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Real Estate Portfolio

# Performance Measurement Report

Third Quarter 2024



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**Townsend Group**  
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# 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 third quarter, 2024 (the “Quarter”), the Real Estate Portfolio was below the real estate target and below the allowable range at 6.2%. While the real estate allocation at 6.2% is less than the 7% minimum, we note that 1.1% of capital is undrawn as of the third 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 65.8% of the portfolio, with Non-Core Real Estate making up the remaining 34.2%.

**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 2022, SCERS amended the risk sector allocation policy to 60% Core investments and 40% Non-Core investments. The geographic allocation policy was simultaneously amended to allow up to 35% ex-US investments.
- The loan-to-value ratio of the Private Real Estate Portfolio was 41.6% at the end of the third quarter of 2024. The loan-to-value ratio of the Core Portfolio was 36.4%, 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 third quarter. The Non-Core Portfolio reported a loan-to-value ratio of 49.5%.

# Portfolio Funding Status



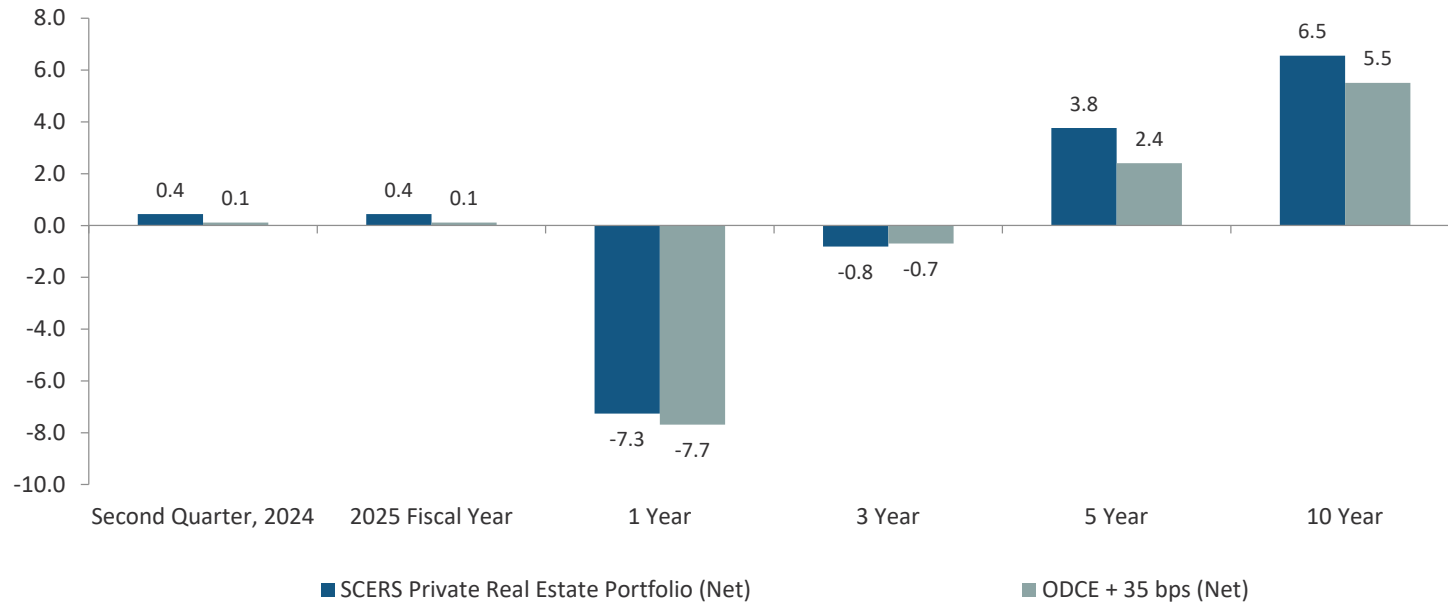
- The following slides provide a review of key information of the SCERS Real Estate Portfolio (the “Portfolio”) through September 30, 2024.
- A detailed performance report is also provided in Exhibit A.
- Figures exclude commitments / redemptions / dispositions approved subsequent to quarter-end and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

SCERS Portfolio Snapshot <i>As of September 30, 2024</i>	Market Value (in millions of dollars)*	% of SCERS Plan	% of Real Estate
SCERS Total Plan Assets	14,123	100.0%	
Private Portfolio Target	1,271	9.0%**	
Private Portfolio Permissible Range		7.0-11.0%**	
Private Real Estate			
Core Portfolio	581	4.1%	65.8%
Non-Core Portfolio	302	2.1%	34.2%
<b>Total SCERS Private Real Estate Market Value</b>	<b>883</b>	<b>6.2%</b>	
<b>Total SCERS Private Real Estate Unfunded Commitments</b>	<b>158</b>	<b>1.1%</b>	

\* Figures may not add due to rounding

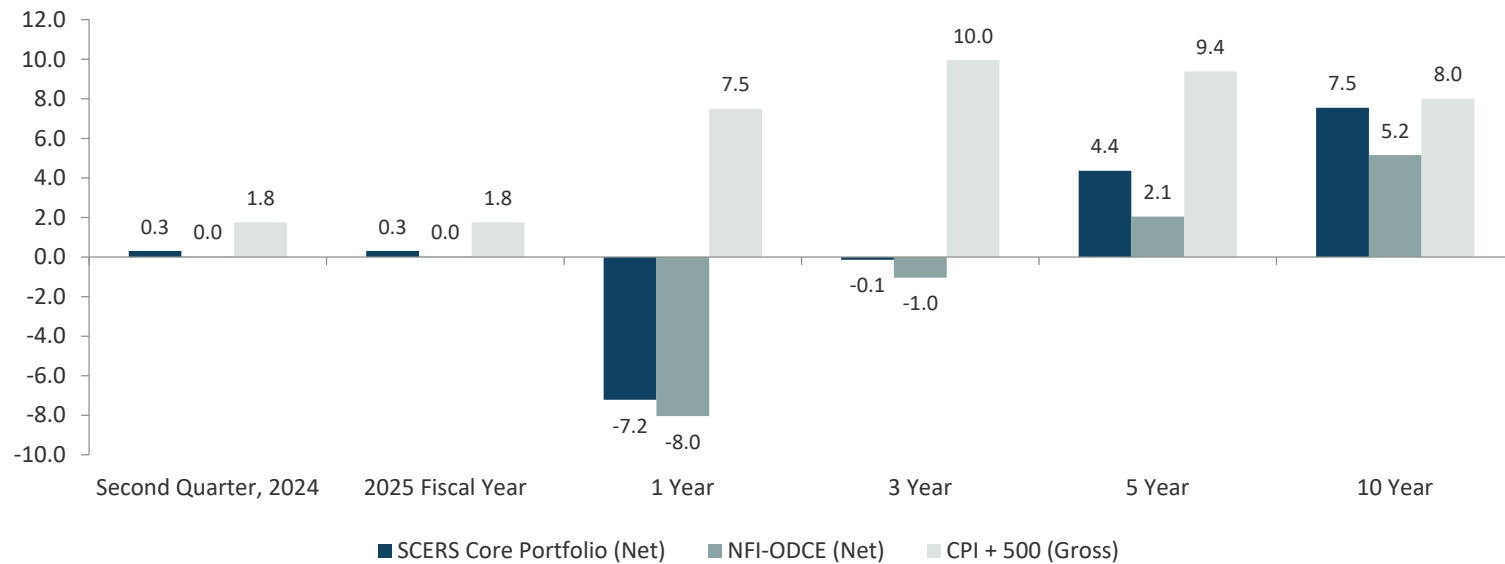
\*\* The 9% Private Portfolio (RE) target and permissible range were approved during the third quarter of 2021

# 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 positive returns in the third quarter of 2024, outperforming the benchmark by 33 basis points. Outperformance was driven by the Non-Core Portfolio, particularly in the Opportunistic portfolio. Investments in a fund with exposure to Japan and a U.S. fund with exposure to alternative property types contributed most to the outperformance.
- Additionally, the SCERS Total Real Estate Portfolio outperformed the benchmark over all other time periods, except the 3-year time period, where it performed roughly in line with the benchmark.

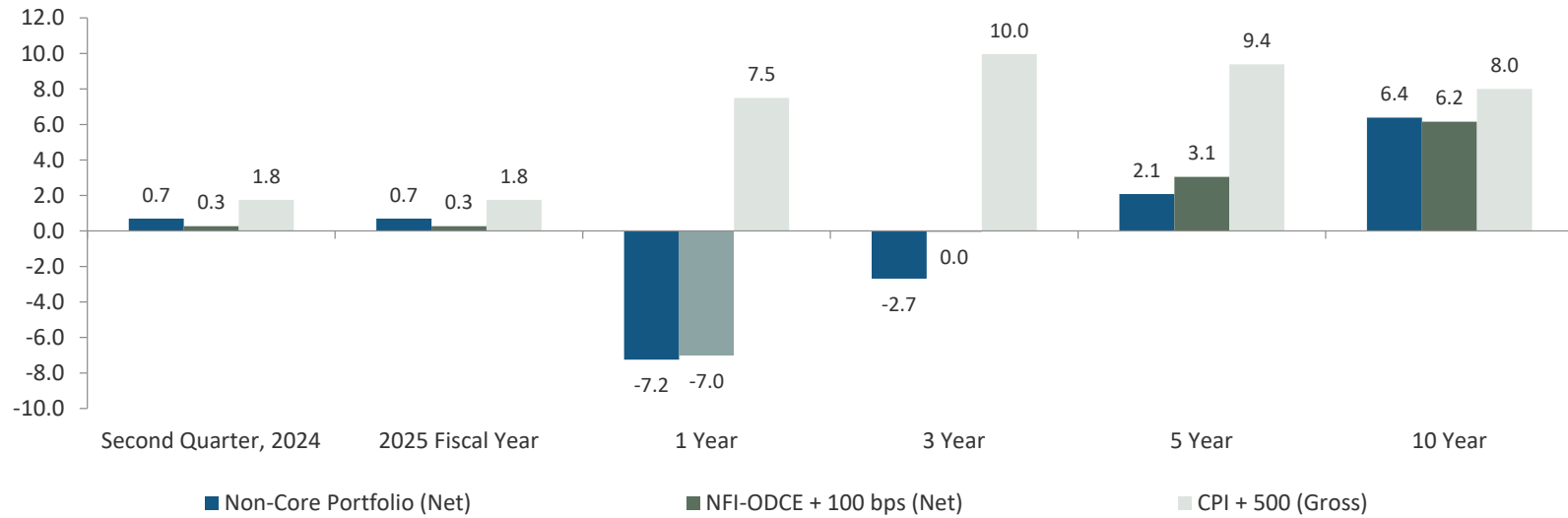
# Core Portfolio Performance



- 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. Over the last year, real estate valuations have been adjusting to reflect the changing real estate market conditions; however, valuations are starting to stabilize.
- During the Quarter, the Core portfolio outperformed the NFI-ODCE by 28 basis points generating a 0.3% net return. The outperformance of the Core portfolio was primarily due to Prologis European Logistics Fund (4.1% net) and Prologis Targeted U.S. Logistics Fund (1.4% net).

