



BLUEROCK
High Income
Institutional Credit Fund™

SEMI-ANNUAL REPORT

MARCH 31, 2023

Investor Information: 1-844-819-8287

This report and the financial statements contained herein are submitted for the general information of shareholders and are not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus. Nothing herein contained is to be considered an offer of sale or solicitation of an offer to buy shares of the Bluerock High Income Institutional Credit Fund. Such offering is made only by prospectus, which includes details as to offering price and other material information.

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TABLE OF CONTENTS

Shareholder Letter	1
Portfolio Review	7
Index to Financial Statements	
Portfolio of Investments.....	9
Statement of Assets and Liabilities	11
Statement of Operations	12
Statements of Changes in Net Assets	13
Statement of Cash Flows.....	15
Financial Highlights	16
Notes to Financial Statements	20
Additional Information.....	29
Privacy Policy	30



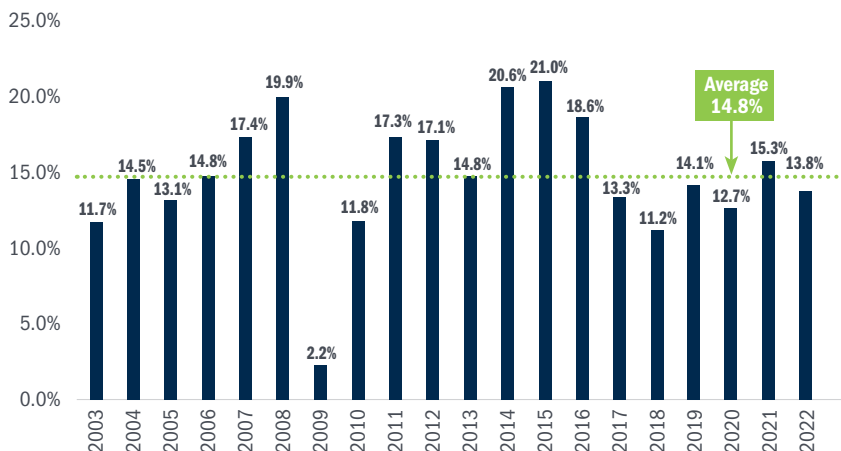
To Our Valued Shareholders:

We are pleased to present an update for the Bluerock High Income Institutional Credit Fund (“the Fund,” or “High Income Fund”) as of March 31, 2023.

Since inception, the High Income Fund has generated positive returns in a challenging economic environment, while also declaring four distributions (three quarterly and one special) totaling \$1.63 per share. This represents an annualized distribution rate of 8.63%* since the Fund’s inception June 2022. The Fund seeks to generate high income by investing in senior secured loans (SSLs), primarily through methodically structured entities known as collateralized loan obligations (CLOs). As of March 31, 2023, the Fund was comprised of a diverse allocation across 14 CLO positions, including debt and equity tranches, representing over \$87 million.

In our view, it is more advantageous to access senior secured loans through CLOs for several reasons. First and foremost, equity investments in collateralized loan obligations (CLOs) have historically generated meaningful yields of nearly 15% annually over the past 20 years, a significant premium to most other fixed income investments.

CLO Equity Annual Distribution Yields



CLO Equity (or CLO equity tranche): The tranche within a CLO that is paid any excess spread. The equity tranche payment is prioritized after all the debt and subordinated tranches. **Source:** Kanerai, Intex, Markit, Barclays Research, includes CLO 1.0 and 2.0 broadly syndicated loans. Yields do not include return of principal. Data thru December 2022.

Does not represent total return experienced by investor. **Past Performance is not a guarantee of future results.**

*The Fund intends to make a distribution each quarter to its shareholders of the net investment income of the Fund after payment of Fund operating expenses. As portfolio and market conditions change, distributions may vary, and underlying yields may change in the future. Distributions are not guaranteed. All or a portion of the distributions may consist of a return of capital based on the character of the distributions received from the underlying holdings, primarily CLO equity. The final determination of the source and tax characteristics of all distributions will be made after the end of the year. Shareholders should note that return of capital will reduce the tax basis of their shares and potentially increase the taxable gain, if any, upon disposition of their shares. There is no assurance that the Company will continue to declare distributions or that they will continue at these rates.

Investment Objective and Strategy

The Fund is a continuously offered, non-diversified, closed-end management investment company that is operated as an interval fund. The Fund’s primary investment objective is to generate high current income, while secondarily seeking attractive, long-term risk-adjusted returns, with low correlation to the broader markets.

8.0%

Annualized Distribution Rate; Paid Quarterly*

PORTFOLIO OVERVIEW | AS OF 3.31.2023

\$6.4 Billion

Underlying Loan Valyue

849

Unique Underlying Issuers

931

Underlying Loans

99.9%

Floating Rate Assets

98.4%

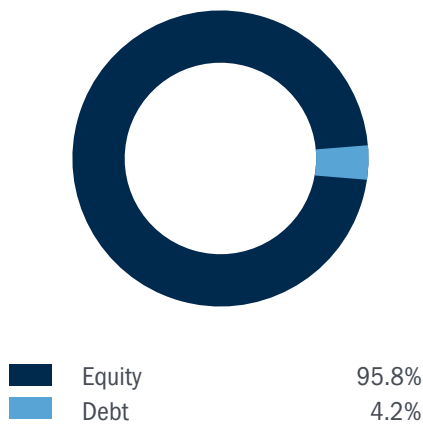
Senior Secured Loans

Additionally, CLOs are structured through their decade-long lifecycles to have the potential for positive performance across an entire economic cycle, including both an economic expansion and contraction. Third, CLOs have mandated structural protections and investment guidelines that may help to reduce certain types of risk. Other reasons are equally important—required diversification of the underlying senior secured loan pool, lower interest rate risk compared to fixed-rate securities, and their long-term structure with non-recourse financing.

Investment Strategy/Portfolio Review

Underlying Fund Portfolio Highlights:

CLO Debt / Equity Allocation



Credit Allocation (Top 10)

MOODY'S INDUSTRY CLASSIFICATION	ISSUER NAME	% EXPOSURE
High Tech Industries	Quest Software	1.53%
Healthcare & Pharmaceuticals	FinThrive Software Intermediate Holdings	1.00%
Services: Consumer	RSA Security	0.84%
Containers, Packaging & Glass	Intertape Polymer Group	0.80%
Construction & Building	PrimeSource Building Products	0.80%
Services: Business	Cornerstone OnDemand	0.79%
High Tech Industries	Precisely	0.79%
High Tech Industries	Kofax	0.68%
Containers, Packaging & Glass	Pretium Packaging	0.67%
Healthcare & Pharmaceuticals	Brightspring Health Services	0.67%

Fund Portfolio Industry Diversification (Top 20)

INDUSTRY DIVERSIFICATION



Banking, Finance, Insurance & Real Estate 12.00%	Automotive 3.51%
Health Care & Pharmaceuticals 11.07%	Media: Advertising, Printing & Publishing 3.07%
High Tech Industries 10.79%	Aerospace & Defense 2.78%
Services: Business 10.14%	Telecommunications 2.75%
Services: Consumer 5.62%	Retail 2.68%
Construction & Building 5.14%	Transportation: Consumer 2.33%
Media: Broadcasting & Subscription 5.13%	Hotel, Gaming & Leisure 2.26%
Beverage, Food & Tobacco 4.47%	Transportation: Cargo 1.75%
Containers, Packaging & Glass 3.68%	Consumer Goods: Non-Durable 1.50%
Chemicals, Plastics & Rubber 3.53%	Energy: Electricity 1.13%

Underlying portfolio subject to change at any time and should not be considered investment advice. Underlying data as of March 31, 2023. Diversification does not ensure profits.

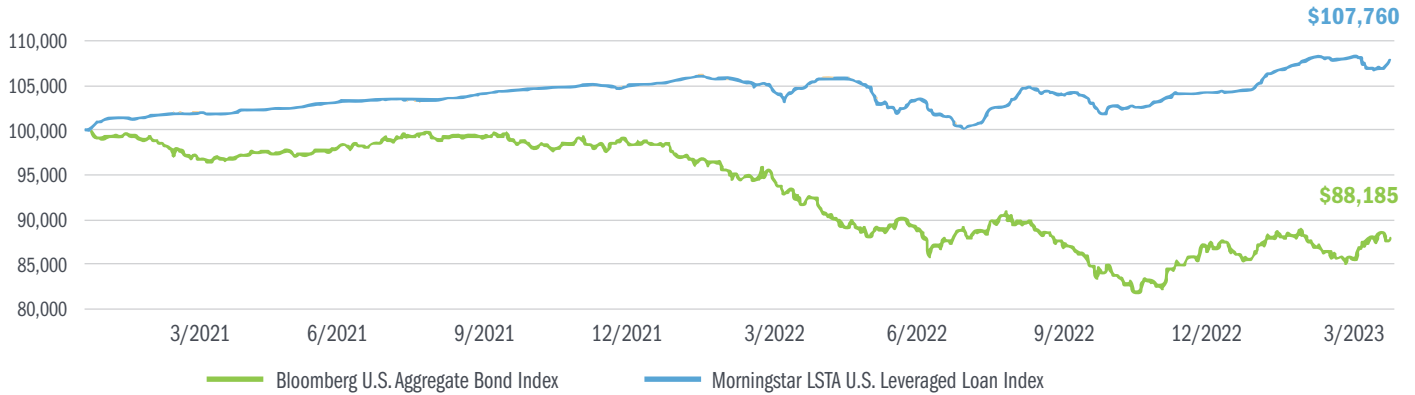


Market Overview & Outlook

While traditional fixed income investments have struggled in the rising interest rate environment, senior secured loans have performed well on a relative basis, primarily due to their floating rate nature. Investment grade bonds, an asset class viewed as stable by many investors, dropped approximately -20% from their peak in July 2020 before finally settling down nearly -12% through March 2023. Senior secured loans, on the other hand, have significantly outperformed the Bloomberg U.S. Aggregate Bond Index by almost 2,000 basis points and are up +7.8% during the same period.

Hypothetical Growth of \$100,000

Time Period: 1.1.2021 - 3.31.2023



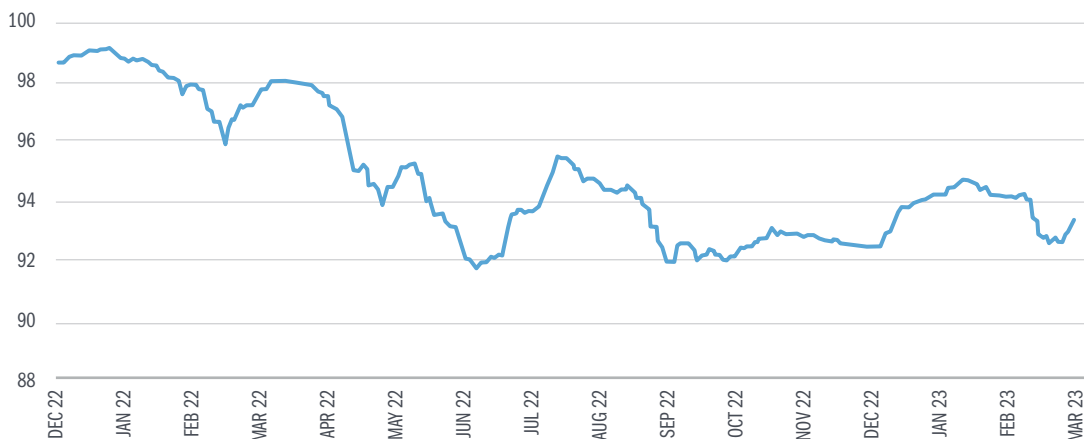
Source: Morningstar Direct

Given their floating rate nature, senior secured loans are not generally as sensitive to interest rate movements as traditional fixed income investments, which typically decline in value as interest rates rise. Fundamentals are the focal point in corporate credit markets, and loan default rates remain historically low despite broader market uncertainty. Interest coverage is healthy as corporate loan borrowers have, in general, favorably managed their balance sheets post-pandemic, including minimizing near-term loan maturities.

