unrealized gains (losses)	\$ 479	\$ 5,780
Other expenses from Bridge property operators	(14)	(21)
Net interest income (expense) and realized gain (loss)	(450)	940
Total other income (expense)	\$ 15	\$ 4,819

Distributable Earnings and Fee Related Earnings to the Operating Company

Total Fee Related Earnings to the Operating Company increased by \$31.7 million, or 232%, for the three months ended March 31, 2022, compared to the three months ended March 31, 2021, while Distributable Earnings to the Operating Company increased by \$28.2 million, or 143%, during the same period due to the following:

- Total Fee Related Revenues increased by \$44.3, or 110%, principally due to:
 - Fund management fees increased by \$21.8 million, or 71%, primarily due to capital raising and timing of deployment of capital for new funds in 2022 and 2021 which increased our fee-earning AUM by 42% compared to fee-earning AUM at March 31, 2021; and
 - Transaction fees increased by \$16.7 million, or 313%, driven by the deployment of \$639 million of capital primarily for development and multifamily assets and debt investments.
- Net earnings from Bridge property operators increased by \$0.8 million, or 40%, driven by an increase in the number of managed units which grew from approximately 48,000 units as of March 31, 2021 to approximately 62,000 units as of March 31, 2022.
- Fee Related Expenses increased by \$16.7 million, or 74%, principally due to:
 - Cash-based employee compensation and benefits increased by \$12.2 million, or 60%, primarily due to increased headcount driven by the 42% increase in our fee-earning AUM and new investment strategies launched in 2021 and 2022; and
 - Net administrative expenses increased by \$4.5 million, 197%, primarily due to higher insurance and professional fees related to being a publicly traded company after our IPO.
- Net of related compensation, realized performance allocations and incentive fees increased by \$2.5 million, or 42%, compared to 2021, due to the increased realizations in Bridge Multifamily Fund III and Bridge Debt Strategies Funds II and III. The results for the prior year period included 100% of the net realized performance allocations and incentive fees as the financial statements were combined with the respective Bridge GPs. Post-IPO, the amount is shown net of the realized general partner non-controlling interest component of \$6.1 million for 2022 compared to zero in the prior year. Taking into consideration this non-controlling interest, the realized performance allocations and incentive fees, net of related compensation, decreased by \$2.3 million or 61%.

Liquidity and Capital Resources

Our liquidity needs primarily include working capital and debt service requirements. We believe that our current sources of liquidity, which include cash generated by our operating activities, cash and funds available under our credit sources, along with the proceeds from our IPO, will be sufficient to meet our projected operating and debt service requirements for at least the next 12 months. To the extent that our current liquidity is insufficient to fund future activities, we may need to raise additional funds. In the future, we may raise additional capital through the sale of equity securities or through debt financing arrangements. If we raise additional funds by issuing equity securities, the ownership of our existing stockholders will be diluted. The incurrence of additional debt financing would result in debt service obligations, and any future instruments governing such debt could provide for operating and financial covenants that could restrict our operations.

As of March 31, 2022 and December 31, 2021, we had total assets of \$982.6 million and \$846.3 million, respectively, which included \$149.1 million and \$78.4 million of cash and cash equivalents, respectively, and total liabilities of \$344.2 and \$296.6 million, respectively. There were no borrowings outstanding under our revolving credit facility. We generate cash primarily from fund management fees, property and construction management fees, development fees, transaction fees, and fund administration fees. We have historically managed our liquidity and capital resource needs through (a) cash generated from our operating activities and (b) borrowings under credit agreements and other borrowing arrangements.

Ongoing sources of cash include (a) fund management fees and property management and leasing fees, which are collected monthly or quarterly, (b) transaction fee income, and (c) borrowings under our revolving credit facility. In the future, we will also evaluate opportunities, based on market conditions, to access the capital markets. We use cash flow from operations to pay compensation and related expenses, general and administrative expenses, income taxes, debt service, capital expenditures and to make distributions to our equity holders.

We do not have any off-balance sheet arrangements that would expose us to any liability or require us to fund losses or guarantee target returns to clients in our funds that are not reflected in our condensed consolidated and combined financial statements.

See Notes 17 and 18, respectively, to our condensed consolidated and combined financial statements included elsewhere in this quarterly report on Form 10-Q for information on commitments and contingencies and variable interest entities.

The following table presents a summary of our cash flows for the three months ended March 31, 2022 and 2021 (in thousands):

	Three Months Ended March 31,			
	2022		2021	
Net cash provided by operating activities	\$	50,389	\$	26,304
Net cash provided by investing activities		75,954		33,674
Net cash used in financing activities		(51,932)		(27,730)
Net increase in cash, cash equivalents, and restricted cash	\$	<u>74,411</u>	\$	<u>32,248</u>

Operating Activities

Cash provided by operating activities was primarily driven by our earnings in the respective periods after adjusting for significant non-cash activity, including non-cash performance allocations and incentive fees, the related non-cash performance allocations and incentive fee related compensation, non-cash investment income, non-cash share-based compensation, depreciation, amortization and impairments, and the effect of changes in working capital and other activities. Operating cash inflows primarily included the receipt of management fees, property management and leasing fees, and realized performance allocations and incentive fees, while operating cash outflows primarily included payments for operating expenses, including compensation and general and administrative expenses.

For the three months ended March 31, 2022 — cash provided by operating activities was \$50.4 million, primarily consisting of net income of \$97.5 million offset by adjustments for non-cash items of \$49.9 million and cash provided by operating assets and liabilities of \$2.7 million. Adjustments for non-cash items primarily consisted of \$65.9 million unrealized performance allocations, which was offset by \$7.3 million of share-based compensation and \$9.2 million of unrealized accrued performance allocations compensation.

For the three months ended March 31, 2021 — cash provided by operating activities was \$26.3 million, consisting of net income of \$40.7 million and adjustments for items of \$18.8 million, offset by cash provided by operating assets and liabilities of \$4.4 million. Adjustments for items primarily consisted of \$14.7 million of unrealized performance allocations, offset by \$0.8 million of share-based compensation amortization, and \$0.8 million of depreciation and amortization related to fixed assets and intangibles.

Investing Activities

Our investing activities primarily consist of lending to affiliate entities and investing activities related to our investments in Bridge Agency MBS Fund and in certain property technology companies.

For the three months ended March 31, 2022 — net cash provided by investing activities of \$76.0 million primarily consisted of \$190.1 million in collections of notes receivable related to our lending activities to affiliate entities, which was offset by issuances of notes receivables of \$69.0 million, \$17.3 million for purchases of investments, \$15.1 million used for the acquisition of GBC, and \$13.7 million of deposits.

For the three months ended March 31, 2021 — net cash provided by investing activities of \$33.7 million primarily consisted of \$36.4 million related to our lending activities to affiliate entities.

Financing Activities

Our financing activities primarily consist of distributions to our members and shareholders as well as borrowings associated with our Private Placement Notes and revolving line of credit, and at times proceeds from issuances of our common stock.

For the three months ended March 31, 2022 — net cash used in financing activities of \$51.9 million was largely due to \$46.1 million of distributions paid to non-controlling interests and \$5.9 million of dividends paid to our Class A common stockholders.

For the three months ended March 31, 2021 — net cash used in financing activities of \$27.7 million was primarily due to the distributions to our members of \$21.8 million and to non-controlling interests of \$6.2 million.

Credit Facilities

In July 2020, we entered into a note purchase agreement with various lenders, pursuant to which we issued the Private Placement Notes in two tranches.

The Private Placement Notes were issued in an aggregate principal amount of \$150.0 million. Concurrently with the issuance of the Private Placement Notes we entered into a secured revolving line of credit, (“LOC”), with an aggregate borrowing capacity of \$75.0 million. Net proceeds from the Private Placement Notes were \$147.7 million, net of arrangement fees and other expenses. A portion of the proceeds were used to repay the outstanding balances on a prior credit facility.

The Private Placement Notes have two tranches, a five-year 3.9% fixed rate that matures on July 22, 2025, and a seven-year 4.15% fixed rate that matures on July 22, 2027. Borrowings under the LOC accrue interest at LIBOR plus 2.25%. We had no borrowings against the LOC as of March 31, 2022 or December 31, 2021. The LOC matures on July 22, 2022.

Under the terms of the Private Placement Notes and the LOC, certain of our assets serve as pledged collateral. In addition, the Private Placement Notes and LOC contain covenants that, among other things, limit our ability to incur indebtedness. The covenants require the Company to maintain (1) a Consolidated Total Debt to Consolidated EBITDA ratio of no more than 3.0x, (2) minimum liquidity of \$2.5 million, and (3) minimum quarterly EBITDA of \$10.0 million. As of March 31, 2022 and December 31, 2021, the Company was in full compliance with all debt covenants.

Critical Accounting Policies and Estimates

The preparation of our condensed consolidated and combined financial statements requires us to make estimates that affect the reported amounts of assets, liabilities, revenue and expenses, and the related disclosure of contingent liabilities. We base our judgments on our historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making estimates about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

For a more complete discussion of the accounting judgments and estimates that we have identified as critical in the preparation of our condensed consolidated and combined financial statements, please refer to Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our annual report on Form 10-K for the year ended December 31, 2021 and Note 2, “Significant Accounting Policies,” to our consolidated and combined financial statement for the year ended December 31, 2021. There have been no significant changes in our critical accounting estimates during the quarter ended March 31, 2022.

Recent Accounting Pronouncements

For a discussion of new accounting pronouncements recently adopted and not yet adopted, see the Note 2 “Significant Accounting Policies” to our condensed consolidated and combined financial statements.

JOBS Act

As an emerging growth company under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, we can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this exemption from new or revised accounting standards and, therefore, will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. We intend to rely on other exemptions provided by the JOBS Act, including without limitation, not being required to comply with the auditor attestation requirements of Section 404(b) of Sarbanes-Oxley. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year following the fifth anniversary of the IPO, (ii) the last day of the fiscal year in which we have total annual gross revenue of at least \$1.07 billion, (iii) the last day of the fiscal year in which we are deemed to be a “large accelerated filer” as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of our Class A common stock held by non-affiliates exceeded \$700 million as of the last business day of the second fiscal quarter of such year, or (iv) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of business, we are exposed to a broad range of risks inherent in the financial markets in which we participate, including market risk, interest rate risk, credit and counterparty risk, liquidity risk, and foreign exchange rate risk. Potentially negative effects of these risks may be mitigated to a certain extent by those aspects of our investment approach, investment strategies, fundraising practices or other business activities that are designed to benefit, either in relative or absolute terms, from periods of economic weakness, tighter credit, or financial market dislocations.

