



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 15

MEETING DATE: June 17, 2020

SUBJECT: Quarterly Investment Performance Report
Real Estate

SUBMITTED FOR: ___ Consent ___ Deliberation and Action X Receive and File

RECOMMENDATION

Staff recommends the Board receive and file the Townsend Real Estate Portfolio Performance Measurement Report for the period ending March 31, 2020.

PURPOSE

This item complies with SCERS' investment policy statement reporting requirements and contributes to the effective management and oversight of investment activities.

DISCUSSION

This memorandum provides a summarized table of SCERS' Real Estate period returns, which complements Townsend's Quarterly Performance Review, and it highlights notable manager performance, along with any recent real estate investments made by SCERS.

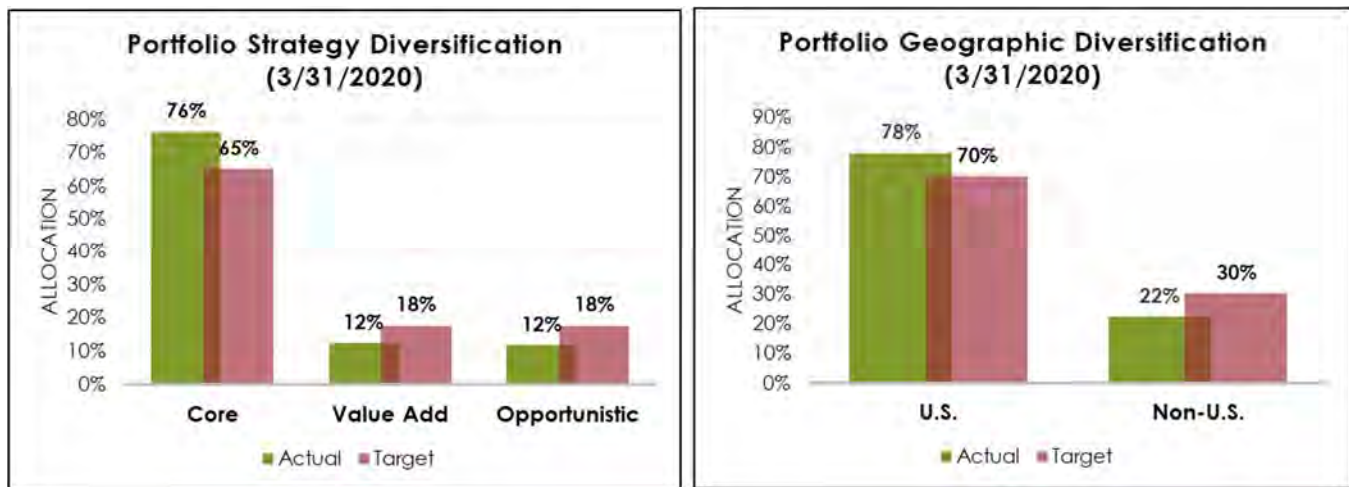
SCERS' Real Estate allocation sits at 9.5% as of March 31, 2020, above the target allocation of 7%, and above the permissible range of 5%-9%. During the quarter, SCERS made redemption requests from two core open-end funds in order to bring down the overweight in the SCERS Real Estate portfolio. After the redemptions, SCERS' real estate allocation will reduce from 9.5% to 8.5%, still above the target allocation of 7.0% but within the permissible range of 5.0%-9.0%

To date, SCERS has been comfortable holding a higher than target weight while the Real Assets portfolio is being built out. The Real Estate portfolio will be rebalanced down toward the 7% target allocation over the next couple of years, as the Real Assets portfolio moves up toward its target allocation.

SCERS REAL ESTATE PERFORMANCE SUMMARY
Quarter Reporting Period Ending March 31, 2020

SUB-ASSET CLASS	Quarter 3/31/20	1-Year	3-Year	5-Year	Since Inception	Since Inception Date
SCERS Real Estate Portfolio	-0.4%	6.2%	8.9%	8.5%	8.5%	Nov-86
(65%) NFI-ODCE + (35%) NFI-ODCE + 1%	0.8%	3.4%	6.2%	7.8%	6.6%	Nov-86
Core Portfolio	1.1%	7.5%	9.0%	8.8%	6.6%	Nov-86
Separate Account	N/A	N/A	N/A	11.8%	9.6%	Nov-86
Commingled Funds	1.1%	7.5%	9.8%	10.8%	7.2%	Sep-13
NFI-ODCE Index	0.8%	3.9%	5.9%	7.5%	6.3%	
Non-Core Portfolio	-4.9%	2.2%	9.0%	11.1%	5.6%	Jun-06
Value Add Portfolio	-3.4%	9.9%	10.8%	11.8%	4.7%	Jun-06
Opportunistic	-6.3%	-5.2%	6.7%	10.8%	6.8%	May-13
NFI-ODCE + 1% Index	1.0%	4.9%	6.9%	8.5%	7.2%	

SCERS PORTFOLIO DIVERSIFICATION



SCERS PORTFOLIO RESULTS

For the quarter ended March 31, 2020, SCERS' Real Estate portfolio underperformed against the NFI-ODCE blended benchmark, -0.4% versus +0.8%, due to the underperformance in the non-core portfolio.

Below are notable top and bottom performing funds during the quarter ended March 31, 2020:

- Top performing funds:
 - Core:
 - Prologis Targeted U.S. Logistics Fund: +2.3%

- Brookfield Premier Real Estate Partners: +1.9%
- Non-Core:
 - Hammes Partners II: +2.0%

Bottom performing funds:

- Core:
 - Prologis European Fund: +0.2 in U.S. Dollars (+1.8% in Euros)
 - Townsend Real Estate Fund: +0.5%
- Non-Core:
 - Asana Partners Fund II: -44.7%
 - Carlyle China Project Rome Co-Investment: -8.0%

NEW INVESTMENTS

During the quarter ended March 31, 2020, SCERS made the following new investments:

- None

New investments made after the quarter:

- None

ATTACHMENT

Townsend's Real Estate Portfolio Performance Measurement Report for the Quarter ended March 31, 2020.

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/S/

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Eric Stern
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TOWNSEND[®]
GROUP

an Aon company

Real Estate Portfolio

Performance Measurement Report

FIRST QUARTER 2020



SCERS Real Estate Portfolio Overview

- In July 2017, Sacramento County Employees' Retirement System ("SCERS") Board adopted a series of changes to its Real Estate Investment Policy Statement. Real Estate, housed within the Real Return asset category, now includes Core, Non-Core and Non-U.S. Private Real Estate; though there is no current exposure to Real Estate Investment Trusts ("REITs"), REITs are included within the Equity allocation. This report will focus on the SCERS Private Real Estate portfolio.
- SCERS targets 7.0% to Real Estate with an allowable range of 5.0% to 9.0%. As of the end of the First Quarter, 2020 (the "Quarter"), the Real Estate Portfolio was slightly above the allowable range at 9.5%. Core Real Estate currently makes up 76.1% of the portfolio, with Non-Core Real Estate making up the remaining 23.9%. Townsend and Staff are evaluating portfolio rebalancing options to reduce Real Estate exposure.

SCERS' Real Estate Portfolio Construction:

	Minimum	Target	Maximum
Total Real Estate Program	5.0%	7.0%	9.0%
	Minimum	Target	Maximum
Core Real Estate	50%	65%	80%
Non-Core Real Estate	20%	35%	50%
Non-U.S. Real Estate	0%	0%	30%

- Performance of the Core Portfolio is evaluated over rolling 10-year time periods relative to the NCREIF Fund Index of Open-End Diversified Core Equity funds ("NFI-ODCE"), net of fees. The NFI-ODCE represents the aggregation of twenty-four Core open-end commingled funds invested across the United States.
- In July of 2017, Staff and Townsend recommended revising the Real Estate IPS to reflect transition away from IMAs, including removal of the Core vehicle constraints of 0-60% (30% target) for funds and 40-100% (70% target) for IMAs, which was subsequently approved by the Board.
- In 2018, SCERS' IMA Program transitioned to a commingled fund manager. Following an extensive bidding, selection and structuring process, Staff and Townsend selected Clarion's Lion Properties Fund as the recipient for the IMA Portfolio. Given the size of the IMA Portfolio, SCERS reduced concentration risk by allocating funds to an additional manager, Brookfield's Premier Property Partners, in order to achieve greater diversification within the Core Portfolio. SCERS' investment in Brookfield Premier Property Fund was funded October 1st 2018.
- The loan-to-value ratio of the Private Real Estate Portfolio was 34.2% at the end of the First Quarter of 2020. The loan-to-value ratio of the Core Portfolio was 29.0%, below the 40.0% leverage constraint for Core as approved by the Board. As a point of reference, the loan-to-value ratio of the NFI-ODCE was 21.9% as of the First Quarter. The Non-Core Portfolio reported a loan-to-value ratio of 46.1%.

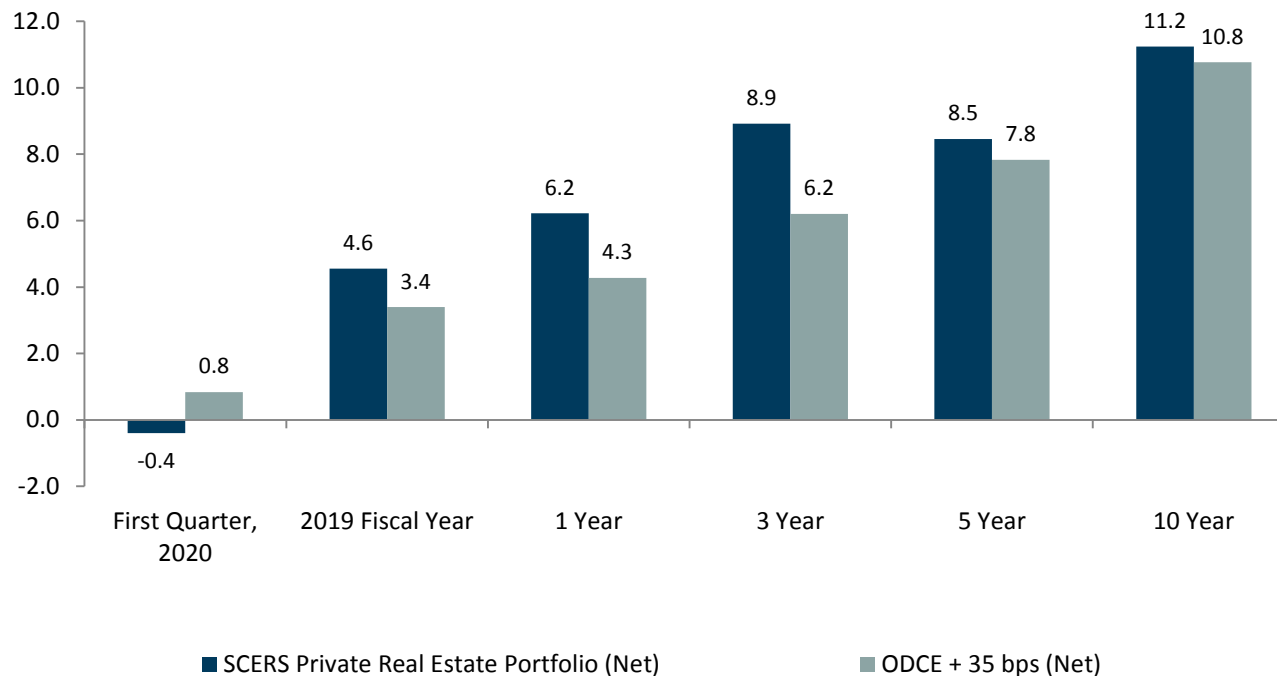
Portfolio Funding Status

- The following slides provide a review of key information of the SCERS Real Estate Portfolio (the “Portfolio”) through March 31, 2020.
- A detailed performance report is also provided in **Exhibit A**.
- Figures exclude commitments / redemptions / dispositions approved subsequent to Quarter-end.

