



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 18

MEETING DATE: March 18, 2026

SUBJECT: Investment Performance Report—Real Estate
(Corrected)

SUBMITTED FOR: Action Information

RECOMMENDATION

Receive and file the Investment Performance Report on real estate investments for the quarter ended December 31, 2025, as presented by Townsend Group.

PURPOSE/STRATEGIC PRIORITY

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

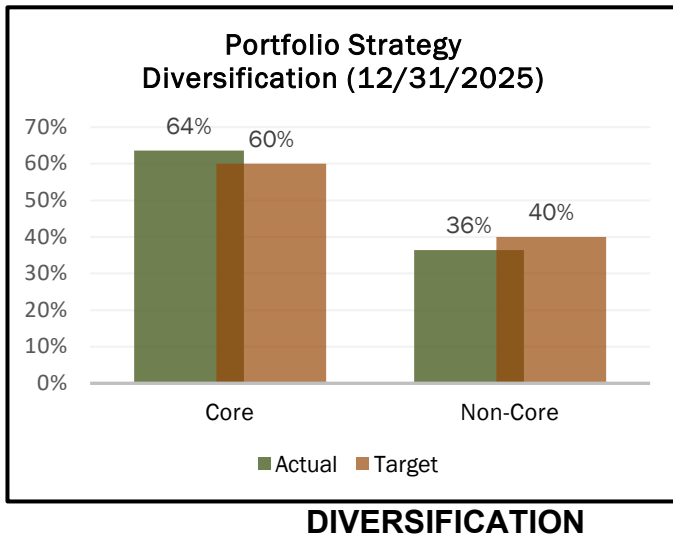
DISCUSSION

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.

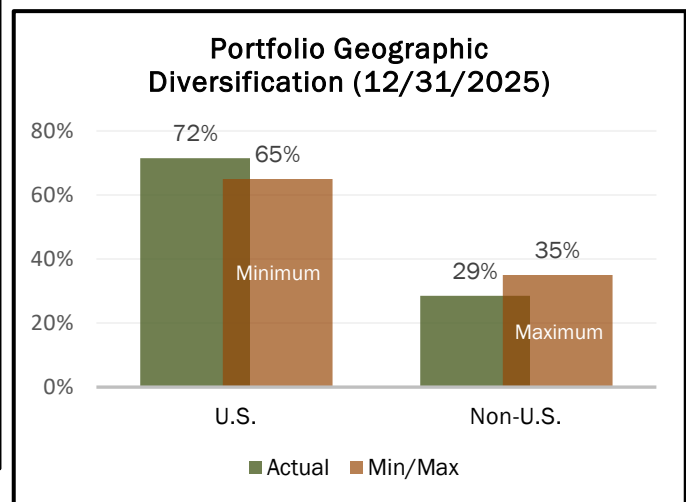
SCERS' Real Estate actual invested allocation is 6.1% as of December 31, 2025, which is below the revised target allocation of 8.0% but within the allocation range of 6.0%-10.0%. SCERS' Real Estate portfolio remains within the target allocation, and commitments made over the next few years will further advance the portfolio toward its target.

SCERS REAL ESTATE PERFORMANCE SUMMARY Quarter Reporting Period Ending December 31, 2025

| SUB-ASSET CLASS | Quarter 12/31/25 | 1-Year | 3-Year | 5-Year | Since Inception | Since Inception Date |
|--------------------------------------|------------------|-------------|--------------|-------------|-----------------|----------------------|
| SCERS Real Estate Portfolio | 0.8% | 5.2% | -3.6% | 3.3% | 7.9% | Sep-86 |
| (65%) NFI-ODCE + (35%) NFI-ODCE + 1% | 0.8% | 3.3% | -3.9% | 2.9% | 6.0% | Sep-86 |
| Core Portfolio | 1.3% | 5.4% | -3.4% | 4.3% | 6.7% | Sep-86 |
| NFI-ODCE Index | 0.7% | 2.9% | -4.3% | 2.5% | 5.6% | |
| Non-Core Portfolio | 0.1% | 4.9% | -3.6% | 0.8% | 5.5% | Dec-06 |
| Value Add Portfolio | -0.2% | 7.9% | 0.7% | 5.6% | 5.4% | Sep-86 |
| Opportunistic Portfolio | 0.8% | -1.1% | -11.7% | -7.7% | 5.1% | Dec-90 |
| NFI-ODCE + 1% Index | 0.9% | 3.9% | -3.3% | 3.5% | 6.6% | |



SCERS PORTFOLIO



SCERS PORTFOLIO RESULTS

For the quarter ending December 31, 2025, SCERS' Real Estate portfolio returned 0.8%, which is in line with the NFI-ODCE blended benchmark return of 0.8%. SCERS' Core portfolio outperformed the benchmark with a return of 1.3% versus the NFI-ODCE return of 0.7%. The Non-Core portfolio underperformed relative to the benchmark with a return of 0.1% against the NFI-ODCE + 1.0% benchmark return of 0.9%. Within Non-Core, the Value Add sub-strategy returned -0.2% and Opportunistic sub-strategy returned 0.8%.

Below are notable top and bottom-performing funds during the quarter ended December 31, 2025:

| Fund | Return | Contribution to Total Real Estate Quarterly Return |
|---|---------|--|
| Top performing funds | | |
| <i>Core</i> | | |
| Townsend Real Estate Fund | 4.0% | 0.07% |
| FPA Core Plus Fund VI | 3.9% | 0.14% |
| Prologis Targeted U.S. Logistics Fund | 1.7% | 0.13% |
| <i>Non-Core</i> | | |
| NREP Nordic Strategies Fund III | 11.3% | 0.39% |
| Hammes Partners IV | 5.4% | 0.05% |
| KKR Real Estate Partners Americas | 4.2% | 0.00% |
| Bottom performing funds | | |
| <i>Core</i> | | |
| MetLife Core Property Fund | 0.2% | 0.01% |
| Brookfield Premier Real Estate Partners | 0.7% | 0.07% |
| Prologis European Logistics Fund | 0.9% | 0.06% |
| <i>Non-Core</i> | | |
| NREP Nordic Strategies Fund IV* | -10.5%* | -0.31% |
| Sculptor Real Estate Fund III | -9.9% | -0.02% |
| Asana Partners Fund II | -9.2% | -0.26% |

*Townsend has confirmed a known error in the figures reported by NREP; however, corrected data was not available at the time this report was prepared.

NEW INVESTMENTS

During the quarter ended December 31, 2025, SCERS did not make any new commitments.

ATTACHMENTS

- Board Order
- Townsend's Real Estate Portfolio Performance Measurement Report for the Quarter ended December 31, 2025

Prepared by:

/S/

Karen McMillen
Retirement Investment Officer

Reviewed by:

/S/

Steve Davis
Chief Investment Officer

/S/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

Before the Board of Retirement
March 18, 2026

AGENDA ITEM:

Investment Performance Report—Real Estate (Corrected)

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to receive and file the Investment Performance Report on real estate for the quarter ended December 31, 2025 as presented by Townsend Group.

I HEREBY CERTIFY that the above order was passed and adopted on March 18, 2026, by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

Chris Giboney
Board President

Eric Stern
Chief Executive Officer and
Board Secretary

Performance Measurement Report

Fourth Quarter 2025

(Corrected)

Townsend



SCERS

SACRAMENTO COUNTY
EMPLOYEES'
RETIREMENT SYSTEM

Proprietary The entire contents of this presentation are intended for the sole and limited use of the Institutional Investor to whom it is distributed

1. SCERS Real Estate Portfolio Overview & Funding Status

2. Real Estate Portfolio Performance

3. Affordable Housing Discussion

4. Performance Flash Report

5. Real Estate Market Update



1. SCERS Real Estate Portfolio Overview & Funding Status

SCERS Real Estate Portfolio Overview

- SCERS has a target real estate allocation of 8% with an allowable range of 6.0%-10.0%. As of the end of the fourth quarter of 2025 (the “Quarter”), the Real Estate Portfolio was 6.1%; below the real estate target but within the allowable exposure range.
- Core Real Estate currently makes up 63.6% of the portfolio, with the remaining 36.4% in Non-Core Real Estate. SCERS is constantly evaluating new investment opportunities to deploy capital.

SCERS' Real Estate Portfolio Construction:

| | Minimum | Target | Maximum | Policy Index Benchmark |
|---------------------------|---------|------------|---------|-----------------------------------|
| Total Real Estate Program | 6% | 8% | 10% | Custom blend of benchmarks below: |
| Core Real Estate | 50% | 60% | 80% | 60% NFI-ODCE |
| Non-Core Real Estate | 30% | 40% | 50% | 40% NFI-ODCE + 1% |
| U.S. Real Estate | 60% | 65% | 80% | |
| Non-U.S. Real Estate | 0% | 35% | 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-five Diversified Core open-end commingled funds invested across the United States.
- 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. In August of 2025, SCERS updated its investment policy to limit exposure to each property type to the greater of 40% or NFI-ODCE + 10%, except the “Other” sector which has a maximum limit of 25%.
- The loan-to-value ratio of the Private Real Estate Portfolio was 41.2% at the end of the fourth quarter of 2025. The loan-to-value ratio of the Core Portfolio was 35.9%, 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 27.1% as of the fourth quarter. The Non-Core Portfolio reported a loan-to-value ratio of 48.7%.