Market Risk

Our predominant exposure to market risk is related to our role as general partner or investment manager for our specialized funds and customized separate accounts and the sensitivities to movements in the fair value of their investments, which may adversely affect our equity in income of affiliates. Since our management fees are generally based on commitments or invested capital, our management fee and advisory fee revenue is not significantly impacted by changes in investment values.

Interest Rate Risk

As of March 31, 2022, we had cash of \$77.4 million deposited in non-interest bearing accounts and \$71.7 million deposited in an interest bearing account, with limited to no interest rate risk. Interest-earning instruments carry a degree of interest rate risk. We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure.

Credit and Counterparty Risk

Access to and the cost of obtaining credit from financial institutions and other lenders may be uncertain due to market conditions, and under certain circumstances we may not be able to access financing. We are also a party to agreements providing for various financial services and transactions that contain an element of risk in the event that the counterparties are unable to meet the terms of such agreements. In such agreements, we depend on the respective counterparty to make payment or otherwise perform. We generally endeavor to minimize our risk of exposure by limiting the counterparties with which we enter into financial transactions to reputable financial institutions.

Liquidity Risk

See the disclosures contained in “Management’s Discussion and Analysis of Financial Condition and Results of Operations —Liquidity and Capital Resources.”

Foreign Exchange Rate Risk

We do not possess significant assets in foreign countries in which we operate or engage in material transactions in currencies other than the U.S. dollar. Therefore, changes in exchange rates are not expected to materially impact our financial statements.

Item 4. Controls and Procedures

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic and current reports that we file with the SEC is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable and not absolute assurance of achieving the desired control objectives. In reaching a reasonable level of assurance, management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. In addition, the design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, control may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated, as of the end of the period covered by this quarterly report on Form 10-Q, the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on such evaluation, our principal executive officer and principal

financial officer have concluded that as of March 31, 2022, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the three months ended March 31, 2022, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are, from time to time, party to various claims and legal proceedings arising out of our ordinary course of business, but we do not believe that any of these claims or proceedings will have a material effect on our business, consolidated financial condition or results of operations.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in Part 1, Item 1A of our annual report on Form 10-K for the fiscal year ended December 31, 2021.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sales of Equity Securities

There were no unregistered equity securities sold from January 1, 2022 to March 31, 2022, other than as previously disclosed in our current reports on Form 8-K.

Item 3. Defaults Upon Senior Securities

Not Applicable.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

The Tax Receivable Agreement, by and among the Company, the Operating Company, and each of the Members (as defined therein) from time to time party thereto, was amended and restated on May 4, 2022, with an effective date of January 1, 2022, as included in Exhibit 10.1 (the “TRA”). The amended and restated TRA revises the mechanics for calculating the Redemption Price on Exchanges (each as defined in the TRA) by tying the Redemption Price to the closing price of Bridge Class A Shares reported on the New York Stock Exchange on the Exchange Date (each as defined in the TRA).

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Filing Date	Exhibit Number	
3.1	Amended and Restated Certificate of Incorporation of Bridge Investment Group Holdings Inc.	10-Q	8/17/21	3.1	
3.2	Amended and Restated Bylaws of Bridge Investment Group Holdings Inc.	10-Q	8/17/21	3.2	
4.1	Specimen stock certificate evidencing the shares of Class A common stock	S-1/A	7/2/2021	4.1	
10.1	Amended and Restated Tax Receivable Agreement, effective January 1, 2022 by and among the Registrant, the Operating Company and each of the Members from time to time party thereto				X
31.1	Certification of Chief Executive Officer as required by Rule 13a-14(a) or Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Certification of Chief Financial Officer as required by Rule 13a-14(a) or Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1*	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
32.2*	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
101.SCH*	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)				X
101.CAL*	Inline XBRL Taxonomy Extension Schema Document				X
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document				X
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document				X
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document				X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)				X

* This certification is deemed not filed for purpose of section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

[SIGNATURES]

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BRIDGE INVESTMENT GROUP HOLDINGS INC.

Date: May 10, 2022

By: /s/ Jonathan Slager
Jonathan Slager
Chief Executive Officer
(Principal Executive Officer)

Date: May 10, 2022

By: /s/ Chad Briggs
Chad Briggs
Chief Financial Officer
(Principal Financial Officer)

AMENDED AND RESTATED TAX RECEIVABLE AGREEMENT

by and among

BRIDGE INVESTMENT GROUP HOLDINGS INC.

BRIDGE INVESTMENT GROUP HOLDINGS LLC

and

THE MEMBERS (AS DEFINED HEREIN)
FROM TIME TO TIME PARTY HERETO

Effective as of January 1, 2022

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Exhibits

[Exhibit A](#) - Form of Joinder Agreement

AMENDED AND RESTATED TAX RECEIVABLE AGREEMENT

This AMENDED AND RESTATED TAX RECEIVABLE AGREEMENT (this “Agreement”), effective as of January 1, 2022, is hereby entered into by and among Bridge Investment Group Holdings Inc., a Delaware corporation (the “Corporation”), Bridge Investment Group Holdings LLC, a Delaware limited liability company (“Bridge Holdings”), and each of the Members (as defined herein).

RECITALS

WHEREAS, Bridge Holdings is treated as a partnership for U.S. Federal income tax purposes;

WHEREAS, immediately prior to the consummation of the IPO, Bridge Holdings entered into the Operating Agreement (as defined herein) wherein Bridge Holdings recapitalized all existing ownership interests in Bridge Holdings into membership interests in the form of Units (as defined herein) (the “Recapitalization”);

WHEREAS, each of the members of Bridge Holdings as of the date hereof (such members (other than the Corporation), together with each other Person who becomes party hereto by satisfying the Joinder Requirement, the “Members”) own Units;

WHEREAS, the Corporation is the managing member of Bridge Holdings;

WHEREAS, the Corporation previously issued shares of its Class A Common Stock in an initial public offering of its Class A Common Stock (the “IPO”);

WHEREAS, immediately following the consummation of the IPO, the Corporation acquired newly issued Units from Bridge Holdings using the net proceeds from the IPO (the “Unit Purchase”);

WHEREAS, immediately following the consummation of the Unit Purchase, Bridge Holdings used a portion of the net proceeds from the IPO received in connection with the Unit Purchase to redeem certain of the Units held by the Members (the “IPO Unit Redemption”);

WHEREAS, as a result of the IPO Unit Redemption, the Corporation may be entitled to utilize (or otherwise be entitled to the benefits arising out of) Exchange Covered Tax Assets (as defined herein);

WHEREAS, the Operating Agreement (as defined herein) provides each Member a redemption right pursuant to which each Member may cause Bridge Holdings to redeem all or a portion of its Units from time to time for shares of Class A Common Stock or, at the Corporation’s option, cash (a “Redemption”), subject to the Corporation’s right, in its sole discretion, to elect to effect a direct exchange of cash or shares of Class A Common Stock for such Units between the Corporation and the applicable Member in lieu of such a Redemption (a “Direct Exchange”) and as a result of any such Redemption or Direct Exchange

the Corporation may be entitled to utilize (or otherwise be entitled to the benefits arising out of) the Exchange Covered Tax Assets;

WHEREAS, Bridge Holdings and certain of its Subsidiaries (as defined herein) that is treated as a partnership for U.S. Federal income tax purposes will have in effect an election under Section 754 of the Code (as defined herein) for the Taxable Year (as defined herein) in which any Exchange (as defined herein) occurs, which election will cause any such Exchange to result in an adjustment to the Corporation's proportionate share of the tax basis of the assets owned by Bridge Holdings and such Subsidiaries;

WHEREAS, in connection with the IPO, the parties entered into that certain Tax Receivable Agreement (the "Existing Agreement"), dated as of June 16, 2021, to provide for certain payments and make certain arrangements with respect to any tax benefits to be derived by the Corporation as the result of Exchange Covered Tax Assets (as defined herein) and the making of payments under the Original Agreement; and

WHEREAS, pursuant to the Existing Agreement, the Corporation, in its capacity as managing member of Bridge Holdings, and certain Members necessary for Member Approval (as defined herein) have authorized and approved an amendment and restatement of the Existing Agreement on the terms set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth herein, the Existing Agreement is hereby amended and restated in its entirety as follows:

ARTICLE I

Definitions

SECTION 1.1. Definitions. As used in this Agreement, the terms set forth in this Article I shall have the following meanings (such meanings to be equally applicable to (i) the singular and plural, (ii) the active and passive and (iii) for defined terms that are nouns, the verified forms of the terms defined).

"Actual Tax Liability" means, with respect to any Taxable Year, the liability for Covered Taxes of the Corporation (a) appearing on Tax Returns of the Corporation for such Taxable Year or (b) if applicable, determined in accordance with a Determination; provided, that for purposes of determining Actual Tax Liability, the Corporation shall use the Assumed State and Local Tax Rate for purposes of determining liabilities for all state and local Covered Taxes (including, for the avoidance of doubt, the federal benefit with respect to such state and local Covered Taxes).

"Advisory Firm" means an accounting firm that is nationally recognized as being expert in Covered Tax matters, selected by the Corporation.

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such first Person.

“Agreed Rate” means SOFR plus 100 basis points.

“Agreement” is defined in the preamble.

“Amended Schedule” is defined in Section 2.4(b).

“Amount Realized” means, with respect to any Exchange at any time, the sum of (i) the Market Value of the shares of Class A Common Stock or the amount of cash (as applicable) transferred to a Member pursuant to such Exchange, (ii) the amount of payments made pursuant to this Agreement with respect to such Exchange (but excluding any portions thereof attributable to Imputed Interest) and (iii) the amount of liabilities allocated to the Units acquired pursuant to the Exchange under Section 752 of the Code.

“Assumed State and Local Tax Rate” means the tax rate equal to the product of (i) the Corporation’s income tax apportionment factor for each state and local jurisdiction in which the Corporation or Bridge Holdings files income or franchise tax returns for the relevant Taxable Year and (ii) the highest corporate income and franchise tax rate(s) for each such state and local jurisdiction in which the Corporation or Bridge Holdings files income tax returns for each relevant Taxable Year.

“Attributable” is defined in Section 3.1(b)(i).

“Audit Committee” means the audit committee of the Board.

“Basis Adjustment” means the increase or decrease to, or the Corporation’s proportionate share of, the tax basis of the Reference Assets under Section 732, 734(b), 743(b) or 1012 of the Code (or any similar provisions of state, local or foreign tax Law) as a result of any Exchange or any payment made under this Agreement. For purposes of determining the Corporation’s proportionate share of the tax basis of the Reference Assets with respect to the Units transferred in an Exchange under Treasury Regulations Section 1.743-1(b) (or any similar provisions of state, local or foreign tax Law), the consideration paid by the Corporation for such Units shall be the Amount Realized. Notwithstanding any other provision of this Agreement, the amount of any Basis Adjustment resulting from an Exchange of one or more Units is to be determined as if any Pre-Exchange Transfer of such Units had not occurred.