SCERS Portfolio Snapshot <i>As of March 31, 2020</i>	Market Value (in millions of dollars)*	% of SCERS Plan
SCERS Total Plan Assets	9,258	100.0%
Private Portfolio Target	648	7.0%
Private Portfolio Permissible Range		5.0-9.0%
Private Real Estate		
Core Portfolio	669	7.2%
Non-Core Portfolio	210	2.3%
Total SCERS Private Real Estate Market Value	879	9.5%
Total SCERS Private Real Estate Unfunded Commitments	166	1.8%

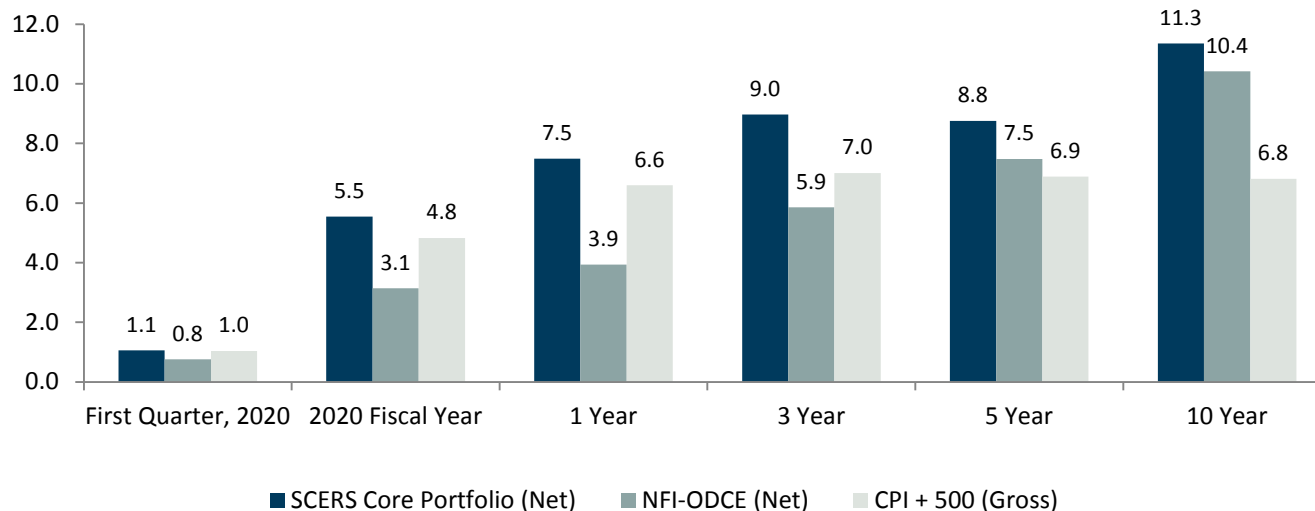
* Figures may not add due to rounding.

Private Real Estate Portfolio Performance



- The SCERS Private Real Estate Portfolio includes: (1) Core Real Estate and (2) Non-Core Real Estate.
- The SCERS Private Real Estate Benchmark is comprised of the NFI-ODCE (Core Benchmark, net) (65%) and the NFI-ODCE + 100bps (Non-Core Benchmark, net) (35%), resulting in an NFI-ODCE + 35bps (net) portfolio benchmark.
- On a net of fee basis, the SCERS Total Real Estate Portfolio outperformed the blended benchmark over all time periods, except for the trailing quarter. Underperformance is driven by the negative performance of the Non-Core portfolio as a result of write-downs in response to the spread of COVID-19 impacting tenants, financial markets and the overall economy. Further write-downs are expected in the following quarters.

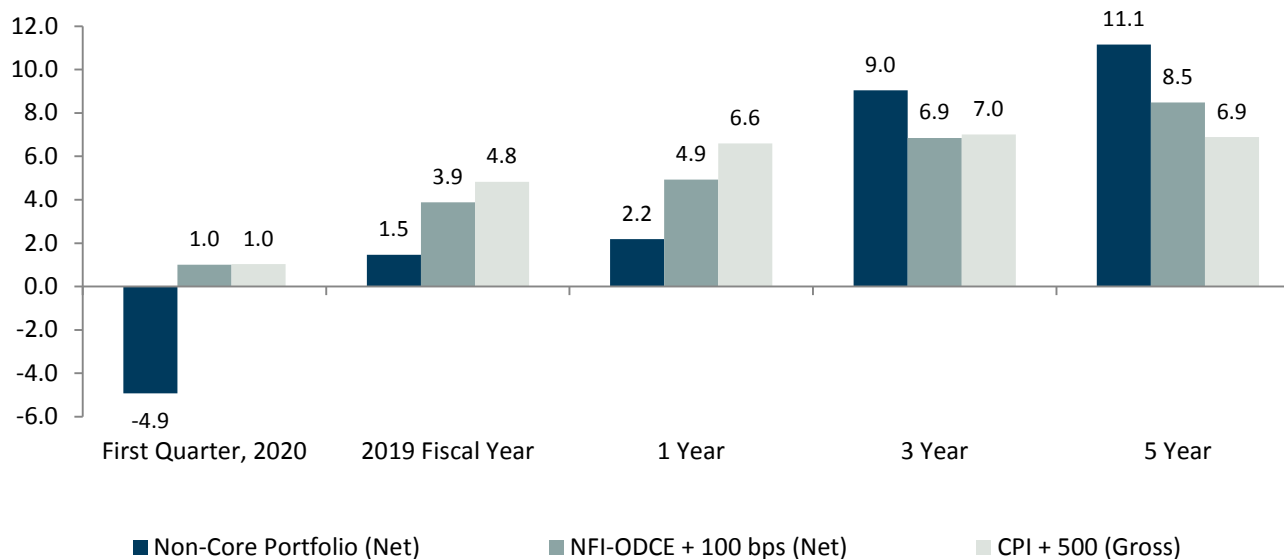
Core Portfolio Performance



- The SCERS Core Portfolio consists of eight open-end Core Commingled funds. The Core Commingled Fund exposure includes Morgan Stanley’s Prime Property Fund, MetLife Core Property Fund, Jamestown Premier Property Fund (fully liquidated as of 3/31/20), Principal U.S. Property Account, Prologis Targeted U.S. Logistics Fund, Prologis European Logistics Fund, Townsend Real Estate Fund, Brookfield Premier Real Estate Partners, and Clarion’s Lion Properties Fund.
- Performance of the Core Portfolio is evaluated relative to the NCREIF Fund Index of Open-End Diversified Core Equity funds (“NFI-ODCE”), net of fees. In aggregate, the Core Portfolio outperforms the NFI-ODCE, net of fees, over all displayed time periods.
- During the Quarter, Prologis Targeted U.S. Logistics Fund was the strongest absolute performer (2.3% net return) followed by Brookfield Premier Real Estate Partners (1.9% net return) and Lion Properties Fund (1.2% net return). On a dollar-weighted basis, Brookfield Premier Real Estate Partners was the largest contributor.
- The Core Portfolio has recently benefited from an overweight to industrial sector, with Prologis U.S. Logistics Fund generating one-year net return of 16.2%, greatly outperforming the benchmark. Prologis European Logistics Fund has generated strong local currency return (11.0% over the one-year period), while generating strong return in U.S. dollars (9.4% over the trailing year).
- The SCERS Core Portfolio performed above the CPI + 500 bps (the SCERS Real Asset benchmark) over all time periods.

*EX-US funds produced the following 1Q20 net returns in local currency: Prologis European Logistics Fund (Euro) 1.8%.

Non-Core Portfolio Performance

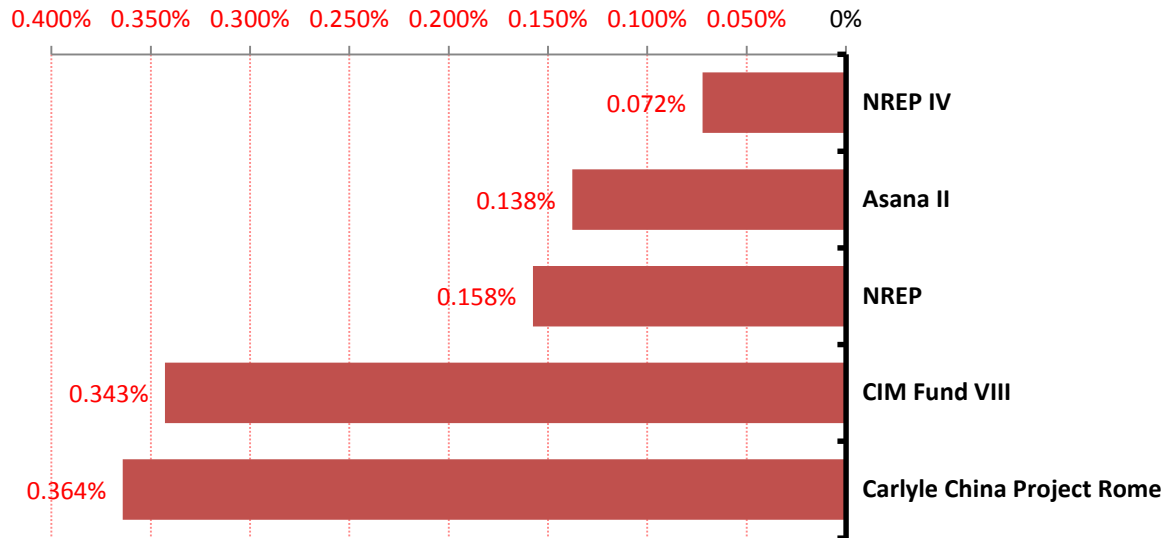
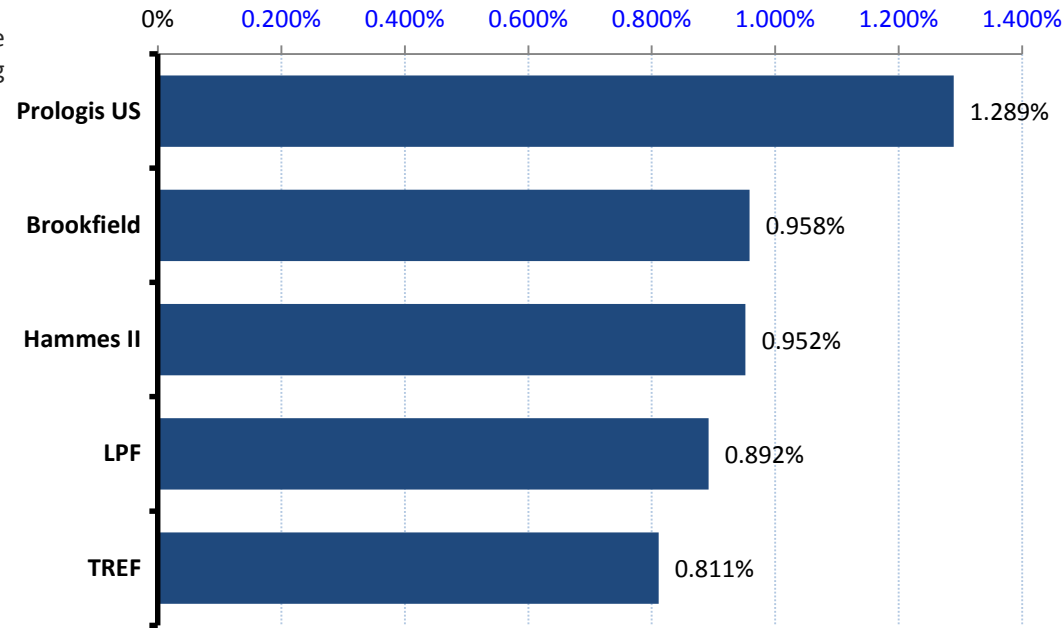


- The SCERS Non-Core Portfolio includes both Value Added and Opportunistic Real Estate strategies, which are defined in the Glossary of Terms.
- The Non-Core Portfolio outperformed the benchmark over the 3-year and 5-year horizons but underperformed over the trailing quarter and year. Underperformance of the Non-Core portfolio was led by both the negative performance of the Value Added and Opportunistic investments. Asana Partners Fund II was the weakest performer on an absolute basis due to significant write-downs in the fund assets.
- Write downs within the non-core portfolio were largely driven by the effect of COVID-19, which caused sharp revaluations of fund assets in nearly all non-core funds.