Note: EX-US funds produced the following 3Q24 net returns in local currency: Prologis European Logistics Fund (Euro) 0.1%.

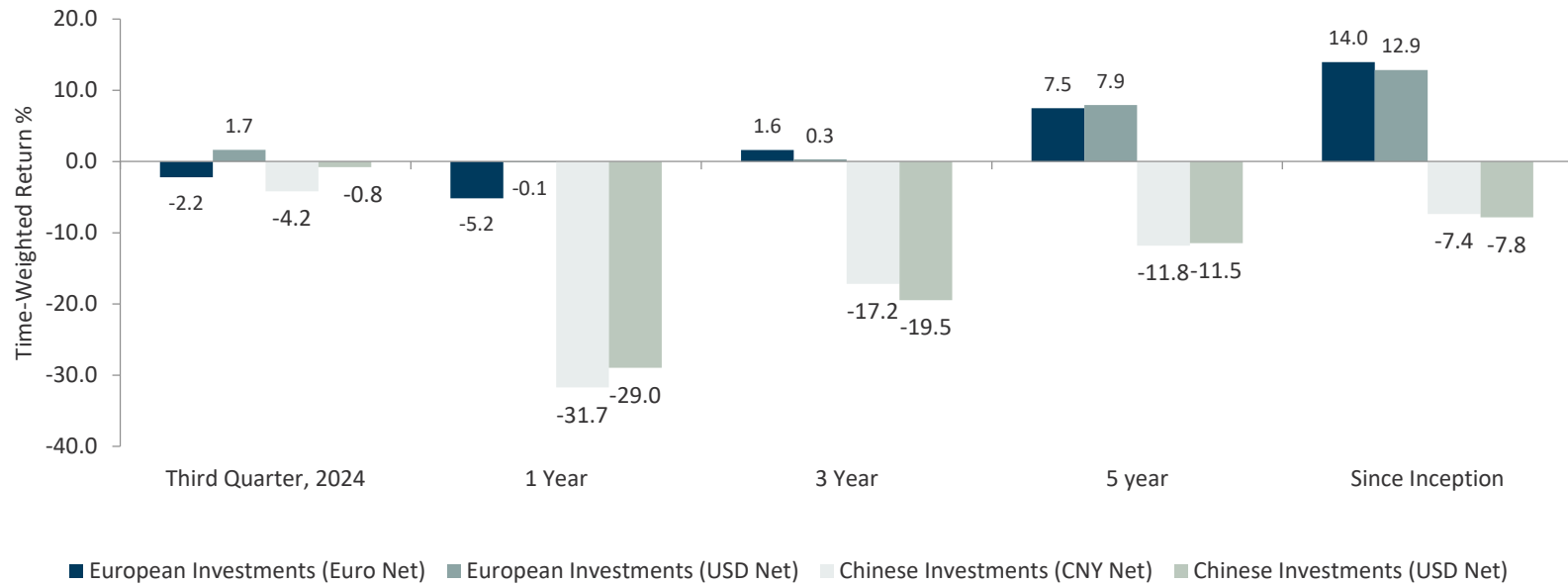
# Non-Core Portfolio Performance



- 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 1-year, 3-year, and 5-year time periods, but outperforming the quarter, fiscal year, and 10-year periods.
- During the quarter, the Non-Core Portfolio outperformed the benchmark by 42 basis points recording net returns of 0.7%. The outperformance is attributed to the strong performance of the Opportunistic investments generating 1.5% in net returns, largely driven by Seven Seas Japan Opportunity Fund (13.6% net), Sculptor Real Estate Fund III (4.7% net), and Sculptor Real Estate Fund IV (2.8% net).
- Seven Seas Japan Opportunity Fund was also the largest contributor to positive relative performance for the trailing year, generating a 22.9% net return.

*Note: EX-US funds produced the following 3Q24 net returns in local currency: DRC European Real Estate Debt Fund II (Pound Sterling) 0.0%, ECE European Prime Shopping Centre Fund II (Euro) 0.4%, NREP Nordic Strategies Fund II (Euro) 0.3%, NREP Nordic Strategies Fund III (Euro) -2.3%, NREP Nordic Strategies Fund IV (Euro) -0.9%, NREP Nordic Strategies Fund V (Euro) -2.7%, Seven Seas Japan Opportunity Fund 1.5% (Japanese Yen), LaSalle China Logistics Venture (Chinese Yuan) -3.9%, Carlyle China Realty Fund (Chinese Yuan) -4.5%, and Carlyle’s Project Rome (Chinese Yuan) -4.3%*

# Ex-US Portfolio Performance

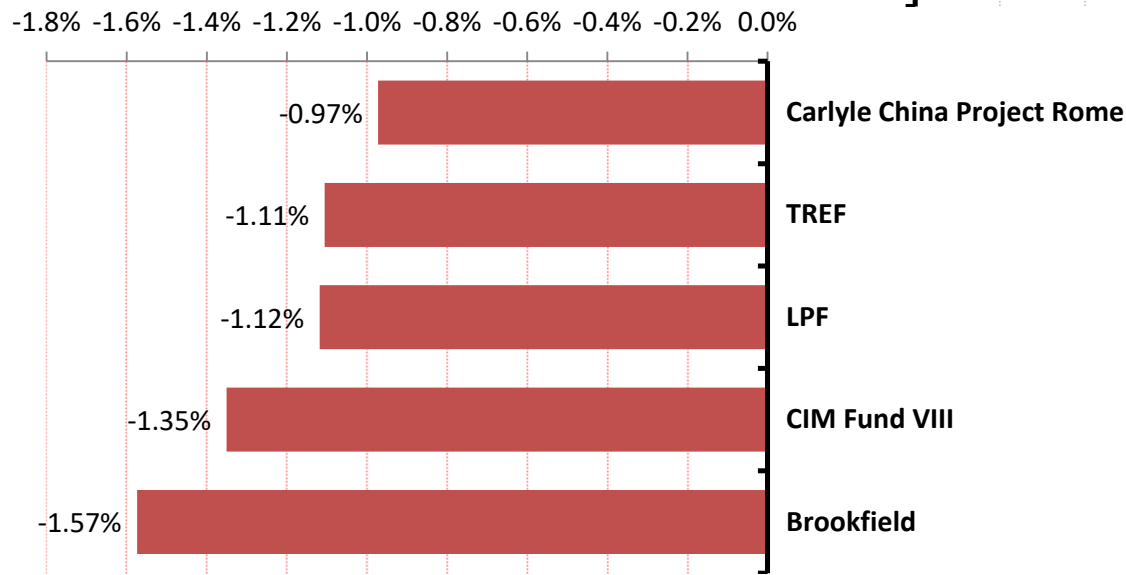
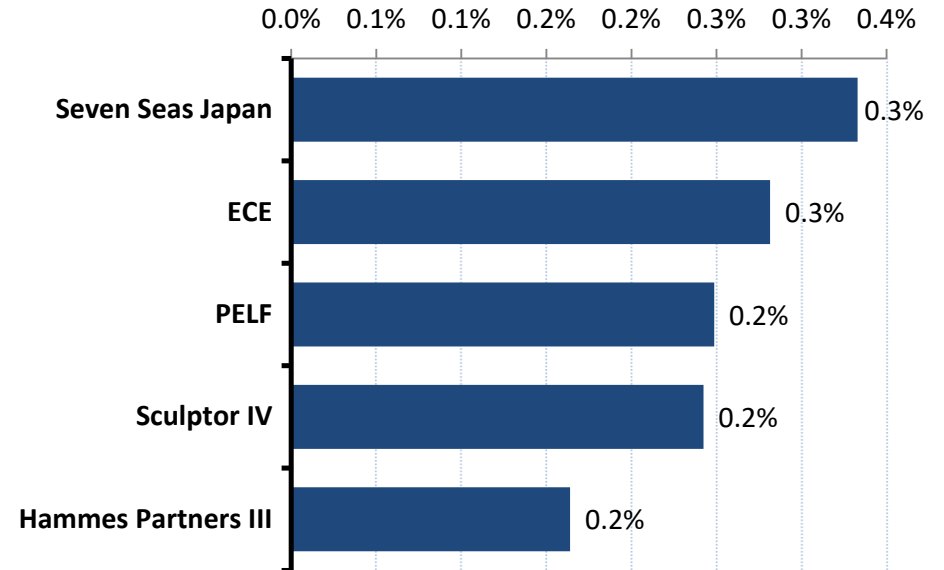


- Approximately 23.5% of the SCERS Portfolio is comprised of Ex-US investments. SCERS does not currently hedge its foreign currency exposures and pays liabilities in US Dollars. As such, FX movement will impact performance for Ex-US investments. The chart above isolates European and Chinese investments and displays performance both before and after currency conversion.
- During the quarter, the impact of currency movement was positive on foreign investments with both investments in Euros and Chinese Yuan outperforming. 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 British 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.
  - For the purposes of this composite, Seven Seas Japan has been excluded, since it is a Japanese Yen denominated fund.