“Basis Schedule” is defined in Section 2.2.

“Beneficial Owner” means, with respect to any security, a Person who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares (i) voting power, which includes the power to vote, or to direct the voting of, with respect to such security or (ii) investment power, which includes the power to dispose of, or to direct the disposition of, such security.

“Board” means the Board of Directors of the Corporation.

“Bridge Holdings” is defined in the preamble to this Agreement.

“Bridge Holdings Group” means Bridge Holdings and each of its direct or indirect Subsidiaries that is treated as a partnership or disregarded entity for applicable tax purposes (but excluding any such Subsidiary that is directly or indirectly held by any entity treated as a corporation for applicable tax purposes (other than the Corporation)).

“Business Day” means any day other than a Saturday or a Sunday or a day on which banks located in New York City, New York generally are authorized or required by Law to close.

“Change of Control” means the occurrence of any of the following events:

(i) any “person” or “group” (within the meaning of Sections 13(d) and 14(d) of the Exchange Act (excluding any (A) employee benefit plan of such person and its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan), (B) “person” or “group” who, on the date of the consummation of the IPO, is the Beneficial Owner of securities of the Corporation representing more than 50% of the combined voting power of the Corporation’s then outstanding voting securities or (C) any “group” formed after the IPO that includes members who collectively, as of the IPO, are the Beneficial Owners of securities of the Corporation representing more than 50% of the combined voting power of the Corporation’s then outstanding voting securities) becomes the “beneficial owner” (within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of shares of Class A Common Stock, Class B Common Stock, preferred stock and/or any other class or classes of capital stock of the Corporation (if any) representing in the aggregate more than 50% of the voting power of all of the outstanding shares of capital stock of the Corporation entitled to vote;

(ii) the stockholders of the Corporation approve a plan of complete liquidation or dissolution of the Corporation or there is consummated a transaction or series of related transactions for the sale, lease, exchange or other disposition, directly or indirectly, by the Corporation of all or substantially all of the Corporation’s assets (including a sale of all or substantially all of the assets of Bridge Holdings); or

(iii) the Corporation ceases to be the sole managing member of Bridge Holdings.

Notwithstanding the foregoing, a “Change of Control” shall not be deemed to have occurred by virtue of the consummation of any transaction or series of related transactions immediately following which the beneficial owners of the Class A Common Stock, Class B Common Stock, preferred stock and/or any other class or classes of capital stock of the Corporation immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in and voting control over, and own substantially all of the shares of, an entity which owns all or substantially all of the assets of the Corporation immediately following such transaction or series of transactions.

“Class A Common Stock” means the Class A common stock, par value \$0.01 per share, of the Corporation.

“Class B Common Stock” means the Class B common stock, par value \$0.01 per share, of the Corporation.

“Code” means the U.S. Internal Revenue Code of 1986, as amended. Unless the context requires otherwise, any reference herein to a specific section of the Code shall be deemed to include any corresponding provisions of future Law as in effect for the relevant taxable period.

“Control” means the direct or indirect possession of the power to direct or cause the direction of the management or policies of a Person, whether through ownership of voting securities, by contract or otherwise.

“Corporation” is defined in the preamble to this Agreement.

“Covered Taxes” means any U.S. Federal, state and local and foreign taxes, assessments or similar charges that are based on or measured with respect to net income or profits and any interest imposed in respect thereof under applicable Law.

“Cumulative Net Realized Tax Benefit” is defined in Section 3.1(b)(iii).

“Default Rate” means SOFR plus 500 basis points.

“Default Rate Interest” is defined in Section 5.2.

“Determination” shall have the meaning ascribed to such term in Section 1313(a) of the Code or any similar provisions of state, local or foreign tax Law, as applicable, or any other event (including the execution of IRS Form 870-AD) that finally and conclusively establishes the amount of any liability for tax.

“Direct Exchange” is defined in the recitals to this Agreement.

“Dispute” is defined in Section 7.7(a).

“Early Termination Effective Date” means (i) with respect to an early termination pursuant to Section 4.1(a), the date an Early Termination Notice is delivered, (ii) with respect to an early termination pursuant to Section 4.1(b), the date of the applicable Change of Control and (iii) with respect to an early termination pursuant to Section 4.1(c), the date of the applicable Material Breach.

“Early Termination Notice” is defined in Section 4.2(a).

“Early Termination Payment” is defined in Section 4.3(b).

“Early Termination Reference Date” is defined in Section 4.2(b).

“Early Termination Schedule” is defined in Section 4.2(b).

“Exchange” means (i) any Direct Exchange, (ii) any Redemption, (iii) any transaction using proceeds from the IPO or the Over-Allotment Option (as defined in the

Operating Agreement), including the IPO Unit Redemption, that results in a Basis Adjustment or (iv) any distribution (including a deemed distribution) by Bridge Holdings to a Member that results in a Basis Adjustment.

“Exchange Act” means the Securities and Exchange Act of 1934, as amended, and applicable rules and regulations thereunder, and any successor to such statute, rules or regulations.

“Exchange Date” means the date of any Exchange.

“Exchange Covered Tax Assets” means (i) existing Tax basis (including, for the avoidance of doubt, any basis adjustment described in Section 734 of the Code or Section 1.743-1(h) of the Treasury Regulations) in the Reference Assets, determined (A) as of immediately prior to an Exchange, that is allocable to the Units being exchanged by the relevant Member and acquired by the Corporation in connection with the relevant Exchange and (B) determined without regard to any dilutive or antidilutive effect of any contribution to or distribution from Bridge Holdings after the relevant Exchange, (ii) Basis Adjustments and (iii) Imputed Interest reasonably determined to be allocable to payments pursuant to this Agreement arising from the items described in clause (i) and (ii). The determination of the portion of existing Tax basis, including, for the avoidance of doubt, any basis adjustment described in Section 1.743-1(h) of the Treasury Regulations, in the Reference Assets that is allocable to Units being exchanged by the Member (and payments made hereunder with respect to such Tax basis) shall be determined in good faith by the Corporation in consultation with the Advisory Firm, it being understood that any Tax basis described in Section 1.743-1(h) of the Treasury Regulations shall be allocable to Units held by the member of the LLC (or its predecessor) for whom the associated basis adjustment pursuant to Section 743(b) of the Code was made; provided, that in no event will the portions of existing Tax basis in the Reference Assets that are included as Exchange Covered Tax Assets exceed one hundred percent (100%) of the existing Tax basis in the Reference Assets that is allocable to the Corporation at any time. For the avoidance of doubt, Exchange Covered Tax Assets shall include any carryforwards, carrybacks or similar attributes that are attributable to the Tax items described in clauses (i)-(iii). Notwithstanding anything to the contrary, to the extent the Corporation reasonably determines (in consultation with the Advisory Firm and the Members) that the administrative burden and costs associated with calculating the Exchange Covered Tax Assets with respect to any Subsidiary of Bridge Holdings would materially outweigh the Tax Benefit Payment attributable to such Exchange Covered Tax Assets, the Corporation shall be permitted to determine that such Exchange Covered Tax Assets shall not be treated as Exchange Covered Tax Assets for all purposes of this Agreement.

“Existing Agreement” is defined in the recitals to this Agreement.

“Expert” is defined in Section 7.8(a).

“Final Payment Date” means any date on which a Payment is required to be made pursuant to this Agreement. The Final Payment Date in respect of (i) a Tax Benefit Payment is determined pursuant to Section 3.1(a) and (ii) an Early Termination Payment is determined pursuant to Section 4.3(a).

“Hypothetical Tax Liability” means, with respect to any Taxable Year, the hypothetical liability of the Corporation that would arise in respect of Covered Taxes, using the same methods, elections, conventions and similar practices used on the actual relevant Tax Returns of the Corporation but calculated without taking into account the Exchange Covered Tax Assets; provided, that for purposes of determining the Hypothetical Tax Liability, the combined tax rate for U.S. state and local Covered Taxes (including for purposes of determining the federal benefit with respect to such state and local Covered Taxes) shall be the Assumed State and Local Tax Rate and the Corporation shall be entitled to make reasonable simplifying assumptions in making any determinations contemplated by this definition.

“Imputed Interest” means any interest imputed under Section 483, 1272 or 1274 or any other provision of the Code or any similar provisions of state, local or foreign tax Law with respect to the Corporation’s payment obligations under this Agreement.

“Independent Directors” means the members of the Board who are “independent” under the standards of the principal U.S. securities exchange on which the Class A Common Stock is traded or quoted.

“Interest Amount” is defined in Section 3.1(b)(vi).

“IPO” is defined in the recitals to this Agreement.

“IPO Unit Redemption” is defined in the recitals to this Agreement.

“IRS” means the U.S. Internal Revenue Service.

“Joinder” means a joinder to this Agreement, in form and substance substantially similar to Exhibit A to this Agreement.

“Joinder Requirement” is defined in Section 7.5(a).

“Law” means all laws, statutes, ordinances, rules and regulations of the U.S., any foreign country and each state, commonwealth, city, county, municipality, regulatory or self-regulatory body, agency or other political subdivision thereof.

“Market Value” means the closing price of Class A Common Stock as reported on the New York Stock Exchange on the date of the relevant Exchange; provided that if the Corporation determines, upon advice from its tax advisors, that such price does not reflect the fair market value of the Class A Common Stock for U.S. federal income tax purposes, the Corporation shall determine in good faith, in consultation with its tax advisors, an appropriate Market Value for purposes of this Agreement.

“Material Breach” means the (i) material breach by the Corporation of a material obligation under this Agreement or (ii) the rejection of this Agreement by operation of law in a case commenced in bankruptcy or otherwise.

“Member Approval” means written approval by Members whose rights under this Agreement are attributable to at least 50% of the Units outstanding (excluding any Units

held by the Corporation). For purposes of this definition, a Member's rights under this Agreement shall be attributed to Units as of the time of a determination of Member Approval. For the avoidance of doubt, (i) an Exchanged Unit shall be attributed only to the Member entitled to receive Tax Benefit Payments with respect to such Exchanged Unit (*i.e.*, the Member who Exchanged the Unit or the assignee of such Member's rights hereunder) and (ii) an outstanding Unit that has not been Exchanged shall be attributed only to the Member (or, if applicable, the assignee of its rights hereunder) entitled to receive Tax Benefit Payments upon the Exchange of such Unit.

"Members" is defined in the recitals to this Agreement.

"Net Tax Benefit" is defined in Section 3.1(b)(ii).

