



# Board of Retirement Regular Meeting

## Sacramento County Employees' Retirement System

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### Agenda Item 15

**MEETING DATE:** September 18, 2024

**SUBJECT:** Quarterly Investment Performance Report—Real Estate

**SUBMITTED FOR:** \_\_\_ Consent    \_\_\_ Deliberation and Action     X  Receive and File

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### **RECOMMENDATION**

Receive and file the performance report on real estate investments for the quarter ended June 30, 2024, as presented by Townsend Group.

### **PURPOSE**

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

### **DISCUSSION**

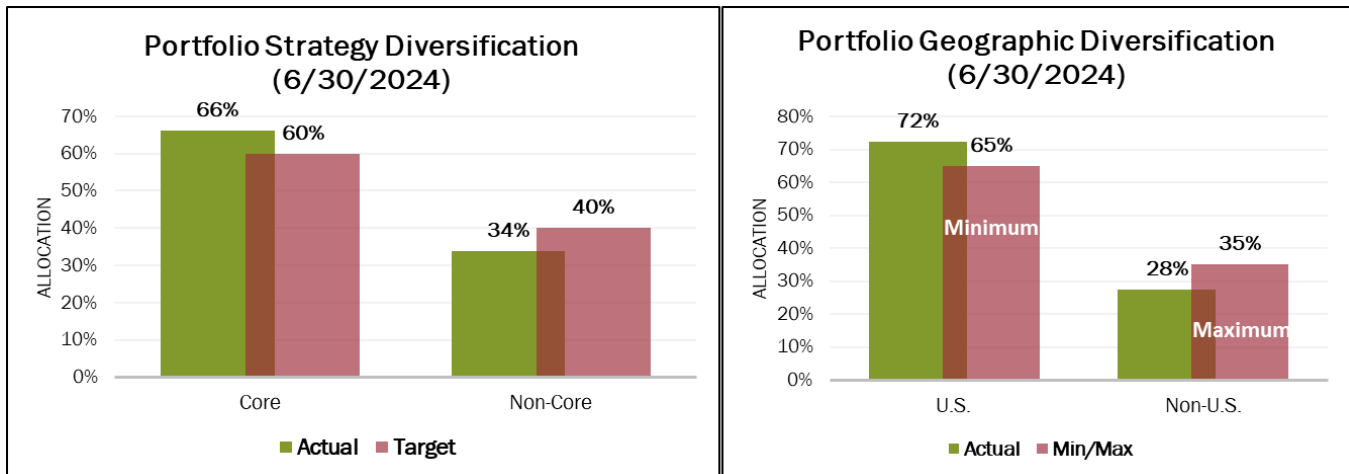
This memorandum provides a summarized table of SCERS' Real Estate period returns, which are provided within Townsend's Quarterly Performance Review, and highlights notable manager performance, along with any recent real estate investments made by SCERS.

SCERS' Real Estate actual invested allocation is 6.6% as of June 30, 2024, under the target allocation of 9.0% and slightly under the allocation range of 7.0%-11.0%. SCERS' real estate portfolio allocation is currently underweight non-core strategies, which is a focus for 2024 commitments.

### SCERS REAL ESTATE PERFORMANCE SUMMARY Quarter Reporting Period Ended June 30, 2024

SUB-ASSET CLASS	Quarter 6/30/24	1-Year	3-Year	5-Year	Since Inception	Since Inception Date
<b>SCERS Real Estate Portfolio</b>	<b>-1.6%</b>	<b>-9.4%</b>	<b>1.2%</b>	<b>4.0%</b>	<b>7.9%</b>	Nov-86
(65%) NFI-ODCE + (35%) NFI-ODCE + 1%	-0.6%	-9.7%	1.4%	2.7%	6.1%	Nov-86
<b>Core Portfolio</b>	<b>-1.0%</b>	<b>-9.4%</b>	<b>2.0%</b>	<b>4.7%</b>	<b>6.8%</b>	Nov-86
NFI-ODCE Index	-0.7%	-10.0%	1.0%	2.3%	5.7%	
<b>Non-Core Portfolio</b>	<b>-2.8%</b>	<b>-9.0%</b>	<b>-0.7%</b>	<b>2.0%</b>	<b>4.6%</b>	Jun-06
Value Add Portfolio	-0.1%	-2.4%	5.6%	9.5%	5.2%	Jun-06
Opportunistic	-8.7%	-22.1%	-11.9%	-8.9%	5.4%	May-13
NFI-ODCE + 1% Index	-0.4%	-9.0%	2.0%	3.3%	6.7%	

### SCERS PORTFOLIO DIVERSIFICATION



### SCERS PORTFOLIO RESULTS

For the quarter ended June 30, 2024, SCERS' Real Estate portfolio underperformed against the NFI-ODCE blended benchmark, -1.6% versus -0.6%. The detractors of performance were the opportunistic strategies (-8.7%) where there is more development risk.

The private real estate market continued its decline as transaction volumes are down leaving little insight into property pricing. Financing has been difficult due to the uncertain economic environment and interest rate levels further impacting real estate valuations.

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Below are notable top and bottom-performing funds during the quarter ended June 30, 2024:

- Top performing funds:
  - Core:
    - Prologis U.S. Logistics Fund: +1.3%
    - Prologis European Logistics Fund: +1.1% in U.S. Dollars (1.9% in Euros)
  - Non-Core:
    - Seven Seas Japan: +7.3% in U.S. Dollars (14.0% in Japanese Yen)
    - KKR Real Estate Partners Americas: +4.3%
    - Sculptor Real Estate Fund IV: +3.2%

Bottom performing funds:

- Core:
  - Brookfield Premier Real Estate Partners: -2.8%
  - Clarion Lion Properties Fund: -1.9%
  - Townsend Real Estate Fund: -1.3%
- Non-Core:
  - CIM Fund VIII: -39.2%
  - Hammes Partners IV: -34.3%
  - Carlyle China Realty: -6.6%

## **NEW INVESTMENTS**

During the quarter ended June 30, 2024, SCERS did not make any new commitments.

## **ATTACHMENTS**

- Board Order
- Townsend's Real Estate Portfolio Performance Measurement Report for the Quarter ended June 30, 2024

Prepared by:

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JR Pearce  
Senior Investment Officer

Reviewed by:

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Steve Davis  
Chief Investment Officer

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Eric Stern  
Chief Executive Officer



# Retirement Board Order

## Sacramento County Employees' Retirement System

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**Before the Board of Retirement  
September 18, 2024**

AGENDA ITEM:

### **Quarterly Investment Performance Report—Real Estate**

THE BOARD OF RETIREMENT hereby accepts the recommendation of staff to receive and file the performance report on real estate investments for the quarter ended June 30, 2024, as presented by Townsend Group.

I HEREBY CERTIFY that the above order was passed and adopted on September 18, 2024 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES:

(Present but not voting)

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Board President

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Eric Stern  
Chief Executive Officer and  
Board Secretary



Real Estate Portfolio

# Performance Measurement Report

SECOND QUARTER 2024



# SCERS

SACRAMENTO COUNTY  
EMPLOYEES'  
RETIREMENT SYSTEM

## SCERS Real Estate Portfolio Overview

- SCERS has a target real estate allocation of 9% with an allowable range of 7.0%-11.0%. As of the end of the second quarter, 2024 (the “Quarter”), the Real Estate Portfolio was below the real estate target and below the allowable range at 6.6%. While the real estate allocation at 6.6% is less than the 7% minimum, we note that 1.2% of capital is undrawn as of the second quarter. As noted in the past, it is likely not all capital will be drawn, but SCERS is constantly evaluating new investment opportunities to deploy capital. Core Real Estate currently makes up 66.1% of the portfolio, with Non-Core Real Estate making up the remaining 33.9%.

### SCERS' Real Estate Portfolio Construction:

	Minimum	Target	Maximum	Policy Index Benchmark
Total Real Estate Program	7%	<b>9%</b>	11%	Custom blend of benchmarks below:
Core Real Estate	50%	<b>60%</b>	80%	60% NFI-ODCE +
Non-Core Real Estate	30%	<b>40%</b>	50%	40% NFI-ODCE + 1%
U.S. Real Estate	60%	<b>65%</b>	80%	
Non-U.S. Real Estate	0%	<b>35%</b>	35%	

- 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-six Diversified 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’ Core 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 Core IMA Portfolio. Given the size of the Core 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 1, 2018.
- The loan-to-value ratio of the Private Real Estate Portfolio was 40.4% at the end of the second quarter of 2024. The loan-to-value ratio of the Core Portfolio was 36.2%, 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 27.2% as of the second quarter. The Non-Core Portfolio reported a loan-to-value ratio of 47.2%.

## Portfolio Funding Status

- The following slides provide a review of key information of the SCERS Real Estate Portfolio (the “Portfolio”) through June 30, 2024.
- A detailed performance report is also provided in **Exhibit A**.
- Figures exclude commitments / redemptions / dispositions approved subsequent to Quarter-end and future distributions.
- Unfunded commitments may never be fully drawn.
- A partial redemption payment was received from the Townsend Real Estate Fund in the second quarter.

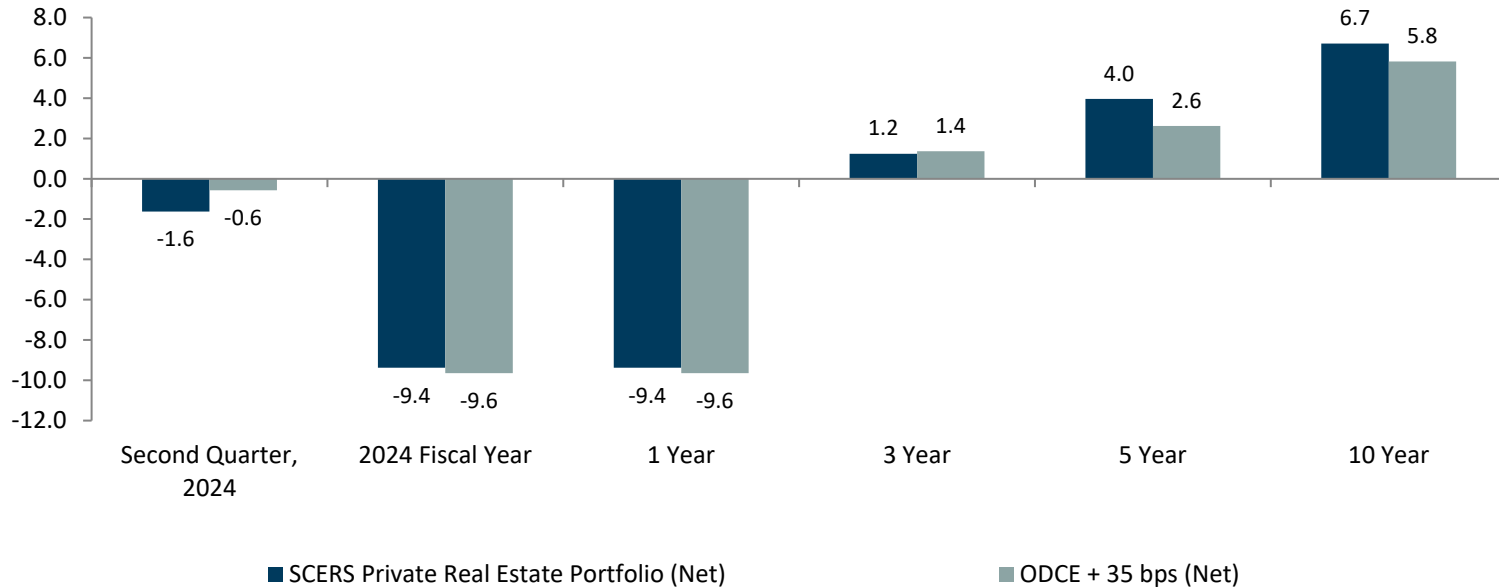
<b>SCERS Portfolio Snapshot</b> <i>As of June 30, 2024</i>	<b>Market Value</b> (in millions of dollars)*	<b>% of SCERS Plan</b>	<b>% of Real Estate</b>
<b>SCERS Total Plan Assets</b>	<b>13,322</b>	<b>100.0%</b>	
<b>Private Portfolio Target</b>	<b>1,199</b>	<b>9.0%**</b>	
<b>Private Portfolio Permissible Range</b>		<b>7.0-11.0%**</b>	
<b>Private Real Estate</b>			
Core Portfolio	581	4.4%	66.1%
Non-Core Portfolio	298	2.2%	33.9%
<b>Total SCERS Private Real Estate Market Value</b>	<b>879</b>	<b>6.6%</b>	
<b>Total SCERS Private Real Estate Unfunded Commitments</b>	<b>161</b>	<b>1.2%</b>	

• Figures may not add due to rounding

\*\* The 9% Private Portfolio (RE) target and permissible range were approved during the third quarter of 2021

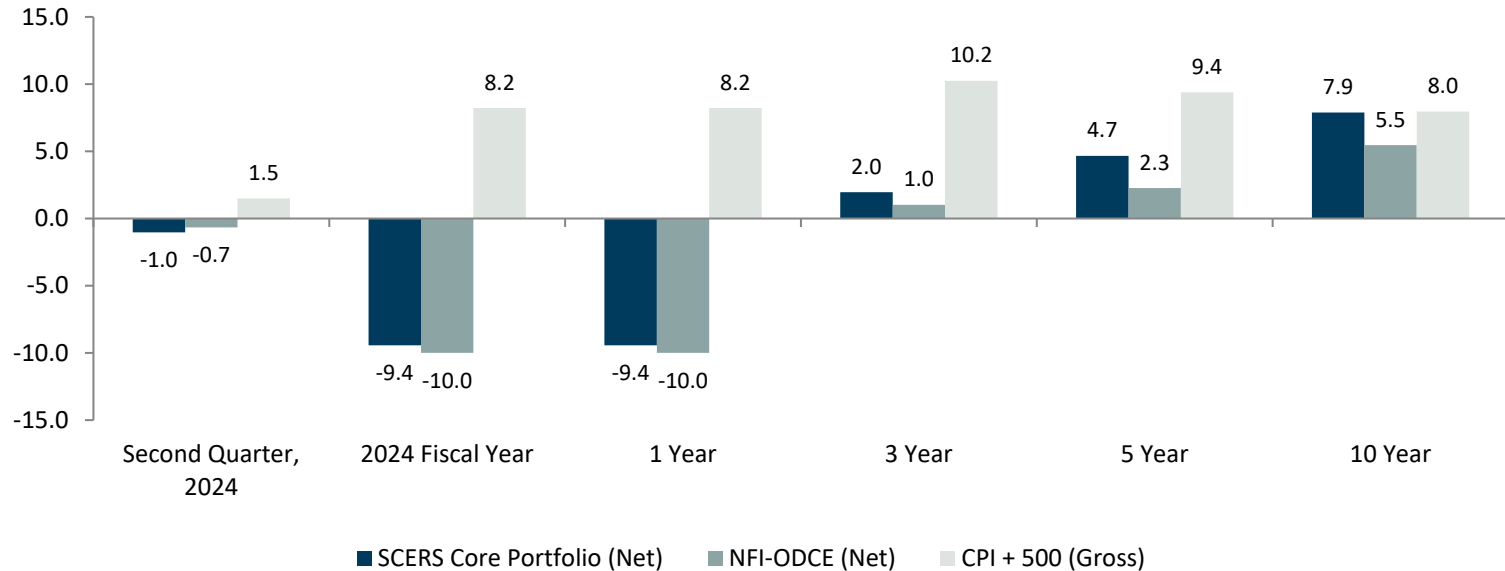


# Private Real Estate Performance



- 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.
- The SCERS Private Real Estate Portfolio generated negative returns in the second quarter of 2024, underperforming the benchmark by 105 basis points. Underperformance was driven by the Non-Core Portfolio, particularly in the Opportunistic portfolio, including a strategy with exposure to office and other strategies with exposure to China. Nevertheless, a number of investments produced outsized returns, including industrial, alternative real estate property types, and Japanese investments.
- However, the SCERS Total Real Estate Portfolio outperformed the benchmark over all other time periods driven by the robust performance of the Core funds as well as the Non-Core investments.