As shown in the figure below, opportunities have also emerged for CLO managers in the current market as senior secured loans are trading at substantial discounts to par, which along with active management, may benefit CLO equity and debt investors. CLO debt tranches acquired on the secondary market with established track records (or “seasoned”) may pay attractive yields of low-to-mid double digits when accounting for the current price discount. CLO equity purchased on secondary markets may also benefit from a larger excess spread from these market dynamics. Accordingly, we believe the current market provides for attractive opportunities to generate high current yield and appreciation potential by purchasing loans at these discounts.

Morningstar LSTA U.S. Leveraged Loan Price Index

Time Period: 12.31.2021 - 3.31.2023



Price Index excludes dividends and does not reflect total return.



WhiteStar Differentiators

The Fund is subadvised by WhiteStar, a structured credit specialist and CLO sponsor who underwrites each senior secured loan and also purchases CLOs on the secondary market to find those with the most attractive risk-reward profiles.

- 1) Deep research and credit capabilities
- 2) Experience investing in all market environments
- 3) A rigorous and scalable investment process for evaluating complex assets

The attributes described above contribute to WhiteStar's focus on generating "alpha by avoidance," or by avoiding investments with a higher default probability and instead investing in loans with a high likelihood of repayment through maturity. As a result, WhiteStar has historically performed as a top quartile CLO manager with low loss and default rates of underlying loans.

Despite the continued broader market uncertainty, we believe the Fund is well-positioned to effectively navigate the current investment environment, given CLOs structural characteristics and long-term floating-rate structure. More specifically, we believe the Bluerock High Income Institutional Credit Fund offers investors access to an institutional asset class that has historically delivered high-income returns throughout changing economic cycles, with lower correlation to broader markets in a daily priced format.

On behalf of the entire Bluerock and WhiteStar investment management teams, we thank you for your support in the Fund.

Bluerock Credit Fund Advisor | WhiteStar Asset Management



Bluerock is a leading institutional alternative asset manager based in New York with regional offices across the U.S. Bluerock principals have a collective 100+ years of investing experience with more than \$48 billion real estate and capital markets experience and manage multiple well-recognized real estate private and public company platforms. Today Bluerock has more than \$15+ billion in acquired and managed assets and offers a complementary suite of public and private investment programs, with both short and long-term goals, to individual investors seeking solutions aimed at providing predictable income, capital growth, and tax benefits.



WhiteStar Asset Management is the CLO, structured products, and broadly syndicated credit arm of Clearlake Capital Group. Managing approximately \$75 billion in combined AUM, the Firm is focused on private equity, special situations, and credit. WhiteStar is comprised of a stable and seasoned, cohesive team, characterized by a breadth of analytical resources and proprietary market intelligence. WhiteStar has a conservative credit culture focused on fundamental credit work and primarily invests in broadly syndicated senior secured loans and CLO tranches. WhiteStar senior management has issued over \$40 billion in CLOs since 2001.

**Fund Performance: Total Return Periods as of 3.31.2023¹**

		3 MONTH	6 MONTH	SINCE INCEPTION
Class A (IIMAX)	No Load	(0.53%)	(0.35%)	2.08%
	Load with Max Sales Charge ²	(6.27%)	(6.07%)	(3.81%)
Class C (IIMCX)	No Load	(0.45%)	(0.26%)	2.12%
	Load with Early Withdrawal Charge ²	(1.43%)	(1.22%)	1.17%
Class I (IIMWX)		(0.49%)	(0.26%)	2.12%

¹ Inception date of the Fund is June 21, 2022.

² The maximum sales charge is 5.75% for A-share. Class C shares that have been held less than one year (365 days) from the purchase date will be subject to an early withdrawal charge of 1.00% of the original purchase price. Investors may be eligible for a reduction in sales charges. Please see the Fund Prospectus for details.

The total annual fund operating expense ratio, gross of any fee waivers or expense reimbursements is 3.75% for Class A share, 4.50% for C share and 3.50% for the I share. The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted. Past performance is no guarantee of future results. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. The Fund's investment adviser has contractually agreed to reduce its fees and/or absorb expenses of the fund, at least until January 31, 2024, to ensure that the net annual fund operating expenses will not exceed 2.60% for A share, 3.35% for C share and 2.35% for the I share, subject to possible recoupment from the Fund in future years. In addition to the contractual obligations under its expense limitation agreement, the Adviser, on a purely voluntary basis, has borne all of the operating expenses of the Fund and waived its entire management fee since inception. Such operating expenses and management fees voluntarily paid or waived during this period are not subject to recoupment from the Fund in future years. Without such waiver of fees and payment of expenses by the Adviser, expenses of the Fund would have been higher and the Fund's returns would have been lower.

Definitions

Asset Backed Securities (ABS): Pools of familiar asset types that represent that security's contractual obligation to pay a distribution.

Collateralized Loan Obligations (CLOs): Structurally, CLOs are actively managed special purpose vehicles that are formed to manage a portfolio of Senior Secured Loans. The loans within a CLO are predominately limited to Senior Secured Loans which meet specified credit and diversity criteria and are subject to concentration limitations in order to create an investment portfolio that is strategically diversified across different loans, borrowers, and industries, with limitations on non-U.S. borrowers.

CLO Equity (or CLO equity tranche): The tranche within a CLO that is paid any excess spread. The equity tranche is paid after all the CLO debt and subordinated tranches.

Commercial Mortgage-Backed Securities (CMBS): An asset backed security that's backed by mortgages on commercial properties.

Investment Grade Bonds (IG Bonds): Bonds that are believed to have a lower risk of default and receive higher ratings by the credit rating agencies namely bonds rated Baa (by Moody's) or BBB (by S&P and Fitch) or above. These bonds tend to be issued at lower yields than less creditworthy bonds.

Senior Secured Loans (SSLs): Senior Secured Loans are floating rate credit instruments structured primarily with first-priority liens on the assets of the borrower, including, but not limited to cash, receivables, inventory and PP&E, that serve as collateral in support of the repayment of such debt. Senior Secured Loans are predominately used to fund a company's growth, financing their business, M&A-related transactions or capital expenditures. Senior Secured Loans typically have the highest priority in receiving payments, ahead of both bondholders and preferred stockholders.

Morningstar LSTA US Leveraged Loan Index: The index is a market-value weighted index designed to measure the performance of the U.S. leveraged loan market. Investors cannot invest directly in an index or benchmark

Bloomberg U.S. Aggregate Bond Index: measures the performance of the U.S. investment grade bond market. The index invests in a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States - including government, corporate, and international

dollar-denominated bonds, as well as mortgage-backed and asset-backed securities, all with maturities of more than 1 year. Risks include rising interest rates, credit quality of the issuers and general economic conditions.



Risk Disclosures

Not FDIC Insured | No Bank Guarantee | May Lose Value

Investing in the Fund involves risks, including the risk that you may receive little or no return on your investment, and that you may lose part or all of your investment. This is neither an offer to sell nor a solicitation to purchase any security.

Investors should carefully consider the investment objectives, risks, sales charges and expenses of the Bluerock High Income Institutional Credit Fund (the "Fund"). This and other important information about the Fund is contained in the prospectus, which can be obtained online by visiting bluerock.com/hi-fund/documents. The prospectus should be read carefully before investing.

Past performance is not a guarantee of future results. The ability of the Fund to achieve its investment objective depends, in part, on the ability of the Advisor and Sub-Advisor to allocate effectively the assets of the Fund among the various available investment opportunities. There can be no assurance that the actual allocations will be effective in achieving the Fund's investment objective or delivering positive returns. There is no guarantee that the Fund's investment strategies will work under all market conditions. Statements relating to the performance of the Fund contained herein are historical and the Fund's performance subsequent to the date as of which such statements were made may differ materially. Updated performance data for the Fund is available at bluerockfunds.com/performance.

Please note that the performance data relating to various indices included herein is for informational purposes only. You cannot invest directly in an index. Index performance does not represent actual fund or portfolio performance. Performance of a fund or portfolio may differ significantly from the performance of index holding the same securities. Index performance assumes reinvestment of dividends but does not reflect any management fees, transaction costs or other expenses that would be incurred by a fund or portfolio, or brokerage commissions on transactions in fund shares. Such fees, expenses, and commissions would likely reduce returns.

The Fund is a closed-end interval fund, the shares have no history of public trading, nor is it intended that the shares will be listed on a public exchange at this time. No secondary market is expected to develop for the Fund's shares. Limited liquidity is provided to shareholders only through the Fund's quarterly repurchase offers for no less than 5% of the Fund's shares outstanding at net asset value. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer. Quarterly repurchases by the Fund of its shares typically will be funded from available cash or sales of portfolio securities. The sale of securities to fund repurchases could reduce the market price of those securities, which in turn would reduce the Fund's net asset value. The Fund is suitable only for investors who can bear the risks associated with the limited liquidity of the Fund and should be viewed as a long-term investment.

Investors in the Fund should understand that the net asset value ("NAV") of the Fund will fluctuate, which means the value of your shares at any point in time may be worth less than the value of your original investment, even after taking into account any reinvestment of dividends and distributions. An investment in shares represents an indirect investment in the securities owned by the Fund. The value of these securities, like other market investments, may move up or down, sometimes rapidly and unpredictably. The Fund is "non-diversified" under the Investment Company Act of 1940 and therefore may invest more than 5% of its total assets in the securities of one or more issuers. As such, changes in the financial condition or market value of a single issuer may cause a greater fluctuation in the Fund's net asset value than in a "diversified" fund. The Fund is not intended to be a complete investment program.