"Objection Notice" is defined in Section 2.4(a)(ii).

"Operating Agreement" means that certain Fifth Amended and Restated Limited Liability Company Agreement of Bridge Holdings, dated as of the date hereof, as such agreement may be further amended, restated, supplemented or otherwise modified from time to time.

"Parties" means the parties named on the signature pages to this agreement and each additional party that satisfies the Joinder Requirement, in each case with their respective successors and assigns.

"Payment" means any Tax Benefit Payment or Early Termination Payment and in each case, unless otherwise specified, refers to the entire amount of such Payment or any portion thereof.

"Permitted Transferee" means a holder of Units pursuant to any transfer of such Units permitted by the Operating Agreement.

"Person" means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity.

"Pre-Exchange Transfer" means any transfer (or deemed transfer) of one or more Units (i) that occurs after the consummation of the IPO but prior to an Exchange of such Units and (ii) to which Section 743(b) of the Code applies, excluding the IPO Unit Redemption.

"Realized Tax Benefit" is defined in Section 3.1(b)(iv).

"Realized Tax Detriment" is defined in Section 3.1(b)(v).

"Recapitalization" is defined in the recitals to this Agreement.

"Reconciliation Dispute" is defined in Section 7.8(a).

"Reconciliation Procedures" is defined in Section 7.8(a).

“Redemption” is defined in the recitals to this Agreement.

“Reference Asset” means any asset of any member of the Bridge Holdings Group on the relevant date of determination under this Agreement (including at the time of an Exchange and the IPO, as applicable). A Reference Asset also includes any asset the tax basis of which is determined, in whole or in part, by reference to the tax basis of an asset that is described in the preceding sentence, including “substituted basis property” within the meaning of Section 7701(a)(42) of the Code.

“Schedule” means any of the following: (i) a Basis Schedule, (ii) a Tax Benefit Schedule, (iii) an Early Termination Schedule and (iv) any Amended Schedule.

“Senior Obligations” is defined in Section 5.1.

“SOFR” means the Secured Overnight Financing Rate, as reported by the Wall Street Journal.

“Subsidiary” means, with respect to any Person and as of any determination date, any other Person as to which such first Person (i) owns, directly or indirectly, or otherwise controls, more than 50% of the voting power or other similar interests of such other Person or (ii) is the sole general partner interest, or managing member or similar interest, of such other Person.

“Tax Benefit Payment” is defined in Section 3.1(b).

“Tax Benefit Schedule” is defined in Section 2.3(a).

“Tax Return” means any return, declaration, report or similar statement filed or required to be filed with respect to taxes (including any attached schedules), including any information return, claim for refund, amended return and declaration of estimated tax.

“Taxable Year” means a taxable year of the Corporation as defined in Section 441(b) of the Code or any similar provisions of U.S. state or local tax Law, as applicable (and, therefore, for the avoidance of doubt, may include a period of less than 12 months for which a Tax Return is filed), ending on or after the closing date of the IPO.

“Taxing Authority” means any national, federal, state, county, municipal or local government, or any subdivision, agency, commission or authority thereof, or any quasi-governmental body, or any other authority of any kind, exercising regulatory or other authority in relation to tax matters.

“Treasury Regulations” means the final, temporary and (to the extent they can be relied upon) proposed regulations under the Code, as promulgated from time to time (including corresponding provisions and succeeding provisions) and as in effect for the relevant taxable period.

“U.S.” means the United States of America.

“Unit Purchase” is defined in the recitals to this Agreement.

“Units” means Common Units, as defined in the Operating Agreement.

“Valuation Assumptions” means, as of an Early Termination Effective Date, the assumptions that:

(i) in each Taxable Year ending on or after such Early Termination Effective Date, the Corporation will have taxable income sufficient to fully use the deductions arising from the Exchange Covered Tax Assets during such Taxable Year or future Taxable Years (including, for the avoidance of doubt, Basis Adjustments and Imputed Interest that would result from future Tax Benefit Payments that would be paid in accordance with the Valuation Assumptions) in which such deductions would become available;

(ii) the U.S. Federal income tax rates that will be in effect for each such Taxable Year will be those specified for each such Taxable Year by the Code and other applicable Law as in effect on the Early Termination Effective Date, except to the extent any change to such tax rates for such Taxable Year have already been enacted into Law and the combined U.S. state and local income tax rates shall be the Assumed State and Local Tax Rate;

(iii) all taxable income of the Corporation will be subject to the maximum applicable tax rates for each Covered Tax throughout the relevant period; provided, that the combined tax rate for U.S. state and local income taxes shall be the Assumed State and Local Tax Rate;

(iv) any loss carryovers or carrybacks generated by any Exchange Covered Tax Assets (including any Basis Adjustments or Imputed Interest generated as a result of payments made or deemed to be made under this Agreement) and available (taking into account any known and applicable limitations) as of the date of the Early Termination Schedule will be used by the Corporation ratably in each of the 5 consecutive Taxable Years beginning with the Taxable Year that includes the date of the Early Termination Schedule (but, in the case of any such carryover or carryback that has less than 5 remaining Taxable Years, ratably through the scheduled expiration date of such carryover or carryback) (by way of example, if on the date of the Early Termination Schedule the Corporation had \$100 of net operating losses, \$20 of such net operating losses would be used in each of the 5 consecutive Taxable Years beginning in the Taxable Year of such Early Termination Schedule);

(v) any non-amortizable assets will be disposed of on the fifteenth anniversary of the earlier of (A) the applicable Exchange and (B) the Early Termination Effective Date;

(vi) if, on the Early Termination Effective Date, any Member has Units that have not been Exchanged, then such Units shall be deemed to be Exchanged for the Market Value of the shares of Class A Common Stock or the amount of cash that

would be received by such Member had such Units actually been Exchanged on the Early Termination Effective Date;

(vii) any future payment obligations pursuant to this Agreement that are used to calculate the Early Termination Payment will be satisfied on the date that any Tax Return to which any such payment obligation relates is required to be filed excluding any extensions; and

(viii) with respect to Taxable Years ending prior to the Early Termination Effective Date, any unpaid Tax Benefit Payments and any applicable Default Rate Interest will be paid.

“Voluntary Early Termination” is defined in Section 4.2(a)(i).

SECTION 1.2. Rules of Construction. Unless otherwise specified herein:

(a) For purposes of interpretation of this Agreement:

(i) The words “herein,” “hereto,” “hereof” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision thereof.

(ii) Unless specified otherwise, references to an Article, Section or clause refer to the appropriate Article, Section or clause in this Agreement.

(iii) References to dollars or “\$” refer to the lawful currency of the U.S.

(iv) The terms “include” or “including” are by way of example and not limitation and shall be deemed followed by the words “without limitation”.

(v) The term “or”, when used in a list of two or more items, means “and/or” and may indicate any combination of the items.

(vi) The term “documents” includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including”, the words “to” and “until” each mean “to but excluding” and the word “through” means “to and including.”

(c) Section headings herein are included for convenience of reference only and shall not affect the interpretation of this Agreement.

(d) Unless otherwise expressly provided herein, (i) references to organizational documents (including the Operating Agreement), agreements (including this Agreement) and other contractual instruments shall be deemed to include all subsequent

amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are permitted hereby, and (ii) references to any Law (including the Code and the Treasury Regulations) include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Law.

ARTICLE II

Determination of Realized Tax Benefit

SECTION 2.1. Basis Adjustments; Bridge Holdings 754 Election.

(a) Basis Adjustments. The Parties acknowledge and agree that (i) each Redemption and the IPO Unit Redemption shall be treated as a direct purchase of Units by the Corporation from the applicable Member pursuant to Section 707(a)(2)(B) of the Code (or any similar provisions of applicable state, local or foreign tax Law) (*i.e.*, equivalent to a Direct Exchange) and (ii) each Exchange will give rise to Basis Adjustments.

(b) Bridge Holdings Section 754 Election. The Corporation shall cause Bridge Holdings and certain of its Subsidiaries (as reasonably determined by the Corporation) that is treated as a partnership for U.S. Federal income tax purposes to have in effect an election under Section 754 of the Code (or any similar provisions of applicable state, local or foreign tax Law) for each Taxable Year. The Corporation shall take commercially reasonable efforts to cause each Person in which Bridge Holdings owns a direct or indirect equity interest (other than a Subsidiary) that is so treated as a partnership to have in effect any such election for each Taxable Year as reasonably determined by the Corporation.

SECTION 2.2. Basis Schedules. Within 150 calendar days after the filing of the U.S. Federal income Tax Return of the Corporation for each relevant Taxable Year, the Corporation shall deliver to the Members a schedule showing, in reasonable detail, (i) the Exchange Covered Tax Assets that are available for use by the Corporation with respect to such Taxable Year with respect to each Member that has effected an Exchange (including the Basis Adjustments with respect to the Reference Assets resulting from Exchanges effected in such Taxable Year and the periods over which such Basis Adjustments are amortizable or depreciable), (ii) the portion of the Exchange Covered Tax Assets that are available for use by the Corporation in future Taxable Years with respect to each Member that has effected an Exchange and (iii) any limitations on the ability of the Corporation to utilize any Exchange Covered Tax Assets under applicable Laws (including as a result of the operation of Section 382 of the Code or Section 383 of the Code) Member (such schedule, a “Basis Schedule”). A Basis Schedule will become final and binding on the Parties pursuant to the procedures set forth in Section 2.4(a) and may be amended by the Parties pursuant to the procedures set forth in Section 2.4(b).

SECTION 2.3. Tax Benefit Schedules.

(a) Tax Benefit Schedule. Within 150 calendar days after the filing of the U.S. Federal income Tax Return of the Corporation for any Taxable Year in which there is a Realized

Tax Benefit or Realized Tax Detriment, the Corporation shall provide to the Members a schedule showing, in reasonable detail, the calculation of the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year (a “Tax Benefit Schedule”). A Tax Benefit Schedule will become final and binding on the Parties pursuant to the procedures set forth in Section 2.4(a) and may be amended by the Parties pursuant to the procedures set forth in Section 2.4(b).