Portfolio Funding Status

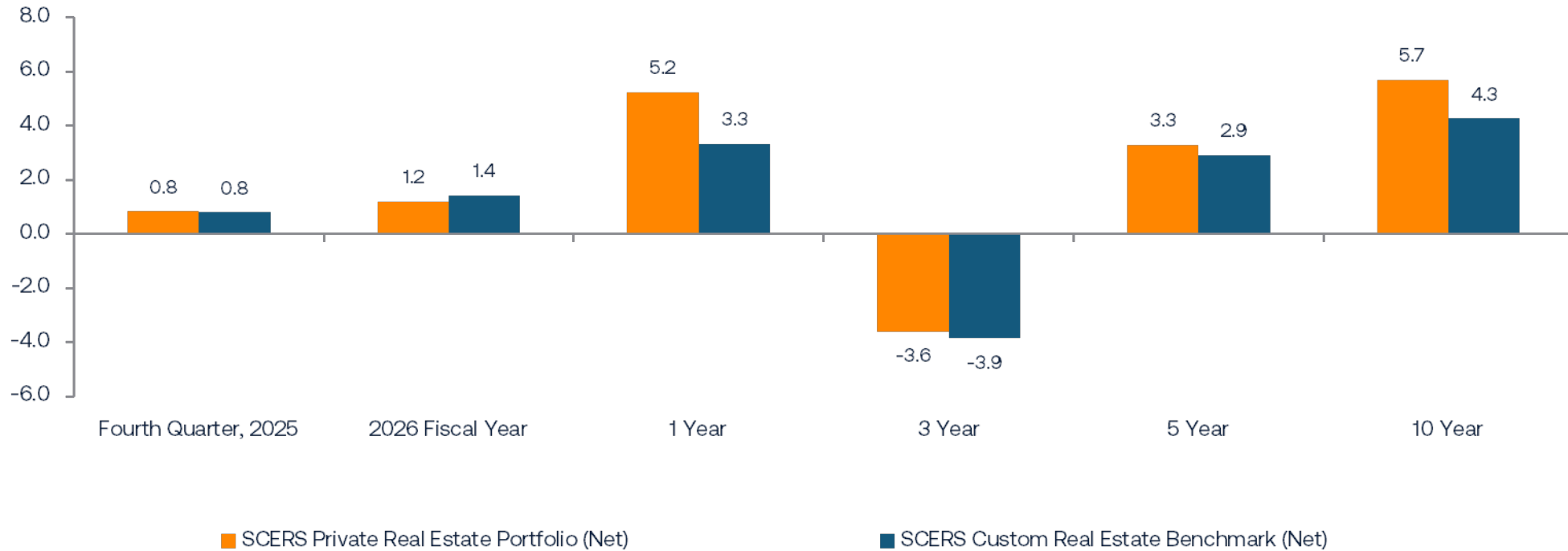
- This report outlines key components of the SCERS Real Estate Portfolio (the “Portfolio”) through December 31, 2025; a detailed performance report is also provided in Exhibit A.
- Figures exclude commitments / redemptions / dispositions approved subsequent to quarter-end and future distributions.
- Unfunded commitments total 1.5% of plan assets; some of those commitments may never be fully drawn.
- Over the past 12 months, SCERS made two commitments with the same manager: a) a Core Plus fund focused on domestic multifamily properties and b) an Opportunistic fund focused on domestic multifamily properties. Furthermore, a commitment to a US net lease fund has been recommended and is expected in 1H 2026.

| SCERS Portfolio Snapshot As of December 31, 2025 | Market Value (in millions of dollars)* | % of SCERS Plan | % of Real Estate |
|---|--|------------------------|-------------------------|
| SCERS Total Plan Assets | 15,678 | 100.0% | |
| Private Portfolio Target | 1,254 | 8.0%** | |
| Private Portfolio Permissible Range | | 6.0-10.0%** | |
| Private Real Estate | | | |
| Core Portfolio | 608 | 3.9% | 63.6% |
| Non-Core Portfolio | 348 | 2.2% | 36.4% |
| Total SCERS Private Real Estate Market Value | 956 | 6.1% | |
| Total SCERS Private Real Estate Unfunded Commitments | 232 | 1.5% | |

* Figures may not add due to rounding

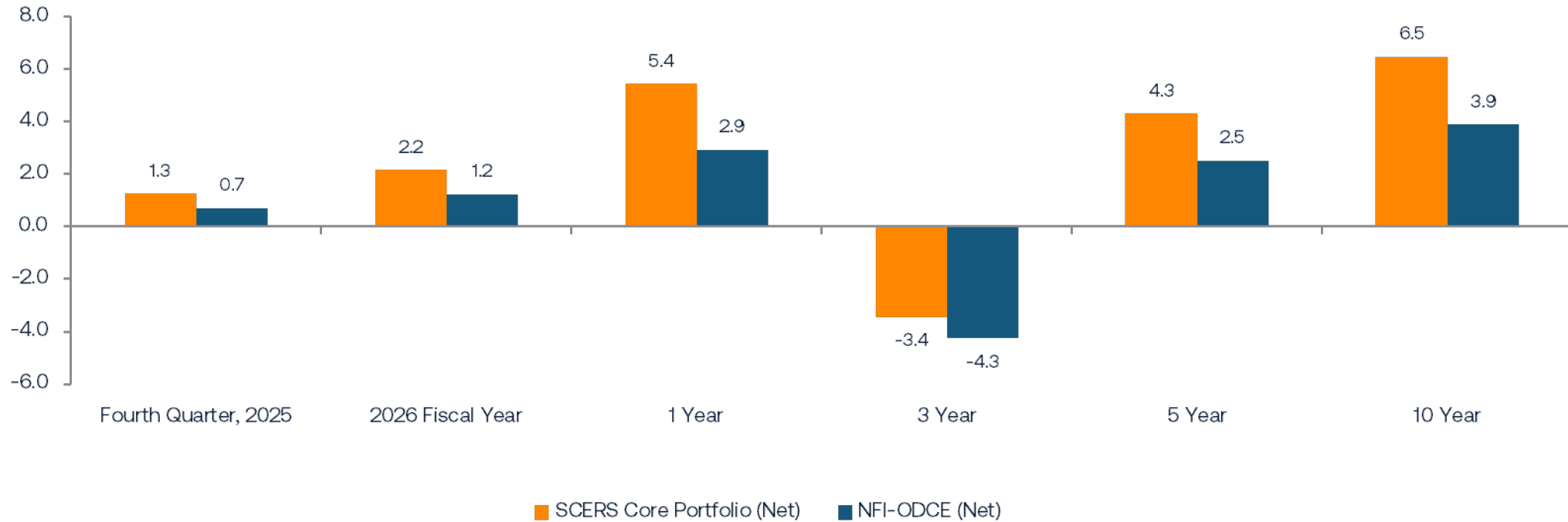
** The 8% Private Portfolio (RE) target and permissible range were approved as part of the March 2025 Asset Liability Study, which reduced the target from 9% to 8%
Sacramento County Employees’ Retirement System – Fourth Quarter 2025

2. Real Estate Portfolio Performance



- Today, the SCERS Private Real Estate Benchmark is NFI-ODCE + 40bps (net), comprised of 60% NFI-ODCE (Core Benchmark, net) and 40% NFI-ODCE + 100bps (Non-Core Benchmark, net).
- Until March 31st, 2022, the Private Real Estate Benchmark was NFI-ODCE + 35bps. This reflects the change in Core and Non-Core weightings adopted by the Plan in 2022.
- The SCERS Private Real Estate Portfolio generated positive returns in the fourth quarter of 2025, outperforming the benchmark by 4 basis points. Outperformance was driven by the Core Portfolio.
- The SCERS Total Real Estate Portfolio outperformed the benchmark over the 1-, 3-, 5-, and 10-Year time periods, but underperformed during the 2026 Fiscal Year-to-Date.

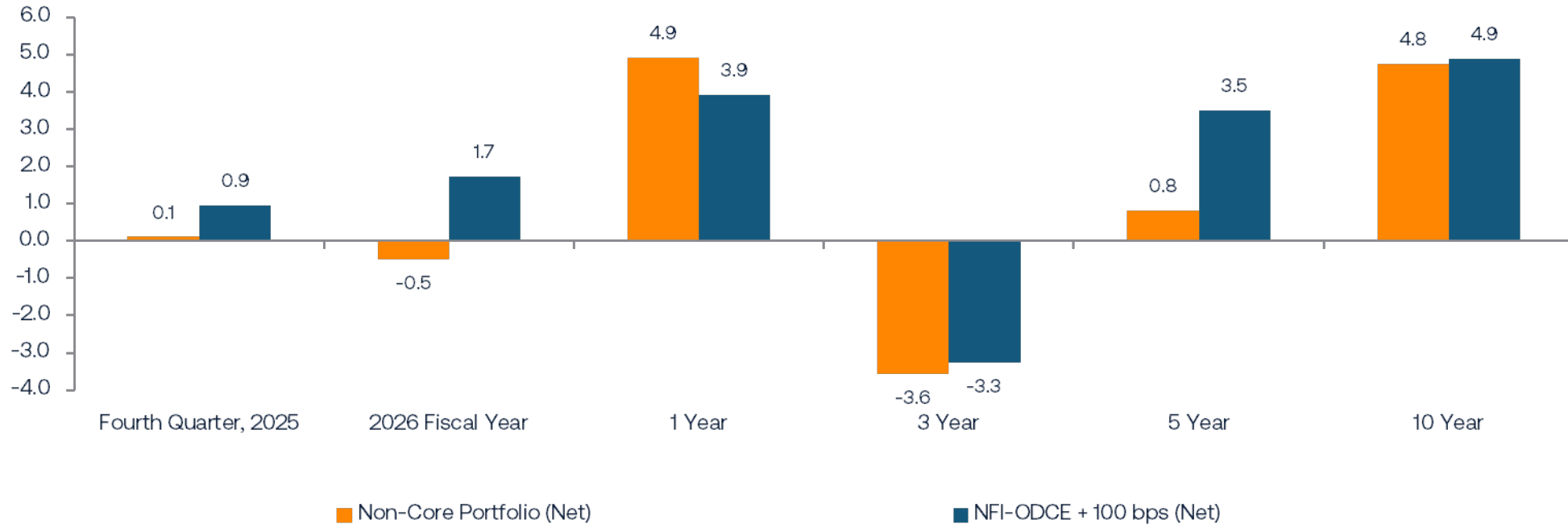
Core Portfolio Performance



- SCERS' Core Portfolio consists of eight open-end commingled funds and one closed-end commingled fund. These include several diversified Core and Core Plus funds, as well as three sector-specific funds: two industrial and one multifamily.
- Performance of the Core Portfolio is evaluated relative to the NFI-ODCE, net of fees. In aggregate, the Core Portfolio outperforms this benchmark over all time periods.
- During the quarter, the Core portfolio generated a 1.3% net return - all nine funds produced positive returns during this period.
- The strongest absolute Core performers were Townsend Real Estate Fund and FPA Core Plus Fund VI, returning 4.0% net and 3.9% net, respectively. The weakest Core performer during the quarter was MetLife Core Property Fund, with a 0.2% net return.