# Performance Attribution- One Year Period

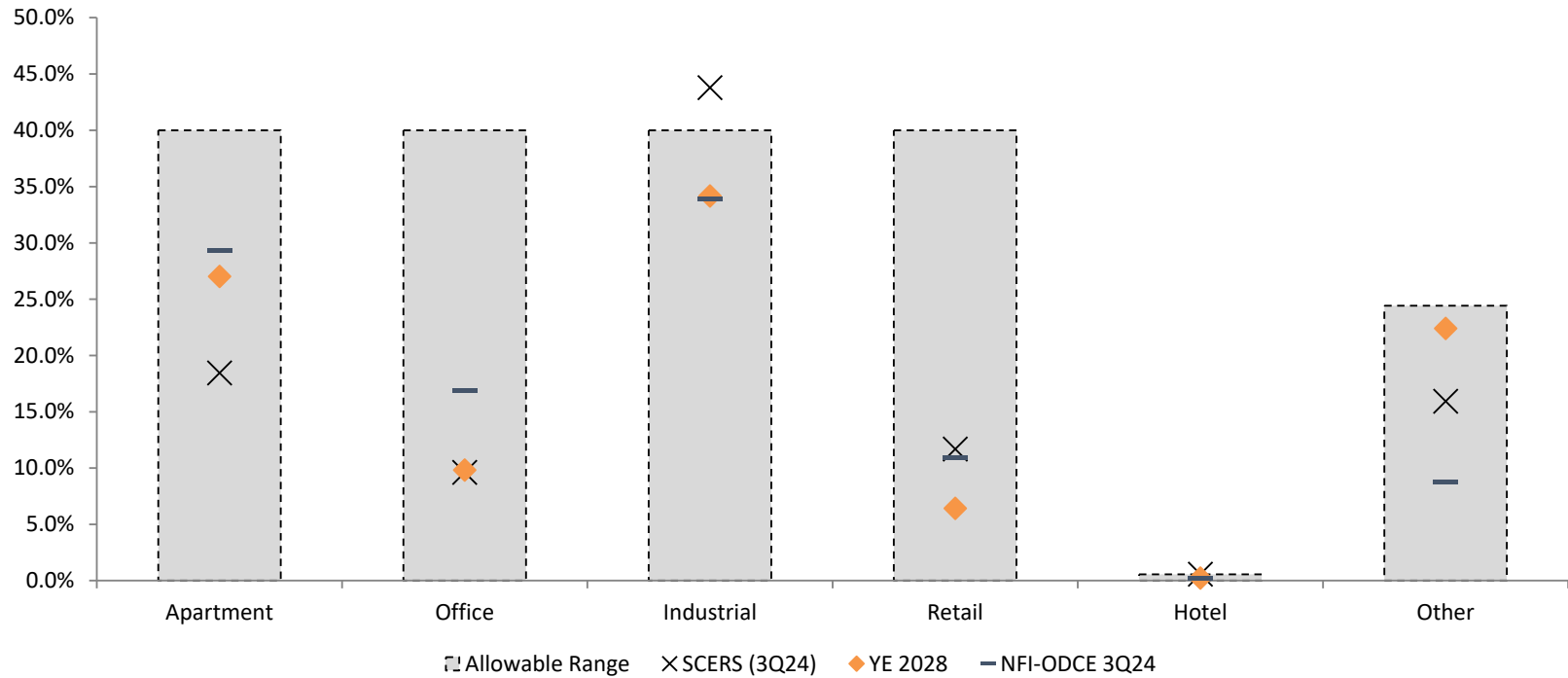


- Over the trailing twelve-month period, the top five performers were Non-Core investments, including Value-Added and Opportunistic funds, which drove outperformance of the SCERS Portfolio recently. The funds include Sculptor Real Estate Fund IV, Seven Seas Japan Opportunity Fund, Prologis European Logistics Fund, Hammes Partners III, and ECE European Prime Shopping Centre Fund II.
- The largest detractors were mainly Core and Opportunistic funds with large office exposure. Core investments were affected by the 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.
- CIM Fund VIII was the second largest detractor in a 1-year period due to significant depreciation in the fund’s valuation, particularly in office assets that have been challenged since COVID.





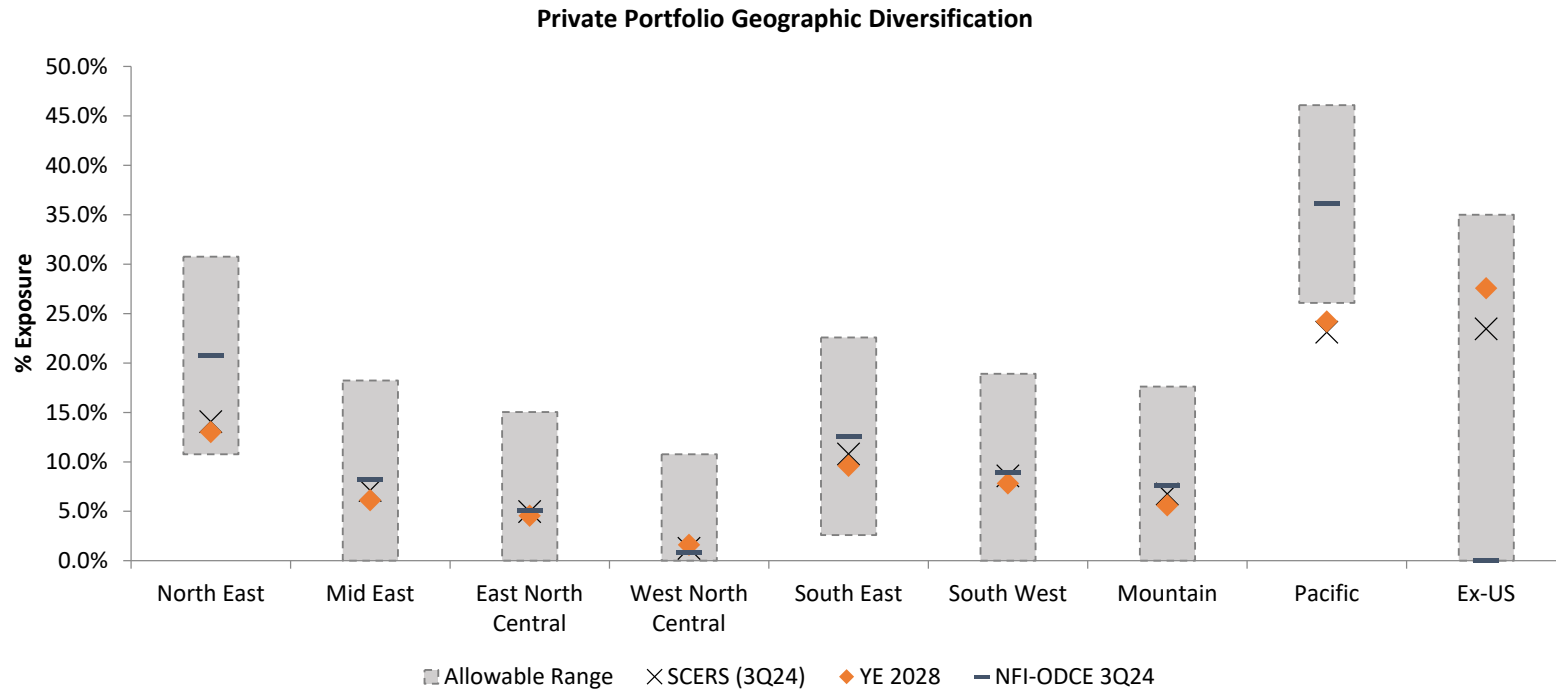
# Real Estate Private Portfolio Diversification – Property Type



- 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 third quarter, the industrial property type was the only sector outside the current set limit of 40%. However, the industrial exposure 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).

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

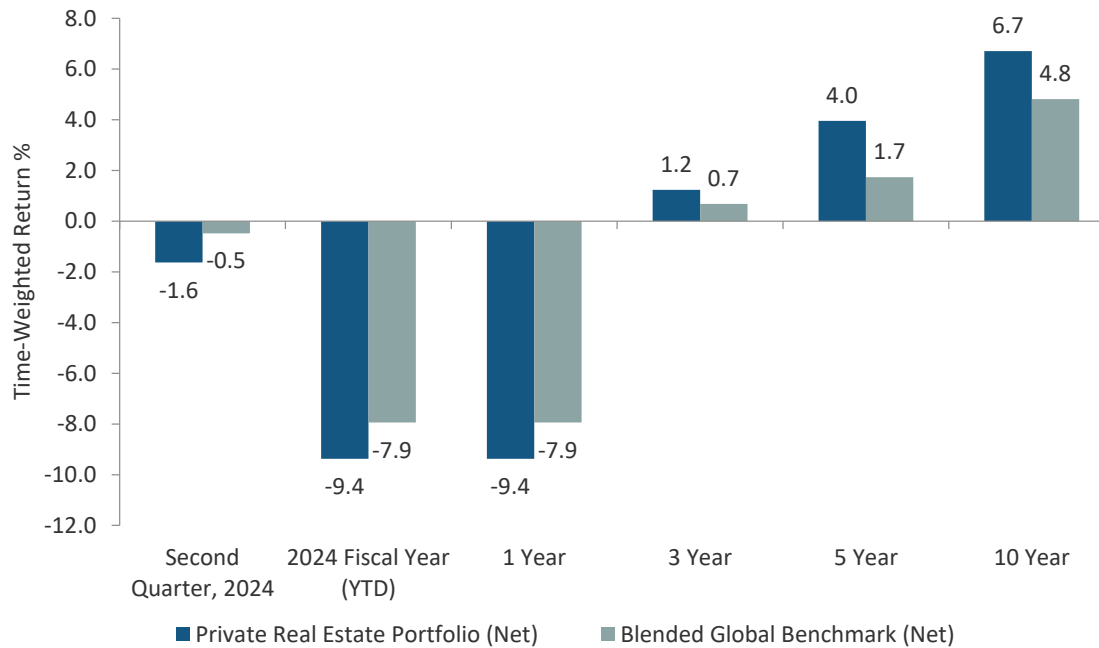
# Real Estate Private Portfolio Diversification – Geographic Region



- 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 35.0% of the Total Private Portfolio.
- As of the third quarter, the Private Portfolio was in compliance across all regions, excluding the Pacific.
- The Private Portfolio's international exposure is 23.5%, 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 (3.7%), Sweden (3.6%), Germany (2.9%), Finland (2.1%), United Kingdom (2.0%), Poland (1.7%), Japan (1.7%), Netherlands (1.3%), France (1.2%), and other countries (3.6%).

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

# Private Real Estate Performance – Global Ancillary Benchmark (2Q24)



- 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.