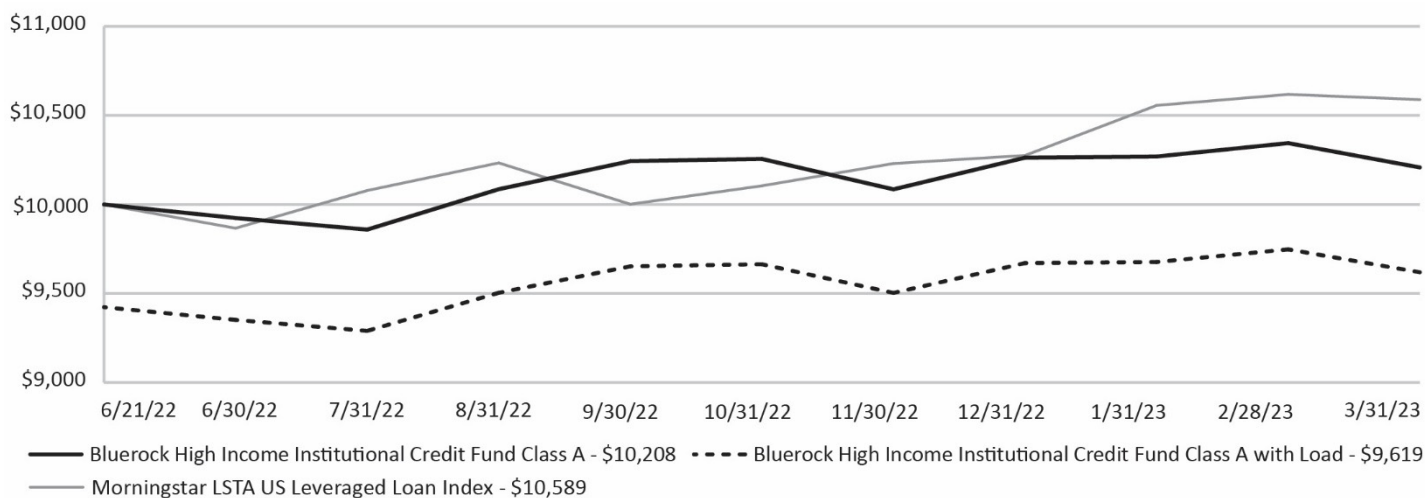
Because the Fund invests primarily in debt-anchored instruments and securities, the value of your investment in the Fund may fluctuate with changes in interest rates. The Fund may invest in senior secured debt and CLOs. Substantial increases in interest rates may cause an increase in loan defaults and the value of the Fund's assets may also be affected by other uncertainties such as economic developments affecting the market for senior secured term loans or uncertainties affecting borrowers generally. There is a risk that the borrowers under the Senior Secured Loans may not make scheduled interest and/or principal payments on their loans and/or debt securities, which may result in losses or reduced cash flow to the Fund, either or both of which may cause the NAV of, or the distributions by, the Fund to decrease. CLOs carry additional risks, including but not limited to (i) the possibility that distributions from collateral will not be adequate to make interest or other payments; (ii) the quality of the collateral may decline in value or default; (iii) the possibility that the Fund's investments in CLOs are subordinate to other classes or tranches thereof; and (iv) the complex structure of the CLO investment may not be fully understood at the time of investment and may produce disputes with the issuer, holders of senior tranches or other unexpected investment results. In addition, the nature of the Fund's investment strategy also subjects it to various risks, including credit risk (the debtor may default), liquidity risk (the investment may not be able to be sold at an advantageous time or price) and prepayment risk (the debtor may pay its obligation early, reducing the amount of interest payments). All potential investors should read the Risk Factors section of the prospectus for additional information related to the risks associated with an investment in the Fund.

The Bluerock High Income Institutional Credit Fund is distributed by ALPS Distributors, Inc (ALPS). Bluerock Credit Fund Advisor, LLC is not affiliated with ALPS, or WhiteStar Asset Management.

This material is provided for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product or be relied upon for any other purpose. Certain information contained herein has been obtained from sources deemed to be reliable, but has not been independently verified. This material represents views as of its date and is subject to change without notice of any kind.

This semi-annual report may contain certain forward-looking statements. Such forward-looking statements can generally be identified by our use of forward-looking terminology such as "may," "will," "expect," "intend," "anticipate," "estimate," "believe," "continue," or other similar words. Because such statements include risks, uncertainties and contingencies, actual results may differ materially from the expectations, intentions, beliefs, plans or predictions of the future expressed or implied by such forward-looking statements. These risks, uncertainties and contingencies include, but are not limited to: uncertainties relating to changes in general economic and real estate conditions; uncertainties relating to the implementation of our investment strategy; uncertainties relating to capital proceeds; and other risk factors as outlined in the Fund's prospectuses, statement of additional information, annual report and semi-annual report filed with the Securities and Exchange Commission.

Comparison of the Change in Value of a \$10,000 Investment



Performance figures for certain periods ended March 31, 2023:

Bluerock High Income Institutional Credit Fund:	6 Month	Since Inception*
Class A		
Without Load	-0.35%	2.08%
With Load ^(a)	-6.07%	-3.81%
Class C		
Without Load	-0.26%	2.12%
With Load ^(b)	-1.22%	1.17%
Class F	-0.26%	2.12%
Class I	-0.26%	2.12%
Morningstar LSTA US Leveraged Loan Index	5.87%	5.89%

* Class A, Class C, Class F and Class I commenced operations June 21, 2022.

^(a) Adjusted for initial maximum sales charge of 5.75%.

^(b) Adjusted for early withdrawal charge of 1.00%.

The Morningstar LSTA US Leveraged Loan Index is a market-value weighted index designed to measure the performance of the U.S. leveraged loan market. Investors cannot invest directly in an index or benchmark.

Total returns are calculated using closing Net Asset Value as of March 31, 2023, and may not match returns presented in the Financial Highlights due to adjustments under accounting principles generally accepted in the United States of America.

The performance data quoted is historical. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than the original cost. Total returns are calculated using closing Net Asset Value as of March 31, 2023. Total returns are calculated assuming reinvestment of all dividends and distributions. Total returns would have been lower had the Advisor not waived its fees. Returns greater than one year are annualized. The Advisor and the Fund have entered into an expense limitation and reimbursement agreement (the "Expense Limitation Agreement") under which the Advisor has contractually agreed to waive the base management fees and/or reimburse the Fund for ordinary operating expenses the Fund incurs but only to the extent necessary to maintain the Fund's total annual operating expenses after fee waivers and/or reimbursement (exclusive of any incentive fee, taxes, interest, brokerage commissions, and extraordinary expenses, such as litigation or reorganization costs, but inclusive of organizational costs and offering costs), to the extent that such expenses exceed 2.60%, 3.35%, 1.75% and 2.35% per annum of the Fund's average daily net assets attributable to Class A, Class C, Class F and Class I shares, respectively. For the avoidance of doubt, acquired fund fees and expenses are not operating costs and are therefore excluded from the Expense Limitation. In consideration of the Advisor's agreement to limit the Fund's expenses, the Fund has agreed to repay the Advisor in the amount of any fees waived and Fund expenses paid or absorbed, subject to the limitations that: any waiver or reimbursement by the Advisor is subject to repayment by the Fund within the three years following the date the waiver or reimbursement occurred (provided the Advisor continues to serve as investment advisor to the Fund), if the Fund is able to make the repayment without exceeding the expense limitation then in effect or in effect at the time of the waiver and the repayment is approved by the Board of Trustees (the "Board"). The Expense Limitation Agreement

will remain in effect at least until January 31, 2024, unless and until the Board approves its modification or termination. After January 31, 2024, the Expense Limitation Agreement may be renewed at the Advisor's and Board's discretion. Additionally, on a purely voluntary basis, the Advisor has borne all of the operating expenses of the Fund and waived its entire management fee since inception. The Advisor shall not seek to recoup the operating expenses paid and management fees waived during this period. Without such waiver of fees and payment of expenses by the Advisor, expenses of the Fund would have been higher and the Fund's returns would have been lower.

The Fund's total gross annual operating expenses, including the expenses of underlying funds and before any fee waiver, are 3.75%, 4.50%, 3.50% and 3.50% for Class A, Class C, Class F and I, respectively, per the February 1, 2023 prospectus and may differ from the ratios presented in the Financial Highlights. Class A shares are subject to a maximum sales charge imposed on purchases of 5.75%. Class A shareholders who tender for repurchase Class A shares that were purchased in amounts of \$1,000,000 or more that have been held less than one year (365 days) from the purchase date will be subject to an early withdrawal charge of 1.00% of the original purchase price. Class C shares are subject to an early withdrawal charge of 1.00% if redeemed less than 365 days after the purchase. The above performance figures do not reflect the deduction of taxes that a shareholder would have to pay on Fund distributions or the redemption of the Fund shares. For performance information current to the most recent month-end, please call 1-844-819-8287.

Portfolio Composition as of March 31, 2023

	<u>Percent of Net Assets</u>
Collateralized Loan Obligations Equity	91.20%
Collateralized Loan Obligations Debt	7.93%
Short-Term Investments	2.35%
TOTAL INVESTMENTS	101.48%
Liabilities in Excess of Other Assets	-1.48%
TOTAL NET ASSETS	100.00%

March 31, 2023 (Unaudited)

Security ^(a)	Estimated Yield/Interest Rate	Acquisition Date ^(b)	Maturity Date	Principal	Cost ^(c)	Value ^(d)
COLLATERALIZED LOAN OBLIGATIONS (99.13%)^(e)						
Collateralized Loan Obligations Equity (91.20%)^(f)						
Carlyle US CLO 2020-2, Ltd., Class SUBA	20.89%	6/23/2022	1/25/2035	\$ 3,500,000	\$2,636,374	\$ 2,284,426
CIFC Funding 2022-II, Ltd., Class SUBB	18.55%	6/21/2022	4/19/2035	2,500,000	2,152,883	1,985,083
CIFC Funding 2022-IV, Ltd., Class SUB	20.25%	6/21/2022	7/16/2035	3,500,000	2,953,788	2,885,491
Trinitas CLO IV, Ltd., Class SUB	16.28%	6/21/2022	10/18/2028	9,221,150	5,603,415	5,302,290
Trinitas Clo IX, Ltd., Class SUB	14.83%	6/21/2022	1/20/2032	13,000,000	8,011,236	7,343,206
Trinitas CLO V, Ltd., Class SUB	0.00% ^(g)	6/21/2022	10/25/2028	11,999,000	5,589,748	4,185,947
Trinitas CLO VI, Ltd., Class SUB	15.51%	6/21/2022	1/25/2034	35,421,178	25,631,052	22,931,953
Trinitas CLO VII, Ltd., Class SUB	15.18%	6/21/2022	1/25/2035	9,450,000	5,942,646	5,193,711
Trinitas CLO X, Ltd., Class SUB	15.97%	6/21/2022	1/15/2035	22,900,000	18,345,999	16,269,351
Trinitas CLO XII, Ltd., Class SUB	15.32%	6/21/2022	4/25/2033	11,820,000	10,933,567	10,333,777
TOTAL Collateralized Loan Obligations Equity (Cost \$87,800,708)						<u>78,715,235</u>
Collateralized Loan Obligations Debt (7.93%)						
	3M SOFR +					
Empower CLO 2022-1, Ltd., Class E	8.55%	3/29/2023	10/20/2034	2,730,000	2,648,277	2,649,064
	3M LIBOR +					
Trinitas CLO VI, Ltd., Class ER	6.816%	11/21/2022	1/25/2034	1,880,000	1,574,865	1,597,774
	3M LIBOR +					
Trinitas CLO XVIII, Ltd., Class E	7.05%	9/27/2022	1/20/2035	240,000	195,085	199,162
	3M SOFR +					
TSTAT 2022-1, Ltd., Class F	10.00%	7/27/2022	7/20/2031	2,500,000	2,403,016	2,399,420
TOTAL Collateralized Loan Obligations Debt (Cost \$6,821,243)						<u>6,845,420</u>
TOTAL COLLATERALIZED LOAN OBLIGATIONS (Cost \$94,621,951)						<u>85,560,655</u>
SHORT TERM INVESTMENT (2.35%)						
Fidelity Government Portfolio, 4.700% ^(h) (Cost \$2,024,441)				2,024,441		<u>2,024,441</u>
TOTAL INVESTMENTS (101.48%) (Cost \$96,646,392)						\$ 87,585,096
LIABILITIES IN EXCESS OF OTHER ASSETS (-1.48%)						<u>(1,279,494)</u>
NET ASSETS (100.00%)						<u>\$ 86,305,602</u>

Common Abbreviations

LIBOR - London Inter-bank Offered Rate

SOFR - Secured Overnight Financing Rate

Reference Rates:

3M LIBOR - 3 Month LIBOR as of March 31, 2023 was 5.19%

3M SOFR - 3 Month SOFR as of March 31, 2023 was 4.87%

^(a) The Fund does not "control" nor is an "affiliate" of any of the portfolio investments, each term as defined in the Investment Company Act of 1940, as amended (the "1940 Act"). In general, under the 1940 Act, the Fund would be presumed to "control" a portfolio company if the Company owned 25% or more of its voting securities and would be an "affiliate" of a portfolio company if the Fund owned 5% or more of its voting securities.