*Note: EX-US funds produced the following 4Q25 net returns in local currency: Prologis European Logistics Fund (Euro) 0.8%.
Sacramento County Employees' Retirement System - Fourth Quarter 2025*

Non-Core Portfolio Performance



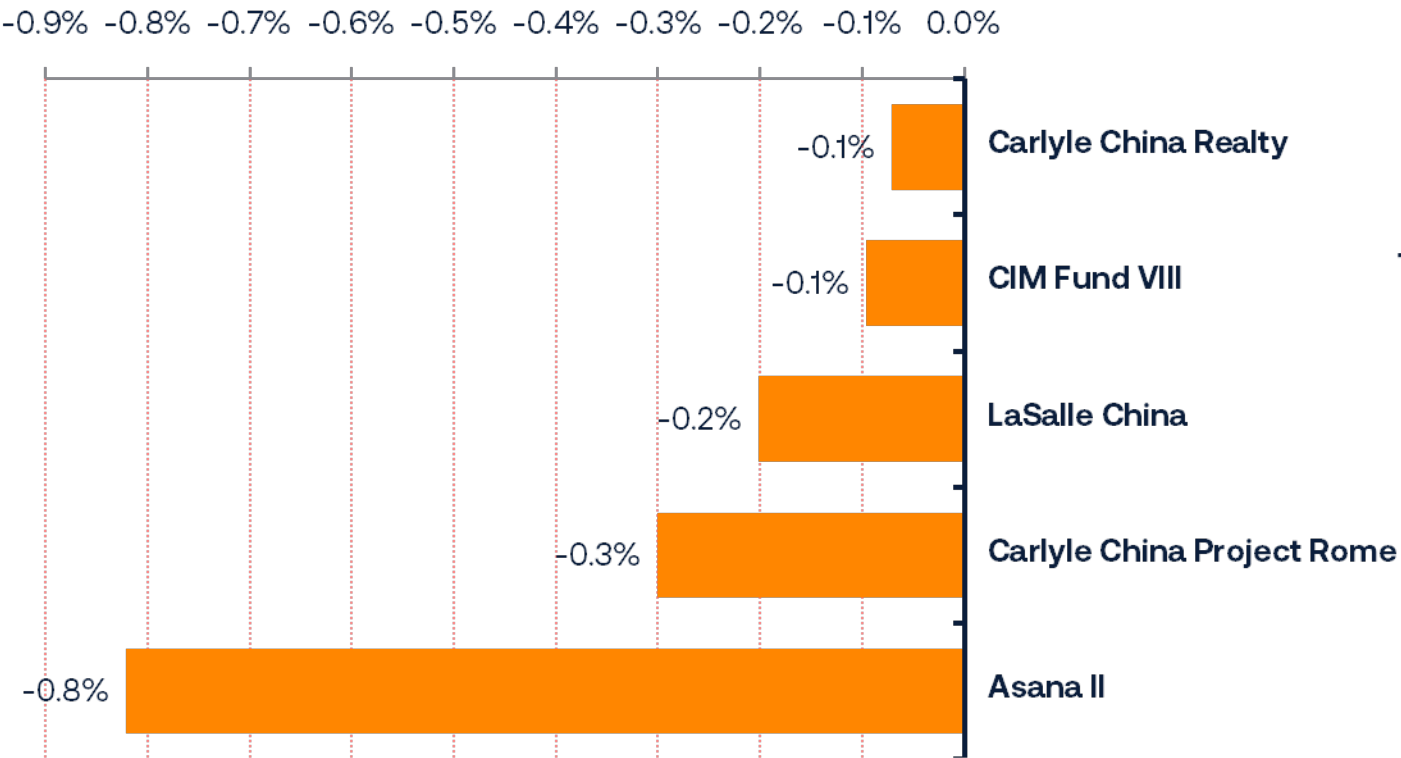
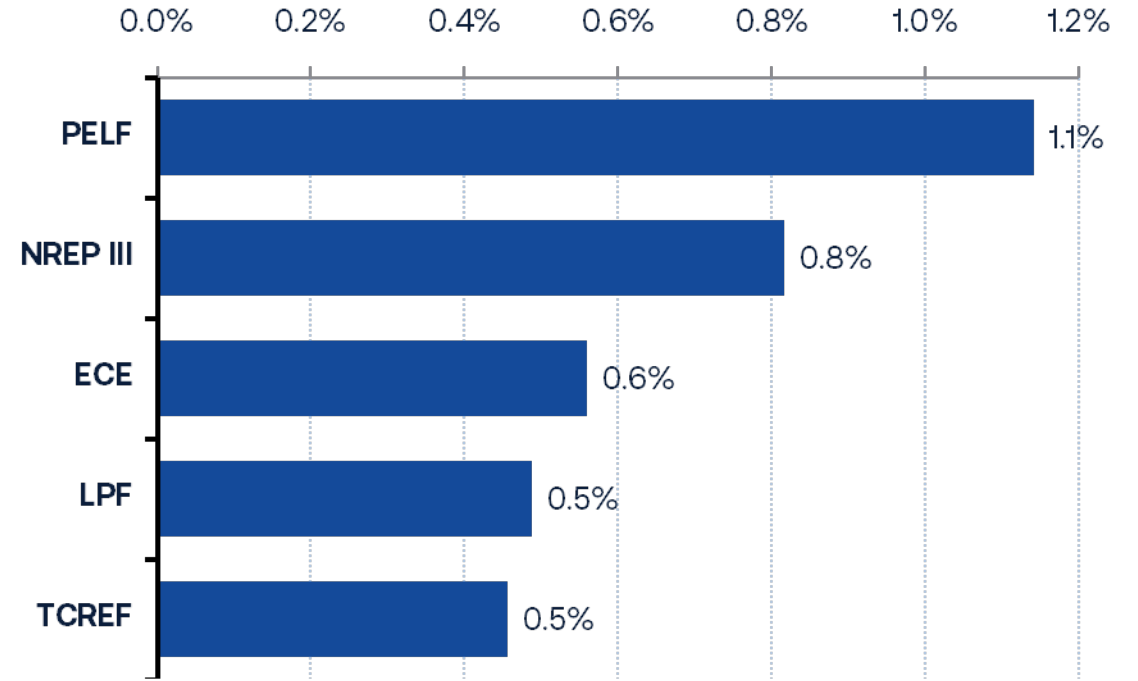
- The SCERS Non-Core Real Estate Portfolio includes both Value Added and Opportunistic Real Estate strategies, which are defined in SCERS' Investment Policy Statement.
- The Non-Core Portfolio has outperformed its benchmark over the 1-Year time period but underperformed over other time periods.
- During the quarter, the Non-Core Portfolio underperformed the benchmark by 84 basis points, producing a 0.1% net return.
- Underperformance is attributed to Value Added investments, including Asana Partners Fund II (-9.2% net).

Note: EX-US funds produced the following 4Q25 net returns in local currency: DRC European Real Estate Debt Fund II (Pound Sterling) 0.0%, ECE European Prime Shopping Centre Fund II (Euro) 0.0%, NREP Nordic Strategies Fund II (Euro) 1.2%, NREP Nordic Strategies Fund III (Euro) 11.2%, NREP Nordic Strategies Fund IV (Euro) -10.8%, NREP Nordic Strategies Fund V (Euro) -0.5%, Seven Seas Japan Opportunity Fund 6.3% (Japanese Yen), LaSalle China Logistics Venture (Chinese Yuan) -2.7%, Carlyle China Realty Fund (Chinese Yuan) -2.4%, and Carlyle's Project Rome (Chinese Yuan) -1.1%.*

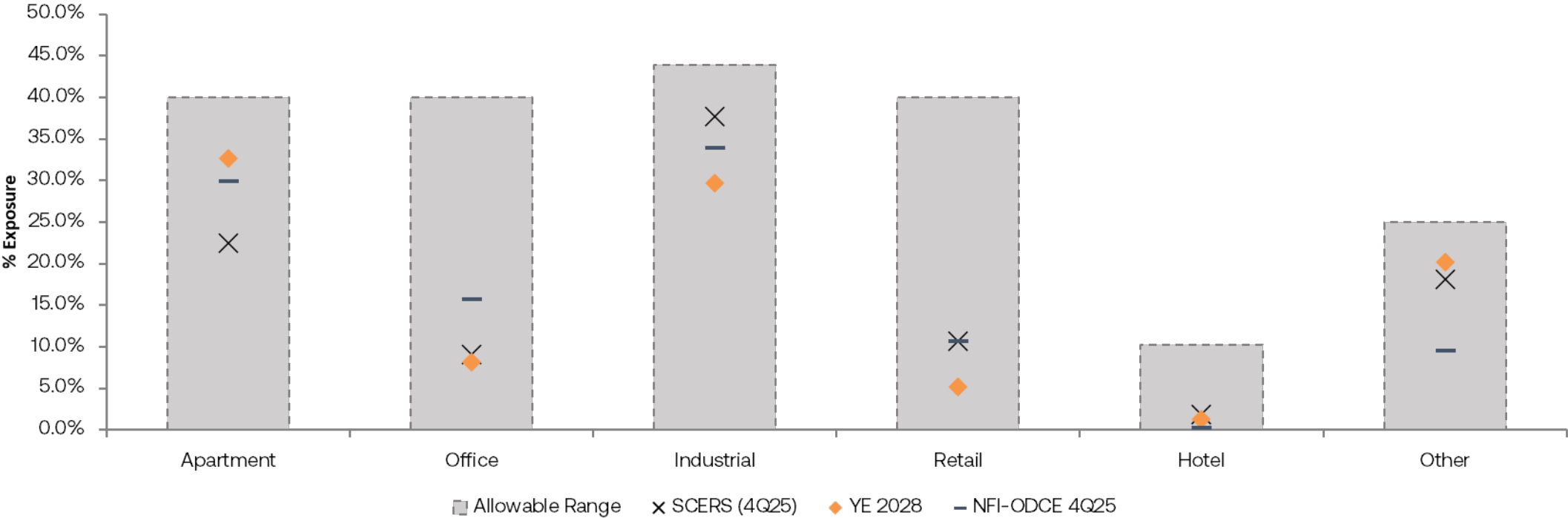
**Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.*

Performance Attribution - One Year Period

- Over the trailing twelve-month period, the top five performers were three Core funds and two Value Added funds.
- Performance was primarily diluted by Non-Core investments over this time period. Asana II was the largest detractor, with Carlyle China Project Rome and LaSalle China also notably detracting from portfolio returns.