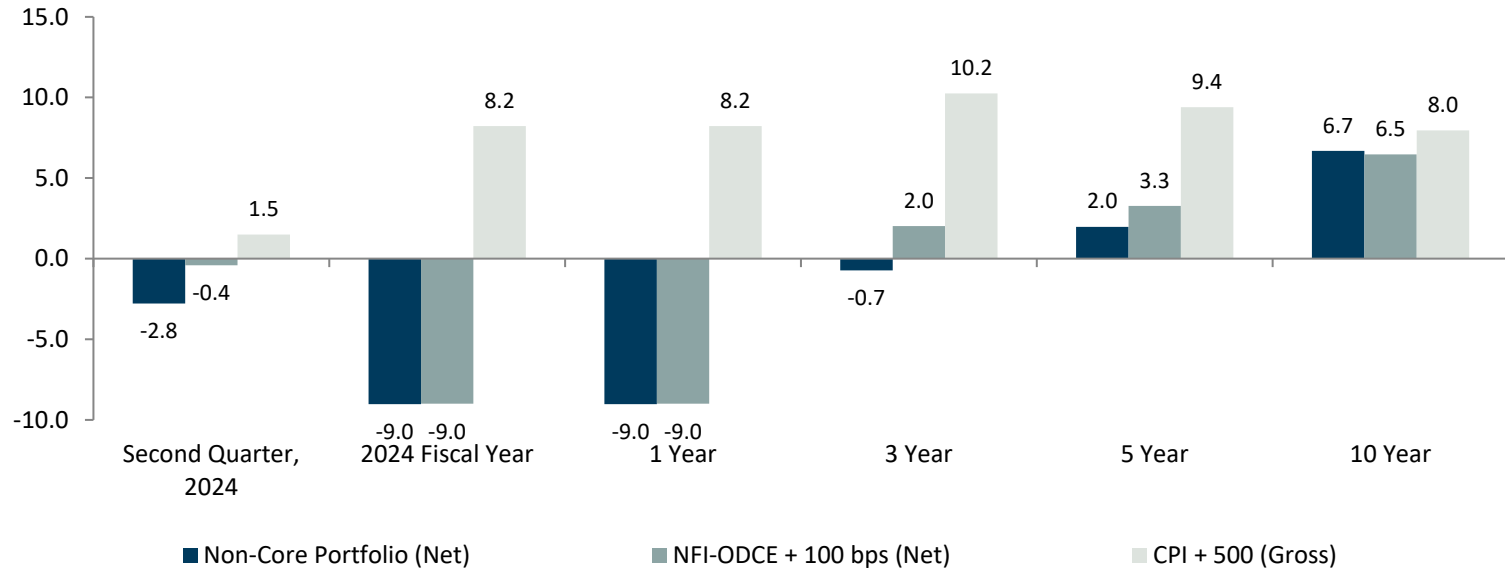
# Core Portfolio Performance



- The SCERS Core Portfolio consists of seven open-end Commingled funds. These include several diversified Core and Core Plus funds, as well as two sector specific industrial funds.
- 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 time periods except for the trailing quarter. The NFI-ODCE benchmark has been slow to reflect changing real estate market conditions; appraisers have been hesitant to justify significant valuation changes due to the lack of transactions.
- During the Quarter, the Core portfolio underperformed the NFI-ODCE by 37 basis points generating a -1.0% net return as the Core open-end fund managers continue to write down their assets in response to the higher interest rate environment. The underperformance of the Core portfolio was primarily due to Brookfield Premier Real Estate Partners (-2.8% net), Lion Properties Fund (-1.9% net), and Townsend Real Estate Fund (-1.3% net). On the other hand, Prologis Targeted U.S. Logistics Fund (1.3% net) and Prologis European Logistics Fund (1.1% net) provided positive returns to the Core portfolio during the quarter.

\*EX-US funds produced the following 2Q24 net returns in local currency: Prologis European Logistics Fund (Euro) 1.9%.

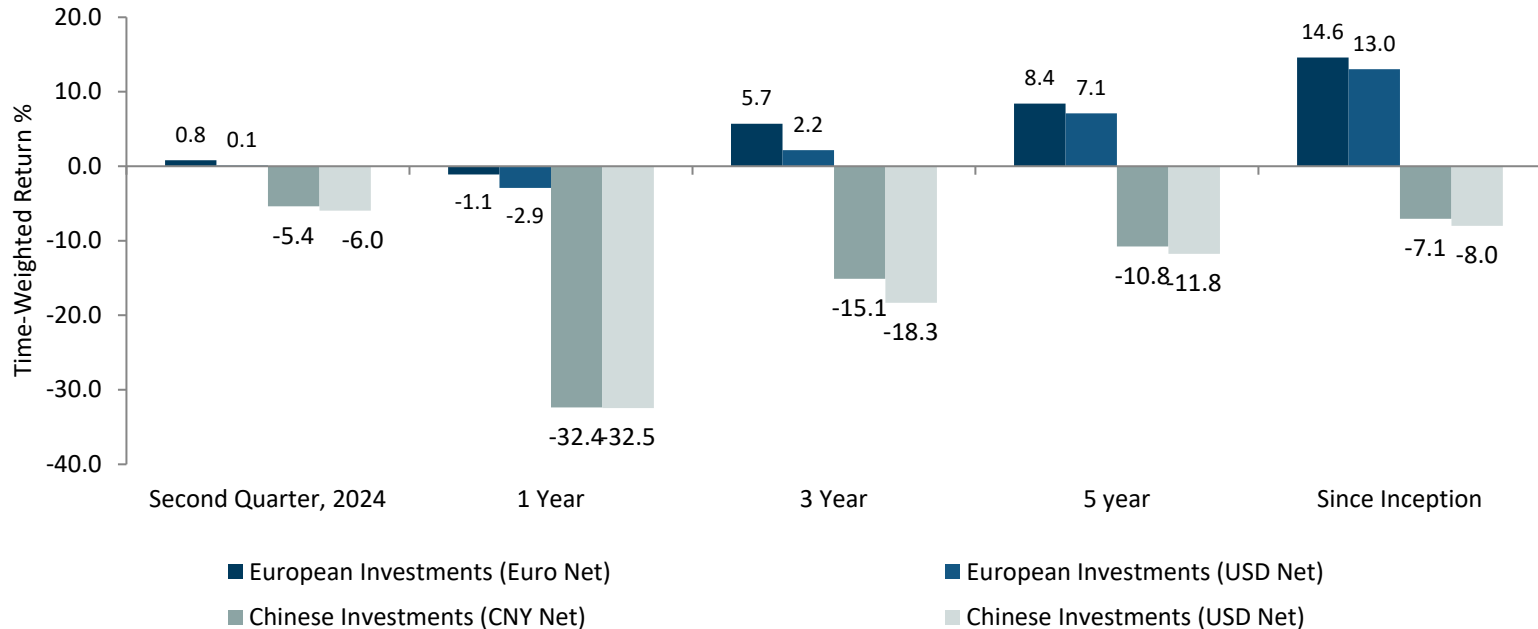
# Non-Core Portfolio Performance



- 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’s performance has been mixed – underperforming during the quarter, 3-year, and 5-year time periods, but outperforming or meeting the benchmark over the 1-year and 10-year periods.
- During the quarter, the Non-Core Portfolio underperformed the benchmark by 238 basis points recording net returns of -2.8%. The underperformance is attributed to the weak performance of the opportunistic investments generating -8.7% in net returns, largely driven by the negative performance of CIM Fund VIII (-39.2% net), Carlyle China Realty (-6.6% net), Carlyle Project Rome Co-Investment (-6.5% net), and LaSalle China Logistics Venture (-4.7% net).
- Seven Seas Japan Opportunity Fund was the strongest absolute performer and contributor during the second quarter, generating 7.3% in net returns.
- Sculptor Real Estate Fund IV was the largest contributor to positive relative performance for the trailing year, generating a 11.9% net return.

*\*EX-US funds produced the following 2Q24 net returns in local currency: DRC European Real Estate Debt Fund II (Pound Sterling) 0.0%, ECE European Prime Shopping Centre Fund II (Euro) 0.8%, NREP Nordic Strategies Fund (Euro) 0.7%, NREP Nordic Strategies Fund II (Euro) -1.0%, NREP Nordic Strategies Fund III (Euro) -0.2%, NREP Nordic Strategies Fund IV (Euro) 0.7%, NREP Nordic Strategies Fund V (Euro) 1.1%, Carlyle China Realty Fund (Chinese Yuan) -6.1%, and Carlyle’s Project Rome (Chinese Yuan) -5.9%.*

# Ex-US Portfolio Performance

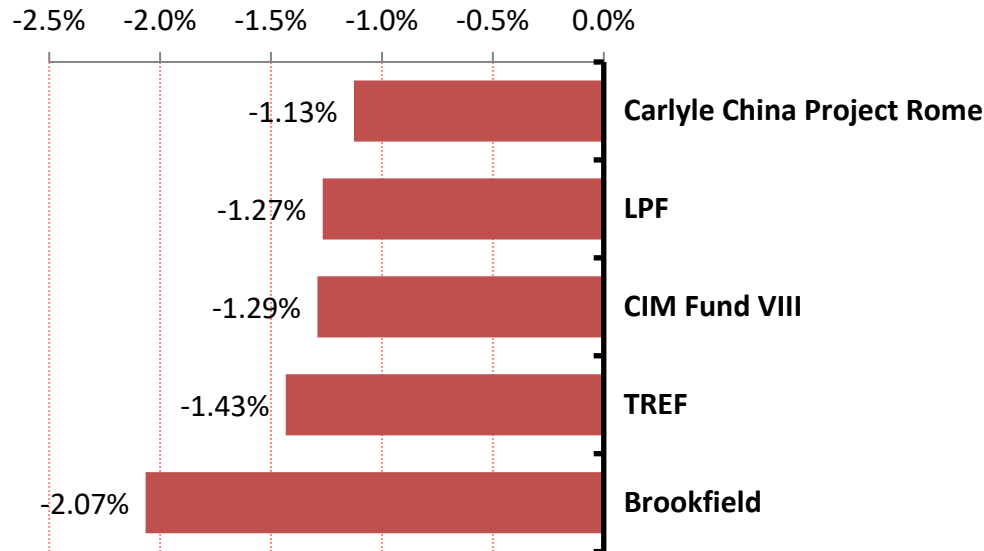
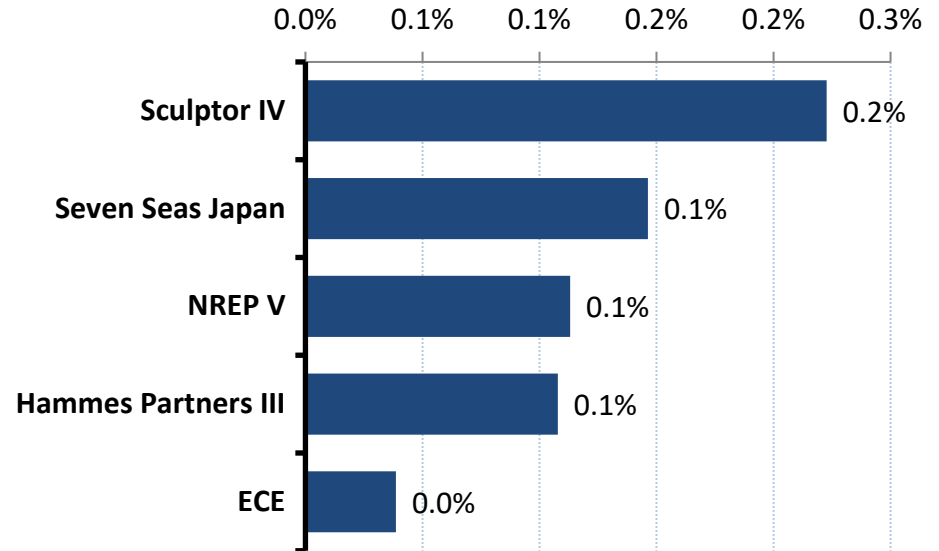


- Approximately 23.0% of the SCERS Portfolio is comprised of Ex-US investments. SCERS does not currently hedge its foreign currency exposures and pays liabilities in US Dollars. As such, FX movement will impact performance for Ex-US investments. The chart above isolates European and Asian investments and displays performance both before and after currency conversion.
- During the quarter, the impact of currency movement was slightly negative on foreign investments with both investments in Euros and Chinese Yuan. Currency impacts on performance tend to be cyclical in nature.
- The SCERS Euro Denominated Composite includes: ECE European Prime Shopping Center Fund II, NREP Nordic Strategies Funds I-V, and Prologis European Logistics Fund (PELF).
  - Since Inception period begins 1Q15.
  - For the purposes of this composite, DRC has been excluded since it is a Pound denominated fund.
- The SCERS Chinese Yuan Composite includes: Carlyle China Realty Fund, Carlyle’s Project Rome and LaSalle China Logistics Venture.
  - Since Inception period begins 3Q17.
  - Carlyle and LaSalle investments are USD denominated at the fund level, but property values are exposed to currency translation.