^(b) Acquisition date represents the initial purchase trade date, or the date the investment was contributed to the Fund at inception.

The accompanying notes are an integral part of these financial statements.

Bluerock High Income Institutional Credit Fund Portfolio of Investments (Continued)

March 31, 2023 (Unaudited)

- ^(c) Cost represents the initial acquisition cost or the GAAP amortized cost, defined as the initial cost minus any return of principal and/or adjusted for the accretion(amortization) of discounts(premiums).
- ^(d) Fair value is determined in good faith in accordance with valuation FASB ASC Topic 820 "Fair Value Measurement".
- ^(e) Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in the ordinary course of business in transactions exempt from registration, normally to qualified institutional buyers. As of March 31, 2023, the aggregate market value of those securities was \$85,560,655, representing 99.13% of net assets.
- ^(f) The CLO subordinated notes are considered equity positions in the CLO funds. Equity investments are entitled to recurring distributions which are generally equal to the remaining cash flow of the payments made by the underlying fund's securities less contractual payments to CLO debt tranche holders and CLO expenses. The estimated yield indicated is based upon a current projection of the amount and timing of these recurring distributions, and the estimated amount of repayment of principal upon termination. Such projections are periodically reviewed and adjusted, and the estimated yield may not ultimately be realized.
- ^(g) As of March 31, 2023, the estimated yield has been estimated to be 0%. The aggregate projected amount of future recurring distributions and terminal principal payment is less than the amortized investment cost. Future recurring distributions, once received, will be recognized solely as return of capital until the aggregate projected amount of future recurring distributions and terminal principal payment exceeds the amortized investment cost. CLO is approaching its expected call date.
- ^(h) The rate shown is the 7-day effective yield as of March 31, 2023.

The accompanying notes are an integral part of these financial statements.

Bluerock High Income Institutional Credit Fund Statement of Assets and Liabilities

March 31, 2023 (Unaudited)

ASSETS

Investments, at value (Cost \$96,646,392)	\$ 87,585,096
Receivable for investments sold	2,039,830
Receivable for shares sold	39,756
Dividends and Interest receivable	212,864
Receivable due from related-party	72,341
Prepaid offering costs	35,027
Prepaid expenses and other assets	24,972

Total Assets	90,009,886
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LIABILITIES

Payable for investments purchased	1,942,000
Shareholder servicing fees payable	242
Administration fees payable	33,933
Distribution fees payable	132
Payable for distributions	1,700,765
Trustees' fees payable	5,620
Accrued expenses and other liabilities	21,592

Total Liabilities	3,704,284
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Commitments and Contingencies (See Note 3)

NET ASSETS	\$ 86,305,602
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NET ASSETS CONSIST OF

Paid-in capital	\$ 88,169,514
Total distributable earnings	(1,863,912)

NET ASSETS	\$ 86,305,602
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PRICING OF SHARES

Class A:

Net asset value, per share	\$ 23.92
Net assets	\$ 1,829,961
Shares of beneficial interest outstanding (unlimited number of shares, no par value common stock authorized)	76,513
Maximum offering price per share ((NAV/0.9425), based on maximum sales charge of 5.75% of the offering price)	\$ 25.38

Class C:

Net asset value, per share	\$ 23.92
Net assets	\$ 227,083
Shares of beneficial interest outstanding (unlimited number of shares, no par value common stock authorized)	9,492

Class F:

Net asset value, per share	\$ 23.92
Net assets	\$ 83,961,476
Shares of beneficial interest outstanding (unlimited number of shares, no par value common stock authorized)	3,509,801

Class I:

Net asset value, per share	\$ 23.93
Net assets	\$ 287,082
Shares of beneficial interest outstanding (unlimited number of shares, no par value common stock authorized)	11,997

The accompanying notes are an integral part of these financial statements.

Bluerock High Income Institutional Credit Fund

Statement of Operations

For the Six Months Ended March 31, 2023 (Unaudited)

INVESTMENT INCOME	
Interest Income	\$ 7,233,072
Total Investment Income	7,233,072
EXPENSES	
Investment Advisory fees	745,546
Incentive fees	1,199,880
Administrative fees	87,656
Transfer Agency fees	15,731
Shareholder servicing fees:	
Class A	691
Class C	74
Distribution fees:	
Class C	224
Legal fees	41,632
Audit and tax fees	79,484
Reports to shareholders and printing fees	5,695
Custody fees	6,530
Chief compliance officer fees	14,755
Offering cost (See Note 2)	170,732
Trustees' fees	20,620
Other expenses	44,301
Total Expenses	2,433,551
Less: Fees waived/expenses reimbursed by Advisor (See Note 3)	(2,433,551)
Net Expenses	–
Net Investment Income	7,233,072
NET REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS	
Net realized gain/(loss) on investments	35,085
Net change in unrealized appreciation/(depreciation) on investments	(7,453,635)
NET REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS	(7,418,550)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$ (185,478)

The accompanying notes are an integral part of these financial statements.

Bluerock High Income Institutional Credit Fund Statements of Changes in Net Assets

	For the Six Months Ended March 31, 2023 (Unaudited)	For the Period June 21, 2022 ^(a) to September 30, 2022
OPERATIONS:		
Net investment income	\$ 7,233,072	\$ 3,614,359
Net realized gain on investments	35,085	–
Net change in unrealized depreciation on investments	(7,453,635)	(1,607,661)
Net Increase/(Decrease) in Net Assets Resulting from Operations	(185,478)	2,006,698
DISTRIBUTIONS TO SHAREHOLDERS:		
Class A		
From distributable earnings	(46,899)	(32)
From return of capital	(4,218)	(624)
Class C		
From distributable earnings	(4,705)	(24)
From return of capital	(423)	(474)
Class F		
From distributable earnings	(3,544,622)	(81,025)
From return of capital	(318,841)	(1,588,649)
Class I		
From distributable earnings	(7,854)	(38)
From return of capital	(706)	(736)
Total Distributions to Shareholders	(3,928,268)	(1,671,602)
BENEFICIAL INTEREST TRANSACTIONS:		
Class A		
Shares sold	1,701,341	141,808
Distributions reinvested	13,320	–
Class C		
Shares sold	205,119	25,000
Distributions reinvested	1,660	–
Class F		
Shares sold	–	83,773,460
Distributions reinvested	3,929,797	–
Class I		
Shares sold	235,475	50,300
Distributions reinvested	6,972	–
Net Increase in Net Assets Derived from Beneficial Interest Transactions	6,093,684	83,990,568
Net increase in net assets	1,979,938	84,325,664
NET ASSETS:		
Beginning of Period	84,325,664	–
End of Period	\$ 86,305,602	\$ 84,325,664

^(a) The Fund commenced operations on June 21, 2022.

The accompanying notes are an integral part of these financial statements.

Bluerock High Income Institutional Credit Fund Statements of Changes in Net Assets

	For the Six Months Ended March 31, 2023 (Unaudited)	For the Period June 21, 2022 ^(a) to September 30, 2022
Other Information		
Share Transactions:		
Class A		
Beginning shares	5,642	–
Shares sold	70,321	5,642
Distributions reinvested	550	–
Net increase in shares outstanding	70,871	5,642
Ending shares	76,513	5,642
Class C		
Beginning shares	1,000	–
Shares sold	8,424	1,000
Distributions reinvested	68	–
Net increase in shares outstanding	8,492	1,000
Ending shares	9,492	1,000
Class F		
Beginning shares	3,350,938	–
Shares sold	–	3,350,938
Distributions reinvested	158,863	–
Net increase in shares outstanding	158,863	3,350,938
Ending shares	3,509,801	3,350,938
Class I		
Beginning shares	2,015	–
Shares sold	9,695	2,015
Distributions reinvested	287	–
Net increase in shares outstanding	9,982	2,015
Ending shares	11,997	2,015

^(a) The Fund commenced operations on June 21, 2022.

The accompanying notes are an integral part of these financial statements.

	For the Six Months Ended March 31, 2023 (Unaudited)	
Cash Flows from Operating Activities:		
Net decrease in net assets resulting from operations	\$	(185,478)
Adjustments to reconcile net increase in net assets resulting from operations to net cash used in operating activities:		
Purchase of investment securities		(6,049,880)
Proceeds from disposition of investment securities		1,506,073
Net realized gain on investments		(35,085)
Net change in unrealized appreciation/(depreciation) on investments		7,453,635
Discount accreted, net		(4,616,467)
(Increase)/Decrease in Assets:		
Dividends and interest receivable		(166,681)
Receivable due from advisor		103,496
Prepaid offering costs		170,732
Prepaid expenses and other assets		(12,919)
Increase/(Decrease) in Liabilities:		
Shareholder servicing fees payable		242
Administrative fees payable		1,542
Transfer agency fees payable		(10,467)
Distribution fees payable		132
Trustees' fees payable		620
Accrued expenses and other liabilities		(319,250)
Net Cash Used in Operating Activities		(2,159,755)
Cash Flows from Financing Activities:		
Proceeds from shares sold		2,165,437
Cash distributions paid		(5,682)
Net Cash Provided by Financing Activities		2,159,755
Net Change in Cash		—
Cash Beginning of Period	\$	—
Cash End of Period	\$	—
Non-cash financing activities not included herein consist of reinvestment of distributions of:	\$	3,951,749

The accompanying notes are an integral part of these financial statements.

Bluerock High Income Institutional Credit Fund - Class A Financial Highlights

The table below sets forth financial data for one share of beneficial interest outstanding throughout the periods presented.

	For the Six Months Ended March 31, 2023 (Unaudited)	For the Period Ended September 30, 2022 ^(a)
Net asset value, beginning of period/year	\$25.11	\$25.00
INCOME FROM INVESTMENT OPERATIONS:		
Net investment income ^(b)	2.20	1.09
Net change in unrealized gain/(loss) on investments	(2.26)	(0.48)
Total from investment operations	(0.06)	0.61
DISTRIBUTIONS:		
From net investment income	(1.03)	(0.02)
Return of capital	(0.10)	(0.48)
Total distributions	(1.13)	(0.50)
Net asset value, end of period	\$23.92	\$25.11
TOTAL RETURN^(c)	(0.25)%^(d)	2.43%^(d)
RATIOS/SUPPLEMENTAL DATA:		
Net assets, end of period/year (000s)	\$1,830	\$142
Ratios to Average Net Assets		
Ratio of expenses to average net assets excluding fee waivers and reimbursements ^(e)	5.96% ^(f)	7.61% ^(f)
Ratio of expenses to average net assets including fee waivers and reimbursements	0.00 ^(f)	0.00 ^(f)
Ratio of net investment income to average net assets	18.12% ^(f)	15.94% ^(f)
Portfolio turnover rate	4% ^(d)	0% ^(d)

^(a) Class A inception date was June 21, 2022.