Real Estate Portfolio Diversification – Property Type

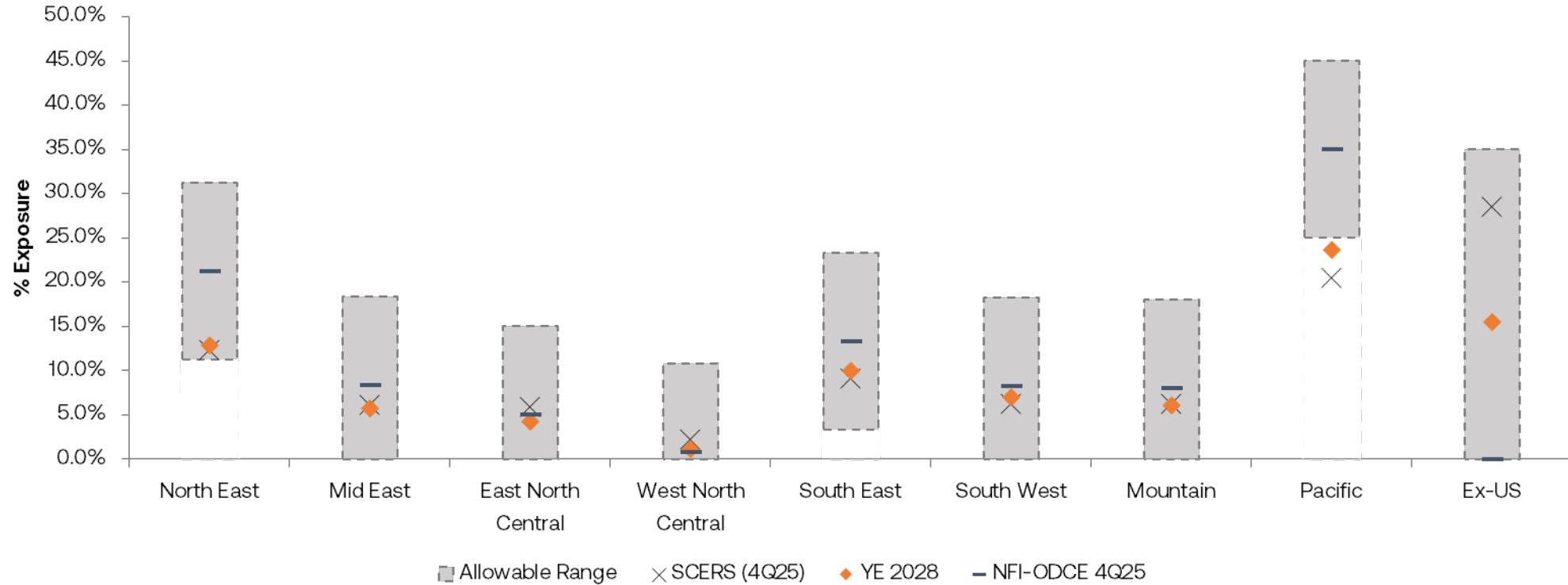


- In August 2025, SCERS updated its investment policy to limit exposure to each property type to the greater of 40% or NFI-ODCE + 10%, except the “Other” sector which has a maximum limit of 25%*. SCERS’ Real Estate Policy allows for temporary deviations for added flexibility, taking advantage of opportunities throughout the market cycle.
- As of the fourth quarter, all property types were in compliance. Industrial exposure is anticipated to decrease as new non-industrial investments continue to call capital and SCERS continues diversifying its portfolio.
- “Other” property type exposure includes Sculptor Real Estate Fund III** (for-sale residential and parking), Sculptor Real Estate Fund IV (entertainment and for-sale residential), Sculptor Real Estate Fund V (parking and for-sale residential), CIM Fund VIII (land), KKR Real Estate Partners Americas (land), Hammes Partners II, III and IV (medical office), NREP Nordic Strategies Fund II (student housing), NREP Nordic Strategies Fund III (senior living), NREP Nordic Strategies Fund IV (senior living and student housing), 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 align with the NFI-ODCE classifications.

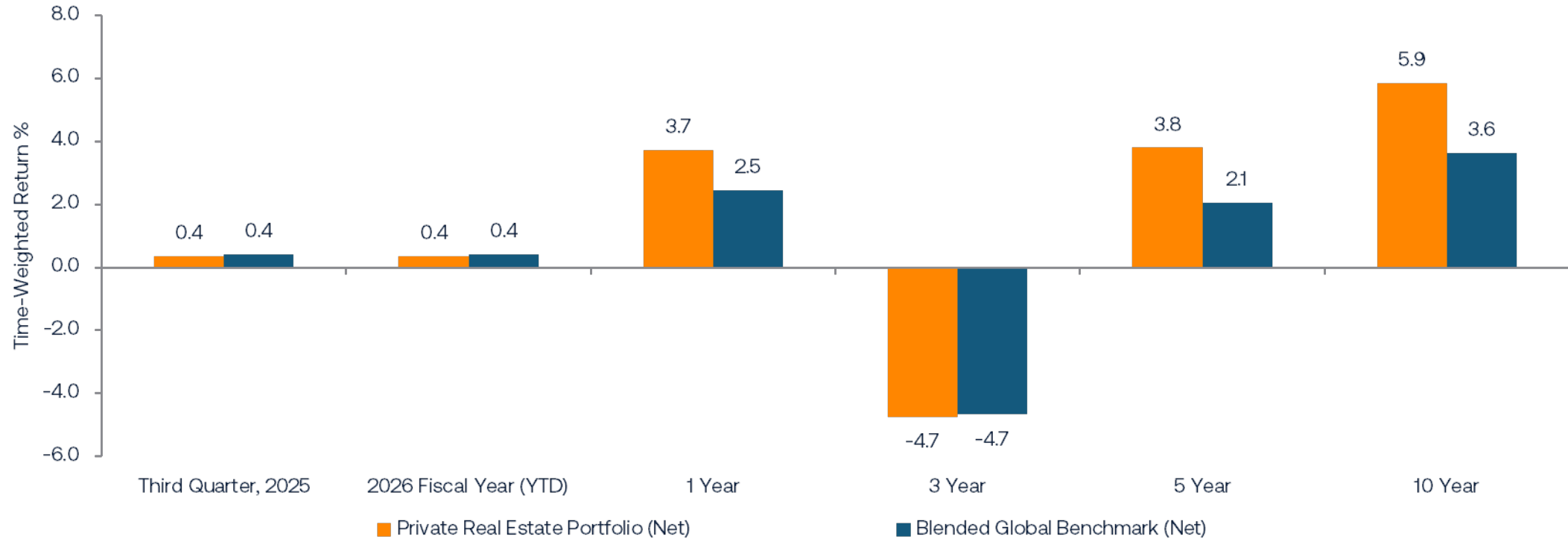
** Sculptor Real Estate Fund III was previously known as Och-Ziff Real Estate Fund III.

Real Estate Portfolio Diversification – Geographic Region



- Private Portfolio diversification is compared to the diversification of the NFI-ODCE above, with a permissible deviation of $\pm 10.0\%$ for each region. Ex-US exposure is limited to 35.0% of the Total Real Estate Portfolio. As of the fourth quarter, the Real Estate Portfolio was in compliance across all regions, excluding the US Pacific.
- Several funds report exposure as “Various-US,” comprised of investments across multiple regions that are not easily separated. As of quarter-end, Various-US exposure made up 2.9% of the Real Estate Portfolio.
- The Real Estate Portfolio's international exposure is 28.5%, well within the 35% limit, and will remain similar as newer funds such as NREP Nordic Strategies Fund V, LaSalle China Logistics, WCP NewCold III, Sculptor V, and Seven Seas Japan continue to call capital and purchase assets in Europe and Asia, while older vintage funds liquidate.
- Ex-US exposure consists of Sweden (5.1%), Denmark (4.2%), Germany (3.5%), China (3.0%), United Kingdom (2.6%), Poland (2.2%), Finland (2.2%), and other countries (5.7%).