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# 01 Performance Flash Report

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Portfolio Composition (\$)									
Total Plan Assets		Allocation		Market Value		Unfunded Commitments		Remaining Allocation	
	#								
	V #								
	Total	9.0%		882,545,369	6.2%	157,978,772	1.1%	54,014,969	0.4%

Performance Summary									
		Quarter (%)		1 Year (%)		3 Year (%)		5 Year (%)	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
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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>									
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<b>Core Commingled Funds</b>		1986	540,437,070	600,790,505	0	299,513,134	580,566,535	65.8	55.8
<b>Value Added Portfolio</b>									
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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	11,351,022	0	23,049,148	2.6	3.3
NREP Nordic Strategies Fund V	2022	41,710,115	13,316,815	24,800,143	0	19,815,242	2.2	4.3
<b>Value Added Portfolio</b>	<b>1986</b>	<b>425,105,729</b>	<b>327,581,872</b>	<b>106,987,038</b>	<b>212,282,284</b>	<b>214,816,322</b>	<b>24.3</b>	<b>30.9</b>
<b>Opportunistic Portfolio</b>								
Carlyle China Project Rome Co-Investment	2017	40,000,000	38,745,488	4,405,916	0	19,282,656	2.2	2.3
Carlyle China Realty	2017	10,000,000	10,783,995	695,409	2,342,232	4,296,335	0.5	0.5
CIM Fund VIII	2015	35,000,000	40,203,931	0	8,595,680	10,629,294	1.2	1.0
KKR Real Estate Partners Americas	2014	22,720,638	30,477,571	3,842,263	38,472,372	310,951	0.0	0.4
LaSalle China Logistics Venture	2021	30,000,000	12,857,823	17,142,177	0	11,094,717	1.3	2.7
Sculptor Real Estate Fund III <sup>2</sup>	2014	35,000,000	27,109,575	12,381,594	45,051,047	3,577,516	0.4	1.5
Sculptor Real Estate Fund IV	2020	30,000,000	27,159,457	8,775,254	10,419,140	21,244,293	2.4	2.9
Seven Seas Japan Opportunity Fund	2022	20,492,375	19,084,277	3,749,121	1,144,069	16,726,750	1.9	2.0
<b>Opportunistic Portfolio</b>	<b>1991</b>	<b>223,213,013</b>	<b>206,422,117</b>	<b>50,991,734</b>	<b>106,024,540</b>	<b>87,162,512</b>	<b>9.9</b>	<b>13.3</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>2007</b>	<b>648,318,742</b>	<b>534,003,989</b>	<b>157,978,772</b>	<b>318,306,824</b>	<b>301,978,834</b>	<b>34.2</b>	<b>44.2</b>
<b>Total Private Portfolio</b>								
<b>SCERS</b>	<b>1986</b>	<b>1,188,755,812</b>	<b>1,987,571,558</b>	<b>157,978,772</b>	<b>1,838,151,009</b>	<b>882,545,369</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 2025				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	91,956,862	0.4	-0.8	-0.5	-0.7	0.4	-0.8	-0.5	-0.7	1.5	-14.0	-12.6	-13.5	2.0	-3.9	-2.0	-2.9
Lion Properties Fund	102,141,719	1.0	-0.7	0.2	0.0	1.0	-0.7	0.2	0.0	3.7	-11.7	-8.3	-9.1	3.7	-4.8	-1.2	-2.0
MetLife Core Property Fund	69,140,936	1.2	-2.4	-1.2	-1.3	1.2	-2.4	-1.2	-1.3	4.8	-14.7	-10.4	-10.9	4.6	-4.8	-0.4	-0.9
Principal U.S. Property Account	53,842,071	1.1	-1.1	0.0	-0.2	1.1	-1.1	0.0	-0.2	4.5	-8.6	-4.4	-5.3	4.1	-3.4	0.6	-0.4
Prologis European Logistics Fund <sup>1,3</sup>	60,602,732	1.3	3.0	4.3	4.1	1.3	3.0	4.3	4.1	5.2	-0.5	4.7	3.7	4.6	-5.8	-1.4	-2.8
Prologis Targeted U.S. Logistics Fund	74,667,945	1.1	0.6	1.6	1.4	1.1	0.6	1.6	1.4	4.3	-6.0	-1.9	-2.3	3.7	2.9	6.7	5.9
Townsend Real Estate Fund, L.P. <sup>3</sup>	128,214,270	0.7	-0.7	0.1	0.0	0.7	-0.7	0.1	0.0	2.7	-9.3	-6.8	-7.0	2.9	-1.8	1.1	0.8
<b>Core Commingled Funds</b>	<b>580,566,535</b>	<b>0.9</b>	<b>-0.4</b>	<b>0.5</b>	<b>0.3</b>	<b>0.9</b>	<b>-0.4</b>	<b>0.5</b>	<b>0.3</b>	<b>3.5</b>	<b>-9.9</b>	<b>-6.6</b>	<b>-7.2</b>	<b>3.5</b>	<b>-2.8</b>	<b>0.6</b>	<b>-0.1</b>
<b>Value Added Portfolio</b>																	
Asana Partners Fund II <sup>3</sup>	33,500,586	-0.3	-2.4	-2.6	-2.9	-0.3	-2.4	-2.6	-2.9	-1.3	-5.2	-6.4	-7.5	-0.7	0.4	-0.4	-0.4
Asana Partners Fund III <sup>3</sup>	17,936,602	0.1	1.4	1.4	0.7	0.1	1.4	1.4	0.7	-0.9	4.7	3.8	0.5				
DRC European Real Estate Debt Fund II <sup>3</sup>	6,320,654	0.0	5.8	5.8	5.8	0.0	5.8	5.8	5.8	0.0	9.6	9.6	9.6	12.4	-0.7	11.3	11.2
ECE European Prime Shopping Centre Fund II C <sup>3</sup>	36,233,870	0.8	4.4	5.2	4.4	0.8	4.4	5.2	4.4	1.9	8.2	10.3	7.5	-0.9	7.8	7.0	4.3
Hammes Partners II	3,051,847	2.5	-0.6	1.9	1.3	2.5	-0.6	1.9	1.3	7.6	3.4	11.3	8.1	5.6	8.7	14.7	10.9
Hammes Partners III	22,245,535	1.0	1.7	2.7	2.1	1.0	1.7	2.7	2.1	4.1	5.0	9.2	7.3	6.1	5.9	12.3	8.7
Hammes Partners IV	4,485,904	-3.0	36.7	33.6	15.9	-3.0	36.7	33.6	15.9	-12.0	39.7	25.2	-44.2				
NREP Nordic Strategies Fund	0	-100.5	3.2	-97.2	-97.2	-100.5	3.2	-97.2	-97.2	-100.5	4.8	-97.2	-97.2	N/A	3.5	-69.0	-69.2
NREP Nordic Strategies Fund II	15,588,179	-2.2	6.4	4.1	4.2	-2.2	6.4	4.1	4.2	-3.6	0.0	-3.5	-1.7	-1.0	1.5	1.0	-0.4
NREP Nordic Strategies Fund III <sup>3</sup>	32,588,757	-1.7	3.7	2.0	1.6	-1.7	3.7	2.0	1.6	-2.7	-2.5	-5.0	-1.1	-1.4	1.9	0.8	0.2
NREP Nordic Strategies Fund IV	23,049,148	0.3	3.2	3.5	3.0	0.3	3.2	3.5	3.0	1.1	-0.8	0.3	-2.0	-6.7	7.7	2.1	-1.7
NREP Nordic Strategies Fund V	19,815,242	-1.2	3.4	2.2	1.1	-1.2	3.4	2.2	1.1	-2.7	-0.1	-2.9	-6.5				
<b>Value Added Portfolio</b>	<b>214,816,322</b>	<b>-1.7</b>	<b>2.6</b>	<b>1.0</b>	<b>0.4</b>	<b>-1.7</b>	<b>2.6</b>	<b>1.0</b>	<b>0.4</b>	<b>-1.7</b>	<b>1.4</b>	<b>-0.3</b>	<b>-1.4</b>	<b>1.0</b>	<b>4.3</b>	<b>5.3</b>	<b>2.6</b>
<b>Opportunistic Portfolio</b>																	
Carlyle China Project Rome Co-Investment	19,282,656	0.0	-0.3	-0.4	-0.9	0.0	-0.3	-0.4	-0.9	-0.2	-30.5	-30.7	-32.1	-0.2	-20.1	-20.3	-21.4
Carlyle China Realty	4,296,335	-0.1	-0.3	-0.5	-1.1	-0.1	-0.3	-0.5	-1.1	-0.5	-30.6	-31.0	-32.7	-0.4	-20.1	-20.5	-21.9
CIM Fund VIII	10,629,294	0.3	-9.2	-8.9	-9.8	0.3	-9.2	-8.9	-9.8	-0.1	-52.0	-52.1	-53.4	-0.1	-27.6	-27.7	-29.1
KKR Real Estate Partners Americas	310,951	-1.5	-23.3	-24.8	-19.8	-1.5	-23.3	-24.8	-19.8	-75.5	43.0	-45.0	-36.9	-64.9	45.7	-27.8	-23.1
LaSalle China Logistics Venture	11,094,717	-0.1	0.0	-0.1	-0.5	-0.1	0.0	-0.1	-0.5	-2.7	-9.8	-12.4	-14.3	-0.9	11.9	10.1	-0.3
Sculptor Real Estate Fund III <sup>2</sup>	3,577,516	0.1	4.8	4.9	4.7	0.1	4.8	4.9	4.7	1.3	16.5	18.0	16.9	7.2	28.0	36.7	34.7
Sculptor Real Estate Fund IV	21,244,293	1.6	1.7	3.3	2.8	1.6	1.7	3.3	2.8	5.0	8.5	13.8	11.5	3.1	10.9	14.3	9.6
Seven Seas Japan Opportunity Fund	16,726,750	8.0	6.4	14.4	13.6	8.0	6.4	14.4	13.6	6.4	21.5	28.7	22.9				
<b>Opportunistic Portfolio</b>	<b>87,162,512</b>	<b>1.8</b>	<b>0.3</b>	<b>2.0</b>	<b>1.5</b>	<b>1.8</b>	<b>0.3</b>	<b>2.0</b>	<b>1.5</b>	<b>0.6</b>	<b>-17.4</b>	<b>-17.0</b>	<b>-19.0</b>	<b>0.6</b>	<b>-10.6</b>	<b>-10.0</b>	<b>-12.2</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>301,978,834</b>	<b>-0.7</b>	<b>2.0</b>	<b>1.3</b>	<b>0.7</b>	<b>-0.7</b>	<b>2.0</b>	<b>1.3</b>	<b>0.7</b>	<b>-1.1</b>	<b>-4.8</b>	<b>-5.9</b>	<b>-7.2</b>	<b>0.8</b>	<b>-1.0</b>	<b>-0.2</b>	<b>-2.7</b>
<b>Total Private Portfolio</b>																	
<b>SCERS</b>	<b>882,545,369</b>	<b>0.4</b>	<b>0.4</b>	<b>0.8</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.8</b>	<b>0.4</b>	<b>2.0</b>	<b>-8.3</b>	<b>-6.4</b>	<b>-7.3</b>	<b>2.6</b>	<b>-2.2</b>	<b>0.4</b>	<b>-0.8</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 2025				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>	€ 54,427,314	1.3	-0.9	0.4	0.1	1.3	-0.9	0.4	0.1	5.2	-5.5	-0.6	-1.6	4.6	-4.6	-0.1	-1.6
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	11.6	0.0	11.6	11.4
ECE European Prime Shopping Centre Fund II (Euro) <sup>3</sup>	€ 32,541,639	0.8	0.4	1.2	0.4	0.8	0.4	1.2	0.4	1.9	2.8	4.7	2.1	-0.8	9.1	8.4	5.6
NREP Nordic Strategies Fund (Euro)	€ 0	-97.3	0.0	-97.3	-97.3	-97.3	0.0	-97.3	-97.3	-97.3	0.2	-97.3	-97.3	-70.1	5.1	-68.5	-68.7
NREP Nordic Strategies Fund II (Euro)	€ 13,999,744	-2.2	2.4	0.2	0.3	-2.2	2.4	0.2	0.3	-3.6	-5.1	-8.3	-6.7	-0.9	2.8	2.3	0.8
NREP Nordic Strategies Fund III (Euro) <sup>3</sup>	€ 29,267,962	-1.6	-0.3	-1.9	-2.3	-1.6	-0.3	-1.9	-2.3	-2.6	-7.4	-9.8	-6.1	-1.5	3.2	2.1	1.5
NREP Nordic Strategies Fund IV (Euro)	€ 20,700,440	0.3	-0.7	-0.4	-0.9	0.3	-0.7	-0.4	-0.9	1.0	-5.9	-4.8	-7.0	-6.9	9.1	3.3	-0.5
NREP Nordic Strategies Fund V (Euro)	€ 17,796,069	-1.1	-0.5	-1.7	-2.7	-1.1	-0.5	-1.7	-2.7	-2.8	-5.2	-7.8	-11.3				
Seven Seas Japan Opportunity Fund	¥2,402,463,164	7.2	-5.1	2.1	1.5	7.2	-5.1	2.1	1.5	5.6	16.7	23.7	18.1				
<b>Indices</b>																	
NFI ODCE+ 35bps				0.3	0.1			0.3	0.1			-6.9	-7.7			0.2	-0.7
NFI-ODCE		1.0	-0.8	0.2	0.0	1.0	-0.8	0.2	0.0	4.1	-11.0	-7.3	-8.0	3.7	-3.8	-0.2	-1.0
NFI-ODCE + 100bps				0.5	0.3			0.5	0.3			-6.3	-7.0			0.8	0.0
CPI + 500 bps				1.8				1.8				7.5				10.0	