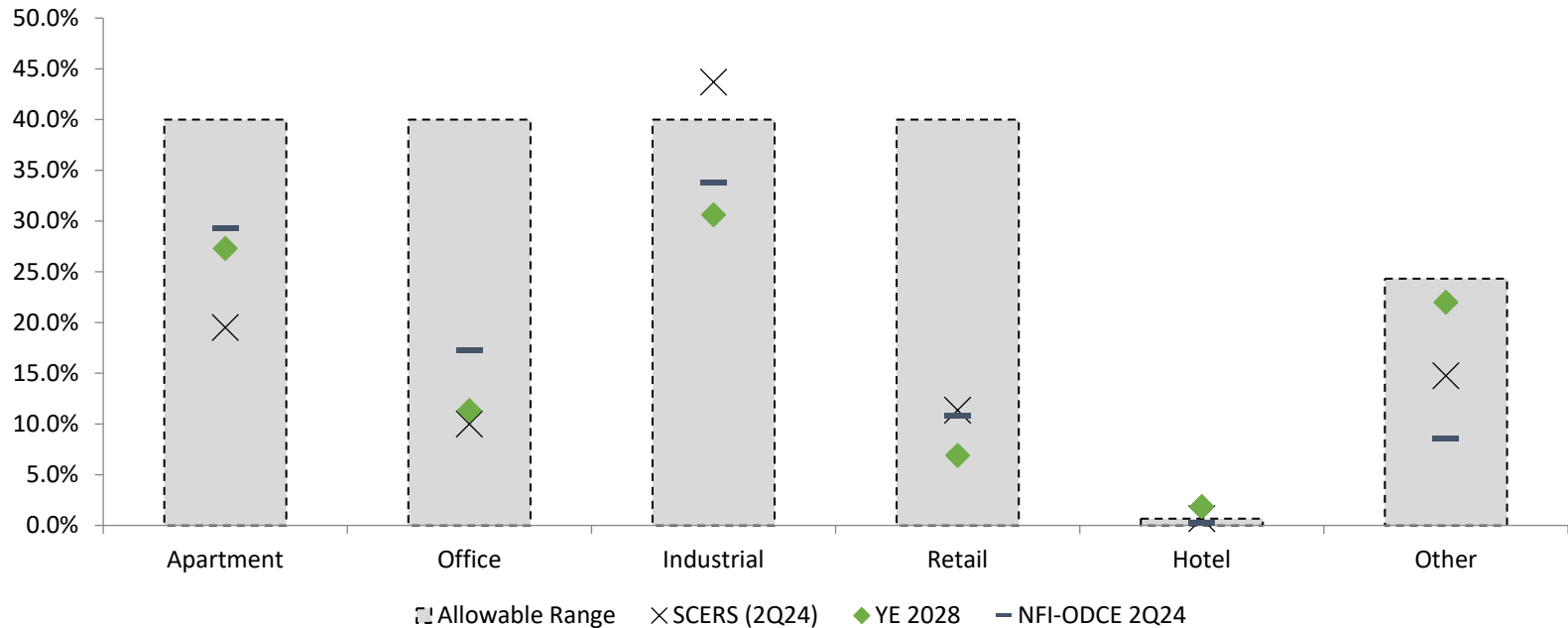
\*Seven Seas Japan was excluded from the graph because the fund is a Japanese Yen denominated fund.

## Performance Attribution- One Year Period

- Over the trailing twelve-month period, the top five performers were non-core investments, including value-add and opportunistic funds, which drove outperformance of the SCERS Portfolio recently. The funds include Sculptor Real Estate Fund IV, Seven Seas Japan Opportunity Fund, NREP Nordic Strategies Fund V, Hammes Partners III, and ECE European Prime Shopping Centre Fund II.
- The largest detractors were mainly Core funds, given the continued valuation write-downs witnessed across all stabilized properties due to higher interest rates along with increased cap rates.
- Brookfield Premier Real Estate Partners was the largest detractor. Brookfield's performance was impacted by valuation write-downs, primarily in the office sector.
- Townsend Real Estate Fund was the second largest detractor in a 1-year period due to its large weight in the portfolio during a year of negative returns. However, it has outperformed the benchmark over all annualized time periods.



## Real Estate Private Portfolio Diversification – Property Type

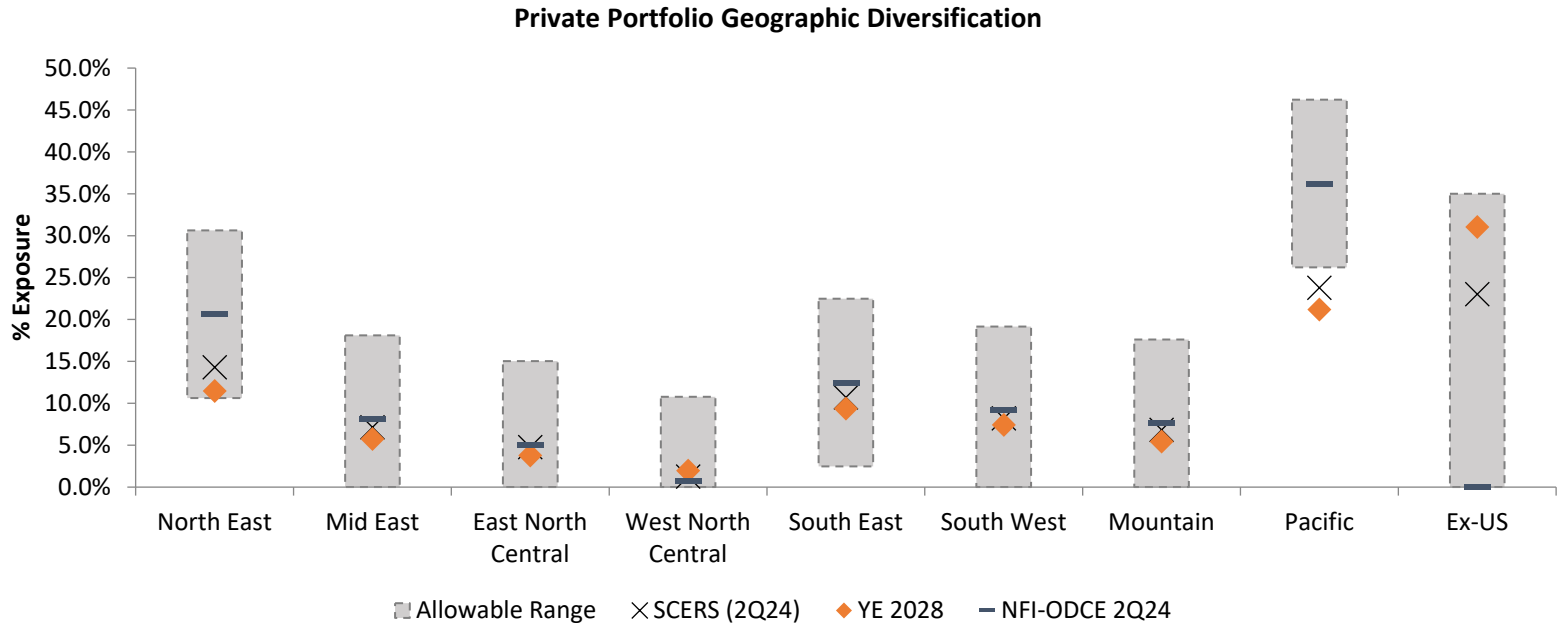


- The diversification of the Private Portfolio is compared to the diversification of the NFI-ODCE, and has a maximum limit of 40% for each property type, except for the “other” property type which has a maximum limit of 25%\*\*. The Real Estate Policy also allows for temporary deviations in order to provide SCERS with the flexibility required to overweight or underweight property types during certain parts of the market cycle.
- As of the second quarter, the industrial property type was the only sector outside the current set limit of 40%. However, the industrial exposure has already been brought down through a prior partial redemption and is anticipated to decrease further as new non-industrial investments continue to call capital.
- The “Other” property type exposure represents Sculptor Real Estate Fund III\* (parking, senior housing and cell towers), Sculptor Real Estate Fund IV (parking), CIM Fund VIII (condominiums), Hammes Partners II, III and IV (medical office), Townsend Real Estate Fund (student housing and medical office), NREP Nordic Strategies Fund II (student housing), NREP Nordic Strategies Fund III (senior living and land), NREP Nordic Strategies Fund IV (senior living), and NREP Nordic Strategies Fund V (senior living).

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

\*\* The 25% limit is for “Other” property type exposure including hotels. However, our chart currently separates the “Hotel” property sector from “Other” due to be aligned with the ODCE classifications.

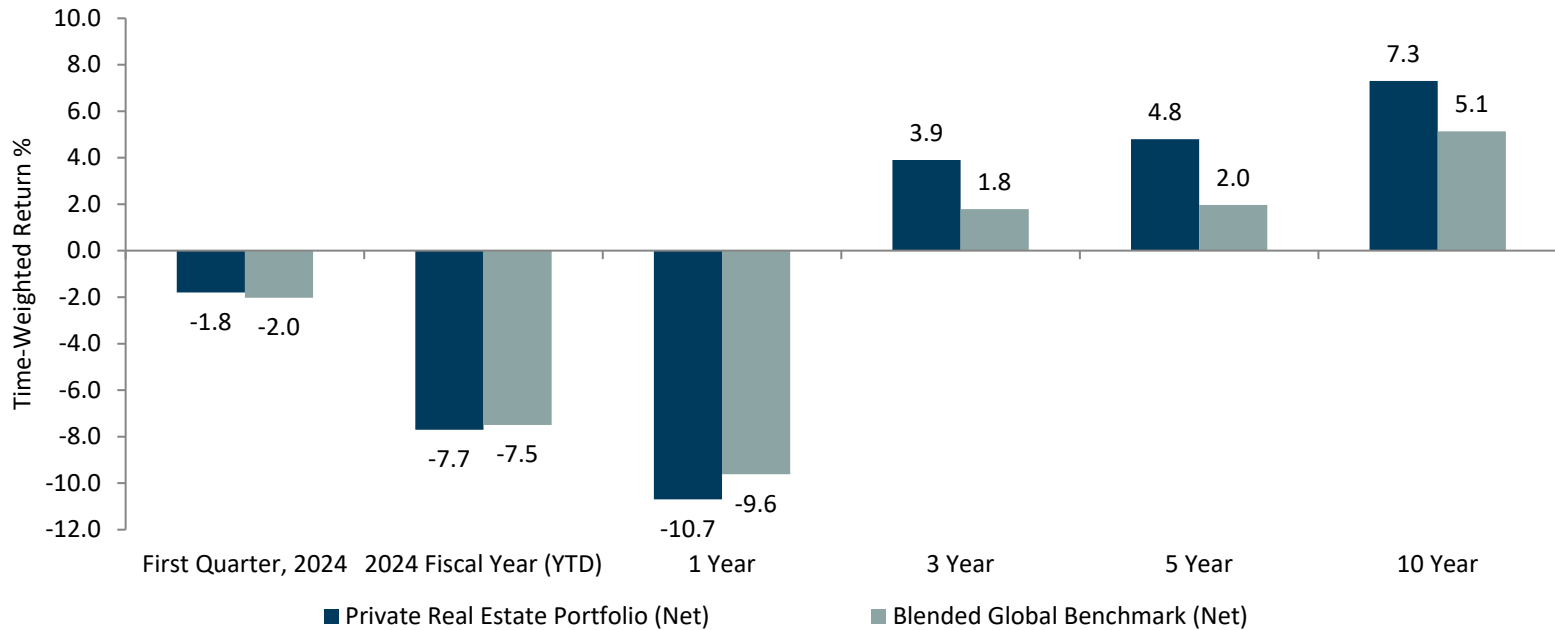
# Real Estate Private Portfolio Diversification – Geographic Region



- 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 35.0% of the Total Private Portfolio.
- As of the second quarter, the Private Portfolio was in compliance across all regions excluding the Pacific.
- The Private Portfolio's international exposure is 23.0%, well within its 35% constraint, and will remain similar as newer funds such as NREP Nordic Strategies Fund III, IV and V, as well as LaSalle China Logistics and Seven Seas Japan continue to call capital and purchase assets in Europe, China and Japan while older vintage funds liquidate.
- Ex-US exposure consists of China (4.8%), Denmark (3.5%), Sweden (3.5%), Germany (2.8%), Finland (2.3%), United Kingdom (2.0%), Poland (1.7%), Japan (1.5%), Netherlands (1.3%), France (1.1%), and other countries (3.5%).

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

## Private Real Estate Performance – Global Ancillary Benchmark (1Q24)



- The Global Ancillary Benchmark is made-up of 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 23.0%, well within its 35% 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 significantly over the medium and long-term, but underperformed over the short-term.



## Exhibit A: Performance Flash Report



Portfolio Composition (\$)								
Total Plan Assets	Allocation		Market Value		Unfunded Commitments		Remaining Allocation	
13,321,798,841	Core	5.5%	581,305,215	4.4%	0	0.0%	151,393,721	1.1%
	Non-Core	3.5%	297,537,625	2.2%	160,772,134	1.2%	-158,569,285	-1.2%
	<b>Total</b>	<b>9.0%</b>	<b>878,842,840</b>	<b>6.6%</b>	<b>160,772,134</b>	<b>1.2%</b>	<b>-7,175,564</b>	<b>-0.1%</b>

Performance Summary	Quarter (%)		1 Year (%)		3 Year (%)		5 Year (%)	
	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Core Portfolio (Commingled Funds & Separate Accounts)	-0.9	-1.0	-9.0	-9.4	3.0	2.0	5.7	4.7
Non-Core Portfolio (Value Added & Opportunistic, 1Q2007 Forward)	-2.1	-2.8	-7.7	-9.0	2.6	-0.7	6.0	2.0
Private Real Estate Portfolio	-1.3	-1.6	-8.7	-9.4	2.9	1.2	5.8	4.0
NFI-ODCE (Core)	-0.4	-0.7	-9.3	-10.0	1.9	1.0	3.2	2.3
NFI-ODCE + 100 bps (Non-Core)	-0.2	-0.4	-8.3	-9.0	2.9	2.0	4.2	3.3
NFI-ODCE + 35 bps (Private Portfolio)	-0.4	-0.6	-8.9	-9.6	2.2	1.4	3.5	2.6

Funding Status (\$)	Investment Vintage Year	Commitment Amount	Funded Amount	Unfunded Commitments	Capital Returned	Market Value	Market Value (%)	Market Value + Unfunded Commitments (%)
<b>Core Commingled Funds</b>								
Brookfield Premier Real Estate Partners	2018	100,000,000	100,000,000	0	24,536,021	93,161,758	10.6	9.0
Lion Properties Fund	2018	152,400,000	158,444,354	0	79,422,769	102,860,323	11.7	9.9
MetLife Core Property Fund	2013	35,000,000	55,099,893	0	24,585,555	70,674,702	8.0	6.8
Principal U.S. Property Account	2015	35,000,000	35,000,000	0	0	53,944,653	6.1	5.2
Prologis European Logistics Fund <sup>1,3</sup>	2016	78,037,070	80,543,205	0	49,193,973	58,708,567	6.7	5.6
Prologis Targeted U.S. Logistics Fund	2015	50,000,000	50,225,869	0	66,495,349	73,756,901	8.4	7.1
Townsend Real Estate Fund, L.P. <sup>3</sup>	2016	90,000,000	120,975,151	0	52,421,557	128,198,311	14.6	12.3
<b>Core Commingled Funds</b>	<b>1986</b>	<b>540,437,070</b>	<b>600,288,472</b>	<b>0</b>	<b>296,655,224</b>	<b>581,305,215</b>	<b>66.1</b>	<b>55.9</b>
<b>Value Added Portfolio</b>								
Asana Partners Fund II <sup>3</sup>	2019	35,000,000	30,931,250	4,068,750	0	34,504,143	3.9	3.7
Asana Partners Fund III <sup>3</sup>	2022	45,000,000	18,133,333	21,866,667	0	16,479,567	1.9	3.7
DRC European Real Estate Debt Fund II <sup>3</sup>	2013	50,007,963	47,627,074	4,083,498	43,498,683	5,976,167	0.7	1.0
ECE European Prime Shopping Centre Fund II C <sup>3</sup>	2015	33,611,623	34,613,419	0	6,951,828	34,867,886	4.0	3.4
Hammes Partners II	2015	25,000,000	27,687,961	1,085,442	44,164,328	3,044,551	0.3	0.4
Hammes Partners III	2018	25,000,000	30,816,749	3,016,666	15,355,100	22,039,171	2.5	2.4
Hammes Partners IV	2023	40,000,000	1,650,018	38,349,982	327,964	240,664	0.0	3.7
NREP Nordic Strategies Fund	2014	18,387,980	22,485,011	0	36,076,702	3,040,953	0.3	0.3
NREP Nordic Strategies Fund II	2016	35,176,432	35,664,816	470,929	55,351,664	14,953,010	1.7	1.5
NREP Nordic Strategies Fund III <sup>3</sup>	2018	29,868,800	34,309,672	1,542,169	8,455,396	33,439,567	3.8	3.4

<sup>1</sup> Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

<sup>2</sup> Previously Och-Ziff Real Estate Fund III.