Private Real Estate Performance – Global Ancillary Benchmark (3Q25)

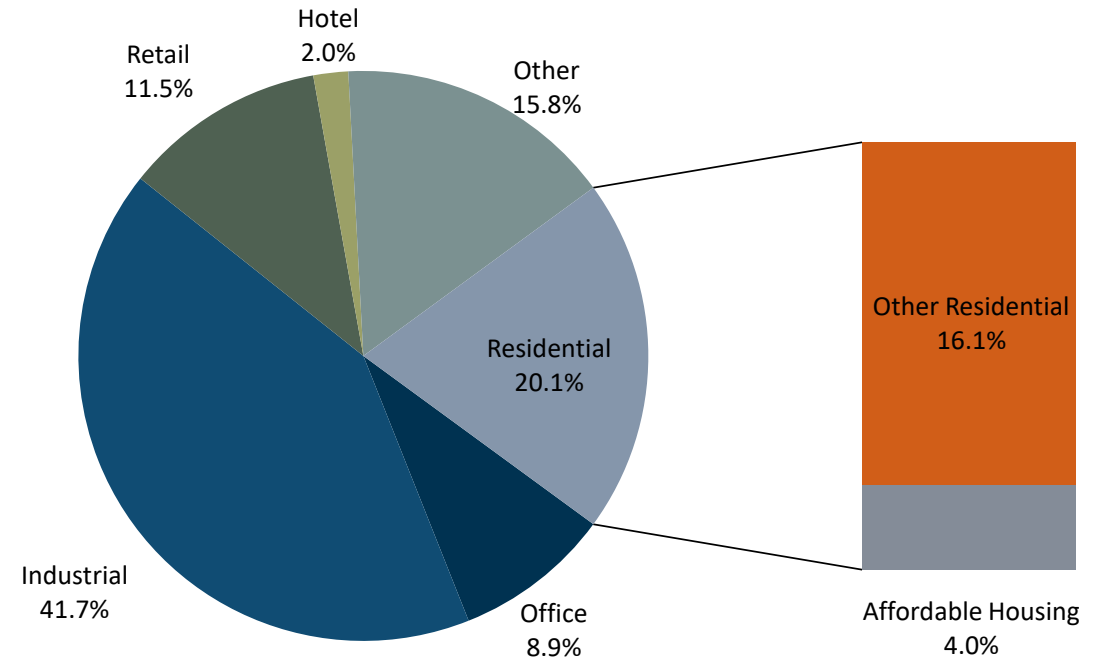


- The Global Ancillary Benchmark is made-up of the NFI-ODCE (Core), NFI-ODCE + 100bps (Non-Core), GREFI Europe Core, GREFI Europe Non-Core, and GREFI Non-Core Asia Pacific to create a global blended benchmark based on weighted average invested capital for each strategy.
 - GREFI reports on a 12 week lag. As a result, the ancillary benchmark is reported to SCERS on a quarterly lag.
- The Real Estate Portfolio's international exposure was 29.6% in 3Q25, well within its 35% maximum constraint. International exposure within the portfolio is Non-Core in nature, with one exception (Prologis Targeted Europe Logistics Fund).
- The SCERS Private Real Estate Portfolio outperformed its secondary benchmark over the 1-, 5-, and 10-Year time periods, and performed roughly in-line over the quarter, fiscal year, and 3-Year time periods.

3. Affordable Housing Discussion

SCERS' Affordable Housing Exposure

- As of 3Q 2025, 4.0% of SCERS' Real Estate Portfolio was comprised of affordable housing properties
- This includes 8 funds (of the 12 that manage residential on behalf of SCERS); exposure among funds with affordable housing ranged from just over 1% to 86% of the specific vehicle
- Affordable housing accounted for 24.6% of SCERS' residential investments; just over 75% of this is Naturally Occurring Affordable Housing
- Performance ranged considerably from +18.6% gross property-level IRR down to -13.4% gross IRR; assets we received data on performed between these two outliers with mixed results



Other Institutional Investors

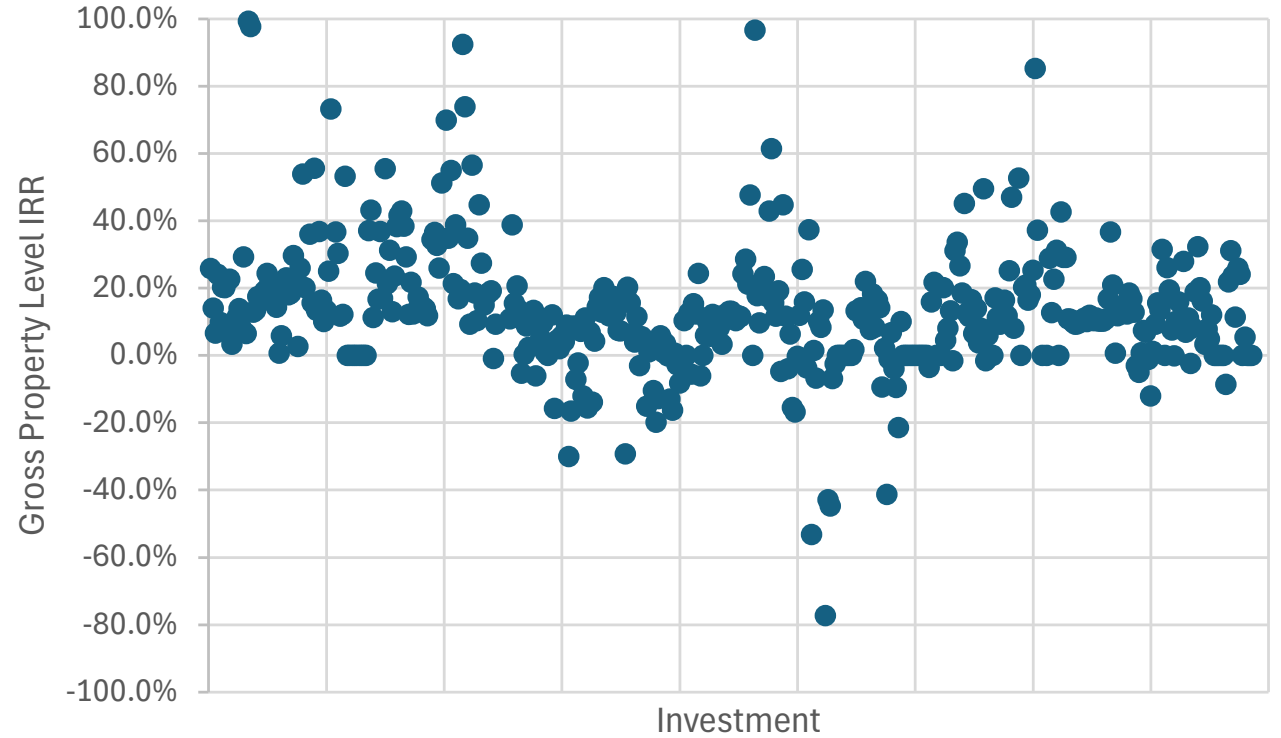
- As requested, Townsend connected with two of the largest US pensions to understand more about their affordable housing programs and exposure
 - Both plans execute with a single manager in multiple vehicles
 - One investor provided more detailed information
 - The other investor’s program is newer and not yet fully deployed; this comprises a mix of NOAH and subsidized, which may double by the time capital is fully deployed
- Returns vary by strategy
 - These investors generally target 9-12% net returns with 4-5% from current income for most strategies; and
 - High-teens returns for development
- These plans (and their real estate portfolios) are many times the size of SCERS. For additional detail and more relevant-sized peer samples, Townsend also collected data on several similar sized US public pension plans

| | % of Total Real Estate | % of Residential | % NOAH |
|--------------------------------|-------------------------------|-------------------------|---------------|
| SCERS | 4.0% | 24.6% | 75.9% |
| Investor 1 | 4.0% | 15-20% | 33.3% |
| Investor 2 | 1.0% | 4.0% | unknown |
| Similar Sized Investors | 3-6% | 15-30% | 60-100% |

- Fund size
 - Subsidized: \$200 million - \$500 million; some regional strategies are even smaller (<\$200 million)
 - NOAH: slightly larger, \$350 million – \$1.75 billion
- Returns
 - Funds generally target 8-12% net returns, though these may be higher for higher risk non-core strategies
 - Gross, property-level IRRs presented at the January board meeting were confirmed by new firms interviewed during these follow up discussions
- Investors
 - Based on discussions with investment managers in this space, many investors are small and mid-sized institutions, including Taft-Hartley, Endowments, Foundations, insurance companies, and banks
 - There were very few pensions by number; for funds with significant pension exposure, pensions generally comprised 20-35% of the fund and included large institutions
 - Pensions as described in the comments above are not limited to US pensions; this includes foreign pension investors

Affordable Housing Performance

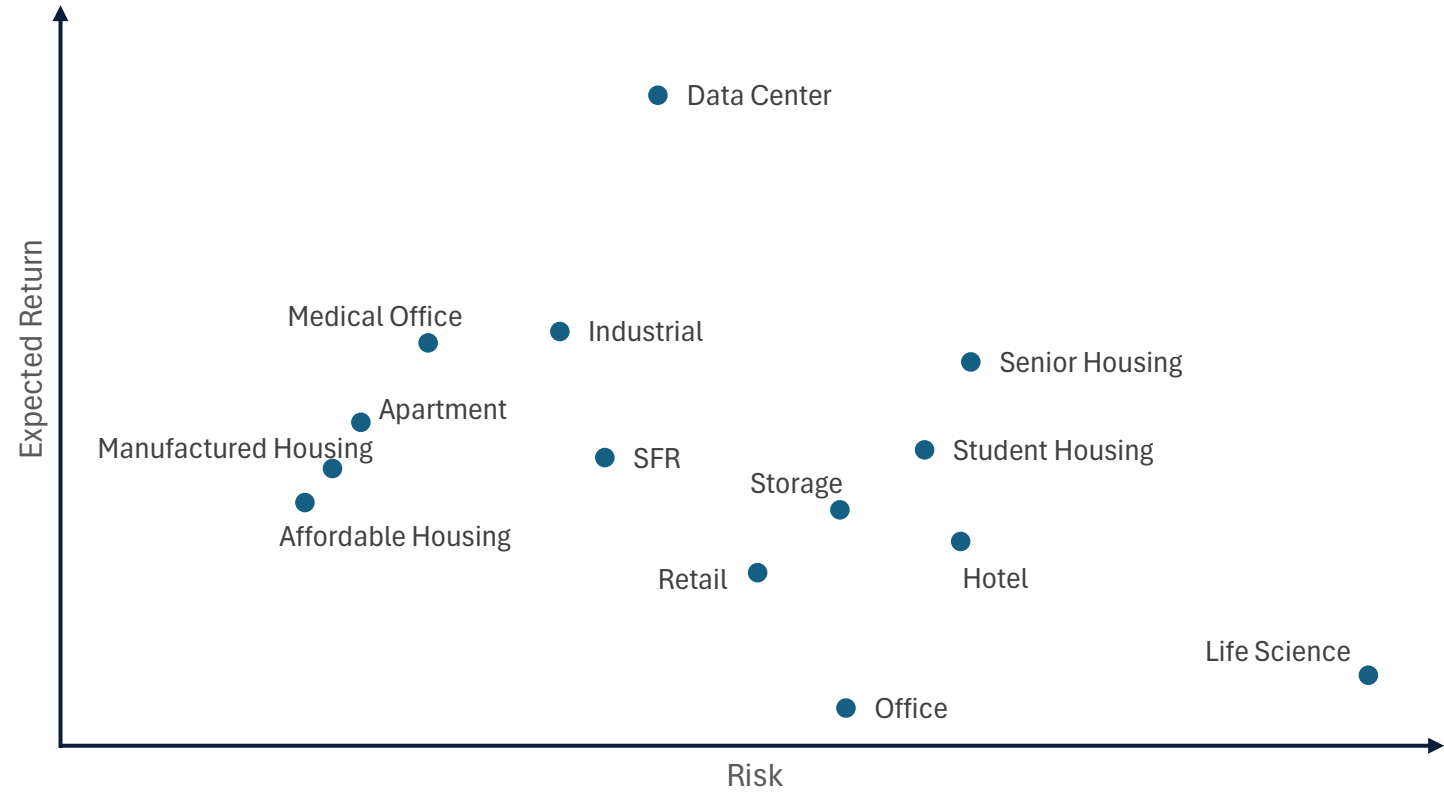
- The adjacent chart shows asset-level performance (realized or fair market value) of subsidized affordable housing investments managed by 16 firms within more than 30 separate vehicles
- Performance has varied considerably across these 420+ individual investments, but they have produced a cumulative weighted average 12.9% IRR*
- Only 19 (4%) investments were made pre-GFC, introducing possible survivorship bias, and this performance was reported to Townsend in a relatively short collection window
- However, data does seem to indicate the potential for strong positive performance in subsidized housing