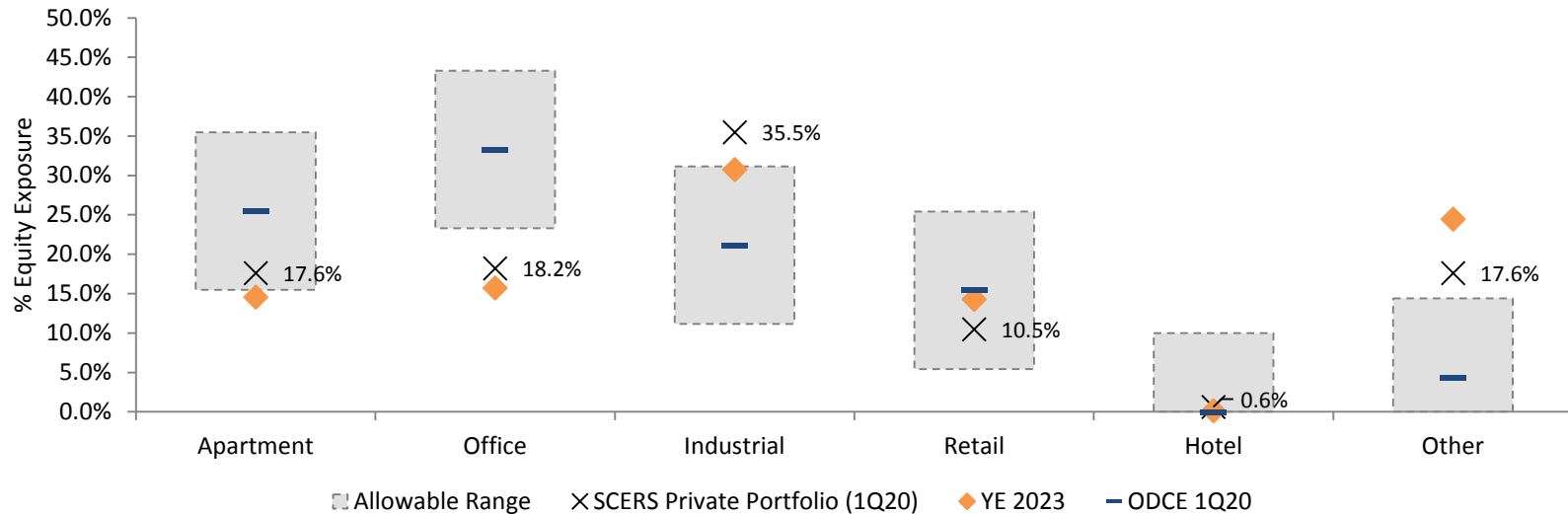
**EX-US funds produced the following 1Q20 net returns in local currency: DRC European Real Estate Debt Fund II (Pound Sterling) 1.6%, ECE European Prime Shopping Centre Fund II (Euro) 1.6%, NREP Nordic Strategies Fund II (Euro) -1.5%, NREP Nordic Strategies Fund III (Euro) -4.4%, Carlyle China Realty Fund (Chinese Yuan) -6.4% and Carlyle's Project Rome (Chinese Yuan) -6.0%.*

Performance Attribution

- Over the trailing year, performance was driven primarily by Core OECFs, with Prologis Targeted U.S. Logistics Fund contributing the greatest proportion of overall returns.
 - Lion Properties Fund, Brookfield Premier Real Estate Partners and the Townsend Real Estate Fund also contributed significantly to overall portfolio performance.
- The Value Added Portfolio contributed positively to the performance with Hammes Partners II generating strong returns.
- Carlyle China Project Rome’s negative performance was affected by significant write-downs of the assets due to the market dislocation caused by COVID-19.
- Asana II reported significant write-downs as well, reflecting the impact the epidemic has had on retail properties.
- During the trailing year, NREP IV witnessed negative net returns as the fund is relatively new and undergoing the J-curve effect.



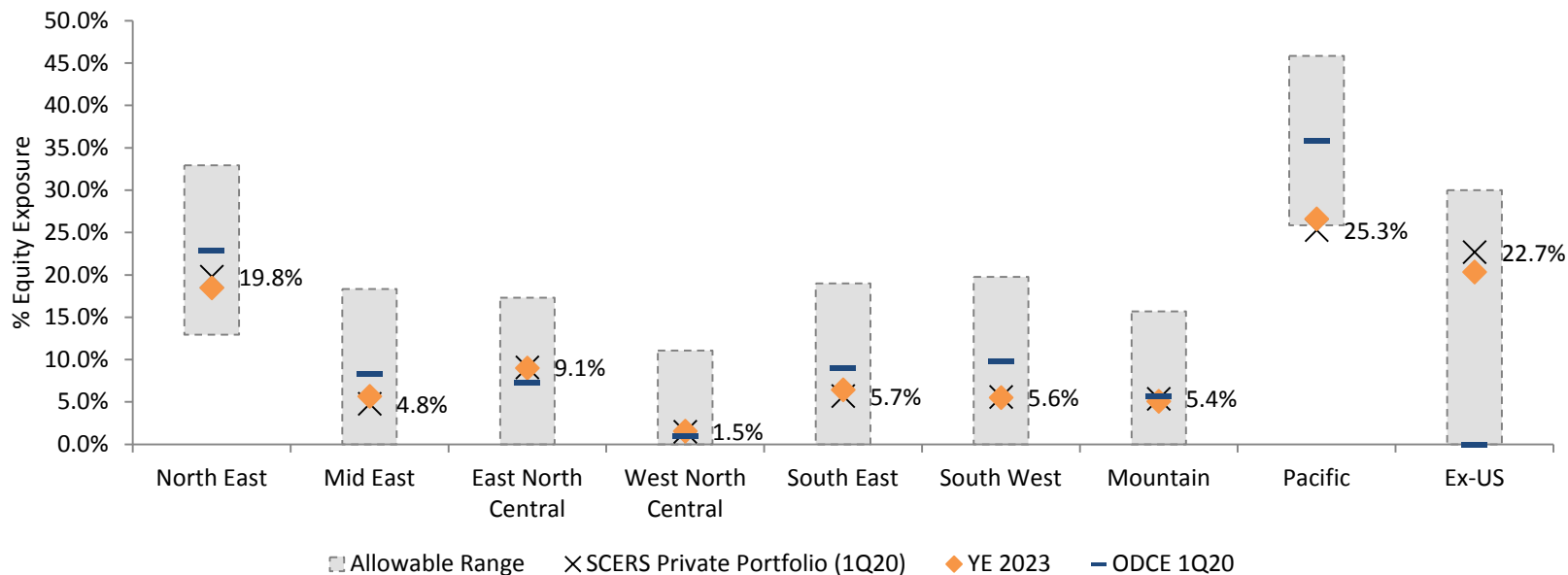
Real Estate Private Portfolio Diversification – Property Type



- The diversification of the Private Portfolio is compared to the diversification of the NFI-ODCE, with a permissible deviation of $\pm 10.0\%$ for each property type. The Real Estate Policy also allows for temporary deviations in order to provide SCERS with the flexibility required to overweight or underweight property types during certain parts of the market cycle.
- As of the First Quarter, the Private Portfolio was in compliance in the apartment, retail and hotel sectors but out of compliance in the office, industrial and other property types. Given a majority of industrial exposure is within open-ended vehicles, Townsend and Staff will continue to monitor the property type fundamentals for opportunities to tactically reduce exposure if secular growth trends moderate.
- Favorable views on the industrial property type fundamentals support increasing exposure in the current environment. SCERS made a \$70 million commitment in 2014 to the industrial space (in both the US and Europe). SCERS made an additional contribution of \$15 million to Prologis USLF in the 2nd Quarter of 2018, which further increased exposure.
- The “Other” property type exposure represents Sculptor Real Estate Fund III* (parking, senior housing and cell towers), KKR Real Estate Partners Americas (senior housing), CIM Fund VIII (condominiums), Hammes Partners II and III (medical office), Townsend Real Estate Fund (senior and student housing), NREP Nordic Strategies Fund II (student housing), NREP Nordic Strategies Fund III (senior living and land) and Prime Property Fund (self storage).

*Sculptor Real Estate Fund III was previously called Och-Ziff Real Estate Fund III.

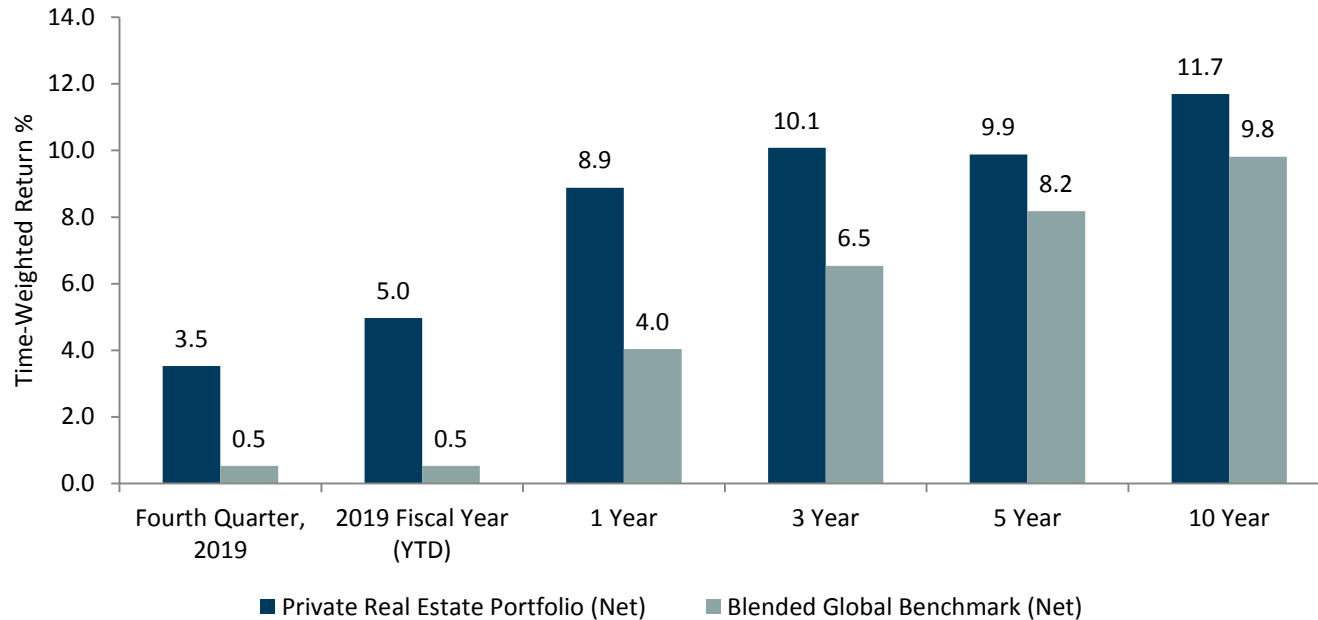
Real Estate Private Portfolio Diversification – Geographic Region



- The diversification of the Private Portfolio is compared to the diversification of the NFI-ODCE, with a permissible deviation of $\pm 10.0\%$ for each region. Ex-US exposure is limited to 30.0% of the Total Private Portfolio.
- As of the First Quarter, the Private Portfolio was in compliance across all regions, except for the Pacific region. However, tactical overweight/underweight positions may exist over time.
- The Private Portfolio's international exposure is 22.7%, well within its 30% constraint, and will remain similar as KKR Real Estate Partners Americas, Sculptor Real Estate Fund III*, NREP Nordic Strategies Fund II, III and IV, ECE European Prime Shopping Centre Fund II, and Prologis European Logistics Fund continue to call capital and purchase assets in Europe.
- Ex-US exposure consists of 3.99% in China, 2.04% in Denmark, 2.04% in Finland, 2.47% in Germany, 1.92% in France, 2.00% in Sweden, 1.15% in Netherlands, 1.44% in Poland, 1.51% in the UK and 3.54% in other countries.

*Sculptor Real Estate Fund III was previously called Och-Ziff Real Estate Fund III.

Private Real Estate Performance – Global Ancillary Benchmark (4Q19)



- The Global Ancillary Benchmark is made-up of a the NFI-ODCE (Core), NFI-ODCE + 100bps (Non-Core), GREFI Europe Core, GREFI Europe Non-Core, and GREFI Non-Core Asia Pacific to create a global blended benchmark based on weighted average invested capital for each strategy.
 - GREFI reports on a 12 week lag. As a result, the ancillary benchmark will be reported on a quarterly lag to SCERS.
- The Private Portfolio's international exposure is 22.7%, well within its 30% constraint. International exposure is mainly Non-Core in nature, with the exception of Prologis Targeted Europe Logistics Fund.
- The SCERS Private Real Estate program has outperformed its secondary benchmark over all time periods.