<sup>3</sup> Preliminary data.

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 IV	2019	35,449,208	24,791,187	10,921,741	0	22,380,092	2.5	3.2
NREP Nordic Strategies Fund V	2022	41,710,115	12,452,526	24,698,280	0	18,734,145	2.1	4.2
<b>Value Added Portfolio</b>	<b>1986</b>	<b>414,212,121</b>	<b>321,163,016</b>	<b>110,104,124</b>	<b>210,181,665</b>	<b>209,699,916</b>	<b>23.9</b>	<b>30.8</b>
<b>Opportunistic Portfolio</b>								
Carlyle China Project Rome Co-Investment	2017	40,000,000	38,745,488	4,405,916	0	19,456,776	2.2	2.3
Carlyle China Realty	2017	10,000,000	10,783,995	695,409	2,342,232	4,344,273	0.5	0.5
CIM Fund VIII	2015	35,000,000	40,203,931	0	8,595,680	11,783,035	1.3	1.1
KKR Real Estate Partners Americas	2014	22,720,638	30,477,571	3,842,263	38,472,372	387,858	0.0	0.4
LaSalle China Logistics Venture	2021	30,000,000	12,857,823	17,142,177	0	11,147,485	1.3	2.7
Sculptor Real Estate Fund III <sup>2</sup>	2014	35,000,000	27,087,047	12,404,122	44,348,108	4,070,389	0.5	1.6
Sculptor Real Estate Fund IV	2020	30,000,000	26,999,745	8,830,993	8,977,314	21,928,232	2.5	3.0
Seven Seas Japan Opportunity Fund	2022	20,000,000	19,084,277	3,347,130	1,144,069	14,719,661	1.7	1.7
<b>Opportunistic Portfolio</b>	<b>1991</b>	<b>222,720,638</b>	<b>206,239,877</b>	<b>50,668,010</b>	<b>103,879,775</b>	<b>87,837,709</b>	<b>10.0</b>	<b>13.3</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>2007</b>	<b>636,932,759</b>	<b>527,402,893</b>	<b>160,772,134</b>	<b>314,061,440</b>	<b>297,537,625</b>	<b>33.9</b>	<b>44.1</b>
<b>Total Private Portfolio</b>								
<b>SCERS</b>	<b>1986</b>	<b>1,177,369,829</b>	<b>1,980,468,429</b>	<b>160,772,134</b>	<b>1,831,047,715</b>	<b>878,842,840</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

<sup>2</sup> Previously Och-Ziff Real Estate Fund III.

<sup>3</sup> Preliminary data.

Returns (%)	Market Value (\$)	Quarter				Fiscal Year 2024				1 Year				3 Year			
		INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET
Brookfield Premier Real Estate Partners	93,161,758	0.4	-2.9	-2.5	-2.8	1.5	-17.8	-16.5	-17.2	1.5	-17.8	-16.5	-17.2	2.1	-1.6	0.4	-1.2
Lion Properties Fund	102,860,323	0.9	-2.6	-1.7	-1.9	3.6	-12.7	-9.5	-10.2	3.6	-12.7	-9.5	-10.2	3.7	-3.0	0.7	-0.2
MetLife Core Property Fund	70,674,702	1.3	-2.4	-1.1	-1.2	4.7	-13.7	-9.5	-9.9	4.7	-13.7	-9.5	-9.9	4.6	-2.1	2.4	1.9
Principal U.S. Property Account	53,944,653	1.1	-1.8	-0.7	-0.9	4.4	-12.0	-8.0	-8.9	4.4	-12.0	-8.0	-8.9	4.1	-1.8	2.3	1.3
Prologis European Logistics Fund <sup>1,3</sup>	58,708,567	1.3	0.1	1.4	1.1	5.1	-6.7	-1.9	-2.8	5.1	-6.7	-1.9	-2.8	4.6	-5.6	-1.3	-2.9
Prologis Targeted U.S. Logistics Fund	73,756,901	1.1	0.4	1.5	1.3	3.8	-8.2	-4.6	-4.0	3.8	-8.2	-4.6	-4.0	3.6	6.9	10.7	9.2
Townsend Real Estate Fund, L.P. <sup>3</sup>	128,198,311	0.7	-1.9	-1.2	-1.3	2.8	-11.3	-8.7	-8.9	2.8	-11.3	-8.7	-8.9	3.0	0.7	3.7	3.4
<b>Core Commingled Funds</b>	<b>581,305,215</b>	<b>0.9</b>	<b>-1.8</b>	<b>-0.9</b>	<b>-1.0</b>	<b>3.4</b>	<b>-12.1</b>	<b>-9.0</b>	<b>-9.4</b>	<b>3.4</b>	<b>-12.1</b>	<b>-9.0</b>	<b>-9.4</b>	<b>3.5</b>	<b>-0.5</b>	<b>3.0</b>	<b>2.0</b>
<b>Value Added Portfolio</b>																	
Asana Partners Fund II <sup>3</sup>	34,504,143	-0.4	0.1	-0.4	-0.6	-1.3	-3.4	-4.7	-4.9	-1.3	-3.4	-4.7	-4.9	-0.6	8.4	7.7	6.0
Asana Partners Fund III <sup>3</sup>	16,479,567	-0.3	1.5	1.2	0.4	-1.5	4.2	2.7	-1.0	-1.5	4.2	2.7	-1.0				
DRC European Real Estate Debt Fund II <sup>3</sup>	5,976,167	0.0	0.2	0.2	0.2	0.0	-0.5	-0.5	-0.5	0.0	-0.5	-0.5	-0.5	13.6	-3.4	9.5	9.2
ECE European Prime Shopping Centre Fund II C <sup>3</sup>	34,867,886	1.1	-0.5	0.6	0.1	0.5	3.0	3.6	1.0	0.5	3.0	3.6	1.0	-1.3	5.8	4.6	2.0
Hammes Partners II	3,044,551	3.5	-0.7	2.8	2.1	6.6	5.1	11.9	8.6	6.6	5.1	11.9	8.6	5.3	10.1	15.8	11.8
Hammes Partners III	22,039,171	1.0	2.4	3.4	2.4	4.5	2.0	6.6	4.9	4.5	2.0	6.6	4.9	6.6	6.4	13.3	9.2
Hammes Partners IV	240,664	0.3	-11.0	-10.7	-34.3	-123.5	-164.2	-276.8	-416.9	-123.5	-164.2	-276.8	-416.9				
NREP Nordic Strategies Fund	3,040,953	0.0	-0.7	-0.7	0.0	0.4	-1.4	-1.0	-0.4	0.4	-1.4	-1.0	-0.4	0.1	1.6	1.7	-1.6
NREP Nordic Strategies Fund II	14,953,010	-2.1	0.3	-1.8	-1.7	-0.6	-11.8	-12.2	-10.8	-0.6	-11.8	-12.2	-10.8	-2.8	11.8	10.0	6.3
NREP Nordic Strategies Fund III <sup>3</sup>	33,439,567	-0.6	0.1	-0.5	-0.9	1.0	-9.4	-8.4	-4.4	1.0	-9.4	-8.4	-4.4	-0.3	1.2	1.2	0.1
NREP Nordic Strategies Fund IV	22,380,092	0.9	-0.3	0.6	0.0	1.5	-8.6	-7.2	-9.5	1.5	-8.6	-7.2	-9.5	-7.0	10.9	4.8	0.1
NREP Nordic Strategies Fund V	18,734,145	-0.4	1.6	1.2	0.3	22.8	-0.3	21.6	16.7	22.8	-0.3	21.6	16.7				
<b>Value Added Portfolio</b>	<b>209,699,916</b>	<b>0.0</b>	<b>0.4</b>	<b>0.4</b>	<b>-0.1</b>	<b>1.7</b>	<b>-3.2</b>	<b>-1.5</b>	<b>-2.4</b>	<b>1.7</b>	<b>-3.2</b>	<b>-1.5</b>	<b>-2.4</b>	<b>1.0</b>	<b>8.3</b>	<b>9.5</b>	<b>5.6</b>
<b>Opportunistic Portfolio</b>																	
Carlyle China Project Rome Co-Investment	19,456,776	-0.2	-5.8	-6.0	-6.5	-0.2	-34.1	-34.3	-35.5	-0.2	-34.1	-34.3	-35.5	-0.2	-18.9	-19.0	-20.1
Carlyle China Realty	4,344,273	-0.1	-5.9	-6.0	-6.6	-0.5	-34.2	-34.5	-36.1	-0.5	-34.2	-34.5	-36.1	-0.4	-18.9	-19.2	-20.6
CIM Fund VIII	11,783,035	-0.1	-38.5	-38.7	-39.2	-0.4	-48.5	-48.8	-49.9	-0.4	-48.5	-48.8	-49.9	-0.2	-25.2	-25.4	-26.7
KKR Real Estate Partners Americas	387,858	-38.5	43.9	5.4	4.3	-75.2	86.8	-27.0	-21.4	-75.2	86.8	-27.0	-21.4	-62.3	53.3	-17.6	-14.9
LaSalle China Logistics Venture	11,147,485	0.2	-4.5	-4.3	-4.7	-3.5	-11.5	-14.8	-17.5	-3.5	-11.5	-14.8	-17.5	N/A	74.0	36.7	-12.5
Sculptor Real Estate Fund III <sup>2</sup>	4,070,389	0.9	1.8	2.7	2.5	5.7	4.4	10.6	9.5	5.7	4.4	10.6	9.5	8.3	26.8	36.8	34.3
Sculptor Real Estate Fund IV	21,928,232	1.9	1.8	3.7	3.2	4.5	9.7	14.5	11.9	4.5	9.7	14.5	11.9	7.4	8.4	16.6	10.8
Seven Seas Japan Opportunity Fund	14,719,661	-0.1	12.2	12.1	7.3	-2.2	23.6	20.9	13.1	-2.2	23.6	20.9	13.1				
<b>Opportunistic Portfolio</b>	<b>87,837,709</b>	<b>0.0</b>	<b>-7.7</b>	<b>-7.7</b>	<b>-8.7</b>	<b>-0.9</b>	<b>-19.2</b>	<b>-20.0</b>	<b>-22.1</b>	<b>-0.9</b>	<b>-19.2</b>	<b>-20.0</b>	<b>-22.1</b>	<b>-0.1</b>	<b>-9.3</b>	<b>-9.4</b>	<b>-11.9</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>297,537,625</b>	<b>0.0</b>	<b>-2.1</b>	<b>-2.1</b>	<b>-2.8</b>	<b>0.8</b>	<b>-8.5</b>	<b>-7.7</b>	<b>-9.0</b>	<b>0.8</b>	<b>-8.5</b>	<b>-7.7</b>	<b>-9.0</b>	<b>0.7</b>	<b>1.9</b>	<b>2.6</b>	<b>-0.7</b>
<b>Total Private Portfolio</b>																	
<b>SCERS</b>	<b>878,842,840</b>	<b>0.6</b>	<b>-1.9</b>	<b>-1.3</b>	<b>-1.6</b>	<b>2.6</b>	<b>-11.0</b>	<b>-8.7</b>	<b>-9.4</b>	<b>2.6</b>	<b>-11.0</b>	<b>-8.7</b>	<b>-9.4</b>	<b>2.6</b>	<b>0.2</b>	<b>2.9</b>	<b>1.2</b>

<sup>1</sup> Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

<sup>2</sup> Previously Och-Ziff Real Estate Fund III.

<sup>3</sup> Preliminary data.

Returns (%)	Market Value (\$)	Quarter				Fiscal Year 2024				1 Year				3 Year			
		INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET
<b>Ex-US Dollar Denominated Investments (In Local Currency)</b>																	
Prologis Targeted Europe Logistics Fund (Euro) <sup>1,3</sup>	€ 54,798,577	1.2	0.9	2.1	1.9	5.1	-5.0	-0.1	-1.1	5.1	-5.0	-0.1	-1.1	4.6	-2.4	2.1	0.4
DRC European Real Estate Debt Fund II (Pound Sterling) <sup>3</sup>	£4,725,953	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.8	0.0	12.8	12.5
ECE European Prime Shopping Centre Fund II (Euro) <sup>3</sup>	€ 32,545,685	1.1	0.2	1.3	0.8	0.6	4.9	5.5	2.8	0.6	4.9	5.5	2.8	-1.2	9.4	8.2	5.4
NREP Nordic Strategies Fund (Euro)	€ 2,838,426	0.0	0.0	0.0	0.7	0.4	0.4	0.8	1.5	0.4	0.4	0.8	1.5	0.1	5.1	5.2	1.8
NREP Nordic Strategies Fund II (Euro)	€ 13,957,140	-2.1	1.0	-1.1	-1.0	-0.6	-10.2	-10.6	-9.1	-0.6	-10.2	-10.6	-9.1	-2.8	15.5	13.7	9.9
NREP Nordic Strategies Fund III (Euro) <sup>3</sup>	€ 31,212,492	-0.7	1.0	0.2	-0.2	0.9	-7.7	-6.8	-2.6	0.9	-7.7	-6.8	-2.6	-0.5	4.8	4.7	3.6
NREP Nordic Strategies Fund IV (Euro)	€ 20,889,578	0.9	0.3	1.2	0.7	1.4	-7.0	-5.6	-7.9	1.4	-7.0	-5.6	-7.9	-7.1	14.7	8.4	3.5
NREP Nordic Strategies Fund V (Euro)	€ 17,486,451	-0.4	2.3	1.9	1.1	22.9	2.4	24.1	19.2	22.9	2.4	24.1	19.2				
Seven Seas Japan Opportunity Fund	¥2,368,099,069	-0.1	19.3	19.2	14.0	-2.3	38.2	35.2	26.5	-2.3	38.2	35.2	26.5				
<b>Indices</b>																	
NFI ODCE+ 35bps				-0.4	-0.6			-8.9	-9.6			-8.9	-9.6			2.2	1.4
NFI-ODCE		1.0	-1.5	-0.4	-0.7	3.9	-12.8	-9.3	-10.0	3.9	-12.8	-9.3	-10.0	3.7	-1.8	1.9	1.0
NFI-ODCE + 100bps				-0.2	-0.4			-8.3	-9.0			-8.3	-9.0			2.9	2.0
CPI + 500 bps				1.5				8.2				8.2				10.2	

<sup>1</sup> Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

<sup>2</sup> Previously Och-Ziff Real Estate Fund III.