** A small number of outliers were omitted from the chart above for scale but have been included in the weighted average IRR calculation.*

SCERS' Affordable Housing Exposure

- The following chart illustrates core investment risk and return by property type
- While risk can be measured in a variety of ways, the information below uses volatility as a simple measure of risk
- Scale is intended to illustrate the differences between property types
- Except student and senior housing, expected risk and return are generally more similar within residential investments than among other property types



4. Performance Flash Report

| Portfolio Composition (\$) | | | | | | | | |
|----------------------------|--------------|-------------|--------------------|-------------|----------------------|-------------|----------------------|--------------|
| Total Plan Assets | Allocation | | Market Value | | Unfunded Commitments | | Remaining Allocation | |
| 15,677,612,831 | Core | 4.8% | 608,078,940 | 3.9% | 17,500,000 | 0.1% | 126,946,476 | 0.8% |
| | Non-Core | 3.2% | 348,357,107 | 2.2% | 214,948,043 | 1.4% | -210,558,861 | -1.3% |
| | Total | 8.0% | 956,436,047 | 6.1% | 232,448,043 | 1.5% | -83,612,385 | -0.5% |

| Performance Summary | Quarter (%) | | 1 Year (%) | | 3 Year (%) | | 5 Year (%) | |
|--|-------------|------|------------|------|------------|------|------------|------|
| | TGRS | TNET | TGRS | TNET | TGRS | TNET | TGRS | TNET |
| Core Portfolio (Commingled Funds & Separate Accounts) | 1.4 | 1.3 | 6.2 | 5.4 | -3.0 | -3.4 | 5.3 | 4.3 |
| Non-Core Portfolio (Value Added & Opportunistic, 1Q2007 Forward) | 0.5 | 0.1 | 7.0 | 4.9 | -2.1 | -3.6 | 4.0 | 0.8 |
| Private Real Estate Portfolio | 1.1 | 0.8 | 6.5 | 5.2 | -2.8 | -3.6 | 5.0 | 3.3 |
| NFI-ODCE (Core) | 0.9 | 0.7 | 3.8 | 2.9 | -3.4 | -4.3 | 3.4 | 2.5 |
| NFI-ODCE + 100 bps (Non-Core) | 1.2 | 0.9 | 4.8 | 3.9 | -2.4 | -3.3 | 4.4 | 3.5 |
| SCERS Custom Real Estate Benchmark ⁴ | 1.0 | 0.8 | 4.2 | 3.3 | -3.0 | -3.9 | 3.8 | 2.9 |

| Funding Status (\$) | Investment Vintage Year | Commitment Amount | Funded Amount | Unfunded Commitments | Capital Returned | Market Value | Market Value (%) | Market Value + Unfunded Commitments (%) |
|---|-------------------------|--------------------|--------------------|----------------------|--------------------|--------------------|------------------|---|
| Core Commingled Funds | | | | | | | | |
| Brookfield Premier Real Estate Partners | 2018 | 100,000,000 | 100,000,000 | 0 | 27,702,192 | 92,636,248 | 9.7 | 7.8 |
| FPA Core Plus Fund VI ² | 2025 | 50,000,000 | 32,500,000 | 17,500,000 | 1,120,564 | 34,309,215 | 3.6 | 4.4 |
| Lion Properties Fund | 2018 | 152,400,000 | 159,738,880 | 0 | 85,118,415 | 104,688,716 | 10.9 | 8.8 |
| MetLife Core Property Fund | 2013 | 35,000,000 | 55,099,893 | 0 | 27,794,483 | 69,215,674 | 7.2 | 5.8 |
| Principal U.S. Property Account | 2015 | 35,000,000 | 35,000,000 | 0 | 0 | 56,658,282 | 5.9 | 4.8 |
| Prologis European Logistics Fund ^{1,3} | 2016 | 78,037,070 | 80,543,205 | 0 | 52,118,398 | 65,249,593 | 6.8 | 5.5 |
| Prologis Targeted U.S. Logistics Fund | 2015 | 50,000,000 | 50,507,519 | 0 | 69,301,098 | 75,946,598 | 7.9 | 6.4 |
| Townsend Core Real Estate Fund – US, LP ³ | 2024 | 96,064,202 | 92,064,200 | 0 | 4,091,184 | 93,679,719 | 9.8 | 7.9 |
| Townsend Real Estate Fund, LP ³ | 2016 | 90,000,000 | 120,975,151 | 0 | 166,170,422 | 15,694,895 | 1.6 | 1.3 |
| Core Commingled Funds | 1986 | 686,501,272 | 726,428,848 | 17,500,000 | 433,416,756 | 608,078,940 | 63.6 | 52.6 |
| Value Added Portfolio | | | | | | | | |
| Asana Partners Fund II ³ | 2019 | 35,000,000 | 32,340,950 | 2,659,050 | 0 | 27,296,705 | 2.9 | 2.5 |
| Asana Partners Fund III ³ | 2022 | 40,000,000 | 21,733,333 | 18,266,667 | 0 | 21,726,187 | 2.3 | 3.4 |
| DRC European Real Estate Debt Fund II ³ | 2013 | 50,007,963 | 47,627,074 | 4,351,476 | 43,498,683 | 6,368,350 | 0.7 | 0.9 |
| ECE European Prime Shopping Centre Fund II C ³ | 2015 | 33,611,623 | 34,613,419 | 0 | 8,869,433 | 36,977,328 | 3.9 | 3.1 |
| Hammes Partners II ³ | 2015 | 25,000,000 | 27,854,757 | 918,646 | 44,398,358 | 3,491,629 | 0.4 | 0.4 |
| Hammes Partners III ³ | 2018 | 25,000,000 | 32,116,307 | 2,954,981 | 17,150,921 | 24,011,912 | 2.5 | 2.3 |
| Hammes Partners IV ³ | 2023 | 40,000,000 | 10,744,886 | 29,255,114 | 935,148 | 9,349,979 | 1.0 | 3.2 |
| NREP Nordic Strategies Fund II | 2016 | 35,176,432 | 35,664,816 | 516,285 | 60,671,484 | 9,226,708 | 1.0 | 0.8 |
| NREP Nordic Strategies Fund III | 2018 | 39,019,632 | 34,309,672 | 1,690,698 | 16,300,376 | 32,739,779 | 3.4 | 2.9 |

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

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ SCERS used NFI-ODCE + 35bps as its benchmark until 3/31/2022, and switched to NFI-ODCE + 40bps starting 4/01/2022.