<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	91,956,862	2.5	0.1	2.5	1.3					2.5	1.3	3.7	2.4	4Q18	3.0	1.2
Lion Properties Fund	102,141,719	3.7	-0.8	2.8	2.0					3.7	-0.2	3.6	2.7	4Q18	3.5	1.2
MetLife Core Property Fund	69,140,936	4.5	-0.8	3.7	3.2	4.8	2.1	7.0	6.5	4.9	2.8	7.8	7.3	1Q14	7.4	1.7
Principal U.S. Property Account	53,842,071	4.1	-0.8	3.3	2.3					4.4	1.5	5.9	4.9	4Q15	4.9	1.5
Prologis European Logistics Fund <sup>1,3</sup>	60,602,732	4.9	2.7	7.6	5.7					4.8	5.0	10.0	8.2	1Q16	7.6	1.4
Prologis Targeted U.S. Logistics Fund	74,667,945	3.9	10.0	14.2	12.2					4.6	11.6	16.5	14.3	3Q15	15.4	2.8
Townsend Real Estate Fund, L.P. <sup>3</sup>	128,214,270	3.2	1.6	4.9	4.7					3.7	3.1	6.9	6.7	2Q16	6.6	1.5
<b>Core Commingled Funds</b>	<b>580,566,535</b>	<b>3.6</b>	<b>1.7</b>	<b>5.4</b>	<b>4.4</b>	<b>4.1</b>	<b>4.4</b>	<b>8.7</b>	<b>7.5</b>	<b>4.4</b>	<b>3.2</b>	<b>7.7</b>	<b>6.8</b>	<b>4Q86</b>	<b>6.2</b>	<b>1.5</b>
<b>Value Added Portfolio</b>																
Asana Partners Fund II <sup>3</sup>	33,500,586	-2.8	4.2	1.0	-5.3					-2.8	4.2	1.0	-5.3	4Q19	2.9	1.1
Asana Partners Fund III <sup>3</sup>	17,936,602									-4.5	7.4	3.1	-8.8	3Q22	-6.2	0.9
DRC European Real Estate Debt Fund II <sup>3</sup>	6,320,654	-5.0	1.1	-3.1	-3.6	2.6	-2.6	0.5	-0.5	2.8	-2.6	0.7	-0.5	1Q14	1.5	1.0
ECE European Prime Shopping Centre Fund II C <sup>3</sup>	36,233,870	1.6	4.2	5.8	3.2					1.1	9.0	10.3	7.6	4Q15	4.4	1.3
Hammes Partners II	3,051,847	7.4	19.8	28.0	22.2					8.6	17.1	26.7	20.7	3Q15	23.1	1.7
Hammes Partners III	22,245,535	8.2	12.5	21.3	12.6					7.7	12.5	20.9	5.2	1Q19	10.2	1.2
Hammes Partners IV	4,485,904									N/A	N/A	N/A	N/A	3Q23	-54.2	0.8
NREP Nordic Strategies Fund	0	N/A	9.8	-46.3	-48.2					N/A	11.7	-19.4	-23.0	1Q15	21.5	1.6
NREP Nordic Strategies Fund II	15,588,179	-2.2	22.7	21.0	14.1					-0.3	21.2	21.5	13.6	3Q16	19.5	2.0
NREP Nordic Strategies Fund III <sup>3</sup>	32,588,757	-1.6	16.0	14.7	10.0					-2.5	14.1	11.7	2.0	4Q18	6.2	1.2
NREP Nordic Strategies Fund IV	23,049,148									-13.7	21.8	7.1	N/A	1Q20	-3.0	0.9
NREP Nordic Strategies Fund V	19,815,242									37.7	1.6	39.4	29.8	1Q23	44.3	1.5
<b>Value Added Portfolio</b>	<b>214,816,322</b>	<b>0.5</b>	<b>14.3</b>	<b>15.0</b>	<b>9.3</b>	<b>3.6</b>	<b>10.7</b>	<b>14.8</b>	<b>10.1</b>	<b>1.8</b>	<b>5.1</b>	<b>7.0</b>	<b>5.1</b>	<b>4Q86</b>	<b>6.0</b>	<b>1.3</b>
<b>Opportunistic Portfolio</b>																
Carlyle China Project Rome Co-Investment	19,282,656	-0.2	-11.7	-11.8	-12.9					-0.6	-6.7	-7.3	-9.0	3Q17	-10.8	0.5
Carlyle China Realty	4,296,335	1.6	-11.6	-10.1	-11.7					1.0	-6.8	-5.8	-7.9	3Q17	-10.1	0.6
CIM Fund VIII	10,629,294	-0.1	-21.6	-21.7	-23.0					0.0	-8.0	-8.0	-9.7	2Q15	-12.7	0.5
KKR Real Estate Partners Americas	310,951	-44.3	12.7	-21.0	-17.3	-20.7	4.3	-7.0	-5.5	-18.1	2.0	-6.1	-4.7	2Q14	11.6	1.3
LaSalle China Logistics Venture	11,094,717									N/A	66.8	33.4	-11.7	3Q21	-10.0	0.9
Sculptor Real Estate Fund III <sup>2</sup>	3,577,516	9.2	18.4	28.8	26.7	11.9	16.9	30.3	19.4	11.9	16.9	30.3	19.4	4Q14	24.0	1.8
Sculptor Real Estate Fund IV	21,244,293									9.3	11.1	21.2	11.6	3Q20	11.4	1.2
Seven Seas Japan Opportunity Fund	16,726,750									9.6	-17.3	-9.2	-14.1	2Q22	-3.6	1.0
<b>Opportunistic Portfolio</b>	<b>87,162,512</b>	<b>1.0</b>	<b>-7.2</b>	<b>-6.2</b>	<b>-8.4</b>	<b>2.7</b>	<b>0.7</b>	<b>3.4</b>	<b>0.3</b>	<b>1.9</b>	<b>5.3</b>	<b>7.4</b>	<b>5.4</b>	<b>1Q91</b>	<b>1.0</b>	<b>1.0</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>301,978,834</b>	<b>0.7</b>	<b>5.4</b>	<b>6.1</b>	<b>2.1</b>	<b>3.3</b>	<b>6.7</b>	<b>10.1</b>	<b>6.4</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>882,545,369</b>	<b>2.8</b>	<b>2.7</b>	<b>5.6</b>	<b>3.8</b>	<b>3.7</b>	<b>4.4</b>	<b>8.3</b>	<b>6.5</b>	<b>4.1</b>	<b>4.7</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>	€ 54,427,314	4.8	2.3	7.2	5.2					4.8	4.7	9.7	7.8	1Q16	7.8	1.4
DRC European Real Estate Debt Fund II (Pound Sterling) <sup>3</sup>	£4,725,953	-4.7	0.0	-4.7	-5.2	2.8	-0.4	2.4	1.5	3.0	-0.4	2.6	1.5	1Q14	4.9	1.2
ECE European Prime Shopping Centre Fund II (Euro) <sup>3</sup>	€ 32,541,639	1.5	3.6	5.3	2.7					1.1	9.0	10.4	7.7	4Q15	4.8	1.3
NREP Nordic Strategies Fund (Euro)	€ 0	-51.1	9.6	-46.4	-48.3					-27.7	12.8	-18.6	-22.3	1Q15	23.0	1.6
NREP Nordic Strategies Fund II (Euro)	€ 13,999,744	-2.1	22.2	20.5	13.6					-0.2	21.1	21.4	13.5	3Q16	20.3	2.1
NREP Nordic Strategies Fund III (Euro) <sup>3</sup>	€ 29,267,962	-1.6	15.6	14.3	9.5					-2.6	15.0	12.6	2.8	4Q18	6.8	1.3
NREP Nordic Strategies Fund IV (Euro)	€ 20,700,440									-13.8	23.6	8.7	N/A	1Q20	-3.3	0.9
NREP Nordic Strategies Fund V (Euro)	€ 17,796,069									38.1	-0.7	36.6	27.2	1Q23	39.9	1.4
Seven Seas Japan Opportunity Fund	¥2,402,463,164									8.6	-11.5	-2.3	-7.5	2Q22	0.0	1.0
<b>Indices</b>																
NFI ODCE+ 35bps				3.3	2.4			6.4	5.5			7.1	6.1	4Q86		
NFI-ODCE		3.8	-0.8	2.9	2.1	4.1	1.9	6.1	5.2	6.3	0.4	6.7	5.7	4Q86		
NFI-ODCE + 100bps				3.9	3.1			7.1	6.2			7.7	6.7	4Q86		
CPI + 500 bps				9.4				8.0				7.9		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 (\$)	Fiscal Year 2025		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	91,956,862	-0.5	-0.7	-7.8	-8.4	-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	102,141,719	0.2	0.0	-4.1	-4.7	-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	69,140,936	-1.2	-1.3	-3.6	-3.9	-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	53,842,071	0.0	-0.2	-2.4	-3.1	-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>	60,602,732	4.3	4.1	4.7	4.0	-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	74,667,945	1.6	1.4	5.3	4.8	-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>	128,214,270	0.1	0.0	-2.7	-2.9	-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>580,566,535</b>	<b>0.5</b>	<b>0.3</b>	<b>-2.2</b>	<b>-2.7</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>	33,500,586	-2.6	-2.9	-7.9	-8.6	-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>	17,936,602	1.4	0.7	1.4	-0.9	-7.2	-13.3	13.9	-5.4												
DRC European Real Estate Debt Fund II <sup>3</sup>	6,320,654	5.8	5.8	5.0	5.0	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>	36,233,870	5.2	4.4	4.4	2.7	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	3,051,847	1.9	1.3	6.1	4.2	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	22,245,535	2.7	2.1	7.6	6.1	6.4	4.1	13.2	9.0	29.1	18.3	43.5	24.5	23.9	-24.4						
Hammes Partners IV	4,485,904	33.6	15.9	27.3	-33.2	-285.7	-649.7														
NREP Nordic Strategies Fund	0	-97.2	-97.2	-97.3	-97.3	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	15,588,179	4.1	4.2	0.9	1.3	-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>	32,588,757	2.0	1.6	-1.7	-2.5	-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	23,049,148	3.5	3.0	0.0	-1.6	-13.7	-13.1	0.6	-6.4	30.7	10.0	22.1	-121.4								
NREP Nordic Strategies Fund V	19,815,242	2.2	1.1	-3.5	-6.2	85.5	68.3														