(b) Applicable Principles. Subject to the provisions hereunder, the Realized Tax Benefit or Realized Tax Detriment for each Taxable Year is intended to measure the decrease or increase in the Actual Tax Liability of the Corporation for such Taxable Year attributable to the Exchange Covered Tax Assets, as determined using a “with and without” methodology described in Section 2.4(a). Carryovers or carrybacks of any tax item attributable to any of the Exchange Covered Tax Assets shall be considered to be subject to the rules of the Code and the Treasury Regulations, and the appropriate provisions of state, local and foreign tax Law, governing the use, limitation or expiration of carryovers or carrybacks of the relevant type. If a carryover or carryback of any tax item includes a portion that is attributable to any Tax Attribute (a “TRA Portion”) and another portion that is not attributable to any Tax Attribute (a “Non-TRA Portion”), such portions shall be considered to be used in accordance with the “with and without” methodology so that (i) the amount of any Non-TRA Portion is deemed utilized first, followed by the amount of any TRA Portion (with the TRA Portion being applied on a proportionate basis consistent with the provisions of Section 3.3(a)) and (ii) in the case of a carryback of a Non-TRA Portion, such carryback shall not affect the original “with and without” calculation made in the prior Taxable Year. Except with respect to the portion of any Payment attributable to Imputed Interest, all Tax Benefit Payments and payments of Default Rate Interest attributable to the Covered Tax Assets will be treated as subsequent upward purchase price adjustments in respect such Exchange that give rise to additional Basis Adjustments for the Corporation unless otherwise required by applicable Law.

SECTION 2.4. Procedures; Amendments.

(a) Procedures. Each time the Corporation delivers a Schedule to the Members under this Agreement, the Corporation shall, with respect to such Schedule, also deliver to the Members supporting schedules and work papers, as determined by the Corporation or as reasonably requested by any Member, that provide a reasonable level of detail regarding relevant data and calculations and allow the Members and their advisors to have reasonable access to the appropriate representatives, as determined by the Corporation or as reasonably requested by the Members, at the Corporation or the Advisory Firm in connection with a review of relevant information. Without limiting the generality of the preceding sentence, the Corporation shall ensure that any Tax Benefit Schedule that is delivered to the Members, along with any supporting schedules and work papers, provides a reasonably detailed presentation of the calculations of the Actual Tax Liability for the relevant Taxable Year and the Hypothetical Tax Liability for such Taxable Year, and identifies any material assumptions or operating procedures or principles that were used for purposes of such calculations. A Schedule will become final and binding on the Members 30 calendar days from the date on which the Members first received the applicable Schedule unless a Member, within such period, provides the Corporation with written notice of a material objection (made in good faith) to such Schedule and sets forth in reasonable detail such Member’s material objection (an “Objection Notice”). If the Parties, for any reason, are unable to resolve the issues raised in

such Objection Notice within 30 calendar days after receipt by the Corporation of the Objection Notice, the Corporation and the applicable Member shall employ the Reconciliation Procedures described in Section 7.8 and the finalization of the Schedule will be conducted in accordance therewith.

(b) Amended Schedule. A Schedule (other than an Early Termination Schedule) for any Taxable Year may only and shall be amended from time to time by the Corporation (i) in connection with a Determination affecting such Schedule, (ii) to correct inaccuracies in such Schedule identified as a result of the receipt of additional factual information relating to a Taxable Year after the date such Schedule was originally provided to the Members, (iii) to comply with an Expert's determination under the Reconciliation Procedures, (iv) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to a carryover or carryback of a loss or other tax item to such Taxable Year or (v) to reflect a change in the Realized Tax Benefit or Realized Tax Detriment for such Taxable Year attributable to an amended Tax Return filed for such Taxable Year (any such Schedule in its amended form, an "Amended Schedule"). The Corporation shall provide any Amended Schedule to the applicable Members within 30 calendar days of the occurrence of an event referred to in any of clauses (i) through (v) of the preceding sentence, and the delivery and finalization of any such Amended Schedule shall, for the avoidance of doubt, be subject to the procedures described in Section 2.4(a).

ARTICLE III

Tax Benefit Payments

SECTION 3.1. Timing and Amount of Tax Benefit Payments.

(a) Timing of Payments. Subject to Sections 3.2 and 3.3, by the date that is 5 Business Days following the date on which each Tax Benefit Schedule becomes final in accordance with Section 2.4(a) (such date, the "Final Payment Date" in respect of any Tax Benefit Payment), the Corporation shall pay in full to each relevant Member the Tax Benefit Payment as determined pursuant to Section 3.1(b). Each such Tax Benefit Payment shall be made by wire transfer of immediately available funds to a bank account or accounts designated by such Member. For the avoidance of doubt, no Member shall be required under any circumstances to return any Payment or any Default Rate Interest paid by the Corporation to such Member.

(b) Amount of Payments. For purposes of this Agreement, a "Tax Benefit Payment" with respect to any Member means an amount equal to the sum of the Net Tax Benefit that is Attributable to such Member and the Interest Amount. No Tax Benefit Payment shall be calculated or made in respect of any estimated tax payments, including any estimated U.S. Federal income tax payments.

(i) Attributable. A Net Tax Benefit that is "Attributable" to a Member with respect to any Exchange Covered Tax Assets shall be determined separately with respect to each Member and each Exchange undertaken by or with respect such Member

in an amount equal to the total Exchange Covered Tax Assets relating to the Units Exchanged by or with respect to such Member.

(ii) Net Tax Benefit. The “Net Tax Benefit” with respect to a Member for a Taxable Year equals the amount of the excess, if any, of (A) 85% of the Cumulative Net Realized Tax Benefit Attributable to such Member as of the end of such Taxable Year over (B) the aggregate amount of all Tax Benefit Payments previously made to such Member under this Section 3.1 (excluding payments attributable to Interest Amounts).

(iii) Cumulative Net Realized Tax Benefit. The “Cumulative Net Realized Tax Benefit” for a Taxable Year equals the cumulative amount of Realized Tax Benefits for all Taxable Years of the Corporation, up to and including such Taxable Year, net of the cumulative amount of Realized Tax Detriments for the same period. The Realized Tax Benefit and Realized Tax Detriment for each Taxable Year shall be determined based on the most recent Tax Benefit Schedule or Amended Schedule, if any, in existence at the time of such determination.

(iv) Realized Tax Benefit. The “Realized Tax Benefit” for a Taxable Year equals the excess, if any, of the Hypothetical Tax Liability over the Actual Tax Liability for such Taxable Year. If all or a portion of the Actual Tax Liability for such Taxable Year arises as a result of an audit or similar proceeding by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Benefit unless and until there has been a Determination.

(v) Realized Tax Detriment. The “Realized Tax Detriment” for a Taxable Year equals the excess, if any, of the Actual Tax Liability over the Hypothetical Tax Liability for such Taxable Year. If all or a portion of the Actual Tax Liability for such Taxable Year arises as a result of an audit or similar proceeding by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Detriment unless and until there has been a Determination.

(vi) Interest Amount. The “Interest Amount” in respect of a Member equals interest on the unpaid amount of the Net Tax Benefit with respect to such Member for a Taxable Year, calculated at the Agreed Rate from the due date (without extensions) for filing the U.S. Federal income Tax Return of the Corporation for such Taxable Year until the earlier of (A) the date on which no remaining Tax Benefit Payment to the Member is due in respect of such Net Tax Benefit and (B) the applicable Final Payment Date.

(vii) The Members acknowledge and agree that, as of the date of this Agreement and as of the date of any future Exchange that may be subject to this Agreement, the aggregate value of the Tax Benefit Payments cannot be reasonably ascertained for U.S. Federal income or other applicable tax purposes. Notwithstanding anything to the contrary in this Agreement, the stated maximum selling price (within the meaning of Treasury Regulation 15A.453-1(c)(2)) with respect to any transfer of Units by a Member pursuant to an Exchange shall not exceed the sum of (I) the value

of the Class A Common Stock or the amount of cash delivered to the Member, in each case, in the Exchange plus (II) the amount, if any, set forth in the Redemption Notice (as defined in the Operating Agreement) delivered by such Member to Bridge Holdings with respect to the relevant Redemption or Exchange, and the aggregate Payments under this Agreement to such Member (other than amounts accounted for as interest under the Code) shall not exceed the amount described in this clause (II).

SECTION 3.2. No Duplicative Payments. It is intended that the provisions hereunder will not result in the duplicative payment of any amount that may be required under this Agreement, and the provisions hereunder shall be consistently interpreted and applied in accordance with that intent.

SECTION 3.3. Pro-Ration of Payments as Between the Members.

(a) Insufficient Taxable Income. Notwithstanding anything in Section 3.1(b) to the contrary, if the aggregate potential Covered Tax benefit of the Corporation as calculated with respect to the Exchange Covered Tax Assets (in each case, without regard to the Taxable Year of origination) is limited in a particular Taxable Year because the Corporation does not have sufficient actual taxable income, then the available Covered Tax benefit for the Corporation shall be allocated among the Members in proportion to the respective Tax Benefit Payment that would have been payable if the Corporation had sufficient taxable income. For example, if the Corporation had \$200 of aggregate potential Covered Tax benefits with respect to the Exchange Covered Tax Assets in a particular Taxable Year (with \$50 of such Covered Tax benefits Attributable to Member A and \$150 Attributable to Member B), such that Member A would have been entitled to a Tax Benefit Payment of \$42.50 and Member B would have been entitled to a Tax Benefit Payment of \$127.50 if the Corporation had sufficient actual taxable income, and if the Corporation instead had insufficient actual taxable income in such Taxable Year, such that the Covered Tax benefit was limited to \$100, then \$25 of the aggregate \$100 actual Covered Tax benefit for the Corporation for such Taxable Year would be allocated to Member A and \$75 would be allocated to Member B, such that Member A would receive a Tax Benefit Payment of \$21.25 and Member B would receive a Tax Benefit Payment of \$63.75.

(b) Late Payments. If for any reason the Corporation is not able to fully satisfy its payment obligations to make all Tax Benefit Payments due in respect of a particular Taxable Year, then (i) Default Rate Interest will accrue pursuant to Section 5.2, (ii) the Corporation shall pay the available amount of such Tax Benefit Payments (and any applicable Default Rate Interest) in respect of such Taxable Year to each Member pro rata in line with Section 3.3(a) and (iii) no Tax Benefit Payment shall be made in respect of any Taxable Year until all Tax Benefit Payments (and any applicable Default Rate Interest) to all Members in respect of all prior Taxable Years have been made in full.

SECTION 3.4. Overpayments. Subject to the procedures described in Section 2.4(a), to the extent the Corporation makes a payment to a Member in respect of a particular Taxable Year under Section 3.1(a) in an amount in excess of the amount of such payment that should have been made to such Member in respect of such Taxable Year (taking into account Section 3.3) under the terms of this Agreement, then such Member shall not receive further payments under Section 3.1(a) until such Member has foregone an amount of payments equal

to such excess; provided, that for the avoidance of the doubt, no Member shall be required to return any payment paid by the Corporation to such Member.

ARTICLE IV

Termination

SECTION 4.1. Early Termination of Agreement; Acceleration Events.