⁵ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| 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 ⁵ | 2019 | 35,449,208 | 27,270,869 | 9,247,567 | -2,158,224 | 28,632,845 | 3.0 | 3.2 |
| NREP Nordic Strategies Fund V ³ | 2022 | 41,710,115 | 16,837,386 | 23,273,369 | -1,178,190 | 28,015,270 | 2.9 | 4.3 |
| Value Added Portfolio | 1986 | 399,974,973 | 321,113,469 | 93,133,853 | 188,487,989 | 227,836,692 | 23.8 | 27.0 |
| Opportunistic Portfolio | | | | | | | | |
| Cariyle China Project Rome Co-Investment | 2017 | 40,000,000 | 38,745,488 | 4,467,193 | 0 | 14,357,107 | 1.5 | 1.6 |
| Cariyle China Realty | 2017 | 10,000,000 | 10,783,995 | 695,409 | 2,342,232 | 3,156,927 | 0.3 | 0.3 |
| CIM Fund VIII ³ | 2015 | 35,000,000 | 40,528,654 | 0 | 9,001,897 | 9,333,563 | 1.0 | 0.8 |
| FPA Apartment Opportunity Fund IX ³ | 2025 | 30,000,000 | 6,000,000 | 24,000,000 | 0 | 5,552,458 | 0.6 | 2.5 |
| KKR Real Estate Partners Americas | 2014 | 22,720,638 | 30,477,571 | 3,842,263 | 38,677,541 | 147,170 | 0.0 | 0.3 |
| LaSalle China Logistics Venture | 2021 | 30,000,000 | 12,857,823 | 5,111,877 | 0 | 8,016,580 | 0.8 | 1.1 |
| Sculptor Real Estate Fund III ² | 2014 | 35,000,000 | 27,283,592 | 12,207,576 | 46,541,163 | 2,190,644 | 0.2 | 1.2 |
| Sculptor Real Estate Fund IV | 2020 | 30,000,000 | 33,216,078 | 3,003,018 | 15,098,609 | 23,702,160 | 2.5 | 2.2 |
| Sculptor Real Estate Fund V | 2025 | 50,000,000 | 4,102,064 | 46,793,303 | 522,648 | 3,331,049 | 0.3 | 4.2 |
| Seven Seas Japan Opportunity Fund ³ | 2022 | 20,492,375 | 19,084,277 | 3,543,551 | 5,339,189 | 14,508,767 | 1.5 | 1.5 |
| WCP NewCold III, LP | 2024 | 50,000,000 | 37,651,319 | 18,150,000 | 5,683,997 | 36,223,990 | 3.8 | 4.6 |
| Opportunistic Portfolio | 1991 | 353,213,013 | 260,730,861 | 121,814,190 | 123,207,276 | 120,520,415 | 12.6 | 20.4 |
| Total Non-Core Portfolio 1Q 2007 Forward | 2007 | 753,187,986 | 581,844,330 | 214,948,043 | 311,695,265 | 348,357,107 | 36.4 | 47.4 |
| Total Private Portfolio | | | | | | | | |
| SCERS | 1986 | 1,439,689,258 | 2,161,050,242 | 232,448,043 | 1,965,443,072 | 956,436,047 | 100.0 | 100.0 |

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

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ SCERS used NFI-ODCE + 35bps as its benchmark until 3/31/2022, and switched to NFI-ODCE + 40bps starting 4/01/2022.

⁵ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| Returns (%) | Market Value (\$) | Quarter | | | | Fiscal Year 2026 | | | | 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 | 92,636,248 | 0.4 | 0.6 | 1.0 | 0.7 | 0.8 | 1.3 | 2.1 | 1.6 | 1.7 | 1.7 | 3.4 | 2.4 | 1.6 | -9.4 | -7.9 | -8.1 |
| FPA Core Plus Fund VI ³ | 34,309,215 | 0.6 | 3.5 | 4.2 | 3.9 | 1.3 | 3.6 | 4.9 | 4.6 | 4.9 | 20.7 | 26.2 | 23.1 | | | | |
| Lion Properties Fund | 104,688,716 | 1.0 | 0.4 | 1.4 | 1.2 | 1.9 | 0.6 | 2.6 | 2.1 | 3.8 | 1.4 | 5.3 | 4.4 | 3.9 | -8.0 | -4.4 | -5.2 |
| MetLife Core Property Fund | 69,215,674 | 1.3 | -1.0 | 0.3 | 0.2 | 2.6 | -1.4 | 1.2 | 1.0 | 5.3 | -2.8 | 2.4 | 2.0 | 4.9 | -9.2 | -4.6 | -5.1 |
| Principal U.S. Property Account | 56,658,282 | 1.1 | 0.2 | 1.4 | 1.1 | 2.2 | 0.5 | 2.8 | 2.3 | 4.7 | 0.4 | 5.1 | 4.1 | 4.5 | -6.4 | -2.2 | -3.1 |
| Prologis European Logistics Fund ^{1,3} | 65,249,593 | 1.3 | -0.2 | 1.1 | 0.9 | 2.6 | -0.8 | 1.8 | 1.3 | 5.3 | 13.6 | 19.4 | 18.2 | 5.1 | -0.5 | 4.6 | 3.5 |
| Prologis Targeted U.S. Logistics Fund | 75,946,598 | 1.1 | 0.8 | 1.9 | 1.7 | 2.3 | 0.5 | 2.8 | 2.4 | 4.6 | -0.5 | 4.1 | 3.3 | 4.2 | -4.9 | -0.9 | -0.7 |
| Townsend Core Real Estate Fund – US, LP ³ | 93,679,719 | 0.9 | 0.5 | 1.4 | 1.4 | 1.7 | 0.8 | 2.5 | 2.3 | 3.1 | 1.7 | 4.8 | 4.6 | | | | |
| Townsend Real Estate Fund, L.P. ³ | 15,694,895 | 0.3 | 3.8 | 4.1 | 4.0 | 1.7 | 5.5 | 7.2 | 7.1 | 2.0 | 5.7 | 7.8 | 7.5 | 2.7 | -4.9 | -2.3 | -2.5 |
| Core Commingled Funds | 608,078,940 | 0.9 | 0.5 | 1.4 | 1.3 | 1.9 | 0.6 | 2.5 | 2.2 | 3.8 | 2.3 | 6.2 | 5.4 | 3.6 | -6.5 | -3.0 | -3.4 |
| Value Added Portfolio | | | | | | | | | | | | | | | | | |
| Asana Partners Fund II ³ | 27,296,705 | -0.1 | -8.8 | -8.9 | -9.2 | 0.4 | -10.7 | -10.4 | -11.0 | -0.6 | -20.7 | -21.3 | -22.3 | -1.2 | -10.1 | -11.2 | -10.8 |
| Asana Partners Fund III ³ | 21,726,187 | -0.1 | 3.3 | 3.2 | 2.8 | -0.3 | 6.3 | 6.1 | 5.2 | -1.1 | 10.8 | 9.5 | 7.6 | -1.8 | 3.0 | 1.2 | -2.6 |
| DRC European Real Estate Debt Fund II ³ | 6,368,350 | 0.0 | 0.2 | 0.2 | 0.2 | 0.0 | -1.9 | -1.9 | -1.9 | 0.0 | 7.7 | 7.7 | 7.7 | -0.1 | 3.7 | 3.7 | 3.7 |
| ECE European Prime Shopping Centre Fund II C ³ | 36,977,328 | 0.9 | 0.3 | 1.2 | 0.1 | 2.0 | 0.2 | 2.2 | 0.3 | 3.8 | 14.2 | 18.4 | 15.3 | 2.5 | 6.1 | 8.7 | 5.9 |
| Hammes Partners II ³ | 3,491,629 | 0.5 | 4.0 | 4.6 | 3.5 | 1.9 | 6.3 | 8.2 | 6.2 | 3.9 | 13.0 | 17.3 | 12.9 | 5.2 | 8.3 | 13.8 | 10.1 |
| Hammes Partners III ³ | 24,011,912 | 0.9 | 3.8 | 4.7 | 3.1 | 1.7 | 5.0 | 6.7 | 4.3 | 3.4 | 6.5 | 10.1 | 7.5 | 4.4 | 3.9 | 8.5 | 6.4 |
| Hammes Partners IV ² | 9,349,979 | 0.7 | 7.0 | 7.6 | 5.4 | 1.6 | 9.7 | 11.4 | 6.6 | 2.8 | 18.2 | 21.4 | 8.8 | | | | |
| NREP Nordic Strategies Fund II | 9,226,708 | -2.1 | -2.9 | -5.0 | 1.5 | -6.2 | 2.3 | -3.9 | 0.5 | -6.0 | 24.3 | 17.0 | 19.4 | -1.5 | -7.8 | -8.7 | -5.0 |
| NREP Nordic Strategies Fund III | 32,739,779 | -0.7 | 12.4 | 11.7 | 11.3 | -2.8 | 11.9 | 8.8 | 8.4 | -1.8 | 30.7 | 28.4 | 27.0 | -0.1 | 2.8 | 2.8 | 4.2 |
| NREP Nordic Strategies Fund IV ⁶ | 28,632,845 | -9.9 | -0.3 | -10.2 | -10.5 | -11.2 | 10.9 | -1.4 | -2.2 | -7.7 | 16.5 | 7.5 | 5.7 | -3.2 | 0.5 | -2.7 | -3.7 |
| NREP Nordic Strategies Fund V ³ | 28,015,270 | -7.4 | 7.5 | 0.2 | -0.5 | -7.3 | 7.8 | 0.5 | -0.8 | -6.5 | 25.6 | 18.2 | 15.2 | 17.2 | 9.7 | 28.6 | 22.0 |
| Value Added Portfolio | 227,836,692 | -2.9 | 3.0 | 0.0 | -0.2 | -3.2 | 3.5 | 0.3 | -0.6 | -2.4 | 12.6 | 10.0 | 7.9 | 0.0 | 1.7 | 1.7 | 0.7 |
| Opportunistic Portfolio | | | | | | | | | | | | | | | | | |
| Carlyle China Project Rome (Co-Investment) | 14,357,107 | -0.3 | 0.1 | -0.2 | 0.8 | -11.5 | 5.2 | -6.3 | -6.1 | -46.8 | 35.0 | -15.2 | -16.1 | -21.8 | -10.4 | -26.0 | -27.1 |
| Carlyle China Realty | 3,156,927 | -0.2 | 0.1 | -0.1 | -0.5 | -11.8 | 5.3 | -6.6 | -7.3 | -47.5 | 35.4 | -15.7 | -17.1 | -22.3 | -10.3 | -26.3 | -27.7 |
| CIM Fund VIII ³ | 9,333,563 | -0.4 | -1.4 | -1.7 | -2.0 | -0.6 | -2.9 | -3.5 | -4.1 | -1.2 | -6.2 | -7.4 | -8.5 | -0.6 | -26.7 | -27.1 | -28.4 |
| FPA Apartment Opportunity Fund IX ³ | 5,552,458 | -1.4 | 0.0 | -1.4 | -4.7 | -1.4 | 0.0 | -1.4 | -4.7 | | | | | | | | |
| KKR Real Estate Partners Americas | 147,170 | 5.3 | 0.0 | 5.3 | 4.2 | 6.8 | 0.0 | 6.8 | 5.5 | -90.1 | 100.3 | 16.3 | 13.0 | -71.0 | 44.1 | -12.4 | -9.5 |
| LaSalle China Logistics Venture | 8,016,580 | -0.6 | 0.1 | -0.5 | -0.8 | -3.2 | 1.4 | -1.8 | -2.5 | -3.5 | -14.4 | -17.4 | -18.7 | -2.9 | -11.9 | -14.5 | -17.2 |
| Sculptor Real Estate Fund III ² | 2,190,644 | -0.3 | -9.6 | -9.9 | -9.9 | -2.0 | -10.6 | -12.4 | -12.4 | -2.2 | -12.4 | -14.4 | -14.6 | 1.8 | 5.0 | 6.9 | 6.1 |
| Sculptor Real Estate Fund IV | 23,702,160 | 0.4 | 1.4 | 1.8 | 1.6 | 0.9 | 3.0 | 4.0 | 3.4 | 3.2 | 3.9 | 7.2 | 5.9 | 5.3 | 5.0 | 10.5 | 8.4 |
| Sculptor Real Estate Fund V | 3,331,049 | -1.6 | 3.6 | 2.0 | -2.9 | -1.6 | 3.6 | 2.0 | -2.9 | | | | | | | | |
| Seven Seas Japan Opportunity Fund ³ | 14,508,767 | 0.3 | 1.6 | 1.9 | 0.3 | 1.1 | 2.0 | 3.2 | 0.7 | 3.8 | 8.3 | 13.3 | 10.1 | 2.4 | 11.6 | 14.4 | 9.3 |
| WCP NewCold III, LP | 36,223,990 | 0.1 | 4.3 | 4.3 | 3.4 | 0.2 | 5.8 | 6.0 | 4.7 | 1.6 | 10.1 | 11.8 | 9.6 | | | | |
| Opportunistic Portfolio | 120,520,415 | 0.0 | 1.5 | 1.5 | 0.8 | -2.0 | 3.1 | 1.1 | -0.1 | -8.5 | 9.8 | 1.0 | -1.1 | -3.5 | -6.4 | -9.4 | -11.7 |
| Total Non-Core Portfolio 1Q 2007 Forward | 348,357,107 | -2.0 | 2.5 | 0.5 | 0.1 | -2.8 | 3.4 | 0.6 | -0.5 | -4.3 | 11.6 | 7.0 | 4.9 | -1.2 | -1.0 | -2.1 | -3.6 |
| Total Private Portfolio | | | | | | | | | | | | | | | | | |
| SCERS | 956,436,047 | -0.1 | 1.2 | 1.1 | 0.8 | 0.2 | 1.6 | 1.8 | 1.2 | 0.8 | 5.6 | 6.5 | 5.2 | 1.9 | -4.7 | -2.8 | -3.6 |