Exhibit A: Performance Flash Report



Portfolio Composition (\$)								
Total Plan Assets	Allocation		Market Value		Unfunded Commitments		Remaining Allocation	
9,257,864,129	Core	7.0%	669,004,076	7.2%	0	0.0%	-20,953,587	-0.2%
	Non-Core	0.00% - 5.00%	209,567,698	2.3%	166,405,006	1.8%	-167,670,761	-1.8%
	Total	7.0%	878,571,774	9.5%	166,405,006	1.8%	-188,624,348	-2.0%

Performance Summary	Quarter (%)		1 Year (%)		3 Year (%)		5 Year (%)	
	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Core Portfolio (Commingled Funds & Separate Accounts)	1.3	1.1	8.7	7.5	10.2	9.0	10.0	8.8
Non-Core Portfolio (Value Added & Opportunistic, 1Q2007 Forward)	-4.6	-4.9	7.3	2.2	12.8	9.0	14.7	11.1
Private Real Estate Portfolio	-0.1	-0.4	8.4	6.2	10.7	8.9	10.1	8.5
NFI-ODCE (Core)	1.0	0.8	4.9	3.9	6.8	5.9	8.5	7.5
NFI-ODCE + 100 bps (Non-Core)	1.2	1.0	5.9	4.9	7.8	6.9	9.5	8.5
NFI-ODCE + 35 bps (Private Portfolio)	1.1	0.8	5.2	4.3	7.2	6.2	8.8	7.8

Funding Status (\$)	Investment Vintage Year	Commitment Amount	Funded Amount	Unfunded Commitments	Capital Returned	Market Value	Market Value (%)	Market Value + Unfunded Commitments (%)
Core Commingled Funds								
Brookfield Premier Real Estate Partners	2018	100,000,000	100,000,000	0	5,185,387	107,176,272	12.7	10.6
Jamestown Premier Property Fund	2014	15,000,000	21,421,121	0	31,703,004	0	0.0	0.0
Lion Properties Fund	2018	152,400,000	154,041,402	0	40,968,826	127,374,421	15.0	12.6
MetLife Core Property Fund	2013	35,000,000	47,754,615	0	13,446,152	64,249,660	7.6	6.3
Prime Property Fund	2013	35,000,000	47,786,984	0	12,786,984	64,373,389	7.6	6.4
Principal U.S. Property Account	2015	35,000,000	35,000,000	0	0	48,746,385	5.8	4.8
Prologis European Logistics Fund ¹	2017	47,950,142	49,151,023	0	5,014,256	55,401,413	6.5	5.5
Prologis Targeted U.S. Logistics Fund	2015	50,000,000	50,000,000	0	7,605,405	80,530,545	9.5	7.9
Townsend Real Estate Fund, L.P.	2016	90,000,000	104,662,318	0	14,662,318	120,631,693	14.2	11.9
Core Commingled Funds	1986	560,350,142	609,817,463	0	131,372,332	668,483,778	76.1	64.0
Core Separate Accounts								
BlackRock Core Separate Account	1995	0	852,777,064	0	1,220,110,847	205,817	0.0	0.0
Cornerstone Separate Account	2004	0	255,784,314	0	349,671,865	314,481	0.0	0.0
Core Separate Accounts	1996	0	1,108,561,378	0	1,569,782,712	520,298	0.1	0.0
<i>Total BlackRock Separate Account</i>	<i>1996</i>	<i>0</i>	<i>872,587,671</i>	<i>0</i>	<i>1,249,610,847</i>	<i>679,096</i>	<i>0.1</i>	<i>0.1</i>
Total Core Portfolio	1986	560,350,142	1,718,378,841	0	1,701,155,044	669,004,076	76.1	64.0
Value Added Portfolio								
Allegis Value Trust	2006	25,000,000	25,550,296	0	31,309,296	79,601	0.0	0.0
Asana Partners Fund II ⁵	2019	35,000,000	2,668,750	32,025,000	0	1,185,880	0.1	3.3
DRC European Real Estate Debt Fund II ³	2013	50,007,963	48,584,007	13,844,733	43,389,666	9,209,655	1.1	2.3
ECE European Prime Shopping Centre Fund II C ³	2015	33,611,623	28,508,672	6,340,879	2,632,408	32,383,639	3.8	3.8
Hammes Partners II ³	2015	25,000,000	26,577,407	1,316,152	34,424,682	7,178,982	0.8	0.8
Hammes Partners III ⁵	2018	25,000,000	6,255,842	24,869,158	465,833	5,232,751	0.6	3.0
NREP Nordic Strategies Fund ³	2014	17,856,080	22,485,011	0	31,752,473	6,152,882	0.7	0.6
NREP Nordic Strategies Fund II	2016	35,176,432	27,678,997	8,126,496	6,176,126	30,230,521	3.6	3.8

Funding Status (\$)	Investment Vintage Year	Commitment Amount	Funded Amount	Unfunded Commitments	Capital Returned	Market Value	Market Value (%)	Market Value + Unfunded Commitments (%)
NREP Nordic Strategies Fund III	2018	39,019,632	15,494,959	20,067,660	0	15,430,997	1.8	3.5
NREP Nordic Strategies Fund IV	2019	35,449,208	858,878	35,304,501	0	219,407	0.0	3.5
Value Added Portfolio	1986	321,120,938	204,662,819	141,894,579	150,150,484	107,304,315	12.2	23.8
Opportunistic Portfolio								
BlackRock High Return Separate Account	2016	0	19,810,607	0	29,500,000	473,279	0.1	0.0
Carlyle China Project Rome Co-Investment	2017	40,000,000	37,196,570	4,416,111	0	34,317,633	4.1	3.8
Carlyle China Realty	2017	10,000,000	10,301,106	1,178,299	2,342,232	7,742,980	0.9	0.9
CIM Fund VIII ³	2015	35,000,000	37,946,529	520,647	6,404,025	36,503,484	4.3	3.7
KKR Real Estate Partners Americas ⁴	2014	35,000,000	0	4,221,077	0	9,542,496	1.1	1.4
Sculptor Real Estate Fund III ^{2,3}	2014	35,000,000	25,316,877	14,174,293	23,356,011	13,683,511	1.6	2.7
Opportunistic Portfolio	1991	155,000,000	130,571,689	24,510,427	61,602,268	102,263,383	11.6	12.1
Total Non-Core Portfolio 1Q 2007 Forward	2007	476,120,938	335,234,508	166,405,006	211,752,752	209,567,698	23.9	36.0
Total Private Portfolio								
SCERS	1986	1,036,471,080	2,053,613,349	166,405,006	1,912,907,796	878,571,774	100.0	100.0

¹ Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

⁴ Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

Returns (%)	Market Value (\$)	Quarter				Fiscal Year 2020				1 Year				3 Year			
		INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET
Core Commingled Funds																	
Brookfield Premier Real Estate Partners	107,176,272	0.6	1.8	2.4	1.9	1.9	6.0	7.9	6.4	3.0	7.4	10.5	8.4				
Jamestown Premier Property Fund	0																
Lion Properties Fund	127,374,421	0.9	0.4	1.4	1.2	2.9	2.2	5.1	4.5	3.8	2.7	6.6	5.8				
MetLife Core Property Fund	64,249,660	1.2	-0.3	0.9	0.8	3.7	0.7	4.3	4.0	4.9	1.9	6.8	6.3	5.0	2.8	7.9	7.4
Prime Property Fund	64,373,389	0.9	0.0	0.9	0.6	2.8	1.7	4.5	3.6	3.8	2.8	6.7	5.5	3.9	4.3	8.3	7.2
Principal U.S. Property Account	48,746,385	1.1	-0.5	0.6	0.4	3.2	0.9	4.1	3.3	4.3	1.3	5.7	4.7	4.5	3.3	7.9	6.9
Prologis European Logistics Fund ¹	55,401,413	1.2	-0.8	0.4	0.2	3.9	3.6	7.6	6.1	5.3	5.7	11.3	9.4				
Prologis Targeted U.S. Logistics Fund	80,530,545	0.9	1.6	2.6	2.3	3.3	9.9	13.4	11.6	4.4	13.8	18.7	16.2	4.9	14.4	19.8	17.1
Townsend Real Estate Fund, L.P.	120,631,693	1.1	-0.5	0.6	0.5	3.1	2.6	5.7	5.6	4.3	2.2	6.6	6.3	4.3	4.0	8.5	8.2
Core Commingled Funds	668,483,778	1.0	0.3	1.3	1.1	2.9	3.4	6.5	5.6	4.0	4.5	8.7	7.5	4.3	6.5	11.0	9.8
Core Separate Accounts																	
BlackRock Core Separate Account	205,817																
Cornerstone Separate Account	314,481																
Core Separate Accounts	520,298																
<i>Total BlackRock Separate Account</i>	<i>679,016</i>																
Total Core Portfolio	669,004,076	0.9	0.3	1.3	1.1	2.9	3.4	6.4	5.5	4.0	4.5	8.7	7.5	4.3	5.7	10.2	9.0
Value Added Portfolio																	
Allegis Value Trust	79,601																
Asana Partners Fund II ³	1,185,880	-4.8	-34.7	-39.6	-44.7	-10.8	-23.4	-32.9	-43.9								
DRC European Real Estate Debt Fund II ³	9,209,655	1.7	-6.4	-4.6	-4.8	2.0	-2.3	-0.2	-0.6	6.3	-5.0	1.2	0.5	8.8	-0.6	8.2	7.1
ECE European Prime Shopping Centre Fund II C ³	32,383,639	1.0	-0.6	0.4	0.2	8.0	3.4	11.5	9.7	7.3	6.3	13.8	11.3	4.2	8.3	12.6	10.1
Hammes Partners II	7,178,982	1.0	1.9	2.8	2.0	9.7	42.8	54.8	52.7	11.8	44.5	59.6	55.6	9.8	20.7	31.8	26.8
Hammes Partners III	5,232,751	2.3	0.8	3.1	-2.2	6.6	13.4	20.6	-0.8	7.0	16.1	23.8	-12.1				
NREP Nordic Strategies Fund	6,152,882	0.6	-1.9	-1.3	-1.5	1.8	16.8	18.7	13.0	2.6	20.1	23.0	-4.4	4.7	12.9	18.0	8.0
NREP Nordic Strategies Fund II	30,230,521	-1.7	-2.2	-3.8	-3.1	-2.8	12.4	9.4	1.4	-2.9	20.8	17.4	8.0	0.0	23.1	23.1	15.8
NREP Nordic Strategies Fund III	15,430,997	-1.3	-2.4	-3.7	-5.6	-6.6	15.4	8.7	0.0	-6.9	22.5	15.0	2.5				
NREP Nordic Strategies Fund IV	219,407																
Value Added Portfolio	107,304,315	-0.3	-2.4	-2.7	-3.4	2.0	13.3	15.4	9.7	2.6	17.5	20.3	9.9	4.4	11.8	16.6	10.8
Opportunistic Portfolio																	
BlackRock High Return Separate Account	473,279																
Carlyle China Project Rome Co-Investment	34,317,633	0.0	-7.7	-7.7	-8.0	0.0	-8.4	-8.4	-9.3	-0.3	-7.4	-7.6	-8.8				
Carlyle China Realty	7,742,980	-0.1	-7.1	-7.1	-7.5	10.1	-7.8	1.3	-0.1	10.6	-6.8	2.9	0.9				
CIM Fund VIII ²	36,503,484	0.0	-4.6	-4.6	-4.9	0.1	-7.6	-7.4	-8.3	0.1	-6.7	-6.6	-7.6	0.0	3.8	3.8	2.4
KKR Real Estate Partners Americas ³	9,542,496	8.9	-21.2	-12.3	-8.6	23.4	-29.9	-10.7	-6.0	19.1	-24.9	-8.3	-4.9	23.9	-15.1	6.7	7.7
Sculptor Real Estate Fund III ^{2,3}	13,683,511	1.5	-1.8	-0.3	-0.7	6.3	0.1	6.4	5.3	8.8	2.1	11.1	9.6	10.3	14.3	25.6	22.3
Opportunistic Portfolio	102,263,383	0.3	-6.7	-6.4	-6.3	2.5	-8.4	-6.1	-6.5	2.7	-6.9	-4.4	-5.2	3.2	5.4	8.7	6.7
Total Non-Core Portfolio 1Q 2007 Forward	209,567,698	0.0	-4.6	-4.6	-4.9	2.3	2.1	4.3	1.5	2.6	4.7	7.3	2.2	3.9	8.8	12.8	9.0
Total Private Portfolio																	
SCERS	878,571,774	0.7	-0.9	-0.1	-0.4	2.8	3.1	5.9	4.6	3.7	4.6	8.4	6.2	4.2	6.4	10.7	8.9