<sup>3</sup> Preliminary data.

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			
Brookfield Premier Real Estate Partners	93,161,758	2.6	0.6	3.1	1.8					2.5	1.5	4.0	2.6	4Q18	3.2	1.2
Lion Properties Fund	102,860,323	3.7	-0.6	3.1	2.3					3.7	0.0	3.7	2.8	4Q18	3.6	1.2
MetLife Core Property Fund	70,674,702	4.6	-0.4	4.2	3.7	4.8	2.7	7.6	7.1	4.9	3.1	8.1	7.6	1Q14	7.7	1.7
Principal U.S. Property Account	53,944,653	4.1	-0.4	3.7	2.7					4.4	1.6	6.1	5.1	4Q15	5.1	1.5
Prologis European Logistics Fund <sup>1,3</sup>	58,708,567	4.8	1.6	6.5	4.6					4.8	4.8	9.8	7.9	1Q16	7.3	1.3
Prologis Targeted U.S. Logistics Fund	73,756,901	3.9	10.8	15.0	12.9					4.6	11.9	16.8	14.5	3Q15	15.6	2.8
Townsend Real Estate Fund, L.P. <sup>3</sup>	128,198,311	3.3	2.0	5.4	5.2					3.7	3.3	7.1	6.9	2Q16	6.8	1.5
<b>Core Commingled Funds</b>	<b>581,305,215</b>	<b>3.7</b>	<b>2.0</b>	<b>5.7</b>	<b>4.7</b>	<b>4.1</b>	<b>4.7</b>	<b>9.0</b>	<b>7.9</b>	<b>4.4</b>	<b>3.2</b>	<b>7.7</b>	<b>6.8</b>	<b>4Q86</b>	<b>6.3</b>	<b>1.4</b>
<b>Value Added Portfolio</b>																
Asana Partners Fund II <sup>3</sup>	34,504,143									-2.9	4.9	1.6	-5.0	4Q19	4.3	1.1
Asana Partners Fund III <sup>3</sup>	16,479,567									-5.1	7.6	2.8	-10.2	3Q22	-8.2	0.9
DRC European Real Estate Debt Fund II <sup>3</sup>	5,976,167	-4.9	-0.6	-4.7	-5.3	3.0	-3.6	-0.2	-1.3	2.9	-3.2	0.1	-1.0	1Q14	1.3	1.0
ECE European Prime Shopping Centre Fund II C <sup>3</sup>	34,867,886	1.6	2.9	4.6	2.0					1.1	8.7	10.0	7.3	4Q15	3.8	1.2
Hammes Partners II	3,044,551	7.3	24.6	32.9	26.9					8.6	17.7	27.3	21.1	3Q15	23.1	1.7
Hammes Partners III	22,039,171	8.5	13.1	22.3	12.0					7.9	12.8	21.3	5.1	1Q19	10.3	1.2
Hammes Partners IV	240,664									-123.5	-164.2	-276.8	-416.9	3Q23	-70.7	0.3
NREP Nordic Strategies Fund	3,040,953	1.1	8.7	9.8	5.6					5.0	11.6	17.0	11.5	1Q15	22.7	1.7
NREP Nordic Strategies Fund II	14,953,010	-1.7	20.7	19.6	12.6					0.0	21.0	21.6	13.5	3Q16	19.5	2.0
NREP Nordic Strategies Fund III <sup>3</sup>	33,439,567	-1.3	14.2	13.2	7.8					-2.3	14.0	11.8	1.8	4Q18	6.2	1.2
NREP Nordic Strategies Fund IV	22,380,092									-14.4	22.3	6.7	N/A	1Q20	-4.8	0.9
NREP Nordic Strategies Fund V	18,734,145									46.4	-0.4	45.3	34.6	1Q23	57.3	1.5
<b>Value Added Portfolio</b>	<b>209,699,916</b>	<b>1.0</b>	<b>14.1</b>	<b>15.3</b>	<b>9.5</b>	<b>4.0</b>	<b>10.6</b>	<b>15.1</b>	<b>10.4</b>	<b>1.9</b>	<b>5.1</b>	<b>7.1</b>	<b>5.2</b>	<b>4Q86</b>	<b>6.0</b>	<b>1.3</b>
<b>Opportunistic Portfolio</b>																
Carlyle China Project Rome Co-Investment	19,456,776	-0.1	-12.0	-12.1	-13.2					-0.6	-6.9	-7.5	-9.2	3Q17	-11.2	0.5
Carlyle China Realty	4,344,273	1.7	-11.9	-10.5	-12.0					1.1	-7.0	-6.0	-8.0	3Q17	-10.3	0.6
CIM Fund VIII	11,783,035	-0.2	-20.2	-20.4	-21.6					0.0	-7.2	-7.3	-8.9	2Q15	-11.9	0.5
KKR Real Estate Partners Americas	387,858	-43.3	16.7	-16.5	-13.6	-20.4	7.6	-3.7	-2.9	-18.4	4.7	-3.6	-2.7	2Q14	11.6	1.3
LaSalle China Logistics Venture	11,147,485									N/A	74.0	36.7	-12.5	3Q21	-11.7	0.9
Sculptor Real Estate Fund III <sup>2</sup>	4,070,389	9.5	17.8	28.6	26.4					12.2	16.8	30.6	19.4	4Q14	24.0	1.8
Sculptor Real Estate Fund IV	21,928,232									9.5	11.4	21.7	11.6	3Q20	11.4	1.1
Seven Seas Japan Opportunity Fund	14,719,661									7.0	-21.3	-15.4	-20.2	2Q22	-11.4	0.9
<b>Opportunistic Portfolio</b>	<b>87,837,709</b>	<b>0.9</b>	<b>-7.5</b>	<b>-6.8</b>	<b>-8.9</b>	<b>2.8</b>	<b>1.1</b>	<b>3.9</b>	<b>0.6</b>	<b>1.8</b>	<b>5.4</b>	<b>7.4</b>	<b>5.4</b>	<b>1Q91</b>	<b>0.8</b>	<b>1.0</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>297,537,625</b>	<b>1.0</b>	<b>5.0</b>	<b>6.0</b>	<b>2.0</b>	<b>3.6</b>	<b>6.7</b>	<b>10.5</b>	<b>6.7</b>	<b>3.5</b>	<b>5.2</b>	<b>8.8</b>	<b>4.6</b>	<b>1Q07</b>	<b>4.9</b>	<b>1.2</b>
<b>Total Private Portfolio</b>																
<b>SCERS</b>	<b>878,842,840</b>	<b>2.9</b>	<b>2.8</b>	<b>5.8</b>	<b>4.0</b>	<b>3.8</b>	<b>4.5</b>	<b>8.5</b>	<b>6.7</b>	<b>4.1</b>	<b>4.8</b>	<b>9.0</b>	<b>7.9</b>	<b>4Q86</b>	<b>7.9</b>	<b>1.4</b>

<sup>1</sup> Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

<sup>2</sup> Previously Och-Ziff Real Estate Fund III.

<sup>3</sup> Preliminary data.

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			
<b>Ex-US Dollar Denominated Investments (In Local Currency)</b>																
Prologis Targeted Europe Logistics Fund (Euro) <sup>1,3</sup>	€ 54,798,577	4.8	2.8	7.8	5.8					4.8	4.9	9.9	8.1	1Q16	8.1	1.4
DRC European Real Estate Debt Fund II (Pound Sterling) <sup>3</sup>	£4,725,953	-4.6	0.0	-4.6	-5.2	3.2	-0.4	2.8	1.7	3.1	-0.4	2.7	1.5	1Q14	4.9	1.2
ECE European Prime Shopping Centre Fund II (Euro) <sup>3</sup>	€ 32,545,685	1.6	4.1	5.8	3.1					1.0	9.2	10.5	7.9	4Q15	4.9	1.3
NREP Nordic Strategies Fund (Euro)	€ 2,838,426	1.1	10.2	11.3	7.1					5.0	13.2	18.6	13.1	1Q15	24.1	1.8
NREP Nordic Strategies Fund II (Euro)	€ 13,957,140	-1.7	22.1	21.0	13.9					0.1	21.5	22.1	13.9	3Q16	20.5	2.1
NREP Nordic Strategies Fund III (Euro) <sup>3</sup>	€ 31,212,492	-1.4	15.6	14.6	9.1					-2.4	15.8	13.5	3.4	4Q18	7.7	1.3
NREP Nordic Strategies Fund IV (Euro)	€ 20,889,578									-14.6	25.2	9.3	N/A	1Q20	-3.3	0.9
NREP Nordic Strategies Fund V (Euro)	€ 17,486,451									46.9	-0.5	45.5	34.8	1Q23	57.5	1.5
Seven Seas Japan Opportunity Fund	¥2,368,099,069									6.2	-10.6	-3.4	-8.9	2Q22	-0.9	1.0
<b>Indices</b>																
NFI ODCE+ 35bps				3.5	2.6			6.8	5.8			7.1	6.1	4Q86		
NFI-ODCE		3.8	-0.6	3.2	2.3	4.1	2.2	6.4	5.5	6.3	0.4	6.8	5.7	4Q86		
NFI-ODCE + 100bps				4.2	3.3			7.4	6.5			7.8	6.7	4Q86		
CPI + 500 bps				9.4				8.0				8.0		4Q86		

<sup>1</sup> Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

<sup>2</sup> Previously Och-Ziff Real Estate Fund III.

<sup>3</sup> Preliminary data.