<b>Value Added Portfolio</b>	<b>214,816,322</b>	<b>1.0</b>	<b>0.4</b>	<b>-1.3</b>	<b>-2.7</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	19,282,656	-0.4	-0.9	-7.9	-9.3	-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	4,296,335	-0.5	-1.1	-8.2	-9.9	-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	10,629,294	-8.9	-9.8	-48.8	-50.0	-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	310,951	-24.8	-19.8	-22.5	-17.9	-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	11,094,717	-0.1	-0.5	-2.6	-4.0	-12.9	-18.1	4.2	-9.6	188.6	-6.2										
Sculptor Real Estate Fund III <sup>2</sup>	3,577,516	4.9	4.7	13.8	13.1	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	21,244,293	3.3	2.8	10.6	8.9	14.2	11.0	6.9	0.8	40.3	25.9	19.6	3.9								
Seven Seas Japan Opportunity Fund	16,726,750	14.4	13.6	18.3	13.4	6.3	2.2	-37.5	-41.0												
<b>Opportunistic Portfolio</b>	<b>87,162,512</b>	<b>2.0</b>	<b>1.5</b>	<b>-8.1</b>	<b>-9.9</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>301,978,834</b>	<b>1.3</b>	<b>0.7</b>	<b>-3.4</b>	<b>-4.9</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>882,545,369</b>	<b>0.8</b>	<b>0.4</b>	<b>-2.6</b>	<b>-3.5</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		0.3	0.1	-2.3	-2.9	-11.7	-12.4	7.8	6.9	22.5	21.4	1.5	0.7	5.7	4.7	8.7	7.7	8.0	7.0	9.1	8.1
NFI-ODCE		0.2	0.0	-2.6	-3.2	-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		0.5	0.3	-1.9	-2.4	-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		1.8		5.7		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	91,956,862																				
Lion Properties Fund	102,141,719																				
MetLife Core Property Fund	69,140,936	16.9	16.3	17.4	16.9																
Principal U.S. Property Account	53,842,071	3.0	2.8																		
Prologis European Logistics Fund <sup>1,3</sup>	60,602,732																				
Prologis Targeted U.S. Logistics Fund	74,667,945	9.1	7.9																		
Townsend Real Estate Fund, L.P. <sup>3</sup>	128,214,270																				
<b>Core Commingled Funds</b>	<b>580,566,535</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>	33,500,586																				
Asana Partners Fund III <sup>3</sup>	17,936,602																				
DRC European Real Estate Debt Fund II <sup>3</sup>	6,320,654	5.0	3.0	1.4	-2.1																
ECE European Prime Shopping Centre Fund II C <sup>3</sup>	36,233,870	12.1	11.0																		
Hammes Partners II	3,051,847	19.4	12.9																		
Hammes Partners III	22,245,535																				
Hammes Partners IV	4,485,904																				
NREP Nordic Strategies Fund	0	55.1	50.8																		
NREP Nordic Strategies Fund II	15,588,179																				
NREP Nordic Strategies Fund III <sup>3</sup>	32,588,757																				
NREP Nordic Strategies Fund IV	23,049,148																				
NREP Nordic Strategies Fund V	19,815,242																				
<b>Value Added Portfolio</b>	<b>214,816,322</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	19,282,656																				
Carlyle China Realty	4,296,335																				
CIM Fund VIII	10,629,294	16.9	13.8																		
KKR Real Estate Partners Americas	310,951	17.1	12.4	8.1	6.6																
LaSalle China Logistics Venture	11,094,717																				
Sculptor Real Estate Fund III <sup>2</sup>	3,577,516	33.7	6.9	9.4	-28.3																
Sculptor Real Estate Fund IV	21,244,293																				
Seven Seas Japan Opportunity Fund	16,726,750																				
<b>Opportunistic Portfolio</b>	<b>87,162,512</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>301,978,834</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>882,545,369</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	93,161,758	0	526,165	0	327,624	230,469	-775,886	91,956,862	53.8
Lion Properties Fund	102,860,323	220,382	971,904	0	994,601	215,536	-746,148	102,141,719	26.7
MetLife Core Property Fund	70,674,702	0	623,694	0	836,778	82,867	-1,663,983	69,140,936	34.5
Principal U.S. Property Account	53,944,653	0	0	0	600,324	129,473	-573,433	53,842,071	25.9
Prologis European Logistics Fund	58,708,567	0	486,789	0	759,501	153,527	1,774,981	60,602,732	24.8
Prologis Targeted U.S. Logistics Fund	73,756,901	281,651	432,080	0	789,507	135,820	407,788	74,667,945	21.5
Townsend Real Estate Fund, L.P.	128,211,972	0	0	0	944,588	70,807	-871,482	128,214,270	42.1
<b>Core Commingled Funds</b>	<b>581,318,876</b>	<b>502,033</b>	<b>3,040,632</b>	<b>0</b>	<b>5,252,923</b>	<b>1,018,499</b>	<b>-2,448,163</b>	<b>580,566,535</b>	<b>36.4</b>
<b>Value Added Portfolio</b>									
Asana Partners Fund II	34,504,143	0	0	0	-91,832	95,275	-816,451	33,500,586	44.9
Asana Partners Fund III	16,479,567	1,333,333	0	0	13,442	125,000	235,260	17,936,602	37.7
DRC European Real Estate Debt Fund II	5,976,167	0	0	0	0	0	344,487	6,320,654	0.0
ECE European Prime Shopping Centre Fund II	34,867,886	0	165,093	0	288,534	286,607	1,529,150	36,233,870	54.7
Hammes Partners II	3,044,551	43,644	72,376	4,908	77,490	18,065	-18,489	3,051,847	59.0
Hammes Partners III	22,039,171	0	240,719	17,773	224,284	126,530	367,101	22,245,535	67.6
Hammes Partners IV	240,664	4,177,590	71,146	0	-26,595	154,841	320,232	4,485,904	73.0
NREP Nordic Strategies Fund	3,040,953	0	151,195	0	-2,985,342	0	95,583	0	0.0
NREP Nordic Strategies Fund II	14,953,010	0	0	0	-333,398	-17,228	951,338	15,588,179	62.0
NREP Nordic Strategies Fund III	33,439,567	0	1,377,408	0	-562,813	127,173	1,216,584	32,588,757	54.9
NREP Nordic Strategies Fund IV	22,380,092	0	0	0	65,238	121,694	725,512	23,049,148	56.0
NREP Nordic Strategies Fund V	18,734,145	864,289	0	0	-223,069	195,444	635,321	19,815,242	51.0
<b>Value Added Portfolio</b>	<b>209,699,916</b>	<b>6,418,856</b>	<b>2,077,937</b>	<b>22,681</b>	<b>-3,554,061</b>	<b>1,233,401</b>	<b>5,585,628</b>	<b>214,816,322</b>	<b>54.8</b>
<b>Opportunistic Portfolio</b>									
Carlyle China Project Rome Co-Investment	19,456,776	0	0	0	-9,056	100,546	-64,518	19,282,656	0.0
Carlyle China Realty	4,344,273	0	0	0	-5,152	28,266	-14,520	4,296,335	0.0
CIM Fund VIII	11,783,035	0	0	0	32,761	99,430	-1,087,072	10,629,294	54.1
KKR Real Estate Partners Americas	387,858	0	0	0	-5,910	-19,227	-90,224	310,951	0.0
LaSalle China Logistics Venture	11,147,485	0	0	0	-11,575	43,663	2,470	11,094,717	48.5
Sculptor Real Estate Fund III <sup>1</sup>	4,070,389	22,528	702,939	0	4,817	8,664	191,385	3,577,516	41.9
Sculptor Real Estate Fund IV <sup>1</sup>	21,928,232	159,712	1,441,826	0	342,696	103,973	359,452	21,244,293	33.6
Seven Seas Japan Opportunity Fund	14,719,661	0	0	0	1,172,639	112,977	947,428	16,726,750	0.0
<b>Opportunistic Portfolio</b>	<b>87,837,709</b>	<b>182,240</b>	<b>2,144,765</b>	<b>0</b>	<b>1,521,220</b>	<b>478,292</b>	<b>244,401</b>	<b>87,162,512</b>	<b>29.4</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>297,537,625</b>	<b>6,601,096</b>	<b>4,222,702</b>	<b>22,681</b>	<b>-2,032,841</b>	<b>1,711,693</b>	<b>5,830,029</b>	<b>301,978,834</b>	<b>49.5</b>
<b>Total Private Portfolio</b>									
<b>SCERS</b>	<b>878,856,501</b>	<b>7,103,129</b>	<b>7,263,334</b>	<b>22,681</b>	<b>3,220,082</b>	<b>2,730,192</b>	<b>3,381,866</b>	<b>882,545,369</b>	<b>41.6</b>