(a) Corporation's Early Termination Right. With the written approval of a majority of the Independent Directors, the Corporation may terminate this Agreement, as and to the extent provided herein, by paying in full each and every Member the Early Termination Payment (along with any applicable Default Rate Interest) due to such Member.

(b) Acceleration upon Change of Control. In the event of a Change of Control, the Early Termination Payment (calculated as if an Early Termination Notice had been delivered on the date of the Change of Control) shall become due and payable in accordance with Section 4.3 and the Agreement shall terminate, as and to the extent provided herein.

(c) Acceleration upon Breach of Agreement. In the event of a Material Breach, the Early Termination Payment (calculated as if an Early Termination Notice had been delivered on the date of the Material Breach) shall become due and payable in accordance with Section 4.3 and the Agreement shall terminate, as and to the extent provided herein. Subject to the next sentence, the Corporation's failure to make a Payment (along with any applicable Default Rate Interest) within 90 calendar days of the applicable Final Payment Date shall be deemed to constitute a Material Breach. To the extent that any Tax Benefit Payment is not made by the date that is 90 calendar days after the relevant Final Payment Date because the Corporation (i) is prohibited from making such payment under Section 5.1 or the terms of any agreement governing any Senior Obligations or (ii) does not have, and cannot take commercially reasonable actions to obtain, sufficient funds to make such payment, such failure will not constitute a Material Breach; provided that (A) such payment obligation nevertheless will accrue for the benefit of the Members, (B) the Corporation shall promptly (and in any event, within 5 Business Days) pay the entirety of the unpaid amount (along with any applicable Default Rate Interest) once the Corporation is not prohibited from making such payment under Section 5.1 or the terms of the agreements governing the Senior Obligations and the Corporation has sufficient funds to make such payment and (C) the failure of the Corporation to comply with the foregoing clause (B) will constitute a Material Breach; provided further that that the interest provisions of Section 5.2 shall apply to such late payment (unless the Corporation does not have sufficient funds to make such payment as a result of limitations imposed by any Senior Obligations, in which case Section 5.2 shall apply, but the Default Rate shall be replaced by the Agreed Rate). It shall be a Material Breach if the Corporation makes any distribution of cash or other property (other than shares of Class A Common Stock) to its stockholders or uses cash or other property to repurchase any capital stock of the Corporation (including Class A Common Stock), in each case, before (x) all Tax Benefit Payments (along with any applicable Default Rate Interest) that are due and payable as of the date the Corporation enters into a binding commitment to make such distribution or repurchase have been paid or (y) sufficient funds for the payment of all Tax Benefits Payments (along with any

applicable Default Rate Interest) that are due and payable on the date of the distribution or repurchase have been reserved therefor. The Corporation shall use commercially reasonable efforts to (1) obtain sufficient available funds for the purpose of making Tax Benefit Payments under this Agreement and (2) avoid entering into any agreements that could be reasonably anticipated to materially delay the timing of the making of any Tax Benefit Payments under this Agreement.

(d) In the case of a termination pursuant to any of the foregoing paragraphs (a), (b) or (c), upon the Corporation's payment in full of the Early Termination Payment (along with any applicable Default Rate Interest) to each Member, the Corporation shall have no further payment obligations under this Agreement other than with respect to any Tax Benefit Payments (along with any applicable Default Rate Interest) in respect of any Taxable Year ending prior to the Early Termination Effective Date, and such payment obligations shall survive the termination of, and be calculated and paid in accordance with, this Agreement. If an Exchange subsequently occurs with respect to Units for which the Corporation has paid the Early Termination Payment in full, the Corporation shall have no obligations under this Agreement with respect to such Exchange.

SECTION 4.2. Early Termination Notice.

(a) If (i) the Corporation chooses to exercise its termination right under Section 4.1(a) ("Voluntary Early Termination"), (ii) a Change of Control occurs or (iii) a Material Breach occurs, the Corporation shall, in each case, deliver to the Members a reasonably detailed notice of the Corporation's decision to exercise such right or the occurrence of such event, as applicable (an "Early Termination Notice"). In the case of an Early Termination Notice delivered with respect to a Voluntary Early Termination, the Corporation may withdraw such Early Termination Notice and rescind its Voluntary Early Termination at any time prior to the time at which any Early Termination Payment is paid.

(b) The Corporation shall deliver a schedule showing in reasonable detail the calculation of the Early Termination Payment (an "Early Termination Schedule") (i) simultaneously with the delivery of an Early Termination Notice or (ii) in the case of a termination pursuant to Section 4.1(b) or Section 4.1(c), as soon as reasonably practicable following the occurrence of the Change of Control or Material Breach giving rise to such termination. The date on which such Early Termination Schedule becomes final in accordance with Section 2.4(a) shall be the "Early Termination Reference Date".

SECTION 4.3. Payment upon Early Termination.

(a) Timing of Payment. By the date that is 5 Business Days after the Early Termination Reference Date (such date, the "Final Payment Date" in respect of the Early Termination Payment), the Corporation shall pay in full to each Member an amount equal to the Early Termination Payment applicable to such Member. Such Early Termination Payment shall be made by the Corporation by wire transfer of immediately available funds to a bank account or accounts designated by the applicable Member.

(b) Amount of Payment. The “Early Termination Payment” payable to a Member pursuant to Section 4.3(a) shall equal the present value, discounted at the Agreed Rate and determined as of the Early Termination Reference Date, of all Tax Benefit Payments (other than any Tax Benefit Payments in respect of Taxable Years ending prior to the Early Termination Effective Date) that would be required to be paid by the Corporation to such Member, beginning from the Early Termination Effective Date and using the Valuation Assumptions. For the avoidance of doubt, an Early Termination Payment shall be made to each Member in accordance with this Agreement, regardless of whether a Member has Exchanged all of its Units as of the Early Termination Effective Date.

ARTICLE V

Subordination and Late Payments

SECTION 5.1. Subordination. Notwithstanding any other provision of this Agreement to the contrary, any payment required to be made by the Corporation to the Members under this Agreement shall rank subordinate and junior in right of payment to any principal, interest or other amounts due and payable in respect of any obligations owed in respect of indebtedness for borrowed money of the Corporation (other than, for the avoidance of doubt, any trade payables, intercompany debt or other similar obligations) (“Senior Obligations”) and shall rank *pari passu* in right of payment with all current or future obligations of the Corporation that are not Senior Obligations.

SECTION 5.2. Late Payments by the Corporation. Subject to the second proviso in the third sentence of Section 4.1(c), the amount of any Payment not made to any Member by the applicable Final Payment Date shall be payable together with “Default Rate Interest”, calculated at the Default Rate and accruing on the amount of the unpaid Payment from the applicable Final Payment Date until the date on which the Corporation makes such Payment to such Member.

ARTICLE VI

Tax Matters; Consistency; Cooperation

SECTION 6.1. Participation in the Corporation’s and Bridge Holdings’ Tax Matters. Except as otherwise provided herein or in Article IX of the Operating Agreement, the Corporation shall have full responsibility for, and sole discretion over, all tax matters concerning the Corporation and Bridge Holdings, including preparing, filing or amending any Tax Return and defending, contesting or settling any issue pertaining to taxes. Notwithstanding the foregoing, (i) the Corporation shall notify the relevant Members of, and keep them reasonably informed with respect to, the portion of any audit by any Taxing Authority of the Corporation, Bridge Holdings or any of Bridge Holdings’ Subsidiaries, the outcome of which is reasonably expected to materially and adversely affect such Members’ rights and obligations under this Agreement and (ii) the Members shall have the right to participate in and to monitor at their own expense (but, for the avoidance of doubt, not to control) any such issue in any such Tax audit. To the extent there is a conflict between this Agreement and the Operating Agreement as it relates to tax matters concerning Covered Taxes and the Corporation and

Bridge Holdings, including preparation, filing or amending of any Tax Return and defending, contesting or settling any issue pertaining to taxes, this Agreement shall control.

SECTION 6.2. Consistency. Except upon the written advice of the Advisory Firm, all calculations and determinations made hereunder, including any Basis Adjustments, the Schedules and the determination of any Realized Tax Benefits or Realized Tax Detriments, shall be made in accordance with the elections, methodologies and positions taken by the Corporation and Bridge Holdings on their respective Tax Returns. Each Member shall prepare its Tax Returns in a manner consistent with the terms of this Agreement and any related calculations or determinations made hereunder, including the terms of Section 2.1 and the Schedules provided to each such Member, except as otherwise required by Law. In the event that an Advisory Firm is replaced with another Advisory Firm acceptable to the Audit Committee, the Members shall cause such replacement Advisory Firm to perform its services necessitated by this Agreement using procedures and methodologies consistent with those of the previous Advisory Firm, unless otherwise required by Law or unless the Corporation and all of the Members agree to the use of other procedures and methodologies.

SECTION 6.3. Cooperation.

(a) Each Member shall (i) furnish to the Corporation in a timely manner such information, documents and other materials as the Corporation may reasonably request for purposes of making any determination or computation necessary or appropriate under this Agreement, preparing any Tax Return of Bridge Holdings or any of its Subsidiaries or contesting or defending any related audit, examination or controversy with any Taxing Authority, (ii) make itself available to the Corporation and its representatives to provide explanations of documents and materials and such other information as the Corporation or its representatives may reasonably request in connection with any of the matters described in clause (i) above and (iii) reasonably cooperate in connection with any such matter.

(b) The Corporation shall reimburse the Members for any reasonable and documented out-of-pocket costs and expenses incurred pursuant to Section 6.3(a).

ARTICLE VII

Miscellaneous

SECTION 7.1. Notices. All notices, requests, consents and other communications required or permitted hereunder shall be in writing and (i) delivered personally, (ii) sent by e-mail or (iii) sent by overnight courier, in each case, addressed as follows:

If to the Corporation, to:

Bridge Investment Group Holdings Inc.
111 E. Sego Lily Drive, Suite 400
Salt Lake City, UT 84070
Attn: aaron.ofarrell@bridgeig.com
BridgeLegal@bridgeig.com

If to any Member, to the address and e-mail address specified on such Member's signature page to the applicable Joinder or otherwise on file with the Corporation or Bridge Holdings.

Any Party may change its address, fax number or e-mail address by giving each of the other Party written notice thereof in the manner set forth above.

SECTION 7.2. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Members and delivered to the other Members, it being understood that all Members need not sign the same counterpart. Delivery of an executed signature page to this Agreement by e-mail transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

SECTION 7.3. Entire Agreement; No Third-Party Beneficiaries. This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof. This Agreement shall be binding upon and inure solely to the benefit of each Party hereto and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

SECTION 7.4. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any Law or public policy, all other terms and provisions hereunder shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner.

SECTION 7.5. Assignments; Amendments; Successors; No Waiver.