Returns (%)	Market Value (\$)	2024		Fiscal Year 2024		2023		2022		2021		2020		2019		2018		2017		2016	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
<b>Core Commingled Funds</b>																					
Brookfield Premier Real Estate Partners	93,161,758	-7.3	-7.8	-16.5	-17.2	-19.3	-18.2	13.1	10.8	28.5	23.0	1.8	1.9	10.6	8.5	2.3	1.9				
Lion Properties Fund	102,860,323	-4.3	-4.7	-9.5	-10.2	-15.0	-15.7	9.6	8.7	23.4	22.4	2.2	1.4	7.3	6.4	2.0	1.8				
MetLife Core Property Fund	70,674,702	-2.4	-2.6	-9.5	-9.9	-13.9	-14.4	9.7	9.1	27.8	27.2	1.0	0.5	8.6	8.1	7.8	7.3	8.4	7.9	9.3	8.8
Principal U.S. Property Account	53,944,653	-2.4	-2.9	-8.0	-8.9	-10.0	-10.9	5.1	4.1	23.7	22.6	1.6	0.6	7.0	6.0	9.1	8.1	9.1	8.1	10.0	9.0
Prologis European Logistics Fund <sup>1,3</sup>	58,708,567	0.4	-0.1	-1.9	-2.8	-3.7	-4.6	-10.2	-11.6	22.7	18.0	20.2	18.7	13.5	11.1	13.6	10.8	30.4	28.5	2.8	2.4
Prologis Targeted U.S. Logistics Fund	73,756,901	3.6	3.3	-4.6	-4.0	-12.7	-11.0	13.9	12.2	59.3	48.7	11.1	9.8	19.4	16.8	18.5	16.1	24.2	20.3	16.1	14.2
Townsend Real Estate Fund, L.P. <sup>3</sup>	128,198,311	-2.7	-2.8	-8.7	-8.9	-11.8	-12.0	10.7	10.4	28.4	28.1	2.6	2.3	7.6	7.3	9.0	8.8	11.0	10.8	8.4	8.2
<b>Core Commingled Funds</b>	<b>581,305,215</b>	<b>-2.6</b>	<b>-3.0</b>	<b>-9.0</b>	<b>-9.4</b>	<b>-13.0</b>	<b>-12.9</b>	<b>8.8</b>	<b>7.7</b>	<b>30.6</b>	<b>27.4</b>	<b>4.6</b>	<b>4.0</b>	<b>9.5</b>	<b>8.3</b>	<b>10.9</b>	<b>9.7</b>	<b>14.2</b>	<b>12.8</b>	<b>9.8</b>	<b>8.9</b>
<b>Value Added Portfolio</b>																					
Asana Partners Fund II <sup>3</sup>	34,504,143	-5.4	-5.9	-4.7	-4.9	-3.4	0.3	1.8	0.7	63.7	49.9	-36.4	-45.7	11.1	1.5						
Asana Partners Fund III <sup>3</sup>	16,479,567	-0.1	-1.6	2.7	-1.0	-7.2	-13.3	13.9	-5.4												
DRC European Real Estate Debt Fund II <sup>3</sup>	5,976,167	-0.7	-0.7	-0.5	-0.5	5.2	5.2	52.5	52.3	-11.0	-12.4	-47.1	-47.7	12.0	11.1	-0.6	-1.7	23.8	22.3	-7.8	-8.9
ECE European Prime Shopping Centre Fund II C <sup>3</sup>	34,867,886	-0.8	-1.6	3.6	1.0	10.8	8.0	3.5	0.9	-0.2	-3.0	0.7	-1.8	2.2	0.0	15.1	12.8	24.7	21.5	22.1	19.7
Hammes Partners II	3,044,551	4.1	2.8	11.9	8.6	14.8	10.8	10.9	8.2	28.6	21.3	61.5	46.9	59.2	55.9	27.9	19.6	12.7	10.0	16.2	10.4
Hammes Partners III	22,039,171	4.8	3.9	6.6	4.9	6.4	4.1	13.2	9.0	29.1	18.3	43.5	24.5	23.9	-24.4						
Hammes Partners IV	240,664	-4.8	-42.4	-276.8	-416.9	-285.7	-649.7														
NREP Nordic Strategies Fund	3,040,953	-2.9	-2.0	-1.0	-0.4	3.8	3.0	6.6	5.4	-3.0	-11.6	27.2	21.8	23.0	-4.2	0.8	0.1	41.2	40.1	23.1	21.7
NREP Nordic Strategies Fund II	14,953,010	-3.1	-2.9	-12.2	-10.8	-16.1	-9.3	7.8	-1.9	81.6	57.7	35.1	26.6	20.9	9.8	17.0	12.3	44.9	34.4	8.6	-3.8
NREP Nordic Strategies Fund III <sup>3</sup>	33,439,567	-3.6	-4.0	-8.4	-4.4	-12.0	-6.1	0.3	-3.3	35.9	22.8	42.3	28.1	19.0	-5.5	-2.8	-14.4				
NREP Nordic Strategies Fund IV	22,380,092	-3.4	-4.5	-7.2	-9.5	-13.7	-13.1	0.6	-6.4	30.7	10.0	22.1	-121.4								
NREP Nordic Strategies Fund V	18,734,145	-6	-7	21.6	16.7	85.5	68.3														
<b>Value Added Portfolio</b>	<b>209,699,916</b>	<b>-2.2</b>	<b>-3.1</b>	<b>-1.5</b>	<b>-2.4</b>	<b>-0.1</b>	<b>0.6</b>	<b>7.3</b>	<b>2.5</b>	<b>37.9</b>	<b>25.6</b>	<b>19.0</b>	<b>10.6</b>	<b>22.1</b>	<b>11.5</b>	<b>10.5</b>	<b>6.3</b>	<b>24.9</b>	<b>22.3</b>	<b>9.5</b>	<b>7.0</b>
<b>Opportunistic Portfolio</b>																					
Carlyle China Project Rome Co-Investment	19,456,776	-7.5	-8.4	-34.3	-35.5	-41.8	-42.6	-3.3	-4.3	2.4	1.3	-0.9	-2.0	7.2	5.8	-2.5	-7.1	4.7	3.6		
Carlyle China Realty	4,344,273	-7.7	-8.9	-34.5	-36.1	-41.9	-43.0	-3.4	-4.8	2.2	0.8	-0.3	-2.1	18.1	15.7	1.6	-1.4	2.7	0.2		
CIM Fund VIII	11,783,035	-43.8	-44.6	-48.8	-49.9	-15.8	-17.2	-13.1	-14.3	-3.7	-4.9	-16.7	-17.9	2.0	0.9	9.4	8.0	8.4	6.7	6.4	4.0
KKR Real Estate Partners Americas	387,858	3.0	2.4	-27.0	-21.4	-27.9	-22.2	-25.1	-21.8	27.9	19.1	-45.1	-37.4	8.4	8.0	6.9	7.1	12.3	10.6	6.8	5.8
LaSalle China Logistics Venture	11,147,485	-2.6	-3.6	-14.8	-17.5	-12.9	-18.1	4.2	-9.6	188.6	-6.2										
Sculptor Real Estate Fund III <sup>2</sup>	4,070,389	8.5	8.0	10.6	9.5	15.4	14.0	82.4	80.0	28.5	24.1	12.4	10.8	15.9	13.6	29.7	25.7	43.3	38.2	30.0	22.2
Sculptor Real Estate Fund IV	21,928,232	7.0	5.9	14.5	11.9	14.2	11.0	6.9	0.8	40.3	25.9	19.6	3.9								
Seven Seas Japan Opportunity Fund	14,719,661	3.4	-0.2	20.9	13.1	6.3	2.2	-37.5	-41.0												
<b>Opportunistic Portfolio</b>	<b>87,837,709</b>	<b>-10.0</b>	<b>-11.2</b>	<b>-20.0</b>	<b>-22.1</b>	<b>-19.2</b>	<b>-20.9</b>	<b>-2.3</b>	<b>-5.0</b>	<b>6.2</b>	<b>2.8</b>	<b>-7.0</b>	<b>-8.2</b>	<b>8.6</b>	<b>7.1</b>	<b>11.0</b>	<b>8.7</b>	<b>17.0</b>	<b>14.2</b>	<b>10.2</b>	<b>7.7</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>297,537,625</b>	<b>-4.6</b>	<b>-5.6</b>	<b>-7.7</b>	<b>-9.0</b>	<b>-7.0</b>	<b>-7.2</b>	<b>3.5</b>	<b>-0.5</b>	<b>25.3</b>	<b>16.7</b>	<b>6.6</b>	<b>1.7</b>	<b>15.8</b>	<b>9.9</b>	<b>10.7</b>	<b>7.5</b>	<b>21.1</b>	<b>18.4</b>	<b>9.9</b>	<b>7.4</b>
<b>Total Private Portfolio</b>																					
<b>SCERS</b>	<b>878,842,840</b>	<b>-3.3</b>	<b>-3.9</b>	<b>-8.7</b>	<b>-9.4</b>	<b>-11.3</b>	<b>-11.3</b>	<b>7.4</b>	<b>5.5</b>	<b>29.2</b>	<b>24.4</b>	<b>5.2</b>	<b>3.5</b>	<b>11.0</b>	<b>8.7</b>	<b>9.2</b>	<b>7.5</b>	<b>15.0</b>	<b>13.5</b>	<b>8.9</b>	<b>7.7</b>
<b>Indices</b>																					
NFI-ODCE + 35 bps		-2.6	-3.0	-8.9	-9.6	-11.7	-12.4	7.6	6.7	22.4	21.3	1.5	0.7	5.7	4.7	8.7	7.7	8.0	7.0	9.1	8.1
NFI-ODCE		-2.8	-3.2	-9.3	-10.0	-12.0	-12.7	7.5	6.5	22.2	21.0	1.2	0.3	5.3	4.4	8.3	7.4	7.6	6.7	8.8	7.8
NFI-ODCE + 100 bps		-1.4	-1.6	-8.3	-9.0	-11.0	-11.7	8.0	7.0	22.9	21.8	2.2	1.3	6.3	5.4	9.3	8.4	8.6	7.7	9.8	8.8
CPI + 500 bps		3.9		8.2		8.5		11.8		12.6		6.4		7.4		7.1		7.2		7.2	

<sup>1</sup> Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

<sup>2</sup> Previously Och-Ziff Real Estate Fund III.

<sup>3</sup> Preliminary data.



Returns (%)	Market Value (\$)	2015		2014		2013		2012		2011		2010		2009		2008		2007		2006	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
<b>Core Commingled Funds</b>																					
Brookfield Premier Real Estate Partners	93,161,758																				
Lion Properties Fund	102,860,323																				
MetLife Core Property Fund	70,674,702	16.9	16.3	17.4	16.9																
Principal U.S. Property Account	53,944,653	3.0	2.8																		
Prologis European Logistics Fund <sup>1,3</sup>	58,708,567																				
Prologis Targeted U.S. Logistics Fund	73,756,901	9.1	7.9																		
Townsend Real Estate Fund, L.P. <sup>3</sup>	128,198,311																				
<b>Core Commingled Funds</b>	<b>581,305,215</b>	<b>15.7</b>	<b>14.1</b>	<b>13.5</b>	<b>12.4</b>	<b>10.2</b>	<b>9.3</b>	<b>11.1</b>	<b>10.1</b>	<b>16.4</b>	<b>15.5</b>	<b>14.1</b>	<b>13.3</b>	<b>-33.0</b>	<b>-33.6</b>	<b>-13.8</b>	<b>-14.6</b>	<b>15.5</b>	<b>14.5</b>	<b>16.9</b>	<b>15.8</b>
<b>Value Added Portfolio</b>																					
Asana Partners Fund II <sup>3</sup>	34,504,143																				
Asana Partners Fund III <sup>3</sup>	16,479,567																				
DRC European Real Estate Debt Fund II <sup>3</sup>	5,976,167	5.0	3.0	1.4	-2.1																
ECE European Prime Shopping Centre Fund II C <sup>3</sup>	34,867,886	12.1	11.0																		
Hammes Partners II	3,044,551	19.4	12.9																		
Hammes Partners III	22,039,171																				
Hammes Partners IV	240,664																				
NREP Nordic Strategies Fund	3,040,953	55.1	50.8																		
NREP Nordic Strategies Fund II	14,953,010																				
NREP Nordic Strategies Fund III <sup>3</sup>	33,439,567																				
NREP Nordic Strategies Fund IV	22,380,092																				
NREP Nordic Strategies Fund V	18,734,145																				
<b>Value Added Portfolio</b>	<b>209,699,916</b>	<b>19.1</b>	<b>17.0</b>	<b>15.7</b>	<b>13.7</b>	<b>13.3</b>	<b>10.8</b>	<b>19.6</b>	<b>18.1</b>	<b>16.7</b>	<b>14.7</b>	<b>23.2</b>	<b>20.3</b>	<b>-56.4</b>	<b>-57.6</b>	<b>-31.2</b>	<b>-33.5</b>	<b>18.2</b>	<b>5.6</b>	<b>0.8</b>	<b>0.5</b>
<b>Opportunistic Portfolio</b>																					
Carlyle China Project Rome Co-Investment	19,456,776																				
Carlyle China Realty	4,344,273																				
CIM Fund VIII	11,783,035	16.9	13.8																		
KKR Real Estate Partners Americas	387,858	17.1	12.4	8.1	6.6																
LaSalle China Logistics Venture	11,147,485																				
Sculptor Real Estate Fund III <sup>2</sup>	4,070,389	33.7	6.9	9.4	-28.3																
Sculptor Real Estate Fund IV	21,928,232																				
Seven Seas Japan Opportunity Fund	14,719,661																				
<b>Opportunistic Portfolio</b>	<b>87,837,709</b>	<b>23.8</b>	<b>13.0</b>	<b>89.6</b>	<b>72.1</b>	<b>11.7</b>	<b>9.4</b>	<b>54.2</b>	<b>38.5</b>	<b>-10.1</b>	<b>-8.0</b>	<b>42.4</b>	<b>34.2</b>	<b>54.0</b>	<b>43.5</b>	<b>-44.5</b>	<b>-45.4</b>	<b>3.4</b>	<b>2.6</b>	<b>0.0</b>	<b>0.0</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>297,537,625</b>	<b>20.0</b>	<b>15.6</b>	<b>20.1</b>	<b>16.9</b>	<b>16.7</b>	<b>13.5</b>	<b>34.6</b>	<b>26.9</b>	<b>-0.3</b>	<b>0.4</b>	<b>37.0</b>	<b>30.4</b>	<b>-13.5</b>	<b>-17.8</b>	<b>-33.7</b>	<b>-35.7</b>	<b>18.2</b>	<b>5.6</b>		
<b>Total Private Portfolio</b>																					
<b>SCERS</b>	<b>878,842,840</b>	<b>9.8</b>	<b>8.3</b>	<b>16.4</b>	<b>14.5</b>	<b>12.0</b>	<b>10.7</b>	<b>19.2</b>	<b>17.8</b>	<b>9.8</b>	<b>9.4</b>	<b>20.6</b>	<b>19.2</b>	<b>-16.0</b>	<b>-16.7</b>	<b>-14.1</b>	<b>-14.7</b>	<b>10.7</b>	<b>8.7</b>	<b>16.9</b>	<b>14.2</b>
<b>Indices</b>																					
NFI-ODCE + 35 bps		15.4	14.3	12.8	11.8	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		15.0	14.0	12.5	11.5	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		16.0	15.0	13.5	12.5	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		5.7		5.7		6.6		6.8		8.2		6.5		8.0		5.0		9.3		7.7	

<sup>1</sup> Represent composite performance of Prologis Targeted Europe Logistics Fund and Prologis European Logistics Fund.

<sup>2</sup> Previously Och-Ziff Real Estate Fund III.

<sup>3</sup> Preliminary data.

Quarterly Cash Flow Activity (\$)	Beginning Market Value	Contributions	Distributions	Withdrawals	Gross Income	Manager Fees	Appreciation	Ending Market Value	LTV (%)
<b>Core Commingled Funds</b>									
Brookfield Premier Real Estate Partners	96,440,667	0	611,793	0	363,113	233,488	-2,796,740	93,161,758	53.6
Lion Properties Fund	105,610,995	230,501	960,164	0	973,048	220,382	-2,773,675	102,860,323	27.2
MetLife Core Property Fund	72,178,991	0	629,683	0	907,205	84,678	-1,697,133	70,674,702	34.3
Principal U.S. Property Account	54,448,695	0	0	0	617,721	128,870	-992,894	53,944,653	25.7
Prologis European Logistics Fund	58,515,046	0	469,678	0	732,018	146,423	77,604	58,708,567	24.9
Prologis Targeted U.S. Logistics Fund	72,962,488	0	160,548	0	805,219	135,337	285,079	73,756,901	20.6
Townsend Real Estate Fund, L.P.	130,862,538	0	1,013,038	0	909,031	74,283	-2,485,937	128,198,311	41.2
<b>Core Commingled Funds</b>	<b>591,019,420</b>	<b>230,501</b>	<b>3,844,904</b>	<b>0</b>	<b>5,307,355</b>	<b>1,023,461</b>	<b>-10,383,696</b>	<b>581,305,215</b>	<b>36.2</b>
<b>Value Added Portfolio</b>									
Asana Partners Fund II	32,967,485	1,750,000	0	0	-144,484	93,595	24,736	34,504,143	44.9
Asana Partners Fund III	15,609,470	800,000	0	0	-53,813	125,000	248,910	16,479,567	39.4
DRC European Real Estate Debt Fund II	5,965,605	0	0	0	0	0	10,561	5,976,167	0.0
ECE European Prime Shopping Centre Fund II	35,258,977	0	415,969	0	387,968	183,834	-179,255	34,867,886	54.9
Hammes Partners II	3,331,460	44,001	190,957	207,110	113,270	24,446	-21,666	3,044,551	59.0
Hammes Partners III	20,176,306	1,638,798	234,937	28,841	202,341	195,462	480,967	22,039,171	66.6
Hammes Partners IV	617,981	0	111,475	55,142	2,053	145,159	-67,594	240,664	99.0
NREP Nordic Strategies Fund	3,041,808	0	0	0	0	-20,654	-21,508	3,040,953	0.0
NREP Nordic Strategies Fund II	15,218,940	0	0	0	-315,286	-609	48,747	14,953,010	63.0
NREP Nordic Strategies Fund III	33,737,612	0	0	0	-214,133	131,836	47,924	33,439,567	56.0
NREP Nordic Strategies Fund IV	20,757,484	1,615,113	0	0	194,157	118,338	-68,323	22,380,092	0.6
NREP Nordic Strategies Fund V	18,669,619	0	0	0	-77,489	154,036	296,050	18,734,145	54.0
<b>Value Added Portfolio</b>	<b>205,352,747</b>	<b>5,847,912</b>	<b>953,338</b>	<b>291,093</b>	<b>94,584</b>	<b>1,150,443</b>	<b>799,549</b>	<b>209,699,916</b>	<b>53.7</b>
<b>Opportunistic Portfolio</b>									
Carlyle China Project Rome Co-Investment	20,801,379	0	0	0	-33,571	99,454	-1,211,578	19,456,776	0.0
Carlyle China Realty	4,653,061	0	0	0	-6,689	29,426	-272,673	4,344,273	0.0
CIM Fund VIII	19,402,745	98,936	0	126,849	-22,872	99,183	-7,469,742	11,783,035	51.6
KKR Real Estate Partners Americas	989,765	0	-443,150	1,086,516	-372,969	10,365	424,793	387,858	0.0
LaSalle China Logistics Venture	7,876,433	3,800,824	0	0	19,467	46,498	-502,741	11,147,485	47.0
Sculptor Real Estate Fund III	4,033,011	5,491	66,889	0	35,123	8,637	72,290	4,070,389	0.0
Sculptor Real Estate Fund IV	20,087,903	2,067,475	897,522	0	401,177	102,842	372,041	21,928,232	0.0
Seven Seas Japan Opportunity Fund	11,340,257	2,554,065	0	0	-10,387	553,379	1,389,104	14,719,661	0.0
<b>Opportunistic Portfolio</b>	<b>89,184,554</b>	<b>8,526,791</b>	<b>521,261</b>	<b>1,213,365</b>	<b>9,279</b>	<b>949,784</b>	<b>-7,198,506</b>	<b>87,837,709</b>	<b>20.3</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>294,537,301</b>	<b>14,374,703</b>	<b>1,474,599</b>	<b>1,504,458</b>	<b>103,863</b>	<b>2,100,227</b>	<b>-6,398,957</b>	<b>297,537,625</b>	<b>47.2</b>
<b>Total Private Portfolio</b>									
<b>SCERS</b>	<b>885,556,721</b>	<b>14,605,204</b>	<b>5,319,503</b>	<b>1,504,458</b>	<b>5,411,218</b>	<b>3,123,688</b>	<b>-16,782,653</b>	<b>878,842,840</b>	<b>40.4</b>