<sup>1</sup> 2Q24 LTV has been used as a placeholder because 3Q24 LTV is not available yet.

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
<b>Core Commingled Funds</b>						
Brookfield Premier Real Estate Partners	31.7	10.2	51.8	-	-	6.3
Lion Properties Fund	26.4	12.5	39.0	5.9	-	16.3
MetLife Core Property Fund	27.7	19.3	31.0	10.6	1.6	9.9
Principal U.S. Property Account	27.6	15.1	38.9	10.6	-	7.8
Prologis European Logistics Fund	-	-	100.0	-	-	-
Prologis Targeted U.S. Logistics Fund	-	-	100.0	-	-	-
Townsend Real Estate Fund, L.P. <sup>1</sup>	33.1	4.7	44.1	2.2	0.1	15.9
<b>Core Commingled Funds</b>	<b>22.8</b>	<b>8.5</b>	<b>55.4</b>	<b>3.8</b>	<b>0.2</b>	<b>9.3</b>
<b>Value Added Portfolio</b>						
Asana Partners Fund II	0.7	37.6	-	59.4	-	2.3
Asana Partners Fund III	6.2	28.7	-	65.0	-	0.0
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	-	-	-	21.9	-	78.1
NREP Nordic Strategies Fund III	38.4	16.0	19.1	5.6	-	20.9
NREP Nordic Strategies Fund IV	34.0	4.1	32.6	3.8	5.5	20.0
NREP Nordic Strategies Fund V	1.4	14.3	44.0	3.2	4.3	32.8
<b>Value Added Portfolio</b>	<b>10.2</b>	<b>13.9</b>	<b>10.5</b>	<b>36.2</b>	<b>1.0</b>	<b>28.2</b>

<sup>1</sup>Property diversification numbers used are from 2Q24.

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	43.4	32.2	-	15.0	3.4	6.0
KKR Real Estate Partners Americas	-	-	-	0.3	30.0	69.8
LaSalle China Logistics Venture	-	-	100.0	-	-	-
Sculptor Real Estate Fund III	-	-	-	-	-	100.0
Sculptor Real Estate Fund IV	2.9	1.4	1.4	-	5.5	88.8
Seven Seas Japan Opportunity Fund	-	30.4	-	-	51.5	18.1
<b>Opportunistic Portfolio</b>	<b>7.4</b>	<b>5.3</b>	<b>49.6</b>	<b>2.3</b>	<b>2.3</b>	<b>33.1</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>9.5</b>	<b>11.8</b>	<b>20.1</b>	<b>27.8</b>	<b>1.3</b>	<b>29.4</b>
<b>Total Private Portfolio</b>						
<b>SCERS</b>	<b>18.4</b>	<b>9.6</b>	<b>43.8</b>	<b>11.7</b>	<b>0.6</b>	<b>15.9</b>
<b>Indices</b>						
<b>NFI-ODCE</b>	<b>29.3</b>	<b>16.9</b>	<b>33.9</b>	<b>10.9</b>	<b>0.2</b>	<b>8.8</b>

<sup>1</sup>Property diversification numbers used are from 2Q24.

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	9.3	3.3	-	13.4	9.4	1.2	39.5	-
Lion Properties Fund	19.3	9.7	2.3	0.2	11.0	8.9	9.0	39.5	-
MetLife Core Property Fund	15.2	12.5	8.8	2.1	11.9	7.3	8.5	33.7	-
Principal U.S. Property Account	9.4	10.0	1.9	1.9	12.0	17.2	14.8	32.9	-
Prologis European Logistics Fund	-	-	-	-	-	-	-	-	100.0
Prologis Targeted U.S. Logistics Fund	16.1	5.1	11.3	-	13.8	9.3	6.8	37.5	-
Townsend Real Estate Fund, L.P. <sup>1</sup>	14.7	8.2	9.7	1.8	17.9	12.5	8.7	25.5	0.9
<b>Core Commingled Funds</b>	<b>15.2</b>	<b>8.1</b>	<b>5.8</b>	<b>0.9</b>	<b>12.3</b>	<b>9.5</b>	<b>7.0</b>	<b>30.7</b>	<b>10.6</b>
<b>Value Added Portfolio</b>									
Asana Partners Fund II	18.9	17.2	-	7.8	17.4	7.2	23.1	8.4	-
Asana Partners Fund III	-	13.3	5.5	1.7	41.7	24.6	13.3	-	-
DRC European Real Estate Debt Fund II	-	-	-	-	-	-	-	-	100.0
ECE European Prime Shopping Centre Fund II	-	-	-	-	-	-	-	-	100.0
Hammes Partners II	-	50.8	5.8	-	-	20.9	22.6	-	-
Hammes Partners III	45.0	1.8	14.7	1.7	5.9	19.5	10.0	1.4	-
Hammes Partners IV	4.0	-	21.1	34.8	5.1	28.6	6.5	-	-
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>5.9</b>	<b>3.1</b>	<b>2.8</b>	<b>8.6</b>	<b>7.6</b>	<b>7.8</b>	<b>1.8</b>	<b>52.8</b>

<sup>1</sup>Geographic diversification numbers used are from 2Q24.



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	57.3	-	8.1	-	-	-	1.9	32.8	-
KKR Real Estate Partners Americas	-	-	-	-	-	70.0	-	30.0	-
LaSalle China Logistics	-	-	-	-	-	-	-	-	100.0
Sculptor Real Estate Fund III	55.7	0.3	3.0	0.6	0.6	10.2	1.2	4.6	23.7
Sculptor Real Estate Fund IV	13.1	8.8	9.5	5.1	9.6	4.1	4.2	19.5	11.8
Seven Seas Japan Opportunity Fund	-	-	-	-	-	-	-	-	100.0
<b>Opportunistic Portfolio</b>	<b>16.4</b>	<b>0.0</b>	<b>2.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.2</b>	<b>0.5</b>	<b>7.6</b>	<b>72.2</b>
<b>Total Non-Core Portfolio 1Q 2007 Forward</b>	<b>11.1</b>	<b>4.6</b>	<b>2.9</b>	<b>2.2</b>	<b>6.7</b>	<b>6.2</b>	<b>6.1</b>	<b>3.1</b>	<b>57.1</b>
<b>Total Private Portfolio</b>									
<b>SCERS</b>	<b>14.1</b>	<b>7.1</b>	<b>5.0</b>	<b>1.2</b>	<b>10.8</b>	<b>8.6</b>	<b>6.7</b>	<b>23.1</b>	<b>23.5</b>
<b>Indices</b>									
<b>NFI-ODCE</b>	<b>20.8</b>	<b>8.2</b>	<b>5.0</b>	<b>0.8</b>	<b>12.6</b>	<b>8.9</b>	<b>7.6</b>	<b>36.1</b>	<b>-</b>

<sup>1</sup>Geographic diversification numbers used are from 2Q24.

## 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.

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Real Estate Market Update 3Q24

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# Global Economic Conditions

## Growth Outlook Remains Positive



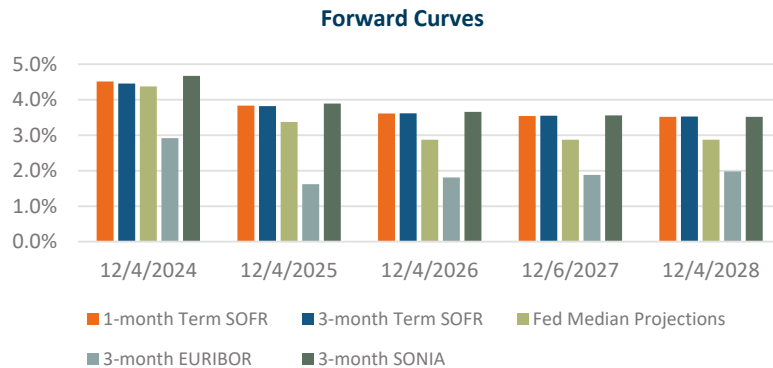
### Economic Growth Outlook

GDP growth remains positive

Real GDP Forecasts (YoY%)				
Major Regions	2023	2024	2025	2026
North America	2.8	2.5	2.0	2.0
European Union	0.4	0.9	1.5	1.6
Asia Pacific	4.3	3.7	4.1	3.9
Selected Markets	2023	2024	2025	2026
United States	2.9	2.7	2.1	2.0
United Kingdom	0.4	0.9	1.4	1.5
Germany	-0.3	-0.1	0.7	1.2
China	5.2	4.8	4.5	4.1
Japan	1.7	-0.2	1.2	0.9
Australia	2.0	1.2	2.0	2.5