Returns (%)	Market Value (\$)	Quarter				Fiscal Year 2020				1 Year				3 Year			
		INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET
Ex-US Dollar Denominated Investments (In Local Currency)																	
Prologis Targeted Europe Logistics Fund (Euro) ¹	€ 50,215,841	1.3	0.8	2.0	1.8	4.0	6.6	10.7	9.2	5.4	7.3	12.9	11.0				
DRC European Real Estate Debt Fund II (Pound Sterling) ³	£7,419,298	1.8	0.0	1.8	1.6	2.1	0.0	2.1	1.6	6.5	0.0	6.5	5.7	8.8	0.0	8.8	7.8
ECE European Prime Shopping Centre Fund II (Euro) ³	€ 29,352,530	1.0	0.8	1.8	1.6	8.0	6.3	14.6	12.8	7.3	7.7	15.4	12.9	4.2	6.9	11.2	8.7
NREP Nordic Strategies Fund (Euro) ⁵	€ 5,576,972																
NREP Nordic Strategies Fund II (Euro)	€ 27,400,945	-1.7	-0.6	-2.3	-1.5	-2.8	15.9	12.8	4.6	-2.9	22.8	19.4	9.9	-0.1	21.8	21.8	14.6
NREP Nordic Strategies Fund III (Euro)	€ 13,986,656	-1.4	-1.1	-2.5	-4.4	-6.6	19.3	12.3	3.3	-6.9	25.5	17.8	5.0				
NREP Nordic Strategies Fund IV (Euro)	€ 604,187																
Indices																	
NFI ODCE+ 35bps				1.1	0.8			4.1	3.4			5.2	4.3			7.2	6.2
NFI-ODCE		1.0	0.0	1.0	0.8	3.1	0.7	3.8	3.1	4.2	0.7	4.9	3.9	4.2	2.5	6.8	5.9
NFI-ODCE + 100bps				1.2	1.0			4.6	3.9			5.9	4.9			7.8	6.9
CPI + 500 bps				1.0				4.8				6.6				7.0	

¹ Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ Large gross to net spreads since inception resultant from fees being called on committed capital, as well as incentive fees.

⁵ Local currency returns had not been provided by the time this report was posted.

Returns (%)	Market Value (\$)	5 Year				10 Year				Inception				TWR Calculation Inception	Net IRR	Equity Multiple
		INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET ⁴			
Core Commingled Funds																
Brookfield Premier Real Estate Partners	107,176,272									2.4	7.8	10.3	8.3	4Q18	8.3	1.1
Jamestown Premier Property Fund	0													1Q14	10.1	1.5
Lion Properties Fund	127,374,421									3.9	3.2	7.2	6.3	4Q18	6.4	1.1
MetLife Core Property Fund	64,249,660	5.0	4.4	9.6	9.1					5.1	5.7	11.0	10.5	1Q14	10.5	1.6
Prime Property Fund	64,373,389	4.1	5.7	10.0	8.8					4.2	6.8	11.2	10.0	4Q13	9.9	1.6
Principal U.S. Property Account	48,746,385									4.6	3.9	8.7	7.6	4Q15	7.6	1.4
Prologis European Logistics Fund ¹	55,401,413									5.8	7.8	13.8	11.5	4Q17	11.3	1.2
Prologis Targeted U.S. Logistics Fund	80,530,545									5.2	13.2	19.0	16.4	3Q15	16.9	1.8
Townsend Real Estate Fund, L.P.	120,631,693									4.4	4.7	9.2	8.9	2Q16	8.6	1.3
Core Commingled Funds	668,483,778	4.5	6.9	11.6	10.3	4.8	7.5	12.5	11.4	4.5	3.5	8.0	7.1	4Q86	6.9	1.3
Core Separate Accounts																
BlackRock Core Separate Account	205,817													1Q96	9.9	1.4
Cornerstone Separate Account	314,481														5.6	1.4
Core Separate Accounts	520,298													1Q96	8.8	1.4
<i>Total BlackRock Separate Account</i>	<i>679,016</i>													<i>1Q96</i>	<i>9.7</i>	<i>1.4</i>
Total Core Portfolio	669,004,076	4.5	5.3	10.0	8.8	5.0	7.2	12.6	11.3	5.5	2.1	7.6	6.6	4Q86	8.3	1.4
Value Added Portfolio																
Allegis Value Trust	79,601													1Q07	2.5	1.2
Asana Partners Fund II ³	1,185,880									-10.8	-23.4	-32.9	-43.9	4Q19	-67.3	0.8
DRC European Real Estate Debt Fund II ¹	9,209,655	9.9	-4.4	5.1	3.9					9.6	-5.1	4.2	2.5	1Q14	3.6	1.1
ECE European Prime Shopping Centre Fund II C ³	32,383,639									1.7	14.9	16.9	14.3	4Q15	13.4	1.3
Hammes Partners II	7,178,982									10.7	16.4	28.4	22.3	3Q15	22.1	1.6
Hammes Partners III	5,232,751									6.2	14.8	21.7	-21.5	1Q19	-27.3	0.9
NREP Nordic Strategies Fund	6,152,882	7.8	19.4	28.3	20.9					8.4	16.1	25.5	18.4	1Q15	23.7	1.7
NREP Nordic Strategies Fund II	30,230,521									1.6	20.5	22.5	12.3	3Q16	14.5	1.4
NREP Nordic Strategies Fund III	15,430,997									-8.8	16.9	7.5	-16.5	4Q18	10.4	1.1
NREP Nordic Strategies Fund IV	219,407													1Q20	-92.8	0.8
Value Added Portfolio	107,304,315	6.2	9.6	16.2	11.8	6.6	9.6	16.7	13.4	2.0	4.1	6.2	4.7	4Q86	5.1	1.2
Opportunistic Portfolio																
BlackRock High Return Separate Account	473,279													3Q16	18.5	1.5
Carlyle China Project Rome Co-Investment	34,317,633									-1.3	1.7	0.3	-2.4	3Q17	-4.4	0.9
Carlyle China Realty	7,742,980									3.3	1.6	5.0	2.0	3Q17	-1.3	1.0
CIM Fund VIII ¹	36,503,484	0.1	7.4	7.5	5.5					0.1	7.4	7.5	5.5	2Q15	4.0	1.1
KKR Real Estate Partners Americas ³	9,542,496	30.6	-8.6	22.2	18.4					41.9	-29.6	25.3	20.8	2Q14	0.0	
Sculptor Real Estate Fund III ^{2,3}	13,683,511	11.1	14.8	27.1	20.8					14.1	13.5	29.1	11.7	4Q14	22.4	1.5
Opportunistic Portfolio	102,263,383	5.5	8.5	14.3	10.8	12.3	-5.9	19.5	13.5	4.1	0.5	9.1	6.8	1Q91	17.5	1.3
Total Non-Core Portfolio 1Q 2007 Forward	209,567,698	5.8	8.5	14.7	11.1	6.4	9.9	16.8	13.1	4.8	5.0	9.9	5.6	1Q07	7.0	1.2
Total Private Portfolio																
SCERS	878,571,774	4.5	5.3	10.1	8.5	4.8	7.6	12.7	11.2	4.3	5.0	9.5	8.5	4Q86	8.4	1.4

Returns (%)	Market Value (\$)	5 Year				10 Year				Inception				TWR Calculation Inception	Net IRR	Equity Multiple				
		INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET ⁴							
Ex-US Dollar Denominated Investments (In Local Currency)																				
Prologis Targeted Europe Logistics Fund (Euro) ¹	€ 50,215,841													5.8	10.6	16.9	14.5	4Q17	14.4	1.3
DRC European Real Estate Debt Fund II (Pound Sterling) ³	£7,419,298	9.9	-0.9	8.9	7.7									9.6	-0.6	9.0	7.3	1Q14	7.6	1.2
ECE European Prime Shopping Centre Fund II (Euro) ³	€ 29,352,530													1.6	15.2	17.3	14.7	4Q15	13.1	1.3
NREP Nordic Strategies Fund (Euro) ⁵	€ 5,576,972																	1Q15		
NREP Nordic Strategies Fund II (Euro)	€ 27,400,945													1.6	20.6	22.5	12.4	3Q16	13.4	1.4
NREP Nordic Strategies Fund III (Euro)	€ 13,986,656													-8.9	21.6	11.7	-13.2	4Q18	1.8	1.0
NREP Nordic Strategies Fund IV (Euro)	€ 604,187																	1Q20		
Indices																				
NFI ODCE+ 35bps				8.8	7.8				11.8	10.8						7.6	6.6	4Q86		
NFI-ODCE		4.4	4.0	8.5	7.5	4.9	6.3	11.4	10.4	6.7	0.5	7.3	6.2	4Q86						
NFI-ODCE + 100bps				9.5	8.5			12.4	11.4			8.3	7.2	4Q86						
CPI + 500 bps				6.9				6.8				7.7		4Q86						

¹ Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ Large gross to net spreads since inception resultant from fees being called on committed capital, as well as incentive fees.

⁵ Local currency returns had not been provided by the time this report was posted.