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
<b>Core Commingled Funds</b>						
Brookfield Premier Real Estate Partners	32.3	10.3	51.5	-	-	6.0
Lion Properties Fund	26.7	12.7	38.0	5.8	-	16.7
MetLife Core Property Fund	27.3	19.7	30.6	10.7	1.6	10.0
Principal U.S. Property Account	28.7	15.2	37.4	10.6	-	8.1
Prologis European Logistics Fund	-	-	100.0	-	-	-
Prologis Targeted U.S. Logistics Fund	-	-	100.0	-	-	-
Townsend Real Estate Fund, L.P. <sup>1</sup>	33.4	6.8	44.0	2.2	0.1	13.6
<b>Core Commingled Funds</b>	<b>23.3</b>	<b>9.2</b>	<b>54.6</b>	<b>3.8</b>	<b>0.2</b>	<b>8.9</b>
<b>Value Added Portfolio</b>						
Asana Partners Fund II	0.7	39.6	-	57.5	-	2.2
Asana Partners Fund III	6.3	32.4	-	61.2	-	0.1
DRC European Real Estate Debt Fund II	-	50.0	-	50.0	-	-
ECE European Prime Shopping Centre Fund II	-	-	-	100.0	-	-
Hammes Partners II	-	-	-	-	-	100.0
Hammes Partners III	-	-	-	-	-	100.0
Hammes Partners IV	-	-	-	-	-	100.0
NREP Nordic Strategies Fund	-	-	-	-	-	-
NREP Nordic Strategies Fund II	-	-	-	21.5	-	78.5
NREP Nordic Strategies Fund III	42.0	14.2	25.8	5.0	-	13.1
NREP Nordic Strategies Fund IV	26.9	4.5	33.2	4.0	5.7	25.7
NREP Nordic Strategies Fund V	26.5	14.8	38.8	3.3	4.5	12.1
<b>Value Added Portfolio</b>	<b>12.7</b>	<b>14.8</b>	<b>11.3</b>	<b>35.9</b>	<b>1.0</b>	<b>24.3</b>

<sup>1</sup>Property diversification numbers used are from 1Q24.

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
<b>Opportunistic Portfolio</b>						
Carlyle China Project Rome Co-Investment	-	-	100.0	-	-	-
Carlyle China Realty	-	-	100.0	-	-	-
CIM Fund VIII	47.0	15.6	-	13.4	9.9	14.1
KKR Real Estate Partners Americas	-	-	-	-	18.2	81.8
LaSalle China Logistics Venture	-	-	100.0	-	-	-
Sculptor Real Estate Fund III	-	-	-	-	-	100.0
Sculptor Real Estate Fund IV	4.6	1.3	1.3	-	5.5	87.2
Seven Seas Japan Opportunity Fund	-	31.5	-	-	52.0	16.5
<b>Opportunistic Portfolio</b>	<b>9.0</b>	<b>2.9</b>	<b>48.2</b>	<b>2.2</b>	<b>3.3</b>	<b>34.4</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>11.8</b>	<b>11.7</b>	<b>20.9</b>	<b>27.1</b>	<b>1.6</b>	<b>27.0</b>
<b>Total Private Portfolio</b>						
<b>SCERS</b>	<b>19.5</b>	<b>10.0</b>	<b>43.7</b>	<b>11.4</b>	<b>0.7</b>	<b>14.8</b>
<b>Indices</b>						
<b>NFI-ODCE</b>	<b>29.3</b>	<b>17.3</b>	<b>33.8</b>	<b>10.8</b>	<b>0.2</b>	<b>8.6</b>

<sup>1</sup>Property diversification numbers used are from 1Q24.

Geographic Diversification (%)	North East	Mid East	East North Central	West North Central	South East	South West	Mountain	Pacific	Ex-US
<b>Core Commingled Funds</b>									
Brookfield Premier Real Estate Partners	23.9	9.1	3.1	-	13.4	8.7	1.2	40.5	-
Lion Properties Fund	17.8	9.5	2.3	0.2	10.6	9.5	9.4	40.7	-
MetLife Core Property Fund	14.7	12.5	8.8	2.0	11.9	7.3	9.0	33.7	-
Principal U.S. Property Account	9.2	9.6	1.8	1.8	12.4	16.9	15.1	33.2	-
Prologis European Logistics Fund	-	-	-	-	-	-	-	-	100.0
Prologis Targeted U.S. Logistics Fund	15.7	5.3	11.0	-	13.5	8.5	5.8	40.3	-
Townsend Real Estate Fund, L.P. <sup>1</sup>	16.3	8.0	9.5	2.9	17.0	12.0	9.4	25.1	0.0
<b>Core Commingled Funds</b>	<b>15.2</b>	<b>8.0</b>	<b>5.6</b>	<b>1.1</b>	<b>12.1</b>	<b>9.2</b>	<b>7.2</b>	<b>31.5</b>	<b>10.1</b>
<b>Value Added Portfolio</b>									
Asana Partners Fund II	17.6	18.4	-	7.3	19.1	7.5	22.1	8.0	-
Asana Partners Fund III	-	13.2	5.7	1.8	43.1	23.3	12.9	-	-
DRC European Real Estate Debt Fund II	-	-	-	-	-	-	-	-	100.0
ECE European Prime Shopping Centre Fund II	-	-	-	-	-	-	-	-	100.0
Hammes Partners II	-	51.6	5.7	-	-	20.2	22.6	-	-
Hammes Partners III	44.5	1.9	14.7	2.0	6.0	19.6	9.9	1.3	-
Hammes Partners IV	4.7	-	10.6	45.1	6.7	25.7	7.2	-	-
NREP Nordic Strategies Fund <sup>1</sup>	-	-	-	-	-	-	-	-	-
NREP Nordic Strategies Fund II	-	-	-	-	-	-	-	-	100.0
NREP Nordic Strategies Fund III	-	-	-	-	-	-	-	-	100.0
NREP Nordic Strategies Fund IV	-	-	-	-	-	-	-	-	100.0
NREP Nordic Strategies Fund V	-	-	-	-	-	-	-	-	100.0
<b>Value Added Portfolio</b>	<b>9.6</b>	<b>6.3</b>	<b>2.6</b>	<b>2.0</b>	<b>9.1</b>	<b>6.9</b>	<b>7.6</b>	<b>1.8</b>	<b>53.9</b>

<sup>1</sup>Geographic diversification numbers used are from 1Q24.

Geographic Diversification (%)	North East	Mid East	East North Central	West North Central	South East	South West	Mountain	Pacific	Ex-US
<b>Opportunistic Portfolio</b>									
Carlyle China Project Rome Co-Investment	-	-	-	-	-	-	-	-	100.0
Carlyle China Realty	-	-	-	-	-	-	-	-	100.0
CIM Fund VIII	62.4	-	7.6	-	-	-	1.6	28.4	-
KKR Real Estate Partners Americas	-	-	-	-	-	81.8	-	18.2	-
LaSalle China Logistics	-	-	-	-	-	-	-	-	100.0
Sculptor Real Estate Fund III	60.1	0.3	0.6	9.1	2.7	0.6	2.3	4.2	20.2
Sculptor Real Estate Fund IV	-	-	-	-	-	-	-	-	-
Seven Seas Japan Opportunity Fund	-	-	-	-	-	-	-	-	100.0
<b>Opportunistic Portfolio</b>	<b>19.1</b>	<b>0.0</b>	<b>1.8</b>	<b>0.7</b>	<b>0.2</b>	<b>0.7</b>	<b>0.5</b>	<b>7.0</b>	<b>69.9</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>11.9</b>	<b>4.9</b>	<b>2.4</b>	<b>1.7</b>	<b>7.0</b>	<b>5.4</b>	<b>6.0</b>	<b>3.1</b>	<b>57.7</b>
<b>Total Private Portfolio</b>									
<b>SCERS</b>	<b>14.3</b>	<b>7.1</b>	<b>4.8</b>	<b>1.3</b>	<b>10.7</b>	<b>8.2</b>	<b>6.8</b>	<b>23.8</b>	<b>23.0</b>
<b>Indices</b>									
<b>NFI-ODCE</b>	<b>20.6</b>	<b>8.1</b>	<b>5.0</b>	<b>0.8</b>	<b>12.5</b>	<b>9.2</b>	<b>7.6</b>	<b>36.2</b>	<b>-</b>

<sup>1</sup>Geographic diversification numbers used are from 1Q24.

## 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.

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.

<sup>1</sup>In select instances where underlying investment managers have ceased reporting limited partner/client level performance data directly to Townsend Group via a secure data collection site, 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 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: Core Fund Property Examples





## Property Examples



<b>Property Sector</b>	Self-storage
<b>Description</b>	30 asset portfolio, primarily drive-up facilities
<b>Year Built</b>	2007-2021
<b>Occupancy</b>	83.5%
<b>Size</b>	1,574,859 SF
<b>Location</b>	8 markets with concentration in Texas and Colorado

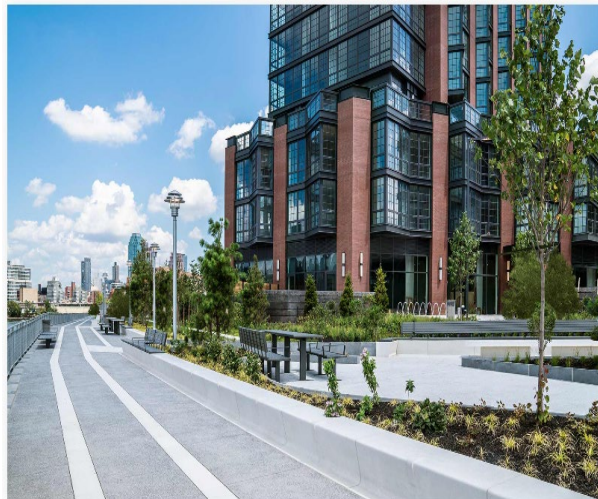


<b>Property Sector</b>	Office
<b>Description</b>	29 story build to core office tower
<b>Year Built</b>	2017
<b>Occupancy</b>	100%
<b>Size</b>	500,436 SF
<b>Location</b>	Austin, TX

## Property Examples



<b>Property Sector</b>	Life Science
<b>Property Description</b>	Three building life science complex
<b>Year Built</b>	2002, recently renovated
<b>Occupancy</b>	100%
<b>Size</b>	283,000 SF
<b>Location</b>	Washington DC MSA



<b>Property Sector</b>	Multifamily
<b>Property Description</b>	30-story apartment tower, 349 units
<b>Year Built</b>	2018
<b>Occupancy</b>	94%
<b>Size</b>	369,482 SF
<b>Location</b>	Brooklyn, NY

## Property Examples



<b>Property Sector</b>	Retail
<b>Property Description</b>	Power & lifestyle center
<b>Year Built</b>	2013
<b>Occupancy</b>	92%
<b>Size</b>	465,675 SF
<b>Location</b>	Greenville, SC



<b>Property Sector</b>	Industrial
<b>Property Description</b>	Warehouse/Distribution Center
<b>Year Built</b>	2008
<b>Occupancy</b>	100%
<b>Size</b>	780,393 SF
<b>Location</b>	Stockton, CA

## Exhibit C: Real Estate Market Update 2Q24



# Global Economic Conditions

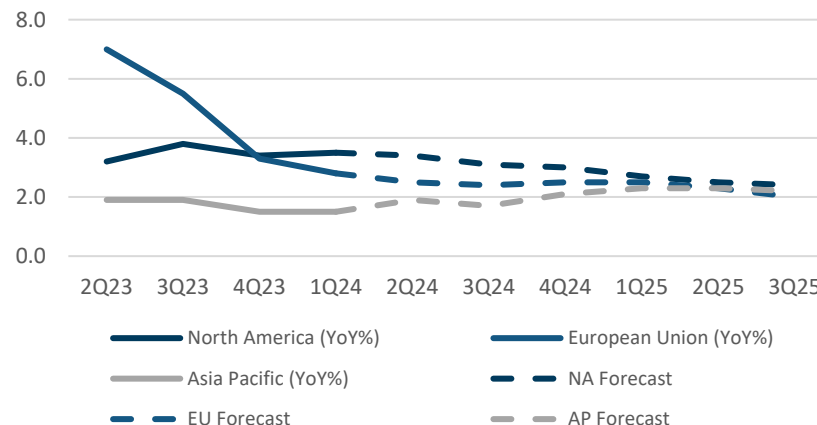
## ECONOMIC GROWTH OUTLOOK REMAINS POSITIVE

Real GDP Forecasts (YoY%) – 6/13/2024

Major Regions	2023	2024	2025	2026
North America	2.5	2.3	1.8	2.0
European Union	0.5	1.0	1.7	1.8
Asia Pacific	4.3	4.3	4.1	3.9
Selected Markets	2023	2024	2025	2026
United States	2.5	2.4	1.8	2.0
United Kingdom	0.1	0.6	1.2	1.4
Germany	-0.2	0.2	1.2	1.3
China	5.2	4.9	4.5	4.2
Japan	1.9	0.4	1.1	0.9
Australia	2.0	1.3	2.2	2.5