(a) Assignment. No Member may assign, sell, pledge or otherwise alienate or transfer any interest in this Agreement, including the right to receive any payments under this Agreement, to any Person without such Person executing and delivering a Joinder agreeing to succeed to the applicable portion of such Member's interest in this Agreement and to become a Party for all purposes of this Agreement (the "Joinder Requirement"); provided, that the Members' approval and consent rights described in Section 6.1 shall not be transferrable or assignable to any Person (other than Permitted Transferees) without the prior written consent of the Corporation, not to be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, if any Member sells, exchanges, distributes or otherwise transfers Units to any Person (other than the Corporation or Bridge Holdings) in accordance with the terms of the Operating Agreement, such Member shall have the option to assign to the transferee of such Units its rights under this Agreement with respect to such transferred Units; provided that such transferee has satisfied the Joinder Requirement. For the avoidance of doubt, if a Member

transfers Units in accordance with the terms of the Operating Agreement but does not assign to the transferee of such Units its rights under this Agreement with respect to such transferred Units, such Member shall continue to be entitled to receive the Tax Benefit Payments arising in respect of a subsequent Exchange of such Units (and any such transferred Units shall be separately identified, so as to facilitate the determination of payments hereunder). The Corporation may not assign any of its rights or obligations under this Agreement to any Person without Member Approval (and any purported assignment without such consent shall be null and void).

(b) Amendments. No provision of this Agreement may be amended unless such amendment is approved in writing by the Corporation with Member Approval; provided that amendment of the definition of Change of Control will also require the written approval of a majority of the Independent Directors; provided further that, to the extent any amendment would materially, adversely and disproportionately affect a Member with respect to any rights under this Agreement, such amendment shall require the written approval of such affected Member.

(c) Successors. Except as provided in Section 7.5(a), all of the terms and provisions hereunder shall be binding upon, and shall inure to the benefit of and be enforceable by, the Parties and their respective successors, assigns, heirs, executors, administrators and legal representatives. The Corporation shall require and cause any direct or indirect successor (whether by equity purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Corporation, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Corporation would be required to perform if no such succession had taken place.

(d) Waiver. No provision of this Agreement may be waived unless such waiver is in writing and signed by the Party against whom the waiver is to be effective. No failure by any Party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or any other covenant, duty, agreement or condition.

SECTION 7.6. Titles and Subtitles. The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

SECTION 7.7. Resolution of Disputes; Governing Law.

(a) Except for Reconciliation Disputes subject to Section 7.8, any and all disputes which cannot be settled after good faith negotiation within 30 calendar days, including any ancillary claims of any Party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this Section 7.7 or Section 7.8) (each, a “Dispute”) shall be finally resolved by arbitration in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration by the majority vote of a panel of three arbitrators, of which the Corporation shall designate one arbitrator and

the Members that are party to such Dispute shall designate one arbitrator, in each case in accordance with the “screened” appointment procedure provided in Resolution Rule 5.4. In addition to monetary damages, the arbitrators shall be empowered and permitted to award equitable relief, including an injunction and specific performance of any obligation under this Agreement. The arbitrators are not empowered to award damages in excess of compensatory damages, and each Member hereby irrevocably waives any right to recover punitive, exemplary or similar damages with respect to any Dispute. Any award shall be the sole and exclusive remedy between the Members regarding any claims, counterclaims, issues or accounting presented to the arbitrators. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 *et seq.*, and judgment upon the award rendered by the arbitrators may be entered by any court having jurisdiction thereof. The place of the arbitration shall be New York, New York.

(b) Notwithstanding the provisions of paragraph (a) above, any Party may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling another Party to arbitrate, seeking temporary or preliminary relief in aid of an arbitration hereunder or enforcing an arbitration award and, for the purposes of this paragraph (b), each Party (i) expressly consents to the application of paragraphs (c) and (d) of this Section 7.7 to any such action or proceeding and (ii) agrees that proof shall not be required that monetary damages for breach of the provisions hereunder would be difficult to calculate and that remedies at law would be inadequate.

(c) This Agreement shall be governed in all respects, including as to validity, interpretation and effect, by the internal Laws of the State of New York, without giving effect to the conflict of laws rules thereof. Subject to this Section 7.7 and Section 7.8, the Parties agree that any suit or proceeding in connection with, arising out of or relating to this Agreement shall be instituted only in a New York state court (or U.S. Federal court) located in New York, New York, and the Parties, for the purpose of any such suit or proceeding, irrevocably consent and submit to the exclusive personal jurisdiction and venue of any such court in any such suit or proceeding. Each Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

(d) Each Party irrevocably and unconditionally waives, to the fullest extent permitted by Law, (i) any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 7.7(b) or 7.7(c) and (ii) the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.

(e) Each Party irrevocably consents to service of process by means of notice in the manner provided for in Section 7.1. Nothing in this Agreement shall affect the right of any Party to serve process in any other manner permitted by Law.

(f) WAIVER OF RIGHT TO TRIAL BY JURY. EACH PARTY HERETO HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, AND WITH THE ADVICE OF ITS COUNSEL, ANY RIGHT IT MAY HAVE TO A TRIAL BY

JURY IN ANY SUIT, ACTION OR PROCEEDING, WHETHER A CLAIM, COUNTERCLAIM, CROSS-CLAIM, OR THIRD PARTY CLAIM, DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

SECTION 7.8. Reconciliation Procedures.

(a) In the event that the Corporation and any Member are unable to resolve a disagreement with respect to a Schedule prepared in accordance with the procedures set forth in Section 2.4 or Section 4.2, as applicable, within the relevant time period designated in this Agreement (a “Reconciliation Dispute”), the procedures described in this paragraph (the “Reconciliation Procedures”) will apply. The applicable Members shall, within 15 calendar days of the commencement of a Reconciliation Dispute, mutually select a nationally recognized expert in the particular area of disagreement (the “Expert”) and submit the Reconciliation Dispute to such Expert for determination. The Expert shall be a partner or principal in a nationally recognized accounting firm, and unless the Corporation and such Member agree otherwise, the Expert (and its employing firm) shall not have any material relationship with the Corporation or such Member or other actual or potential conflict of interest. If the applicable Parties are unable to agree on an Expert within such 15 calendar-day time period, the selection of an Expert shall be treated as a Dispute subject to Section 7.7 and an arbitration panel shall pick an Expert from a nationally recognized accounting firm that does not have any material relationship with the applicable Parties or other actual or potential conflict of interest. The Expert shall resolve any matter relating to (i) a Basis Schedule, Early Termination Schedule or an amendment to either within 30 calendar days and (ii) a Tax Benefit Schedule or an amendment thereto within 15 calendar days or as soon thereafter as is reasonably practicable, in each case after the matter has been submitted to the Expert for resolution. Notwithstanding the preceding sentence, if the matter is not resolved before any payment that is the subject of a disagreement would be due (in the absence of such disagreement) or any Tax Return reflecting the subject of a disagreement is due, the undisputed amount shall be paid by the date prescribed by this Agreement and such Tax Return may be filed as prepared by the Corporation, subject to adjustment or amendment upon resolution. The Expert shall finally determine any Reconciliation Dispute, and its determinations pursuant to this Section 7.8(a) shall be binding on the applicable Parties and may be entered and enforced in any court having competent jurisdiction. Any dispute as to whether a dispute is a Reconciliation Dispute within the meaning of this Section 7.8 or a Dispute within the meaning of Section 7.7 shall be decided and resolved as a Dispute subject to the procedures set forth in Section 7.7.

(b) Subject to the next sentence, the applicable Parties shall bear their own costs and expenses of such proceeding, unless (i) the Expert adopts the Member’s position, in which case the Corporation shall reimburse the Member for any reasonable and documented out-of-pocket costs and expenses in such proceeding or (ii) the Expert adopts the Corporation’s position, in which case the Members shall reimburse the Corporation for any reasonable and documented out-of-pocket costs and expenses in such proceeding. The costs and expenses relating to the engagement of such Expert or amending any Tax Return shall be borne by the Corporation.

SECTION 7.9. Withholding. The Corporation and its Affiliates shall be entitled to deduct and withhold from any payment that is payable to any Member pursuant to this Agreement such amounts as the Corporation is required to deduct and withhold with respect to the making of such payment by applicable Law. To the extent that amounts are so deducted and withheld and paid over to the appropriate Taxing Authority by the Corporation, such deducted and withheld amounts shall be treated for all purposes of this Agreement as having been paid by the Corporation to the relevant Member in respect of whom the deduction and withholding was made. Each Member shall promptly provide the Corporation with any applicable tax forms and certifications reasonably requested by the Corporation in connection with determining whether any such deductions and withholdings are required by applicable Law.

SECTION 7.10. Admission of the Corporation into a Consolidated Group; Transfers of Corporate Assets.

(a) If the Corporation is or becomes a member of an affiliated or consolidated group of corporations that files a consolidated income Tax Return pursuant to Section 1501 or other applicable sections of the Code governing affiliated or consolidated groups, or any corresponding provisions of state, local or foreign tax Law, then (i) the provisions of this Agreement shall be applied with respect to the group as a whole, and (ii) Payments and other applicable items hereunder shall be computed with reference to the consolidated taxable income of the group as a whole.

(b) If the Corporation or any member of the Bridge Holdings Group transfers one or more Reference Assets to a Person treated as a corporation for U.S. Federal income tax purposes (with which the Corporation does not file a consolidated Tax Return pursuant to Section 1501 of the Code), such transferor, for purposes of calculating the amount of any Payment due hereunder, shall be treated as having disposed of such asset in a fully taxable transaction on the date of such transfer. The consideration deemed to be received by the Corporation or Bridge Holdings Group member, as the applicable transferor, shall be equal to the fair market value of the transferred asset plus the amount of debt to which such asset is subject, in the case of a transfer of an encumbered asset. For purposes of this Section 7.10, a transfer of a partnership interest shall be treated as a transfer of the transferring partner's applicable share of each of the assets and liabilities of that partnership. Notwithstanding anything to the contrary set forth herein, if the Corporation or any member of a group described in Section 7.10(a) transfers its assets pursuant to a transaction that qualifies as a "reorganization" (within the meaning of Section 368(a) of the Code) in which such entity does not survive, pursuant to a contribution described in Section 351(a) of the Code or pursuant to any other transaction to which Section 381(a) of the Code applies (other than any such reorganization or any such other transaction, in each case, pursuant to which such entity transfers assets to a corporation with which the Corporation or any member of the group described in Section 7.10(a) (excluding any such member being transferred in such reorganization or other transaction) does not file a consolidated Tax Return pursuant to Section 1501 of the Code), the transfer will not cause such entity to be treated as having transferred any assets to a corporation (or a Person classified as a corporation for U.S. Federal income tax purposes) pursuant to this Section 7.10(b).