Returns (%)	Market Value (\$)	2020		Fiscal Year 2020		2019		Fiscal Year 2020		2018		2017		2016		2015		2014	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Core Commingled Funds																			
Brookfield Premier Real Estate Partners	107,176,272	2.4	1.9	7.9	6.4	10.6	8.5	7.9	6.4	2.3	1.9								
Jamestown Premier Property Fund	0																		
Lion Properties Fund	127,374,421	1.4	1.2	5.1	4.5	7.3	6.4	5.1	4.5	2.0	1.8								
MetLife Core Property Fund	64,249,660	0.9	0.8	4.3	4.0	8.6	8.1	4.3	4.0	7.8	7.3	8.4	7.9	9.3	8.8	16.9	16.3	17.4	16.9
Prime Property Fund	64,373,389	0.9	0.6	4.5	3.6	7.4	6.2	4.5	3.6	9.1	8.0	9.9	8.7	10.4	9.2	15.9	14.6	15.5	14.1
Principal U.S. Property Account	48,746,385	0.6	0.4	4.1	3.3	7.0	6.0	4.1	3.3	9.1	8.1	9.1	8.1	10.0	9.0	3.0	2.8		
Prologis European Logistics Fund ¹	55,401,413	0.4	0.2	7.6	6.1	13.5	11.1	7.6	6.1	13.6	10.8	30.4	28.5	2.8	2.4				
Prologis Targeted U.S. Logistics Fund	80,530,545	2.6	2.3	13.4	11.6	19.4	16.8	13.4	11.6	18.5	16.1	24.2	20.3	16.1	14.2	9.1	7.9		
Townsend Real Estate Fund, L.P.	120,631,693	0.6	0.5	5.7	5.6	7.6	7.3	5.7	5.6	9.0	8.8	11.0	10.8	8.4	8.2				
Core Commingled Funds	668,483,778	1.3	1.1	6.5	5.6	9.5	8.3	6.5	5.6	10.9	9.7	14.2	12.8	9.8	8.9	15.7	14.1	13.5	12.4
Core Separate Accounts																			
BlackRock Core Separate Account	205,817			0.0	0.0	8.6	8.6	0.0	0.0	15.8	14.9	9.1	7.5	11.3	9.3	15.3	13.9	16.3	12.5
Cornerstone Separate Account	314,481									-8.4	-8.8	21.5	20.8	14.0	13.3	2.4	1.6	14.0	13.2
Core Separate Accounts	520,298			0.0	0.0	6.0	6.0	0.0	0.0	28.5	27.7	12.8	11.6	10.0	8.6	7.7	6.6	16.0	13.5
<i>Total BlackRock Separate Account</i>	<i>679,016</i>					<i>17.7</i>	<i>16.5</i>	<i>0.0</i>	<i>0.0</i>	<i>10.6</i>	<i>7.2</i>	<i>10.6</i>	<i>9.0</i>	<i>8.6</i>	<i>7.0</i>	<i>10.7</i>	<i>9.4</i>	<i>17.0</i>	<i>13.6</i>
Total Core Portfolio	669,004,076	1.3	1.1	6.4	5.5	9.8	8.5	6.4	5.5	8.6	7.4	13.6	12.3	9.8	8.5	10.4	9.2	15.3	13.2
Value Added Portfolio																			
Allegis Value Trust	79,601									-22.6	-22.8	8.2	7.8	9.9	9.4	8.6	8.0	10.8	10.2
Asana Partners Fund II ²	1,185,880	-39.6	-44.7			11.1	1.5												
DRC European Real Estate Debt Fund II ³	9,209,655	-4.6	-4.8	-0.2	-0.6	12.0	11.1	-0.2	-0.6	-0.6	-1.7	23.8	22.3	-7.8	-8.9	5.0	3.0	1.4	-2.1
ECE European Prime Shopping Centre Fund II C ³	32,383,639	0.4	0.2	11.5	9.7	2.2	0.0	11.5	9.7	15.1	12.8	24.7	21.5	22.1	19.7	12.1	11.0		
Hammes Partners II ²	7,178,982	2.8	2.0	54.8	52.7	59.2	55.9	54.8	52.7	27.9	19.6	12.7	10.0	16.2	10.4	19.4	12.9		
Hammes Partners III ²	5,232,751	3.1	-2.2	20.6	-0.8	23.9	-24.4												
NREP Nordic Strategies Fund ³	6,152,882	-1.3	-1.5	18.7	13.0	23.0	-4.2	18.7	13.0	0.8	0.1	41.2	40.1	23.1	21.7	55.1	50.8		
NREP Nordic Strategies Fund II	30,230,521	-3.8	-3.1	9.4	1.4	20.9	9.8	9.4	1.4	17.0	12.3	44.9	34.4	8.6	-3.8				
NREP Nordic Strategies Fund III	15,430,997	-3.7	-5.6	8.7	0.0	19.0	-5.5	8.7	0.0	-2.8	-14.4								
NREP Nordic Strategies Fund IV	219,407																		
Value Added Portfolio	107,304,315	-2.7	-3.4	15.4	9.7	22.1	11.5	15.4	9.7	10.5	6.3	24.9	22.3	9.5	7.0	19.1	17.0	15.7	13.7
Opportunistic Portfolio																			
BlackRock High Return Separate Account	473,279									17.0	14.4	24.0	21.7	6.3	6.3				
Carlyle China Project Rome Co-Investment	34,317,633	-7.7	-8.0	-8.4	-9.3	7.2	5.8	-8.4	-9.3	-2.5	-7.1	4.7	3.6						
Carlyle China Realty	7,742,980	-7.1	-7.5	1.3	-0.1	18.1	15.7	1.3	-0.1	1.6	-1.4	2.7	0.2						
CIM Fund VIII ³	36,503,484	-4.6	-4.9	-7.4	-8.3	2.0	0.9	-7.4	-8.3	9.4	8.0	8.4	6.7	6.4	4.0	16.9	13.8		
KKR Real Estate Partners Americas ⁴	9,542,496	-12.3	-8.6	-10.7	-6.0	6.8	6.4	-10.7	-6.0	8.6	9.0	11.9	10.4	6.8	5.8	15.7	11.4	7.4	6.1
Sculptor Real Estate Fund III ^{2,3}	13,683,511	-0.3	-0.7	6.4	5.3	15.9	13.6	6.4	5.3	29.7	25.7	43.3	38.2	30.0	22.2	33.7	6.9	9.4	-28.3
Opportunistic Portfolio	102,263,383	-6.4	-6.3	-6.1	-6.5	8.5	7.1	-6.1	-6.5	11.1	8.7	16.9	14.2	10.2	7.6	23.1	12.7	32.6	25.2
Total Non-Core Portfolio 1Q 2007 Forward	209,567,698	-4.6	-4.9	4.3	1.5	15.6	10.2	4.3	1.5	10.8	7.7	21.1	18.4	9.9	7.4	19.7	15.3	18.9	15.9
Total Private Portfolio																			
SCERS	878,571,774	-0.1	-0.4	5.9	4.6	11.0	8.7	5.9	4.6	9.2	7.5	15.4	13.8	9.8	8.2	12.2	10.5	15.8	13.5
Indices																			
NFI-ODCE + 35 bps		1.3	1.1	4.1	3.4	5.7	4.7	4.1	3.4	8.7	7.7	8.0	7.0	9.1	8.1	15.4	14.3	12.8	11.8
NFI-ODCE		1.0	0.8	3.8	3.1	5.3	4.4	3.8	3.1	8.3	7.4	7.6	6.7	8.8	7.8	15.0	14.0	12.5	11.5
NFI-ODCE + 100 bps		2.0	1.8	4.6	3.9	6.3	5.4	4.6	3.9	9.3	8.4	8.6	7.7	9.8	8.8	16.0	15.0	13.5	12.5
CPI + 500 bps		1.0		4.8		7.4		4.8		7.0		7.2		7.2		5.7		5.7	

¹ Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ Large gross to net spreads since inception resultant from fees being called on committed capital, as well as incentive fees.

Returns (%)	Market Value (\$)	2013		2012		2011		2010		2009		2008		2007		2006	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Core Commingled Funds																	
Brookfield Premier Real Estate Partners	107,176,272																
Jamestown Premier Property Fund	0																
Lion Properties Fund	127,374,421																
MetLife Core Property Fund	64,249,660																
Prime Property Fund	64,373,389	3.8	3.6														
Principal U.S. Property Account	48,746,385																
Prologis European Logistics Fund ¹	55,401,413																
Prologis Targeted U.S. Logistics Fund	80,530,545																
Townsend Real Estate Fund, L.P.	120,631,693																
Core Commingled Funds	668,483,778	10.2	9.3	11.1	10.1	16.4	15.5	14.1	13.3	-33.0	-33.6	-13.8	-14.6	15.5	14.5	16.9	15.8
Core Separate Accounts																	
BlackRock Core Separate Account	205,817	11.8	9.6	13.5	13.0	17.8	17.4	20.7	19.6	-29.5	-29.1	-13.9	-14.3	21.2	16.8	17.7	13.3
Cornerstone Separate Account	314,481	11.3	10.5	16.2	15.4	24.9	23.9	21.2	20.2	-31.7	-32.4	-9.4	-10.1	11.9	11.1	11.1	10.2
Core Separate Accounts	520,298	11.0	9.5	14.1	13.5	18.7	18.2	18.6	17.6	-28.5	-28.7	-10.5	-11.1	16.3	13.6	15.2	12.1
<i>Total BlackRock Separate Account</i>	<i>679,016</i>	<i>10.9</i>	<i>9.0</i>	<i>13.1</i>	<i>12.5</i>	<i>16.1</i>	<i>15.7</i>	<i>17.3</i>	<i>16.4</i>	<i>-26.8</i>	<i>-26.7</i>	<i>-11.1</i>	<i>-11.6</i>	<i>18.5</i>	<i>15.0</i>	<i>16.8</i>	<i>13.1</i>
Total Core Portfolio	669,004,076	10.8	9.5	13.3	12.6	18.2	17.6	17.6	16.7	-29.5	-29.8	-11.3	-12.0	16.1	13.8	15.5	12.7
Value Added Portfolio																	
Allegis Value Trust	79,601	4.7	4.0	21.8	20.9	15.7	14.7	21.6	20.4	-62.2	-62.8	-21.2	-23.9	38.6	28.4		
Asana Partners Fund II ⁵	1,185,880																
DRC European Real Estate Debt Fund II ⁴	9,209,655																
ECE European Prime Shopping Centre Fund II C ³	32,383,639																
Hammes Partners II ³	7,178,982																
Hammes Partners III ³	5,232,751																
NREP Nordic Strategies Fund ³	6,152,882																
NREP Nordic Strategies Fund II	30,230,521																
NREP Nordic Strategies Fund III	15,430,997																
NREP Nordic Strategies Fund IV	219,407																
Value Added Portfolio	107,304,315	13.3	10.8	19.6	18.1	16.7	14.7	23.2	20.3	-56.4	-57.6	-31.2	-33.5	18.2	5.6	0.8	0.5
Opportunistic Portfolio																	
BlackRock High Return Separate Account	473,279																
Carlyle China Project Rome Co-Investment	34,317,633																
Carlyle China Realty	7,742,980																
CIM Fund VIII ¹	36,503,484																
KKR Real Estate Partners Americas ³	9,542,496																
Sculptor Real Estate Fund III ^{2,3}	13,683,511																
Opportunistic Portfolio	102,263,383	11.7	9.4	54.2	38.5	-10.1	-8.0	42.4	34.2	54.0	43.5	-44.5	-45.4	3.4	2.6	0.0	0.0
Total Non-Core Portfolio 1Q 2007 Forward	209,567,698	16.7	13.5	34.6	26.9	-0.3	0.4	37.0	30.4	-13.5	-17.8	-33.7	-35.7	18.2	5.6		
Total Private Portfolio																	
SCERS	878,571,774	11.4	9.9	16.4	14.7	14.9	14.5	20.6	18.8	-28.1	-28.8	-12.8	-13.5	15.8	13.4	15.5	12.7
Indices																	
NFI-ODCE + 35 bps		14.3	13.3	11.3	10.1	16.3	15.3	16.7	15.6	-29.4	-30.0	-9.7	-10.3	16.3	15.2	16.7	15.6
NFI-ODCE		13.9	12.9	10.9	9.8	16.0	15.0	16.4	15.3	-29.8	-30.4	-10.0	-10.7	16.0	14.8	16.3	15.3
NFI-ODCE + 100 bps		14.9	13.9	11.9	10.8	17.0	16.0	17.4	16.3	-28.8	-29.4	-9.0	-9.7	17.0	15.8	17.3	16.3
CPI + 500 bps		6.6		6.8		8.2		6.5		8.0		5.0		9.3		7.7	

¹ Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ Large gross to net spreads since inception resultant from fees being called on committed capital, as well as incentive fees.

Quarterly Cash Flow Activity (\$)	Beginning Market Value	Contributions	Distributions	Withdrawals	Gross Income	Manager Fees	Appreciation	Ending Market Value	LTV (%)
Core Commingled Funds									
Brookfield Premier Real Estate Partners	106,150,467	0	1,022,997	0	633,749	499,699	1,914,752	107,176,272	45.3
Jamestown Premier Property Fund	18,488,819	0	0	18,488,818	0	0	0	0	43.1
Lion Properties Fund	126,785,275	256,828	1,172,108	0	1,191,553	256,828	569,701	127,374,421	21.0
MetLife Core Property Fund	63,779,307	680,062	691,537	0	737,734	76,396	-179,510	64,249,660	22.7
Prime Property Fund	63,986,009	631,611	631,611	0	559,089	198,595	26,885	64,373,389	16.4
Principal U.S. Property Account	48,562,433	0	0	0	536,323	115,282	-237,088	48,746,385	19.8
Prologis European Logistics Fund	55,819,492	0	505,457	0	687,005	139,157	-460,470	55,401,413	19.2
Prologis Targeted U.S. Logistics Fund	79,164,623	0	456,743	0	745,126	196,738	1,274,276	80,530,545	19.1
Townsend Real Estate Fund, L.P.	119,981,792	1,206,700	1,206,700	0	1,294,233	66,599	-577,733	120,631,693	38.4
Core Commingled Funds	682,718,217	2,775,201	5,687,153	18,488,818	6,384,812	1,549,294	2,330,813	668,483,778	29.0
Core Separate Accounts									
BlackRock Core Separate Account	3,259,271	0	3,032,000	0	-21,453	0	0	205,817	0.0
Cornerstone Separate Account	318,500	0	0	0	-4,019	0	0	314,481	0.0
Core Separate Accounts	3,577,771	0	3,032,000	0	-25,472	0	0	520,298	0.0
<i>Total BlackRock Separate Account</i>	<i>4,137,196</i>	<i>25,180</i>	<i>3,032,000</i>	<i>0</i>	<i>-795,141</i>	<i>0</i>	<i>343,861</i>	<i>679,016</i>	<i>0.0</i>
Total Core Portfolio	686,295,988	2,775,201	8,719,153	18,488,818	6,359,340	1,549,294	2,330,813	669,004,076	29.0
Value Added Portfolio									
Allegis Value Trust	179,433	0	0	100,000	167	0	0	79,601	0.0
Asana Partners Fund II	2,143,708	0	0	0	-103,645	109,375	-744,807	1,185,880	15.9
DRC European Real Estate Debt Fund II	10,225,991	0	531,270	0	175,567	20,446	-640,188	9,209,655	67.9
ECE European Prime Shopping Centre Fund II	26,849,450	5,466,629	0	0	303,507	66,741	-169,206	32,383,639	54.8
Hammes Partners II	7,100,837	24,920	82,305	5,277	69,550	60,123	131,379	7,178,982	62.0
Hammes Partners III	2,631,227	2,766,359	94,626	11,072	62,329	141,977	20,511	5,232,751	71.6
NREP Nordic Strategies Fund	7,539,434	0	1,280,204	0	41,376	15,240	-132,484	6,152,882	24.5
NREP Nordic Strategies Fund II	31,205,626	0	0	0	-514,964	-218,250	-678,390	30,230,521	53.0
NREP Nordic Strategies Fund III	12,363,992	3,894,764	0	0	-197,590	279,875	-350,294	15,430,997	45.0
NREP Nordic Strategies Fund IV	677,416	0	0	0	-177,797	269,276	-10,935	219,407	45.0
Value Added Portfolio	100,917,114	12,152,672	1,988,405	116,349	-341,500	744,803	-2,574,414	107,304,315	55.3
Opportunistic Portfolio									
BlackRock High Return Separate Account	877,925	25,180	0	0	-773,688	0	343,861	473,279	0.0
Carlyle China Project Rome Co-Investment	37,293,537	0	0	0	-13,841	99,454	-2,862,609	34,317,633	0.0
Carlyle China Realty	9,097,179	81,258	748,754	0	-5,161	37,295	-644,247	7,742,980	0.0
CIM Fund VIII	38,406,641	116,530	0	141,969	12,082	116,869	-1,772,931	36,503,484	36.4
KKR Real Estate Partners Americas	10,444,326	0	0	0	931,228	-378,253	-2,211,311	9,542,496	73.0
Sculptor Real Estate Fund III	13,850,643	573,702	650,698	0	202,157	46,735	-245,558	13,683,511	0.0
Opportunistic Portfolio	109,970,251	796,670	1,399,452	141,969	352,777	-77,900	-7,392,795	102,263,383	31.3
Total Non-Core Portfolio 1Q 2007 Forward	210,887,365	12,949,342	3,387,857	258,318	11,277	666,903	-9,967,209	209,567,698	46.1
Total Private Portfolio									
SCERS	897,183,353	15,724,543	12,107,010	18,747,136	6,370,617	2,216,197	-7,636,396	878,571,774	34.0