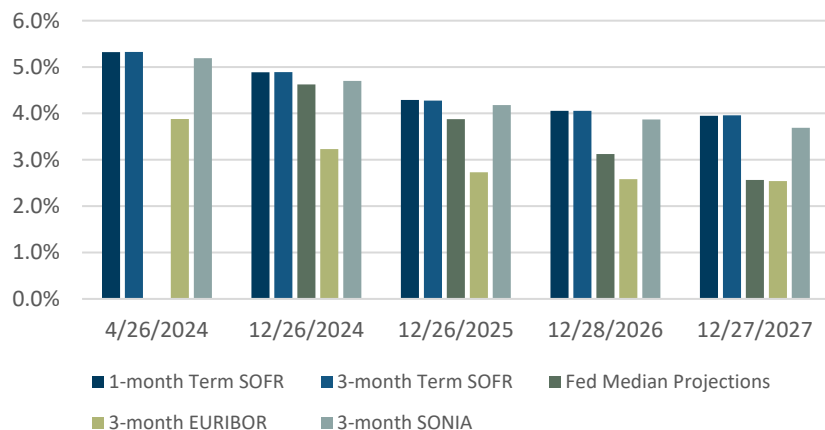
## INFLATION IS PROJECTED TO STABILIZE

CPI Quarterly



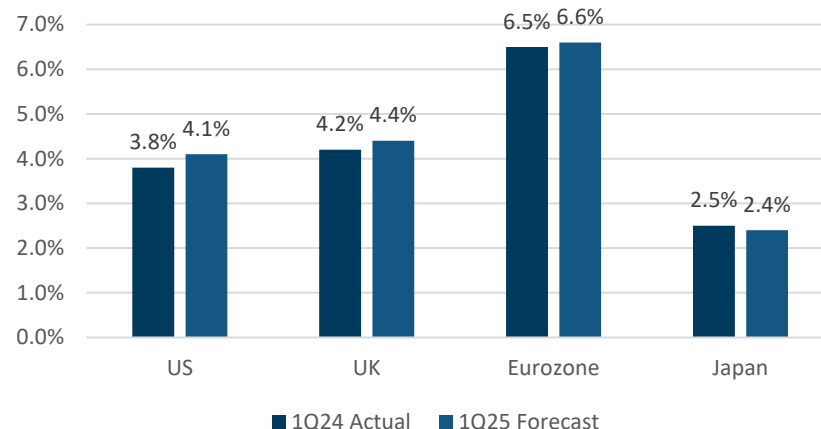
## FORWARD CURVES INDICATING DECLINE IN RATES

Forward Curves



## UNEMPLOYMENT RATES REMAIN LOW

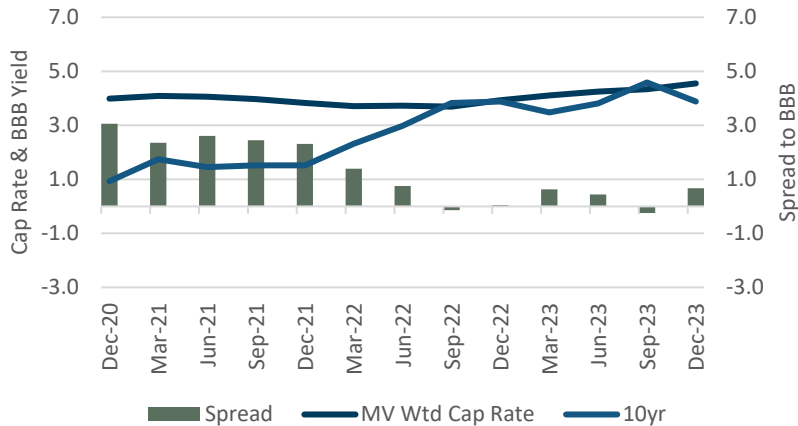
Unemployment Rate (%)



# US Real Estate Market Conditions

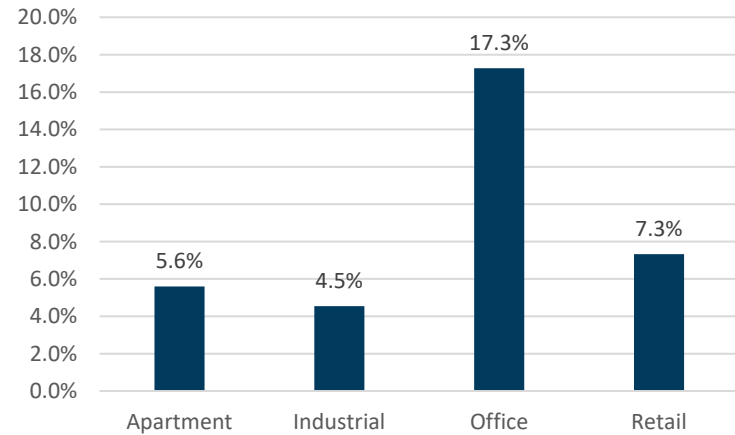
## PRIVATE REAL ESTATE SPREADS COMPRESSING

### NPI Current Value Cap Rate versus 10yr Treasury



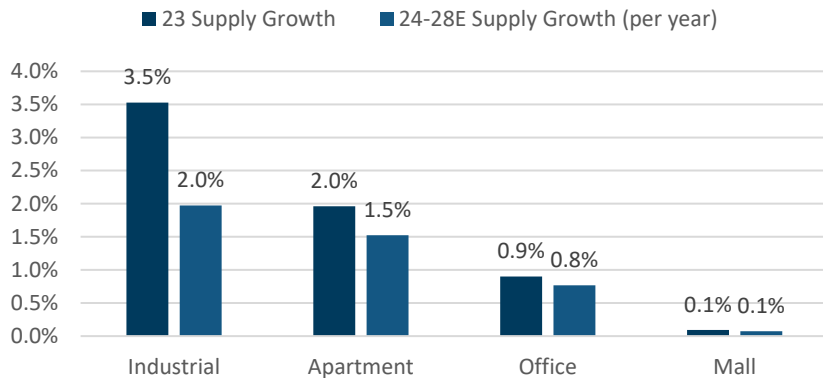
## BUT VACANCY RATES REMAIN LOW

### Vacancy Rates by Property Sector



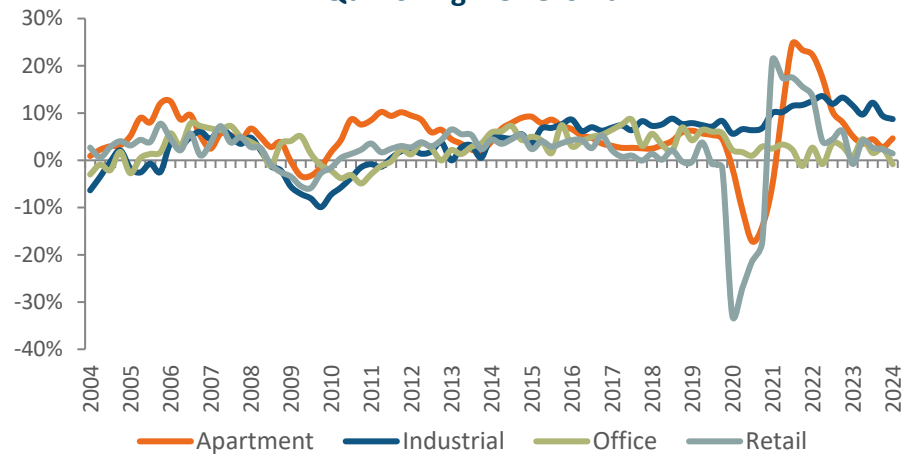
## SUPPLY GROWTH CONTRACTING MEANINGFULLY

### Annual Completions as % of Existing Stock



## NCREIF NOI GROWTH

### 4 Qtr Rolling NOI Growth



# United States Property Matrix (2Q24)



## INDUSTRIAL

- In 2Q24, industrial properties returned 0.20% and outperformed the NPI by 46 bps.
- Transaction volumes increased to \$21 billion in the second quarter of the year, resulting in a 12% decrease year-over-year. Individual asset sales decreased 12% year-over-year, while portfolio purchases turned in a year-over-year volume decrease of 30%. At \$21 billion, the industrial sector decreased by \$3.6 billion quarter-over-quarter.
- The industrial sector turned in NOI growth of 8.7% over the past year. NOI continues to reach all time highs for the sector.
- Vacancy increased by 110 bps year-over-year to 2.9%. Vacancy in the sector increased 31 bps from the prior quarter. E-commerce continues to drive demand across the sector.
- Industrial cap rates expanded approximately 27 bps from a year ago, to 4.2%. Industrial overall fundamentals still top all property sectors.

## MULTIFAMILY

- The apartment sector delivered a 0.15% return during the quarter, outperforming the NPI by 41 bps.
- Transaction volume in the second quarter of 2024 increased to \$40 billion, resulting in an increase of 25% year-over-year. Transaction volume for the sector increased from the first quarter by \$19 billion. This volume continues to make multifamily the most actively traded sector for the twenty-fifth straight quarter.
- Cap rates increased to 4.4% quarter-over-quarter, increasing 42 bps year-over-year. Multifamily cap rates remain at low levels relative to prior years, driven by continued investor demand.
- The multifamily sector saw increasing vacancy rates throughout the entirety of 2020 due to the global pandemic. Throughout 2021 and 2022, the sector appeared to have shaken that trend although vacancy rates remained steady. Vacancy rates decreased quarter over quarter to 6.0% as of the second quarter of 2024. 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 -2.36% in 2Q24, 210 bps below the NPI return over the period.
- Transaction volumes decreased by 15% year-over-year in the second quarter. Transaction volume equated to \$12 billion for the quarter, slightly decreasing quarter-over-quarter. Office transaction levels have regressed since 4Q21 and are at levels seen during the COVID-19 pandemic.
- Office sector vacancy rates have expanded since the beginning of the pandemic due to a shift to work-from-home and resulting uncertainty revolving around the future of office space. Office continues to be the highest vacancy property type at 14.8%, increasing by 50 bps from last quarter.
- NOI growth in the office sector decreased quarter-over-quarter by 370 bps to -1.4% and is still experiencing volatility given the current market environment.
- Office cap rates expanded from a year ago, sitting at approximately 6.2%. Office-using job growth was stunted significantly throughout 2020 due to work-from-home orders. Though we are observing a slow but steady flow back to in-office work, there is still uncertainty in the sector.

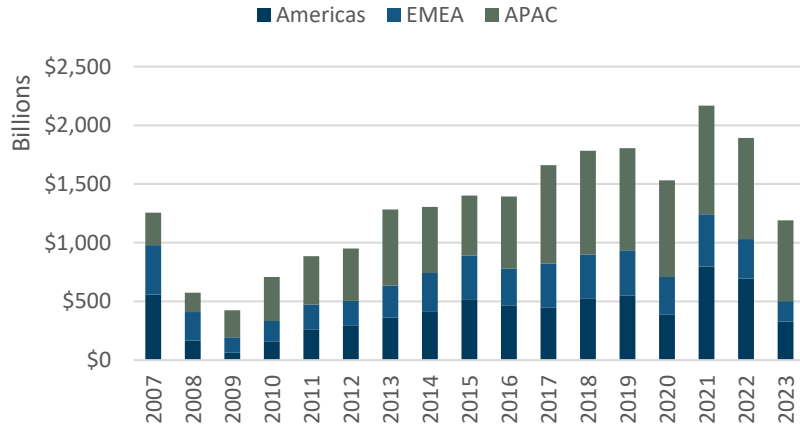
## RETAIL

- As of 2Q24, the retail sector delivered a quarterly return of 0.89%, outperforming 115 bps compared to the NPI.
- Transaction volumes totaled \$11 billion in the second quarter, decreasing 1% year-over-year. Single asset transactions accounted for just over 87% of all sales volume for the quarter.
- Cap rates have remained fairly steady within the sector over the last year but have slightly increased as of the second quarter at 5.6%. Current valuation cap rates slightly expanded quarter-over-quarter by 1 bps due to valuation adjustments made across the sector in general.
- NOI growth decreased from the prior quarter to -3.4% as of the second quarter. Retail has begun its slow recovery but has continued to experience volatility due to the current market environment.
- Retail vacancy rates remained steady over the quarter at 7.6%, remaining flat over the past year. Many big box stores have closed as the need for retail space shrinks, translating to a negative outlook for rent growth. Paired with the global economic crisis, which has had a significant negative impact on this sector.

# Global Real Estate Market Conditions

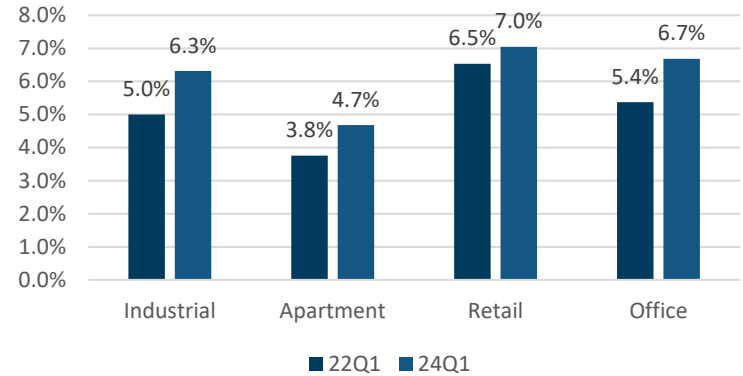
## TRANSACTION VOLUME DOWN BUT SIGNS OF PICKUP

### Global Commercial Real Estate Transaction Volume



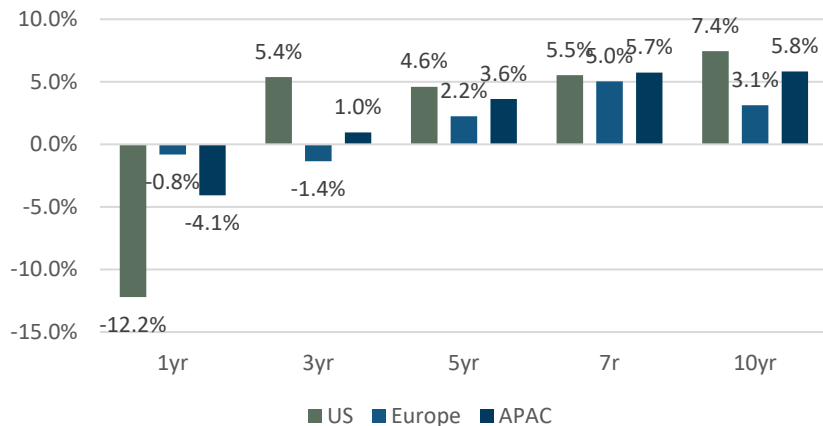
## VALUATIONS HAVE RESET CONSIDERABLY FROM '22 LOWS

### Europe Average Cap Rate



## REAL ESTATE RETURNS DECLINED GLOBALLY IN 2023

### Regional Returns Annualized (Net of Fees)



## INDUSTRIAL SPREADS POSITIVE IN JAPAN; NEGATIVE IN AUSTRALIA

### Spread Between Industrial Yields and Lending Rates (bps)