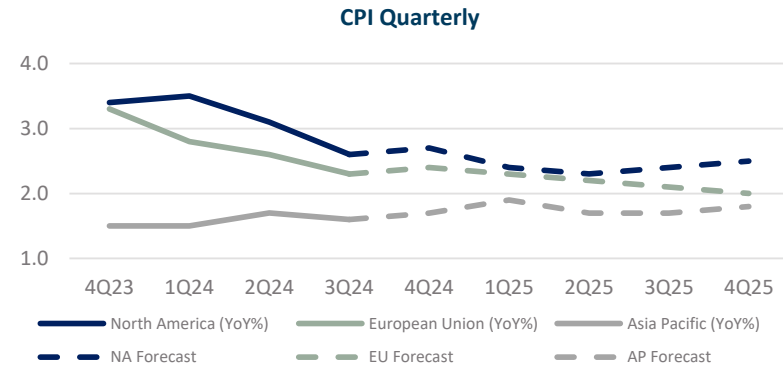
### Forward Curves

Curves indicating decline in rates



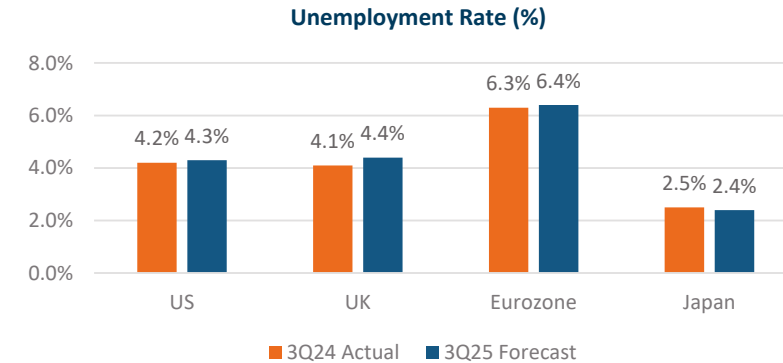
### Consumer Price Index

Inflation is projected to stabilize



### Unemployment

Unemployment rates remains low



Source: Bloomberg, Chatham Financial (December 2024).

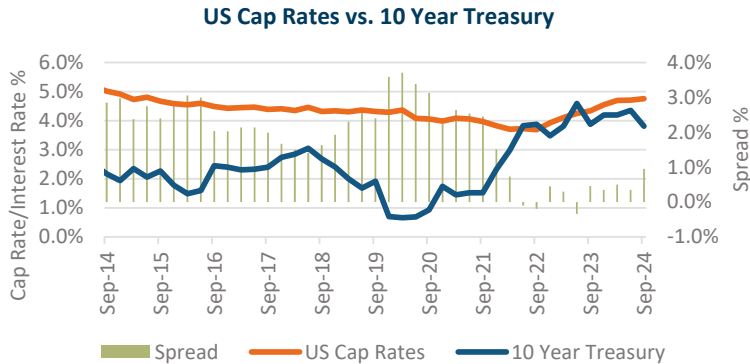
Sacramento County Employees' Retirement System – Third Quarter 2024

# US Real Estate Market Conditions

## Real Estate Spreads and Supply Declining

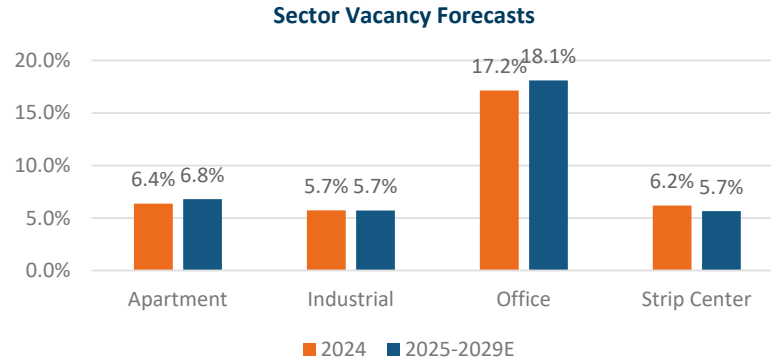
### Private Real Estate Spreads

Private Real Estate Valuations have narrowed the spread towards 10yr Treasury



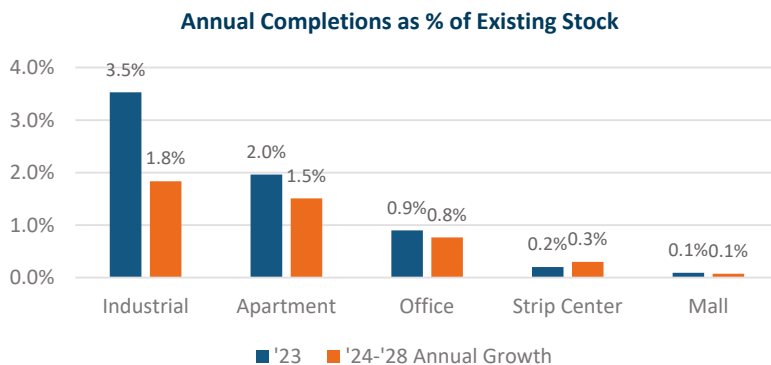
### Real Estate Vacancy

Vacancy remains elevated in Office



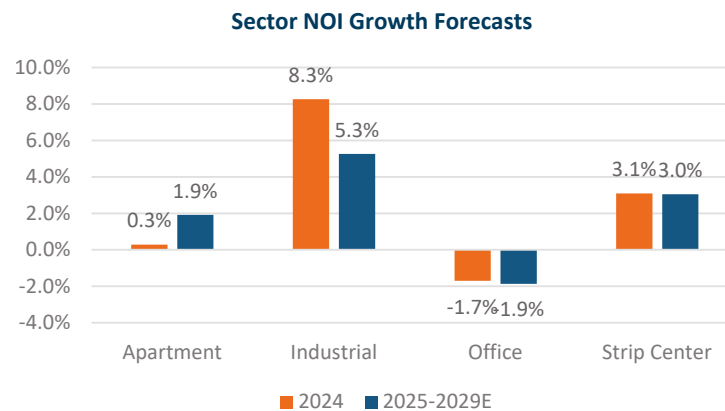
### Supply Growth

Supply is forecasted to moderate across major property types



### NOI Growth

NOI growth remains strong in Industrial, while Apartment is forecasted to increase with supply decline



Source: NCREIF, St. Louis Fed, Green Street (December 2024).

Sacramento County Employees' Retirement System – Third Quarter 2024

# Global Real Estate Market Conditions

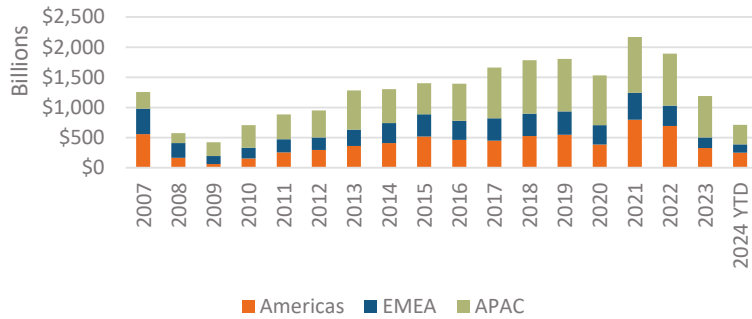
## Valuations Nearing Bottom



### Global Commercial Real Estate Transactions

Transaction volume muted in 2024 as interest rates remain elevated

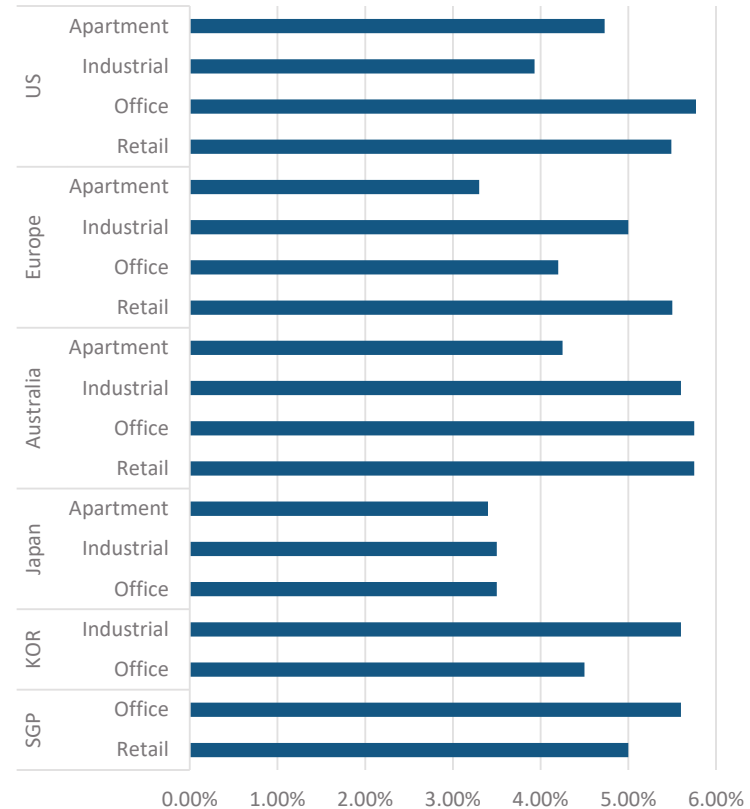
Global Commercial Real Estate Transaction Volume



### Real Estate Valuations

Global Valuations (mid-2024)

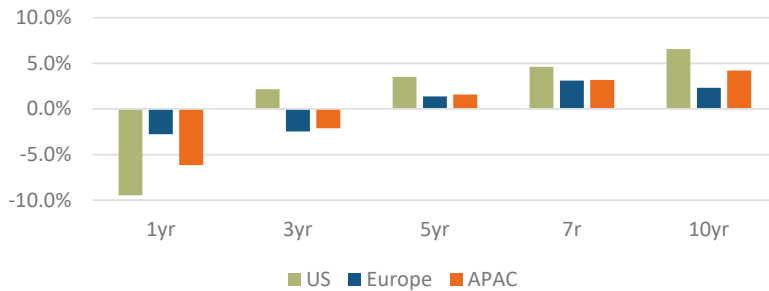
Regional/Sector Going-In Yields



### Real Estate Performance

Real estate valuations nearing bottom as mid-2024 performance flat to slightly positive

Regional Net Returns Annualized  
As of 6/30/24



Source: MSCI Real Assets, St. Louis Fed, NCREIF, INREV Global Real Estate Fund Index (GREFI), Townsend Group (December 2024).

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