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
Core Commingled Funds						
Brookfield Premier Real Estate Partners	35.7	30.4	33.9	-	-	-
Jamestown Premier Property Fund	-	-	-	-	-	-
Lion Properties Fund	22.2	36.2	22.9	12.4	-	6.2
MetLife Core Property Fund	31.8	33.0	19.8	12.6	-	2.8
Prime Property Fund	25.3	30.9	23.2	11.1	-	9.5
Principal U.S. Property Account	19.2	38.5	23.3	14.5	-	4.5
Prologis European Logistics Fund	-	-	100.0	-	-	-
Prologis Targeted U.S. Logistics Fund	-	-	100.0	-	-	-
Townsend Real Estate Fund, L.P.	12.3	5.1	9.8	3.5	-	69.2
Core Commingled Funds	19.1	21.7	37.7	6.3	-	15.2
Core Separate Accounts						
BlackRock Core Separate Account	-	-	-	-	-	-
Cornerstone Separate Account	-	-	-	-	-	-
Core Separate Accounts	-	-	-	-	-	-
<i>Total BlackRock Separate Account</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total Core Portfolio	18.7	21.1	39.6	6.2	-	14.5
Value Added Portfolio						
Allegis Value Trust	-	-	-	-	-	-
Asana Partners Fund II	-	-	-	100.0	-	-
DRC European Real Estate Debt Fund II	-	38.8	-	61.2	-	-
ECE European Prime Shopping Centre Fund II	-	-	-	100.0	-	-
Hammes Partners II	-	-	-	-	-	100.0
Hammes Partners III	-	-	-	-	-	100.0
NREP Nordic Strategies Fund	-	-	-	3.0	-	97.0
NREP Nordic Strategies Fund II	12.3	1.5	42.1	6.8	-	37.3
NREP Nordic Strategies Fund III	17.3	10.7	24.9	8.4	-	38.7
NREP Nordic Strategies Fund IV	39.2	-	17.5	37.1	-	6.3
Value Added Portfolio	6.0	5.3	15.5	39.9	-	33.2

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
Opportunistic Portfolio						
BlackRock High Return Separate Account	-	-	-	-	-	-
Carlyle China Project Rome Co-Investment	-	-	100.0	-	-	-
Carlyle China Realty	-	-	100.0	-	-	-
CIM Fund VIII	51.0	18.1	0.9	14.0	4.6	11.4
KKR Real Estate Partners Americas	10.0	23.8	-	14.7	33.4	18.1
Sculptor Real Estate Fund III	6.4	3.3	-	2.0	4.0	84.3
Opportunistic Portfolio	20.1	9.2	41.6	6.7	5.3	17.1
Total Non-Core Portfolio	12.9	7.2	28.2	23.7	2.6	25.4
Total Private Portfolio						
SCERS	17.6	18.2	35.5	10.5	0.6	17.6
Indices						
NFI-ODCE	25.5	33.3	21.2	15.4	0.0	4.4

Geographic Diversification (%)	North East	Mid East	East North Central	West North Central	South East	South West	Mountain	Pacific	Ex-US
Core Commingled Funds									
Brookfield Premier Real Estate Partners	21.8	8.9	6.2	6.6	2.4	-	9.9	44.3	-
Jamestown Premier Property Fund	-	-	-	-	-	-	-	-	-
Lion Properties Fund	25.1	7.3	3.7	0.1	7.6	9.9	7.0	39.2	-
MetLife Core Property Fund	11.1	8.8	7.8	-	13.5	14.2	11.7	33.0	-
Prime Property Fund	24.1	6.7	8.9	1.2	13.2	8.1	5.0	32.7	-
Principal U.S. Property Account	16.9	9.0	2.9	1.1	9.0	14.6	10.6	36.0	-
Prologis European Logistics Fund	-	-	-	-	-	-	-	-	100.0
Prologis Targeted U.S. Logistics Fund	14.8	3.7	12.3	-	10.2	10.5	5.7	42.7	-
Townsend Real Estate Fund, L.P.	46.0	3.2	30.2	3.6	3.9	2.0	2.5	8.6	-
Core Commingled Funds	23.0	6.0	10.5	1.9	7.0	6.7	6.4	30.2	8.3
Core Separate Accounts									
BlackRock Core Separate Account	-	-	-	-	-	-	-	-	-
Cornerstone Separate Account	-	-	-	-	-	-	-	-	-
Core Separate Accounts	-	-	-	-	-	-	-	-	-
<i>Total BlackRock Separate Account</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total Core Portfolio	22.5	5.9	10.3	1.9	7.0	6.7	6.3	30.2	9.2
Value Added Portfolio									
Allegis Value Trust	-	-	-	-	-	-	-	-	-
Asana Partners Fund II	16.6	28.5	-	-	26.9	-	2.3	25.7	-
DRC European Real Estate Debt Fund II	-	-	-	-	-	-	-	-	100.0
ECE European Prime Shopping Centre Fund II	-	-	-	-	-	-	-	-	100.0
Hammes Partners II	11.6	13.7	53.6	0.0	0.0	13.1	7.9	0.1	-
Hammes Partners III	16.3	11.1	25.7	4.4	16.9	13.4	12.3	-	-
NREP Nordic Strategies Fund	-	-	-	-	-	-	-	-	100.0
NREP Nordic Strategies Fund II	-	-	-	-	-	-	-	-	100.0
NREP Nordic Strategies Fund III	-	-	-	-	-	-	-	-	100.0
NREP Nordic Strategies Fund IV	-	-	-	-	-	-	-	-	100.0
Value Added Portfolio	3.4	4.6	5.2	0.2	3.6	1.6	1.4	2.7	77.2
Opportunistic Portfolio									
BlackRock High Return Separate Account	-	-	-	-	-	-	-	-	-
Carlyle China Project Rome Co-Investment	-	-	-	-	-	-	-	-	100.0
Carlyle China Realty	-	-	-	-	-	-	-	-	100.0
CIM Fund VIII	41.1	-	12.1	-	0.8	0.1	7.9	34.7	3.3
KKR Real Estate Partners Americas	8.6	-	1.2	-	13.9	14.2	-	24.9	37.3
Sculptor Real Estate Fund III	14.7	2.9	2.3	0.5	6.0	8.0	4.0	33.0	28.7
Opportunistic Portfolio	19.0	0.4	5.2	0.1	1.8	1.9	3.8	20.0	47.8
Total Non-Core Portfolio	9.4	1.1	4.8	0.1	1.7	2.0	2.2	9.5	69.0
Total Private Portfolio									
SCERS	19.8	4.8	9.1	1.5	5.7	5.6	5.4	25.3	22.7
Indices									
NFI-ODCE	22.9	8.3	7.3	1.1	9.0	9.8	5.7	35.8	-

Advisory Disclosures and Definitions

Disclosure

Trade Secret and Confidential.

Past performance is not indicative of future results.

Investing involves risk, including the possible loss of principal.

Returns are presented on a time weighted basis and shown both gross and net of underlying third party fees and expenses and may include income, appreciation and/or other earnings. In addition, investment level Net IRR's and equity multiples are reported.

The Townsend Group, on behalf of its client base, collects quarterly limited partner/client level performance data based upon inputs from the underlying investment managers. Data collection is for purposes of calculating investment level performance as well as aggregating and reporting client level total portfolio performance. Quarterly limited partner/client level performance data is collected directly from the investment managers via a secure data collection site.

¹In select instances where underlying investment managers have ceased reporting limited partner/client level performance data directly to The Townsend Group via a secure data collection site, The Townsend Group may choose to input performance data on behalf of its client based upon the investment managers quarterly capital account statements which are supplied to The Townsend Group and the client alike.

Benchmarks

The potential universe of available real asset benchmarks are infinite. Any one benchmark, or combination thereof, may be utilized on a gross or net of fees basis with or without basis point premiums attached. These benchmarks may also utilize a blended composition with varying weighting methodologies, including market weighted and static weighted approaches.

Exhibit B: Real Estate Market Update 1Q20



United States Real Estate Market Update (1Q20)

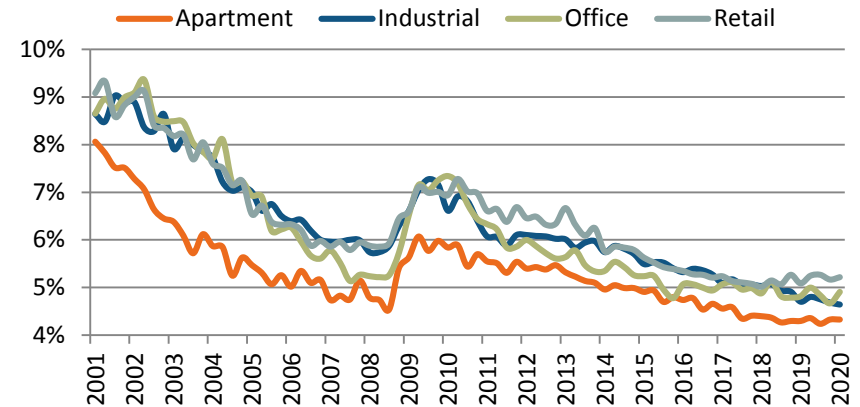
General

- December 31, 2019, China reported an abnormal cluster of pneumonia cases to the World Health Organization. The cause of the pneumonia cluster, COVID-19, rapidly spread and produced a global pandemic, which led to a stark halt of economic growth. The pandemic resulted in quarantines and extended shelter in place orders. Equity markets reacted quickly, and the S&P 500 produced a gross total return of -19.6% during the quarter. The MSCI US REIT index produced a return of -27.0%. Globally, consumption, supply chains, and daily routines were disrupted.
- The U.S. entered a recession in February; GDP grew at an annualized rate of -4.8%. Initial jobless claims reached 10 million in March alone, while the unemployment rate peaked in April at 14.7%. The Federal Reserve has acted aggressively via quantitative easing and rate cuts, thus far financial markets have stabilized. In addition, the CARES Act provided \$1.5 trillion of stimulus to the economy.