^(b) Per share amounts are calculated using the average shares method.

^(c) Total returns are historical in nature and assumes changes in net asset value per share, reinvestment of dividends and capital gains distributions, if any, and does not reflect the impact of sales charges. Had the Advisor not absorbed a portion of the Fund expenses, total returns would have been lower.

^(d) Not annualized.

^(e) Represents the ratio of expenses to average net assets absent fee waivers expense reimbursement and/or recoupment by the Advisor.

^(f) Annualized.

The accompanying notes are an integral part of these financial statements.

Bluerock High Income Institutional Credit Fund - Class C Financial Highlights

The table below sets forth financial data for one share of beneficial interest outstanding throughout the periods presented.

	For the Six Months Ended March 31, 2023 (Unaudited)	For the Period Ended September 30, 2022 ^(a)
Net asset value, beginning of period/year	\$25.10	\$25.00
INCOME FROM INVESTMENT OPERATIONS:		
Net investment income ^(b)	1.81	1.08
Net change in unrealized gain/(loss) on investments	(1.86)	(0.48)
Total from investment operations	(0.05)	0.60
DISTRIBUTIONS:		
From net investment income	(1.03)	(0.02)
Return of capital	(0.10)	(0.48)
Total distributions	(1.13)	(0.50)
Net asset value, end of period	\$23.92	\$25.10
TOTAL RETURN^(c)	(0.21)%^(d)	2.39%^(d)
RATIOS/SUPPLEMENTAL DATA:		
Net assets, end of period/year (000s)	\$227	\$25
Ratios to Average Net Assets		
Ratio of expenses to average net assets excluding fee waivers and reimbursements ^(e)	6.73% ^(f)	7.31% ^(f)
Ratio of expenses to average net assets including fee waivers and reimbursements	0.00 ^(f)	0.00 ^(f)
Ratio of net investment income to average net assets	14.92% ^(f)	15.76% ^(f)
Portfolio turnover rate	4% ^(d)	0% ^(d)

^(a) Class C inception date was June 21, 2022.

^(b) Per share amounts are calculated using the average shares method.

^(c) Total returns are historical in nature and assumes changes in net asset value per share, reinvestment of dividends and capital gains distributions, if any. Had the Advisor not absorbed a portion of the Fund expenses, total returns would have been lower.

^(d) Not annualized.

^(e) Represents the ratio of expenses to average net assets absent fee waivers expense reimbursement and/or recoupment by the Advisor.

^(f) Annualized.

The accompanying notes are an integral part of these financial statements.

Bluerock High Income Institutional Credit Fund - Class F

Financial Highlights

The table below sets forth financial data for one share of beneficial interest outstanding throughout the periods presented.

	For the Six Months Ended March 31, 2023 (Unaudited)	For the Period Ended September 30, 2022 ^(a)
Net asset value, beginning of period/year	\$25.10	\$25.00
INCOME FROM INVESTMENT OPERATIONS:		
Net investment income ^(b)	2.07	1.08
Net change in unrealized gain/(loss) on investments	(2.12)	(0.48)
Total from investment operations	(0.05)	0.60
DISTRIBUTIONS:		
From net investment income	(1.03)	(0.02)
Return of capital	(0.10)	(0.48)
Total distributions	(1.13)	(0.50)
Net asset value, end of period	\$23.92	\$25.10
TOTAL RETURN^(c)	(0.21)%^(d)	2.39%^(d)
RATIOS/SUPPLEMENTAL DATA:		
Net assets, end of period/year (000s)	\$83,961	\$84,108
Ratios to Average Net Assets		
Ratio of expenses to average net assets excluding fee waivers and reimbursements ^(e)	5.72% ^(f)	6.31% ^(f)
Ratio of expenses to average net assets including fee waivers and reimbursements	0.00 ^(f)	0.00 ^(f)
Ratio of net investment income to average net assets	16.97% ^(f)	15.75% ^(f)
Portfolio turnover rate	4% ^(d)	0% ^(d)

^(a) Class F inception date was June 21, 2022.

^(b) Per share amounts are calculated using the average shares method.

^(c) Total returns are historical in nature and assumes changes in net asset value per share, reinvestment of dividends and capital gains distributions, if any. Had the Advisor not absorbed a portion of the Fund expenses, total returns would have been lower.

^(d) Not annualized.

^(e) Represents the ratio of expenses to average net assets absent fee waivers expense reimbursement and/or recoupment by the Advisor.

^(f) Annualized.

The accompanying notes are an integral part of these financial statements.

Bluerock High Income Institutional Credit Fund - Class I Financial Highlights

The table below sets forth financial data for one share of beneficial interest outstanding throughout the periods presented.

	For the Six Months Ended March 31, 2023 (Unaudited)	For the Period Ended September 30, 2022 ^(a)
Net asset value, beginning of period/year	\$25.10	\$25.00
INCOME FROM INVESTMENT OPERATIONS:		
Net investment income ^(b)	2.25	1.08
Net change in unrealized gain/(loss) on investments	(2.29)	(0.48)
Total from investment operations	(0.04)	0.60
DISTRIBUTIONS:		
From net investment income	(1.03)	(0.02)
Return of capital	(0.10)	(0.48)
Total distributions	(1.13)	(0.50)
Net asset value, end of period	\$23.93	\$25.10
TOTAL RETURN^(c)	(0.17)%^(d)	2.39%^(d)
RATIOS/SUPPLEMENTAL DATA:		
Net assets, end of period/year (000s)	\$287	\$51
Ratios to Average Net Assets		
Ratio of expenses to average net assets excluding fee waivers and reimbursements ^(e)	5.72% ^(f)	6.22% ^(f)
Ratio of expenses to average net assets including fee waivers and reimbursements	0.00 ^(f)	0.00 ^(f)
Ratio of net investment income to average net assets	18.52% ^(f)	15.78% ^(f)
Portfolio turnover rate	4% ^(d)	0% ^(d)

^(a) Class I inception date was June 21, 2022.

^(b) Per share amounts are calculated using the average shares method.

^(c) Total returns are historical in nature and assumes changes in net asset value per share, reinvestment of dividends and capital gains distributions, if any. Had the Advisor not absorbed a portion of the Fund expenses, total returns would have been lower.

^(d) Not annualized.

^(e) Represents the ratio of expenses to average net assets absent fee waivers expense reimbursement and/or recoupment by the Advisor.

^(f) Annualized.

The accompanying notes are an integral part of these financial statements.

1. ORGANIZATION

The Bluerock High Income Institutional Credit Fund (the "Fund" or the "Trust") was organized as a Delaware statutory trust on August 19, 2021 and is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as a closed-end management investment company that operates as an interval fund with a continuous offering of Fund shares. The Fund is non-diversified. The Fund's investment advisor is Bluerock Credit Fund Advisor, LLC (the "Advisor"). WhiteStar Asset Management LLC (the "Sub-Advisor" and/or "WhiteStar") serves as the Fund's investment sub-advisor, pursuant to the Sub-Advisor Agreement with the Advisor. The Fund's primary investment objective is to generate high current income, while secondarily seeking attractive, long-term risk-adjusted returns with low correlation to the broader markets.

The Fund pursues its investment objective by investing, directly or indirectly, in senior secured loans ("Senior Secured Loans"). The Fund may purchase Senior Secured Loans directly in the primary or secondary market and will invest in them indirectly by purchasing various tranches, including senior, junior and equity tranches, of entities that own a diversified pool of Senior Secured Loans known as Collateralized Loan Obligations, or "CLOs", (collectively with Senior Secured Loans, "Target Securities"). The Fund may invest in any structure where the primary collateral or assets are Target Securities. The Fund will generally focus its investment activities on U.S. dollar -denominated loans that (i) are broadly syndicated and made to U.S. companies, (ii) are senior in the capital structure with a priority claim on assets and cash flow of the underlying borrower, (iii) are primarily secured by first priority liens on assets of the underlying borrowers, (iv) are rated BB+ or below, known as "below investment grade" or "junk", or are unrated (v) are floating rate to provide some protection against rising interest rates, (vi) have loan to value ratios generally in the 40 – 60% range at origination, and (vii) in CLOs that own such loans and additionally (a) are diversified by issuer, industry and geography, (b) have senior tranches with high credit ratings in order to maximize excess spread, (c) have attractive risk-adjusted spreads, and (d) are actively managed by experienced CLO collateral managers, including Trinitas Capital Management, LLC ("Trinitas") or other advisors who may also be associated with the Sub-Advisor. Securities which are "below investment grade" or "junk" are predominantly speculative in nature.

The Fund commenced operations on June 21, 2022. The Fund currently offers Class A, Class C, Class F and Class I shares. Class A shares are offered at net asset value plus a maximum sales charge of 5.75%. Class C shares, Class F shares and Class I shares are not subject to sales charges. The minimum initial investment by a shareholder for Class A shares is \$2,500 for regular accounts and \$1,000 for retirement plan accounts, and a minimum subsequent investment of at least \$100 for regular accounts and \$50 for retirement plan accounts. Class A shares that were purchased in amounts of \$1,000,000 or more that have been held less than one year (365 days) from the purchase date will be subject to an early withdrawal charge of 1.00% of the original purchase price. The minimum initial investment by a shareholder for Class C shares is \$2,500 for regular accounts and \$1,000 for retirement plan accounts, and a minimum subsequent investment of at least \$100 for regular accounts and retirement plan accounts. Class C shares that have been held less than one year (365 days) from the purchase date will be subject to an early withdrawal charge of 1.00% of the original purchase price. The minimum initial investment for Class I shares is \$1,000,000, while subsequent investments may be made with any amount. There is no minimum initial investment amount for Class F shares. Class F shares are not publicly available for purchase.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed by the Fund in preparation of its financial statements. These policies are governed by accounting principles generally accepted in the United States of America ("GAAP"). The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income, expenses and unrealized gain/(loss) on investments for the period. Actual results could differ from those estimates. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standard Codification ("ASC") Topic 946 "Financial Services – Investment Companies."

A. Valuation of Investments – Fund investments are recognized at fair value, and subsequent changes in fair value are recognized in unrealized appreciation/(depreciation) on investments in the Statement of Operations. Fund investments are valued in accordance with ASC 820 "Fair Value Measurement", and governed by the Fund's valuation policies. The Fund's Board of Trustees (the "Board") has named the Advisor as its valuation designee. As the valuation designee, the Advisor executes the Fund's valuation policies. The Board reviews the execution of this process at least annually to assure the process produces reliable results. Fair valuation involves subjective judgments, and it is possible that the fair value determined for a security may differ materially from the value that could be realized upon the sale of the security. There is no single standard for determining fair value of a security. Rather, in determining the fair value of a security for which there are no readily available market quotations, several factors may be considered, including fundamental analytical data relating to the investment in the security, the nature and duration of any restriction on the disposition of the security, the cost of the security at the date of purchase, the liquidity of the market for the security and the recommendation of the Fund's third-party valuation consultants. The Advisor will attempt to obtain current information to value all fair valued securities.

Fair valuation procedures may be used to value a substantial portion of the assets of the Fund, including the Fund's investments in CLOs. The Fund may use the fair value of a security to calculate its NAV when, for example, (1) a portfolio security is not traded in a public market or the principal

market in which the security trades is closed, (2) trading in a portfolio security is suspended and not resumed prior to the normal market close, (3) a portfolio security is not traded in significant volume for a substantial period, or (4) the Advisor determines that the quotation or price for a portfolio security provided by a broker-dealer or independent pricing service is inaccurate.