SECTION 7.11. Confidentiality. Each Member and each of its respective assignees acknowledges and agrees that the information of the Corporation is confidential and, except in the course of performing any duties as necessary for the Corporation and its Affiliates, as required by Law or legal process or to enforce the terms of this Agreement, such Person shall keep and retain in the strictest confidence and not disclose to any other Person any confidential information, acquired pursuant to this Agreement, of the Corporation or its controlled Affiliates or their successors. This Section 7.11 shall not apply to (i) any information that has been made publicly available by the Corporation or any of its controlled Affiliates, becomes public knowledge (except as a result of an act of any Member in violation of this Agreement) or is generally known to the business community, (ii) the disclosure of information to the extent necessary for a Member to prosecute or defend claims arising under or relating to this Agreement and (iii) the disclosure of information to the extent necessary for a Member to prepare and file its Tax Returns, to respond to any inquiries regarding the same from any Taxing Authority or to prosecute or defend any action, proceeding or audit by any Taxing Authority with respect to such Tax Returns. Notwithstanding anything to the contrary herein, the Members and each of their assignees (and each employee, representative or other agent of the Members or their assignees, as applicable) may disclose at their discretion to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the Corporation, the Members and any of their transactions, and all materials of any kind (including tax opinions or other tax analyses) that are provided to the Members relating to such tax treatment and tax structure. If a Member or an assignee commits, or threatens to commit, a breach of any of the provisions of this Section 7.11, the Corporation shall have the right and remedy to have the provisions of this Section 7.11 specifically enforced by injunctive relief or otherwise by any court of competent jurisdiction without the need to post any bond or other security, it being acknowledged and agreed that any such breach or threatened breach will cause irreparable injury to the Corporation or any of its controlled Affiliates and that money damages alone will not provide an adequate remedy to such Persons. Such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available at Law or in equity.

SECTION 7.12. Change in Law. Notwithstanding anything herein to the contrary, if, in connection with an actual or proposed change in Law, a Member reasonably believes that the existence of this Agreement could cause income (other than income arising from receipt of a payment under this Agreement) recognized by such Member (or direct or indirect equity holders in such Member) in connection with any Exchange to be treated as ordinary income (other than with respect to assets described in Section 751(a) of the Code) rather than capital gain (or otherwise taxed at ordinary income rates) for U.S. Federal income tax purposes or would have other material adverse tax consequences to such Member or any direct or indirect owner of such Member, then, at the written election of such Member in its sole discretion (in an instrument signed by such Member and delivered to the Corporation) and to the extent specified therein by such Member, this Agreement shall cease to have further effect and shall not apply to an Exchange occurring after a date specified by such Member, or may be amended in a manner reasonably determined by such Member; provided that such amendment shall not result in an increase in any payments owed by the Corporation under this Agreement

at any time as compared to the amounts and times of payments that would have been due in the absence of such amendment.

SECTION 7.13. Interest Rate Limitation. Notwithstanding anything to the contrary contained herein, the interest paid or agreed to be paid hereunder with respect to amounts due to any Member hereunder shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the “Maximum Rate”). If any Member shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the applicable payment (but in each case exclusive of any component thereof comprising interest) or, if it exceeds such unpaid non-interest amount, refunded to the Corporation. In determining whether the interest contracted for, charged or received by any Member exceeds the Maximum Rate, such Member may, to the extent permitted by applicable Law, (i) characterize any payment that is not principal as an expense, fee or premium rather than interest, (ii) exclude voluntary prepayments and the effects thereof or (iii) amortize, prorate, allocate and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the payment obligations owed by the Corporation to such Member hereunder. Notwithstanding the foregoing, it is the intention of the Parties to conform strictly to any applicable usury Laws.

SECTION 7.14. Independent Nature of Rights and Obligations. The rights and obligations of each Member hereunder are several and not joint with the rights and obligations of any other Person. A Member shall not be responsible in any way for the performance of the obligations of any other Person hereunder, nor shall a Member have the right to enforce the rights or obligations of any other Person hereunder (other than obligations of the Corporation). The obligations of a Member hereunder are solely for the benefit of, and shall be enforceable solely by, the Corporation. Nothing contained herein or in any other agreement or document delivered in connection herewith, and no action taken by any Member pursuant hereto or thereto, shall be deemed to constitute the Members acting as a partnership, association, joint venture or any other kind of entity, or create a presumption that the Members are in any way acting in concert or as a group with respect to such rights or obligations or the transactions contemplated hereby.

[Signature Page Follows this Page]

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Tax Receivable Agreement as of the date first written above.

CORPORATION:

BRIDGE INVESTMENT GROUP HOLDINGS INC.

By: /s/ Jonathan Slager

Name: Jonathan Slager

Title: Chief Executive Officer

BRIDGE HOLDINGS:

BRIDGE INVESTMENT GROUP HOLDINGS LLC

By: /s/ Jonathan Slager

Name: Jonathan Slager

Title: Chief Executive Officer

MEMBERS:

**BRIDGE INVESTMENT GROUP HOLDINGS INC. on behalf of
the Members listed in Schedule 1 hereto**

By: /s/ Jonathan Slager

Name: Jonathan Slager

Title: Chief Executive Officer

[Signature Page to A&R Tax Receivable Agreement]

SCHEDULE 1

Members

Bridge Founders Group, LLC
Dean A. Allara
Rockridge Investments, LLC
The Anderson Irrevocable Trust
Phillip Anderson
Genova Ventures, LLC
Bradley Andrus
The Andrus Irrevocable Trust dtd December 24, 2018
Brock Andrus
The Richard and Debra Andrus Trust
Colin Apple
Bruce Berger
Briggs Capital Partners, LLC
Globetrotter Foundation
Todd Castagna
Mobjack Investments, LLC
Kolana Limited
The Christiano Trust dtd 9/9/90
James Chung
Jason M. Clark
David Coelho
TSG Servant Holdings, LLC
Rachel Diller
Katherine Elsnab
Mark Ferris
Judy Tree LLC
Matthew Grant
Kelley Hansen
Errol Harris
Donaldson Hartman
Inna Khidekel
Adam Scott Kirk
Latimer Equity Investments, LLC
Richard F. & Darlene L. Leusch Trust
The Minnick Irrevocable Trust
The Charlotte Morse 2017 AET
FLM Holdings, LLC
The Elliot Coleman Morse 2017 AET dtd October 30, 2017
The Margaret Brooke Morse 2017 AET dtd October 30, 2017
The Robert Edson Morse 2017 AET dtd October 30, 2017
Aaron O'Farrell

[Signature Page to A&R Tax Receivable Agreement]

Adam B. and Tracy K. O'Farrell Trust dtd May 9, 2019
The O'Farrell Irrevocable Trust dtd January 1, 2021
Peeper Investments, LLC
JSPJ FLP
Trust of TMPeterson
Joseph M. Rault III
Reardon Partners LLC
The Timothy James Reardon and Megan McClannan Reardon Revocable Trust
The Survivor's Trust UTA dtd November 21, 2007
Jeffrey L. Shaw
SCREO-BOFM LLC
J.P. Slager, LLC
SF Intentional Irrevocable Trust dtd December 30, 2019
Slager Family Limited Partnership
Danuel Stanger
Christian V. Young 2020 Gift Trust dtd December 31, 2020
The Danna Investment Company LLC
The Anna Stanger 2020 Gift Trust dtd December 31, 2020
The Danna Foundation
The Danuel R. Stanger Revocable Trust dtd March 21, 2017
The Stayner Irrevocable Trust dtd December 1, 2020
DFS Equity, LLC
Meena Thever

John Ward
FCPO-BOFM LLC
Christian Young
Acorn Development Corp.
Christian V. and Lisa D. Young Family Foundation
Lisa D. Young 2020 Gift Trust dtd December 31, 2020
The Christian V. Young 2003 Trust dtd September 10, 2003
Thomas A. Ralphs
FM Bridge, LLC

[Signature Page to A&R Tax Receivable Agreement]

FORM OF JOINDER AGREEMENT

This JOINDER AGREEMENT, dated as of _____, 20__ (this "Joinder"), is delivered pursuant to that certain Amended and Restated Tax Receivable Agreement, effective as of January 1, 2022 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Tax Receivable Agreement"), by and among Bridge Investment Group Holdings Inc., a Delaware corporation (the "Corporation"), Bridge Investment Group Holdings LLC, a Delaware limited liability company ("Bridge Holdings"), and each of the Members from time to time party thereto. Capitalized terms used but not otherwise defined herein have the respective meanings set forth in the Tax Receivable Agreement.

1. Joinder to the Tax Receivable Agreement. The undersigned hereby represents and warrants to the Corporation that, as of the date hereof, the undersigned has been assigned an interest in the Tax Receivable Agreement from a Member.
2. Joinder to the Tax Receivable Agreement. Upon the execution of this Joinder by the undersigned and delivery hereof to the Corporation, the undersigned hereby is and hereafter will be a Member under the Tax Receivable Agreement, with all the rights, privileges and responsibilities of a party thereunder. The undersigned hereby agrees that it shall comply with and be fully bound by the terms of the Tax Receivable Agreement as if it had been a signatory thereto as of the date thereof.
3. Incorporation by Reference. All terms and conditions of the Tax Receivable Agreement are hereby incorporated by reference in this Joinder as if set forth herein in full.
4. Address. All notices under the Tax Receivable Agreement to the undersigned shall be direct to:

[Name]
[Address]
[City, State, Zip Code]
Attn:
Facsimile:
E-mail:

[Signature Page Follows this Page]

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Joinder as of the day and year first above written.

[NAME OF NEW MEMBER]

by

Name:

Title:

BRIDGE INVESTMENT GROUP HOLDINGS INC.

by

Name:

Title:

Acknowledged and agreed
as of the date first set forth above:

1. I have reviewed this Quarterly Report on Form 10-Q of Bridge Investment Group Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

(b)[omitted];

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2022

By: /s/ Jonathan Slager
Jonathan Slager
Chief Executive Officer
(principal executive officer)

CERTIFICATION

I, Chad Briggs, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bridge Investment Group Holdings Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) [omitted];
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 10, 2022

By:

/s/ Chad Briggs
Chad Briggs
Chief Financial Officer
(principal financial officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Bridge Investment Group Holdings Inc. (the "Company") for the period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2022

By:

/s/ Jonathan Slager

Jonathan Slager
Chief Executive Officer
(*principal executive officer*)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Bridge Investment Group Holdings Inc. (the "Company") for the period ended March 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2022

By:

/s/ Chad Briggs

Chad Briggs
Chief Financial Officer
(principal financial officer)