Commercial Real Estate

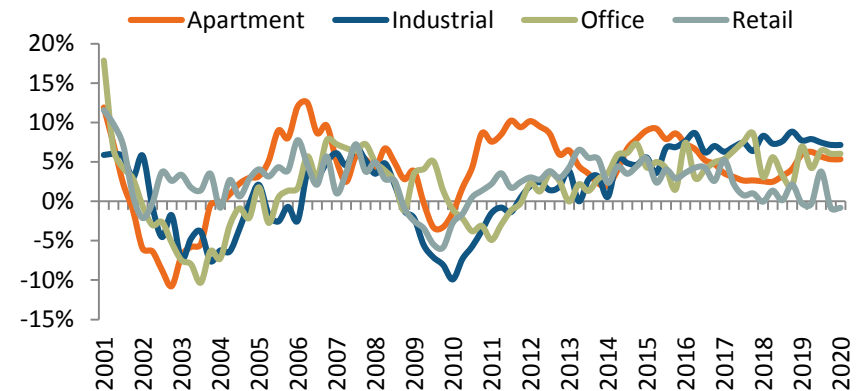
- Shelter in place orders and social distancing have restricted the ability to complete due diligence and acquire assets. Price discovery has been limited.
- Private real estate market carrying values remained flat over the quarter. Transaction cap rates (5.4%) expanded 4 bps during the quarter, while current valuation cap rates reacted differently across property sectors, industrial (-4 bps), apartments (0 bps) office (+24 bps), and retail (+5 bps).
- NOI growth continued to be positive across property sectors during the quarter. Retail NOI growth continues to struggle (-230 bps) in the face of e-commerce headwinds. NOI is expected to contract in the 2nd quarter. Subsequent to quarter-end, rent collections have remained strong in the Apartment, Industrial, and Office sectors. The Retail sector has seen rent collections of 30-50% vs. more than 85% in the other major sectors.
- In the first quarter of 2020, \$26 bn of aggregate capital was raised by real estate funds. There continues to be substantial dry powder, ~\$335 billion, seeking exposure to private real estate.
- 10-year treasury bond yields declined 122 bps to 0.70% during the quarter, as investors sought safety.

Current Value Cap Rates by Property Type



Source: NCREIF

4 Qtr Rolling NOI Growth



Source: NCREIF

United States Property Matrix (1Q20)

INDUSTRIAL

- In 1Q20, industrial properties were the highest returning sector at 2.6% and outperformed the NPI by 190 bps.
- Transaction volumes reached \$33.6 billion in the first quarter of the year, a 90.0% year-over-year increase. Individual asset sales were up 4.2% year-over-year, while portfolio purchases turned in a year-over-year volume increase of 26.8%. Yet again, portfolio transaction volume was driven by multiple megadeals. The portfolio transaction volume regressed to the mean growth rate in 1Q20 following the past two quarter of astronomical growth.
- The industrial sector continued to experience steady NOI growth of 8.3% over the past year, significantly increasing from the prior periods TTM growth of 7.1% in 4Q19. Market rent growth is expected to decelerate compared to the recent phenomenal pace, but still remains very strong.
- Vacancy decreased by 2 bps to 3.5%, still remaining close to all-time historic lows. E-commerce continues to drive demand.
- Industrial cap rates compressed approximately 6 bps from a year ago, to 4.64%. Industrial fundamentals still top all property sectors.

MULTIFAMILY

- The apartment sector delivered a 1.0% return during the quarter, overperforming the NPI by 25 bps.
- Transaction volume in the first quarter of 2020 reached \$39.8 billion, an increase of 2.9% year-over-year. This volume continues to make multifamily the most actively traded sector for the eleventh straight quarter.
- Cap rates stayed steady at 4.33%, inflating 3 bps year-over-year. Robust job growth and improving wages have supported healthy operating fundamentals.
- Steady demand for the sector continues to keep occupancy floating around 94.0%, vacancy has decreased 35 bps from a year ago. The aging millennials have begun shifting their desires to suburban living but continued home price appreciation has deterred the full effect of this migratory trend.

OFFICE

- The office sector returned 1.3% in 1Q20, 60 bps above the NPI return over the period.
- Transaction volumes increased by 5.7% year-over-year in Q1. Annual sales volumes equaled \$30.0 billion for the quarter. Single asset transactions accounted for 80% of volume.
- Occupancy growth within the office sector has improved, increasing 0.3% year-over-year. Office continues to be the highest vacancy property type at close to 10.1%.
- NOI growth of 5.8% in the last year is a positive as the sector continued to benefit from positive job growth in the beginning of the quarter. Sun Belt and tech-oriented West Coast office fundamentals continue to prove healthiest. Due to a number of work from home orders put in place at the end of the first quarter, NOI growth is expected to trend downward.
- Office cap rates expanded from a year ago to approximately 4.91% in the first quarter. Office-using job growth is shifting negatively as expected. Many work from home policies were put in place at the end of the quarter, slowing overall office growth.

RETAIL

- As of 1Q20, the retail sector delivered a quarterly return of -2.1%, performing 280 bps below the NPI.
- Transaction volumes totaled \$13.0 billion in the first quarter, increasing 4.7% year-over-year.
- Cap rates have expanded approximately 13 bps within the sector over the last year, to 5.22%.
- NOI growth remains negative for the first quarter of 2020. NOI has decreased 153 bps over the past year. Retail is expected to continue to suffer from the shift towards e-commerce.
- Retail vacancy rates increased 6 bps over the past year to 7.6%. Many big box stores have closed as the need for retail space shrinks, translating to a negative outlook for rent growth.

Global Real Estate Market Update (1Q20)

- Global investment activity during the first quarter of 2020 was down relative to the same period in 2019. In 2020, the New York, Los Angeles, San Francisco metro markets have witnessed the greatest transaction volume.
- Broad geopolitical risk factors, such as Brexit and the Trade War, continue to have negatively influenced sentiment. A global slowdown was triggered by the COVID-19 pandemic, further dampening transaction volumes. Loose monetary policy continued supporting low yields and pushing capital inflows towards real estate which offers a premium to other asset classes.

Global Total Commercial Real Estate Volume - 2019 - 2020

\$ US Billions	Q1 2020	Q1 2019	% Change	Full Year	Full Year	% Change
			Q1 20 - Q1 19	Ending 1Q20	Ending 1Q19	Full Year
Americas	116	99	17%	549	522	5%
EMEA	70	67	4%	377	349	8%
Asia Pacific	111	185	-40%	769	836	-8%
Total	296	351	-16%	1694	1707	-1%

Source: Real Capital Analytics, Inc., Q1' 20

- Investment volumes in the Americas increased by 17% year-over-year, including Canada and the US posting investment volume growth, and Brazil showing substantial declines. The COVID-19 pandemic didn't escalate in the Americas until the second half of March.
- The Asia Pacific region declined as a whole due largely to activity levels falling as a result of the pandemic. Specifically in Hong Kong, volume hit its lowest level since the Global Financial Crisis as a product of continued sociopolitical uncertainty within the metro. While South Korea experienced some growth, China, Australia, and Japan declined.
- In EMEA, Brexit continued to press UK investment volumes lower, a 1% decline from first quarter 2019. Growth for the rest of EMEA countries led to the highest Q1 investment volumes on record. The COVID-19 crisis didn't escalate in EMEA until the second half of March.
- In the office sector, global leasing activity begun to see a decline as deals were cancelled or delayed. The U.S office market saw net absorption decline, as well as an 8% YoY decline in leasing activity. Europe experienced an uptick in demand and no office markets saw a fall in rents. Economic, geopolitical, and sectoral headwinds subdued leasing activity in the APAC region.
- The retail sector continued to face headwinds globally as e-commerce disrupts traditional consumer spending habits and the lockdowns to slow the spread of COVID-19 all but halted foot traffic. Within the U.S., net absorption continued to trend downward. Retail sales saw the largest monthly decline in March on record. Across both Europe and APAC, rents saw declines as sentiment begins to turn negative.
- The multifamily market in the U.S. has continued to see solid growth, with vacancy rates remaining low. Construction remains near peak levels, possibly presenting future supply headwinds. Rent control and low supply constrained activity in many European markets, but investment volume remains positive. APAC markets were mixed, a result of macroeconomic uncertainty and holiday season effects.
- Industrial properties demand continued to grow but at a slower pace. Uptake was robust globally driven by logistics and omnichannel distribution demand. New supply has been increasing rapidly, and there are signs of slowing demand in Asia while Europe recovered from a slow start earlier in the year.

Global Outlook - GDP (Real) Growth % pa, 2020-2022

	2020	2021	2022
Global	-3.1	4.9	3.4
Asia Pacific	0.0	5.1	4.6
Australia	-4.5	4.0	3.4
China	1.7	8.0	5.5
India	-2.0	7.1	
Japan	-5.0	2.2	1.1
North America	-5.9	3.9	2.9
US	-5.7	4.0	3.0
MENA*	-1.0	2.9	
European Union	-7.2	5.0	2.2
France	-9.0	6	1.8
Germany	-6.2	4.9	2.0
UK	-7.8	5.5	2.7

*Middle East North Africa

Source: Bloomberg

Exhibit C: Glossary



Cash Flow Statement

Beginning Market Value:	Value of real estate, cash and other holdings from prior period end.
Contributions:	Cash funded to the investment for acquisition and capital items (i.e., initial investment cost or significant capital improvements).
Distributions:	Actual cash returned from the investment, representing distributions of income from operations.
Withdrawals:	Cash returned from the investment, representing returns of capital or net sales proceeds.
Ending Market Value:	The value of an investment as determined by actual sales dollars invested and withdrawn plus the effects of appreciation and reinvestment; market value is equal to the ending cumulative balance of the cash flow statement (NAV).
Unfunded Commitments:	Capital allocated to managers which remains to be called for investment. Amounts are as reported by managers.
Remaining Allocation	The difference between the ending market value + the unfunded commitments and the target allocation. This figure represents dollars available for allocation.

Style Groups

<p>The Style Groups consist of returns from commingled funds with similar risk/return investment strategies. Investor portfolios/investments are compared to comparable style groupings.</p>	
Core:	Direct investments in operating, fully leased, office, retail, industrial, or multifamily properties using little or no leverage (normally less than 30%).
Value-Added:	Core returning investments that take on moderate additional risk from one or more of the following sources: leasing, re-development, exposure to non-traditional property types, the use of leverage (typically between 40% and 65%).
Opportunistic:	Investments that take on additional risk in order to achieve a higher return. Typical sources of risks are: development, land investing, operating company investing, international exposure, high leverage (typically between 50% and 65% or higher), distressed properties.

Indices

Stylized Index:	Weights the various style group participants so as to be comparable to the investor portfolio holdings for each period.
Open-End Diversified Core Equity Index (“ODCE”):	A core index that includes only open-end diversified core strategy funds with at least 95% of their investments in U.S. markets. The ODCE is the first of the NCREIF Fund Database products, created in May 2005, and is an index of investment returns reporting on both a historical and current basis (24 active vehicles). The ODCE Index is capitalization-weighted and is reported gross and net of fees. Measurement is time-weighted and includes leverage.
NCREIF Timberland Index (“NTI”):	National Index comprised of a large pool of individual timber properties owned by institutions for investment purposes.
NCREIF Property Index (“NPI”):	National Property Index comprised of core equity real estate assets owned by institutions.

Performance

Income Return (“INC”):	Net operating income net of debt service before deduction of capital items (e.g., roof replacement, renovations, etc.)
Appreciation Return (“APP”):	Increase or decrease in investment's value based on internal or third party appraisal, recognition of capital expenditures which did not add value or uncollectible accrued income, or realized gain or loss from sales.
Total Gross Return (“TGRS”):	The sum of the income return and appreciation return before adjusting for fees paid to and/or accrued by the manager.
Total Net Return (“TNET”):	Total gross return less Advisor fees reported. All fees are requested (asset management, accrued incentives, paid incentives). No fee data is verified. May not include any fees paid directly by the investor as opposed to those paid from cash flows.
Inception Returns ¹ :	The total net return for an investment or portfolio over the period of time the client has funds invested. Total portfolio Inception Returns may include returns from investments no longer held in the current portfolio.
Net IRR:	IRR after advisory fees, incentive and promote. This includes actual cash flows and a reversion representing the LP Net Assets at market value as of the period end reporting date.
Equity Multiple:	The ratio of Total Value to Paid-in-Capital (TVPIC). It represents the Total Return of the investment to the original investment not taking into consideration the time invested. Total Value is computed by adding the Residual Value and Distributions. It is calculated net of all investment advisory and incentive fees and promote.

¹ Portfolio level returns include historical returns of managers no longer with assets under management. All returns are calculated on a time-weighted basis.

GEOGRAPHIC REGIONS and DIVISIONS