The fair value of securities may be difficult to determine and thus judgment plays a greater role in the valuation process. The fair valuation methodology may include or consider the following guidelines, as appropriate: (1) evaluation of all relevant factors, including but not limited to, pricing history, current market level, supply and demand of the respective security; (2) comparison to the values and current pricing of securities that have comparable characteristics; (3) knowledge of historical market information with respect to the security; (4) other factors relevant to the security which would include, but not be limited to, duration, yield, fundamental analytical data, the Treasury yield curve, and credit quality.

The values assigned to fair valued investments are based on available information and do not necessarily represent amounts that might ultimately be realized, since such amounts depend on future developments inherent in long-term investments. Changes in the fair valuation of portfolio securities may be less frequent and of greater magnitude than changes in the price of portfolio securities valued at their last sale price, by an independent pricing service, or based on market quotations. Imprecision in estimating fair value can also impact the amount of unrealized appreciation or depreciation recorded for a particular portfolio security and differences in the assumptions used could result in a different determination of fair value, and those differences could be material.

The Fund utilizes various methods to measure the fair value of its investments in accordance with FASB ASC Topic 820 "Fair Value Measurement". The framework establishes a hierarchy that prioritizes inputs to valuation methods, which the Fund utilizes on a recurring basis. The three levels of input are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities that the Fund has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The valuation techniques used by the Fund to measure fair value during the six months ended March 31, 2023, maximized the use of observable inputs and minimized the use of unobservable inputs. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following tables summarize the inputs used as of March 31, 2023 for the Fund's investments measured at fair value:

Investments in Securities at Value	Level 1	Level 2	Level 3	Total
Collateralized Loan Obligations	\$ –	\$ –	\$ 85,560,655	\$ 85,560,655
Short Term Investments	2,024,441	–	–	2,024,441
TOTAL	\$ 2,024,441	\$ –	\$ 85,560,655	\$ 87,585,096

March 31, 2023 (Unaudited)

The following table shows the aggregate changes in fair value of the Fund's Level 3 investments during the six months ended March 31, 2023.

Asset Type	Balance as of September 30, 2022	Accrued Discount/Premium	Realized Gain/(Loss)	Change in Unrealized Appreciation/Depreciation	Purchases	Sales Proceeds	Balance as of March 31, 2023	Net Change in Unrealized Appreciation/(Depreciation) Included in the Statements of Operations Attributable to Level 3 Investments Held at March 31, 2023
Collateralized Loan Obligations								
Debt	\$ 85,859,582	\$ 4,616,467	\$ 35,085	\$(7,453,635)	\$6,117,986	\$(3,614,830)	\$ 85,560,655	\$ (7,453,635)

A.1. Valuation of Collateralized Loan Obligations – The Fund primarily invests in junior debt and equity tranches of CLOs. With respect to CLOs, the Fund has engaged an independent third-party valuation specialist to assist in estimating fair value for such securities in circumstances where a market price is not readily available. The factors that may be considered with respect to the valuation of CLOs include: loan terms and covenants, loan duration, contract (coupon) rate, rate structure, quality of collateral, debt service coverage ratio, prevailing interest rates, borrower's ability to adequately service its debt, loan prepayment rate, loan default rate, loan default recovery percentage, recent loan ratings migration, average loan prices in secondary market, pipeline of new issue CLO issuance, environment of high-yield bond markets, market interest rate sentiment, and other factors deemed applicable. All of these factors may be subject to adjustments based upon the particular circumstances of a security or the Fund's actual investment position. In addition, the Advisor considers the operating metrics of the specific investment vehicle, including compliance with collateralization tests, defaulted and restructured securities, payment defaults, if any, and covenant cushions. In periods of illiquidity and volatility, the Advisor may rely more heavily on other qualities and metrics, including, but not limited to, the collateral manager, time left in the reinvestment period, and expected cash flows and overcollateralization ratios.

The Advisor categorizes CLO investments as a Level 3 investment. Certain pricing inputs may be unobservable. An active market may exist, but not necessarily for CLO investments in which the Fund invests. The Advisor incorporates the prices from a third-party valuation specialist to estimate the fair value of CLO investments. Estimates are based on detailed information on the characteristics of each CLO, including recent information about the underlying senior secured loans and CLO debt liabilities from data sources such as trustee reports, in order to project future cash flows in a consistent and transparent manner.

The following table summarizes the quantitative inputs and assumptions used for investments categorized as Level 3 of the fair value hierarchy as of March 31, 2023. In addition to the technique and inputs noted in the table below, the Advisor may use other valuation techniques and methodologies when determining the Fund's fair value measurements as provided for in the valuation policy approved by the Board. The table below is not intended to be all-inclusive, but rather provides information on the significant Level 3 inputs as they relate to the Fund's fair value measurements as of March 31, 2023. Unobservable inputs and assumptions are periodically reviewed and updated as necessary to reflect current market conditions.

Asset Class	Fair Value at March 31, 2023	Valuation Technique/Methodologies	Unobservable Inputs	Range/Weighted Average ⁽¹⁾
Collateralized Loan Obligations	\$ 85,560,655	Discounted Cash Flows	Annual Default Rate Annual Prepayment Rate Reinvestment Price Recovery Rate Expected Yield	1.02% - 2.00% / 1.79% 25.00% \$95.50 - \$99.50 / \$98.64 70.00% 12.46% - 27.53% / 19.08%

⁽¹⁾ Weighted average calculations are based on the fair value of investments as of March 31, 2023.

Increases (decreases) in the annual default rate, reinvestment price and expected yield in isolation would result in a lower (higher) fair value measurement. Increases (decreases) in recovery rate in isolation would result in a higher (lower) fair value measurement. Changes in the annual prepayment rate may result in a higher (or lower) fair value, depending on the circumstances. Generally, a change in the assumption used for the annual default rate may be accompanied by a directionally opposite change in the assumption used for the annual prepayment rate and recovery rate.

A.2. Valuation of Other Investments – Debt securities, including restricted securities, are valued based on evaluated prices received from a third party pricing vendor or from brokers who make markets in such securities. Debt securities are valued by pricing vendors who utilize matrix pricing which considers yield or price of bonds of comparable quality, coupon, maturity and type or by broker-supplied prices. When independent prices are unavailable or unreliable, debt securities may be valued utilizing pricing methodologies which consider similar factors that would be used by third party pricing vendors. Debt securities are generally categorized as Level 2 in the hierarchy but may be Level 3 depending on the circumstances. The Fund will generally focus its investments in below investment grade securities. The value of these securities can be more volatile due to changes in the credit quality of the issuer and is sensitive to changes in economic, market and regulatory conditions. The Fund currently invests a portion of its assets, including excess cash, in a short term money market fund, which is valued at NAV on a daily basis and categorized as Level 1 in the hierarchy. Short-term investments that mature in 60 days or less may be valued at amortized cost, provided such valuations represent fair value.

B. Security Transaction, Investment Income Recognition and Expenses – Investment security transactions are accounted for on a trade date basis. Cost is determined and gains and losses are based upon the specific identification method for both financial statement and federal income tax purposes. Dividend income from short term money market investments is recorded on an accrual basis. Interest income from investments in CLO debt is recorded using the accrual basis of accounting to the extent such amounts are expected to be collected. Interest income on investments in CLO debt is generally expected to be received in cash. Amortization of premium or accretion of discount is recognized using the effective interest method. Generally, if the Fund does not expect the borrower to be able to service its debt and other obligations, the Fund will, on a discretionary basis, place the debt investment on non-accrual status and will generally cease recognizing interest income on that investment for financial reporting purposes until all principal and interest have been brought current through payment or due to restructuring such that the interest income is deemed to be collectible. The Fund generally restores non-accrual debt investments to accrual status when past due principal and interest is paid and, in the Fund's judgment, the payments are likely to remain current. As of March 31, 2023, the Fund had no non-accrual debt investments in its portfolio. Interest income from investments in CLO equity is recorded based on an estimation of an effective yield to expected maturity utilizing assumed future cash flows. Interest income from CLO equity investments is monitored on an ongoing basis and is updated periodically to account for any change in expected future cash flows. Any difference between the actual cash received from CLO equity investments and the income recognized by the Fund is recorded as an adjustment to the cost basis of the investment.

C. Organizational and Offering Costs – All costs incurred by the Fund in connection with its organization and offering that have been paid by the Advisor will be subject to reimbursement as described in Note 3. Organizational costs are charged to expenses as incurred. Offering costs incurred by the Fund are treated as deferred charges until operations commence and thereafter amortized over a 12 month period using the straight line method. For the six months ended March 31, 2023, the Fund amortized \$170,732.

D. Federal Income Taxes – The Fund intends to comply with the requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies and will distribute all of its taxable income, if any to shareholders. Accordingly, no provision for Federal income taxes is required in the financial statements.

The Fund recognizes the tax benefits of uncertain tax positions only when the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has reviewed the tax positions and has concluded that no liability for unrecognized tax benefits is expected to be taken in the Fund's 2022 tax returns. The Fund identifies its major tax jurisdiction as U.S. Federal. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the six months ended March 31, 2023, the Fund did not incur any interest or penalties. Generally tax authorities can examine tax returns filed for the last three years.

E. Distributions to Shareholders – Distributions from investment income are declared daily and paid quarterly. Distributions from net realized capital gains, if any, are declared and paid annually and are recorded on the ex-dividend date. The character of income and gains to be distributed is determined in accordance with income tax regulations, which may differ from GAAP.

F. Indemnification – The Trust indemnifies its officers, trustees and distributor for certain liabilities that may arise from the performance of their duties to the Trust. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnities. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Trust expects the risk of loss due to these warranties and indemnities to be remote.

G. Recent Accounting Pronouncements – In March 2020, the FASB issued Accounting Standards Update (“ASU”) 2020-04, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting (“ASU 2020-04”). The amendments in ASU 2020-04 provide optional expedients and exceptions for applying GAAP to certain contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued due to reference rate reform. In January 2021, the FASB issued ASU No. 2021-01, “Reference Rate Reform (Topic 848),” which expanded the scope of Topic 848 to include derivative instruments impacted by discounting transition. ASU

2020-04 and ASU 2021-01 are effective as of March 12, 2020 through December 31, 2022. The Fund is continuing to evaluate the impact of adopting ASU NO. 2020-4 and 2021-01 on its financial statements. Given its current holdings, the Fund does not expect a material impact at this time.

3. RELATED-PARTY TRANSACTIONS, SERVICE PROVIDERS AND TRUSTEE COMPENSATION

A. Related Party Transactions

Investment Advisory Agreement— Pursuant to an investment management agreement between the Trust and the Advisor, (the “Advisory Agreement”), investment advisory services are provided to the Fund by the Advisor. Under the terms of the Advisory Agreement, the Advisor is entitled to receive a fee consisting of two components — a base management fee and an incentive fee. The base management fee is calculated and payable monthly in arrears at the annual rate of 1.75% of the average value of the Fund’s daily net assets during such period. The incentive fee is calculated and payable quarterly in arrears in an amount equal to 20% of the Fund’s “pre-incentive fee net investment income” for the immediately preceding quarter, and is subject to a hurdle rate, expressed as a rate of return on the Fund’s daily net assets, equal to 2.0% per quarter (or an annualized hurdle rate of 8.0%), subject to a “catch-up” feature, which allows the Advisor to recover foregone incentive fees that were previously limited by the hurdle rate. For these purposes, “pre-incentive fee net investment income” means interest income, dividend income and any other income accrued during the calendar quarter, minus the Fund’s quarterly operating expenses (including the base management fee, expenses reimbursed to the Advisor or Sub-Advisor and any interest expenses and distributions paid on any issued and outstanding preferred shares, but excluding the incentive fee). For the six months ended March 31, 2023, the Advisor earned a base management fee of \$745,546 and incentive fees of \$1,199,880. No incentive fees were paid by the Fund during the period as the Advisor voluntarily waived or absorbed all fees during the period.

Sub-advisory services are provided to the Fund pursuant to the Sub-Advisory Agreement between the Advisor and WhiteStar. Under the terms of the Sub-Advisory Agreement, the Sub-Advisor is paid 50% of the net investment advisory fees paid to the Advisor by the Fund pursuant to the investment advisory agreement between the Fund and the Advisor. The compensation is not an expense of the Fund.

Expense Limitation Agreement – The Advisor and the Fund have entered into an expense limitation agreement (the “Expense Limitation Agreement”) under which the Advisor has contractually agreed to waive its base management fees and to pay or absorb the ordinary operating expenses of the Fund (including offering and organizational expenses, but excluding taxes, interest, brokerage commissions, acquired fund fees and expenses, incentive fees, and extraordinary expenses), to the extent that such expenses exceed 2.60%, 3.35%, 1.75% and 2.35% per annum of the Fund’s average daily net assets attributable to Class A shares, Class C shares, Class F shares and Class I shares, respectively (the “Expense Limitation”). In consideration of the Advisor’s agreement to limit the Fund’s expenses, the Fund has agreed to repay the Advisor in the amount of any fees waived and Fund expenses paid or absorbed, subject to the limitations that: (1) the reimbursement for fees and expenses will be made only if payable not more than three years from the date which they were occurred; (2) the reimbursement may not be made if it would cause the current, or then in effect Expense Limitation to be exceeded; and (3) the reimbursement is approved by the Board. The Expense Limitation Agreement will be effective from the date of the Fund’s registration, which was effective June 21, 2022, until January 31, 2024, unless and until the Board approves its modification or termination. After January 31, 2024, the Expense Limitation Agreement may be renewed at the Advisor’s and Board’s discretion. The Advisor’s ability to recover organizational and offering costs, subject to the terms of the Expense Limitation Agreement, will expire within the three years following the date the waiver or reimbursement occurred. For the six months ended March 31, 2023, the Advisor waived \$745,546 pursuant to the Expense Limitation Agreement, which is subject to recoupment per the terms aforementioned.

In addition to the Expense Limitation Agreement described above, the Advisor voluntarily waived or absorbed all of the operating expenses of the Fund from the commencement of Fund operations through March 31, 2023, which amounted to \$488,125 for the six month period ended March 31, 2023. Operating expenses voluntarily waived or absorbed by the Advisor during the aforementioned period are not subject to recoupment by the Advisor. The Advisor may continue to bear such expenses on a going forward basis in its discretion and is under no obligation to continue to do so for any specified period of time.

B. Service Providers – ALPS Fund Services, Inc. (“ALPS”) provides administrative, fund accounting, compliance and other services to the Fund for a monthly administration fee based on the greater of an annual minimum fee or an asset based fee, which scales downward based upon average daily net assets.

UMB Bank, N.A (“Custodian”), with principal offices at 1010 Grand Boulevard, Kansas City, Missouri 64106, serves as the Fund’s custodian.

DST Systems, Inc. (“DST”), serves as the Transfer Agent to the Fund. Under the Transfer Agency Agreement, DST is responsible for maintaining all shareholder records of the Fund.

The distributor of the Fund is ALPS Distributors, Inc. (the “Distributor”). The Distributor acts as an agent for the Fund and the distributor of its shares. The Board has adopted, on behalf of the Fund, a Shareholder Services Plan and a Distribution Plan under which the Fund may compensate financial industry professionals for providing ongoing services in respect to clients with whom they have distributed shares of the Fund. Under the Shareholder Services Plan, the Fund pays up to 0.25% per year of the average daily net assets of each of Class A and Class C shares for such services. Class F shares and Class I shares are not subject to a shareholder servicing fee. Under the Distribution Plan, the Fund pays 0.75% per year of its average daily net assets for such services for Class C shares. Class A Shares, Class F shares, and Class I shares are not subject to a distribution fee. Fees under the Distribution Plan are disclosed in the Statement of Operations for the six months ended March 31, 2023.

The Distributor acts as the Fund’s principal underwriter in a continuous public offering of the Fund’s shares. For the six months ended March 31, 2023, the Distributor received \$41,804 in underwriting commissions for sales of Class A shares, of which \$5,160 was retained by the principal underwriter or other affiliated broker-dealers. For the six months ended March 31, 2023, the Distributor received \$2,050 in underwriting commissions for sales of Class C

C. Trustee Compensation – Each Trustee who is not affiliated with the Trust or the Advisor receives an annual fee of \$10,000, paid quarterly, of which \$5,000 is paid in cash and the remaining is paid in the equivalent amount of the Fund shares, as well as reimbursement for any reasonable expenses incurred attending the meetings.

4. INVESTMENT TRANSACTIONS

The cost of purchases and proceeds from the sale of securities, other than short-term securities, for the six months ended March 31, 2023, amounted to \$6,117,986 and \$3,614,830, respectively.

5. REPURCHASE OFFERS / SHARES OF BENEFICIAL INTEREST

Pursuant to Rule 23c-3 under the 1940 Act, the Fund offers shareholders on a quarterly basis the option of redeeming shares, at NAV, of no less than 5% and no more than 25% of the shares outstanding on the Repurchase Request Deadline which is the date the repurchase offer ends (as defined in the Fund’s prospectus). The Board shall determine the quarterly repurchase offer amount. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer, although each shareholder will have the right to require the Fund to purchase up to and including 5% of such shareholder’s shares in each quarterly repurchase. Limited liquidity will be provided to shareholders only through the Fund’s quarterly repurchases. During the six months ended March 31, 2023, the Fund completed two repurchase offers, of which no shares were tendered for repurchase.

6. DISTRIBUTIONS TO SHAREHOLDERS AND TAX COMPONENTS OF CAPITAL

The Fund’s distribution policy is to make quarterly distributions to shareholders. The level of quarterly distributions is not fixed (and all or a portion of a distribution may consist of a return of capital), but is expected to represent an annual rate of approximately 8.0% of the Fund’s current net asset value per share. Such distributions are accrued daily (Saturdays, Sundays and holidays included) and paid quarterly. This distribution policy is subject to change. Unless a shareholder elects otherwise, the shareholder’s distributions will be reinvested in additional shares of the same class under the Fund’s dividend reinvestment policy. Shareholders who elect not to participate in the Fund’s dividend reinvestment policy will receive all distributions in cash paid to the shareholder of record (or, if the shares are held in street or other nominee name, then to such nominee). Distributions are made at the class level, so they may vary from class to class within the Fund. For the six months ended March 31, 2023, the Fund accrued dividends of \$3,928,268, of which \$2,281,266 was reinvested in shares.

The tax character of Fund distributions for the following years was as follows:

Year	Ordinary Income	Long-Term Capital Gain	Return of Capital
2022	\$ 81,119	\$ –	\$ 1,590,483

The amounts and characteristics of tax basis distributions and composition of distributable earnings/(accumulated losses) are finalized at fiscal year-end. Accordingly, tax basis balances have not been determined as of September 30, 2023.

As of March 31, 2023, the aggregate costs of investments, gross unrealized appreciation/(depreciation) and net unrealized appreciation for Federal tax purposes were as follows:

	Gross Appreciation (excess of value over tax cost)	Gross Depreciation (excess of tax cost over value)	Net Unrealized Appreciation	Cost of Investments for Income Tax Purposes
	\$ 7,273,797	\$ (9,089,068)	\$ (1,815,271)	\$ 79,400,436

The difference between book basis and tax basis distributable earnings and unrealized appreciation/(depreciation) is primarily attributable to Qualified Electing Funds and partnerships.

As of September 30, 2022, the components of accumulated earnings/(deficit) on a tax basis were as follows:

	Other cumulative effect of timing differences	Net unrealized appreciation on investments	Total
	\$ –	\$ 1,925,579	\$ 1,925,579

7. EARLY WITHDRAWAL CHARGE

Class A shareholders and Class C shareholders who tender for repurchase shares that have been held less than one year (365 days) from the purchase date will be subject to an early withdrawal charge of 1.00% of the original purchase price with respect to such shares. The early withdrawal charge does not apply to shares that were acquired through reinvestment of distributions or in connection with the death or disability of the shareholder. The early withdrawal charge is paid directly to the Fund. For the six months ended March 31, 2023, the Fund did not receive any such fees.

8. RISKS AND UNCERTAINTIES

In the normal course of business, the Fund faces certain risks and uncertainties. Set forth below is a summary of certain principal risks associated with the Fund. The following is not intended to be a complete list of all the potential risks associated with the Fund. For a more comprehensive list of potential risks the Fund may be subject to, please refer to the Fund's Prospectus and Statement of Additional Information.

Collateralized Loan Obligation (CLO) Risk – In addition to the general risks associated with investments in debt instruments and securities discussed herein, CLOs carry additional risks, including, but not limited to (i) the possibility that distributions from collateral will not be adequate to make interest or other payments; (ii) the quality of the collateral may decline in value or default; (iii) the possibility that the Fund's investments in CLOs are subordinate to other classes or tranches thereof; and (iv) the complex structure of the CLO investment may not be fully understood at the time of investment and may produce disputes with the issuer, holders of senior tranches or other unexpected investment results.

In addition, CLOs and other structured products are often governed by a complex series of legal documents and contracts, which define the class or tranche of each investment, and may also increase the risk of dispute over the interpretation and enforceability of such documents relative to other types of investments. In a typical CLO, the capital structure would include approximately 90% debt, of which over 85% is generally investment grade, with the remainder comprising the junior most CLO securities, typically referred to as the CLO's junior debt tranche and equity tranche. The Fund may acquire CLO investments in such equity and junior debt securities, which are subordinate to more senior tranches of the CLO. Such CLO equity and junior debt securities are therefore subject to increased risk of default relative to the holders of more senior tranches of the CLO. The Fund's investment in equity tranches of CLO securities will be in the first loss position and junior debt tranches typically will be subordinate to more senior positions with respect to realized losses on the assets of the CLOs in which it is invested.

In connection with a primary issuance of a CLO, the structure of the CLO allows the CLO manager to purchase additional collateral (loans) for the CLO after the closing date of the Fund's investment (the "Warehouse Period"). During the Warehouse Period, the price and availability of additional collateral may be adversely affected by a number of market factors, including price volatility and availability of investments suitable for the CLO, which could hamper the ability of the collateral manager to acquire additional collateral that will satisfy specified concentration limitations and allow the CLO to reach the initial par amount of collateral prior to its effective date. An inability or delay in reaching the target initial par amount of collateral may adversely affect the timing and amount of interest or principal payments received by the holders of the CLO debt securities and distributions of the CLO on equity securities and could result in early redemptions which may cause CLO debt and equity investors to receive less than face value of their investment, resulting in a loss.

The failure by a CLO in which the Fund invests to satisfy financial covenants, including with respect to adequate collateralization and/or interest coverage tests, could lead to a reduction in the CLO's payments to the Fund. In the event that a CLO fails certain tests, holders of CLO senior debt may be entitled to additional payments that would, in turn, reduce the payments the holders of the junior debt tranche and the equity tranche would otherwise be entitled to receive. Separately, the Fund may incur expenses to the extent necessary to seek recovery upon default or to negotiate new terms, which may include the waiver of certain financial covenants, in connection with a defaulting CLO or any other investment the Fund may make. If any of these occur, it could adversely affect the Fund's operating results and cash flows.

The Fund's investments in Senior Secured Loans in CLOs may be riskier and less transparent to the Sub-Advisor than direct investments in the underlying companies. The Sub-Advisor cannot be certain that due diligence investigations with respect to any investment opportunity for the Fund will reveal or highlight all relevant facts (including fraud) that may be necessary or helpful in evaluating such investment opportunity, or that its due diligence investigations will result in investments for the Fund being successful. There is limited control of the administration and amendment of Senior Secured Loans in CLOs. Senior Secured Loans in CLOs may be sold and replaced resulting in a loss to the Fund.

The Fund's CLO investments are exposed to leveraged credit risk. If certain minimum collateral value ratios and/or interest coverage ratios are not met by a CLO, primarily due to defaults under the Senior Secured Loans in which the CLO has invested, then cash flow that otherwise would have been available to pay distributions to the Fund on its CLO investments may instead be used to redeem senior tranches or to purchase additional collateral for all tranches, until the ratios again exceed the minimum required levels or any the senior tranches of CLO debt are repaid in full. The Fund's investments in CLOs or Senior Secured Loans may prepay more quickly than expected, which could have an adverse impact on the Fund's net assets and/or returns.

The Fund may recognize "phantom" taxable income (due to allocations of profits or cancellation of debt, which results in recognition of taxable income regardless of whether a corresponding amount of cash is actually received) from its investments in these subordinated tranches of CLOs and structured notes. The CLOs in which the Fund invests may constitute Passive Foreign Investment Companies ("PFICs"). If the Fund acquires shares in a PFIC (including in CLOs that are PFICs), the Fund may be subject to U.S. federal income tax on a portion of any "excess distribution" or gain from the disposition of such shares even if such income is distributed as a taxable dividend by the Fund to its shareholders. Certain elections may be available to mitigate or eliminate such tax on excess distributions, but such elections (if available) will generally require the Fund to recognize its share of the PFICs income for each year regardless of whether it receives any distributions from such PFICs. The Fund must nonetheless distribute such income to maintain its status as a Regulated Investment Company ("RIC").

Market Risk – An investment in the Fund's shares is subject to investment risk, including the possible loss of the entire principal amount invested. The value of Fund investments, like other market investments, may move up or down, sometimes rapidly and unpredictably, which will subject shareholders to risk. In addition, the Fund is subject to the risk that geopolitical and other similar events will disrupt the economy on a national or global level. For instance, war, terrorism, market manipulation, government defaults, government shutdowns, political changes or diplomatic developments, public health emergencies (such as the spread of infectious diseases, pandemics and epidemics) and natural/environmental disasters can all negatively impact the securities markets.

The current novel coronavirus (COVID-19) global pandemic and the aggressive responses taken by many governments, including closing borders, restricting international and domestic travel, and the imposition of prolonged quarantines or similar restrictions, as well as the forced or voluntary closure of, or operational changes to, many retail and other businesses, have had negative impacts, and in many cases severe negative impacts, on markets worldwide. It is not known how long such impacts, or any future impacts of other significant events described above, will or would last, but there could be a prolonged period of global economic slowdown. Therefore, the Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. The foregoing could impair the Fund's ability to maintain operational standards, disrupt the operations of the Fund and its service providers, adversely affect the performance, value and liquidity of the Fund's investments, and negatively impact the Fund's performance and your investment in the Fund. The value of your shares at any point in time may be worth less than the value of your original investment, even after taking into account any reinvestment of dividends and distributions.

Debt Securities and Interest Rate Risks – Because the Fund invests primarily in debt-anchored instruments and securities, the value of your investment in the Fund may fluctuate with changes in interest rates. Typically, a rise in market interest rates will cause a decline in the value of fixed rate or other debt instruments. If market interest rates increase, there is a significant risk that the value of the Fund's investment in fixed rate debt securities may fall, and that it may be more difficult for the Fund to raise capital. Related risks include credit risk (the debtor may default) and prepayment risk (the debtor may pay its obligation early, reducing the amount of interest payments).

Credit Risk – It is possible that the borrowers under the Senior Secured Loans may not make scheduled interest and/or principal payments on their loans and/or debt securities, which may result in losses or reduced cash flow to the Fund, either or both of which may cause the Net Asset Value of, or the distributions by, the Fund to decrease. In addition, the credit quality of securities held by the Fund may fall if the underlying borrowers' financial condition deteriorates. This also may negatively impact the value of and the Fund's returns on its investment in such securities.

Prepayment Risk – Debt securities may be subject to prepayment risk because borrowers are typically able to repay their debt obligations prior to maturity principal. Consequently, a debt security's maturity may be longer or shorter than anticipated. When interest rates fall, debt obligations tend to be refinanced or otherwise paid off more quickly than originally anticipated. If that occurs with respect to the Fund's investments, the Fund may have to invest the prepaid proceeds in securities with lower yields. When interest rates rise, obligations will tend to be paid off by the obligor more slowly than anticipated, preventing the Fund from reinvesting at higher comparable or yields. For certain investments, lower-than-expected prepayment rates may expose investments in the junior tranches of CLOs to credit risks for longer periods of time.

LIBOR Risk – The Fund invests in Target Securities that may have floating or variable rate calculations for payment obligations or financing terms based on the London Interbank Offered Rate (LIBOR), which historically has been the benchmark interest rate at which major global banks lend to one another in the international interbank market for short-term loans. It was originally anticipated that LIBOR would be discontinued by the end of 2021 and would cease to be published after that time. Although many LIBOR rates were phased out at the end of 2021 as originally intended, a selection of widely used USD LIBOR rates will continue to be published until June 2023 in order to assist with the transition to an alternative rate. The impact of transition to an alternative rate on the Fund's portfolio remains uncertain. There can be no guarantee that financial instruments that transition to an alternative reference rate will retain the same value or liquidity as they would otherwise have had.

Below Investment Grade Risk – Lower-quality debt investments, known as “below investment grade” or “junk”, are speculative and present greater risk than investments of higher quality, including an increased risk of default. An economic downturn or period of rising interest rates could adversely affect the market for these investments and reduce the Fund's ability to sell its investments. Additionally, high yield issuers may seek bankruptcy protection which will delay resolution of creditor claims and may eliminate or materially reduce liquidity. The Sub-Advisor's assessment of an issuer's credit quality may prove incorrect and the Fund could suffer losses.

Liquidity Risk – Underlying Investments – The Fund's investments, such as in Target Securities, are subject to liquidity risk. This liquidity risk exists because particular investments of the Fund may be difficult to sell, possibly preventing the Fund from selling them at an advantageous time or price, or possibly requiring the Fund to dispose of other investments at unfavorable times or prices, in order to satisfy its 5% quarterly repurchase obligations.

Leveraging Risk – The Fund is authorized to use leverage for investment purposes and to satisfy redemption requests. The use of leverage will cause the Fund to incur additional expenses and may significantly magnify the Fund's losses in the event of adverse performance of the Fund's underlying investments.

9. SUBSEQUENT EVENTS

The Fund completed a quarterly repurchase offer on May 9, 2023, which resulted in 100.00% of the shares tendered being repurchased for \$9,688.

Subsequent events after the date of the Statement of Assets and Liabilities have been evaluated through the date the financial statements were issued. Except as stated above, management has concluded that there is no impact requiring adjustment or disclosure in the financial statements.

PROXY VOTING POLICIES AND VOTING RECORD

A description of the policies and procedures that the Fund uses to vote proxies relating to its portfolio securities is available without charge upon request by calling toll-free 844-819-8287 or on the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>. Information regarding how the Fund voted proxies relating to underlying portfolio securities during the most recent 12-month period ended June 30th is available without charge upon request by calling toll-free 844-819-8287, or on the SEC's website at <http://www.sec.gov>.

QUARTERLY PORTFOLIO HOLDINGS

The Fund files a monthly portfolio investments report with the SEC on Form N-PORT within 60 days after the end of the first and third quarters of each fiscal year. The filings are available upon request by calling 844-819-8287. Furthermore, you may obtain a copy of the filings on the SEC's website at <https://www.sec.gov>.

FACTS	WHAT DOES THE BLUEROCK HIGH INCOME INSTITUTIONAL CREDIT FUND DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li style="display: inline-block; width: 45%;">• Social Security number <li style="display: inline-block; width: 45%;">• Purchase History <li style="display: inline-block; width: 45%;">• Assets <li style="display: inline-block; width: 45%;">• Account Balances <li style="display: inline-block; width: 45%;">• Retirement Assets <li style="display: inline-block; width: 45%;">• Account Transactions <li style="display: inline-block; width: 45%;">• Transaction History <li style="display: inline-block; width: 45%;">• Wire Transfer Instructions <li style="display: inline-block; width: 45%;">• Checking Account Information <p>When you are <i>no longer</i> our customer, we may continue to share your personal information as described in this notice.</p>
How?	All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons the Fund chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Bluerock High Income Institutional Credit Fund share?	Can you limit this sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes – information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share
Questions?	Call 1-844-819-8287	

Who We Are	
Who is providing this notice?	Bluerock High Income Institutional Credit Fund
What We Do	
How does Bluerock High Income Institutional Credit Fund protect my personal information?	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.</p>
How does Bluerock High Income Institutional Credit Fund collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • Open an account • Provide account information • Give us your contact information • Make deposits or withdrawals from your account • Make a wire transfer • Tell us where to send the money • Tells us who receives the money • Show your government-issued ID • Show your driver's license <p>We also collect your personal information from other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Bluerock High Income Institutional Credit Fund does not share with our affiliates.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies</p> <ul style="list-style-type: none"> • <i>Bluerock High Income Institutional Credit Fund does not share with nonaffiliates so they can market to you.</i>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • <i>Bluerock High Income Institutional Credit Fund doesn't jointly market.</i>

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Investment Advisor

Bluerock Credit Fund Advisor, LLC
1345 Avenue of the Americas, 32nd Floor
New York, NY 10105

Distributor

ALPS Distributors, Inc.
1290 Broadway, Suite 1000
Denver, CO 80203

Legal Counsel

Thompson Hine LLP
41 South High Street, Suite 1700
Columbus, OH 43215

Independent Registered Public Accounting Firm

BDO USA, LLP
100 Park Avenue
New York, NY 10017

How to Obtain Proxy Voting Information

Information regarding how the Fund votes proxies relating to portfolio securities for the 12 month period ended June 30th as well as a description of the policies and procedures that the Fund used to determine how to vote proxies is available without charge, upon request, by calling 1-844-819-8287 or by referring to the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>.

How to Obtain 1st and 3rd Fiscal Quarter Portfolio Holdings

The Fund files a monthly portfolio investments report with the SEC on Form N-PORT within 60 days after the end of the first and third quarters of each fiscal year. The filings are available upon request by calling 844-819-8287. Furthermore, you may obtain a copy of the filings on the SEC's website at <http://www.sec.gov>.