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

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ SCERS used NFI-ODCE + 35bps as its benchmark until 3/31/2022, and switched to NFI-ODCE + 40bps starting 4/01/2022.

⁵ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| Returns (%) | Market Value (\$) | Quarter | | | | Fiscal Year 2026 | | | | 1 Year | | | | 3 Year | | | |
|---|-------------------|---------|------|-------|-------|------------------|------|------|-------|--------|------|------|------|--------|-------|-------|------|
| | | INC | APP | TGRS | TNET | INC | APP | TGRS | TNET | INC | APP | TGRS | TNET | INC | APP | TGRS | TNET |
| Ex-US Dollar Denominated Investments (In Local Currency) | | | | | | | | | | | | | | | | | |
| Prologis Targeted Europe Logistics Fund (Euro) ^{1,3} | € 55,553,503 | 1.3 | -0.3 | 1.0 | 0.8 | 2.6 | -0.5 | 2.1 | 1.6 | 5.3 | 0.0 | 5.3 | 4.2 | 5.1 | -3.6 | 1.4 | 0.4 |
| DRC European Real Estate Debt Fund II (Pound Sterling) ² | £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 | -0.1 | 0.0 | -0.1 | -0.1 |
| ECE European Prime Shopping Centre Fund II (Euro) ² | € 31,482,497 | 0.9 | 0.2 | 1.1 | 0.0 | 2.1 | 0.5 | 2.6 | 0.7 | 3.8 | 0.5 | 4.4 | 1.6 | 2.5 | 2.9 | 5.4 | 2.7 |
| NREP Nordic Strategies Fund II (Euro) | € 7,855,619 | -2.1 | -3.2 | -5.3 | 1.2 | -6.2 | 2.5 | -3.7 | 0.6 | -6.1 | 9.4 | 2.9 | 5.1 | -15 | -10.7 | -11.5 | -7.9 |
| NREP Nordic Strategies Fund III (Euro) | € 27,874,648 | -0.9 | 12.5 | 11.6 | 11.2 | -3.1 | 12.5 | 9.2 | 8.8 | -2.0 | 15.4 | 13.2 | 12.0 | -0.2 | -0.3 | -0.3 | 1.0 |
| NREP Nordic Strategies Fund IV (Euro) ⁵ | € 24,378,004 | -13.5 | 3.1 | -10.4 | -10.8 | -14.7 | 5.2 | -9.8 | -10.5 | -11.3 | 6.2 | -5.3 | -6.9 | -4.5 | -1.6 | -5.8 | -6.8 |
| NREP Nordic Strategies Fund V (Euro) ³ | € 23,852,201 | -10.0 | 10.1 | 0.1 | -0.5 | -10.0 | 10.9 | 0.9 | -0.4 | -9.1 | 13.5 | 4.3 | 1.6 | 16.3 | 7.2 | 24.8 | 18.4 |
| Seven Seas Japan Opportunity Fund ³ | ¥2,273,668,927 | 0.3 | 7.6 | 7.9 | 6.3 | 1.2 | 11.0 | 12.2 | 9.5 | 3.7 | 7.6 | 12.7 | 9.5 | 2.1 | 18.4 | 21.4 | 16.0 |
| Indices | | | | | | | | | | | | | | | | | |
| SCERS Custom Real Estate Benchmark ⁴ | | | | 1.0 | 0.8 | | | 1.9 | 1.4 | | | 4.2 | 3.3 | | | -3.0 | -3.9 |
| NFI-ODCE | | 1.0 | -0.1 | 0.9 | 0.7 | 2.0 | -0.4 | 1.7 | 1.2 | 4.1 | -0.3 | 3.8 | 2.9 | 3.9 | -7.2 | -3.4 | -4.3 |
| NFI-ODCE + 100 bps | | | | 1.2 | 0.9 | | | 2.2 | 1.7 | | | 4.8 | 3.9 | | | -2.4 | -3.3 |
| CPI + 500 bps | | | | 1.8 | | | | 4.0 | | | | 7.8 | | | | 8.1 | |

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

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ SCERS used NFI-ODCE + 35bps as its benchmark until 3/31/2022, and switched to NFI-ODCE + 40bps starting 4/01/2022.

⁵ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| 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 | 92,636,248 | 2.1 | 0.5 | 2.6 | 1.1 | | | | | 2.4 | 1.4 | 3.8 | 2.5 | 4Q18 | 3.0 | 1.2 |
| FPA Core Plus Fund VI ² | 34,309,215 | | | | | | | | | 4.9 | 20.7 | 26.2 | 23.1 | 1Q25 | 12.0 | 1.1 |
| Lion Properties Fund | 104,688,716 | 3.8 | -0.3 | 3.4 | 2.6 | | | | | 3.7 | 0.2 | 4.0 | 3.1 | 4Q18 | 3.7 | 1.2 |
| MetLife Core Property Fund | 69,215,674 | 4.8 | -0.7 | 4.0 | 3.5 | 4.8 | 0.6 | 5.5 | 5.0 | 4.9 | 2.4 | 7.3 | 6.8 | 1Q14 | 6.9 | 1.8 |
| Principal U.S. Property Account | 56,658,282 | 4.3 | -0.3 | 4.0 | 3.0 | 4.4 | 1.2 | 5.6 | 4.6 | 4.4 | 1.4 | 5.8 | 4.8 | 4Q15 | 4.8 | 1.6 |
| Prologis European Logistics Fund ^{1,3} | 65,249,593 | 4.8 | -0.1 | 4.7 | 3.0 | 4.9 | 5.0 | 10.1 | 8.3 | 4.9 | 5.0 | 10.1 | 8.3 | 1Q16 | 7.8 | 1.5 |
| Prologis Targeted U.S. Logistics Fund | 75,946,598 | 3.9 | 7.9 | 12.1 | 10.3 | 4.5 | 10.1 | 14.9 | 12.8 | 4.6 | 10.2 | 15.1 | 13.0 | 3Q15 | 14.5 | 2.9 |
| Townsend Core Real Estate Fund – US, LP ³ | 93,679,719 | | | | | | | | | 3.1 | 2.1 | 5.2 | 5.0 | 4Q24 | 5.0 | 1.1 |
| Townsend Real Estate Fund, LP. ³ | 15,694,895 | 2.9 | 2.8 | 5.8 | 5.6 | | | | | 3.6 | 3.3 | 6.9 | 6.7 | 2Q16 | 6.6 | 1.5 |
| Core Commingled Funds | 608,078,940 | 3.6 | 1.7 | 5.3 | 4.3 | 4.0 | 3.4 | 7.5 | 6.5 | 4.4 | 3.2 | 7.6 | 6.7 | 4Q86 | 6.1 | 1.4 |
| Value Added Portfolio | | | | | | | | | | | | | | | | |
| Asana Partners Fund II ³ | 27,296,705 | -0.7 | 3.9 | 3.2 | 1.4 | | | | | -2.4 | -0.3 | -3.0 | -8.1 | 4Q19 | -4.3 | 0.8 |
| Asana Partners Fund III ³ | 21,726,187 | | | | | | | | | -3.2 | 7.9 | 4.9 | -3.8 | 3Q22 | 0.0 | 1.0 |
| DRC European Real Estate Debt Fund II ³ | 6,368,350 | 9.4 | -0.6 | 8.6 | 8.2 | 1.3 | -1.6 | 0.2 | -0.5 | 2.5 | -2.3 | 0.7 | -0.4 | 1Q14 | 1.4 | 1.0 |
| ECE European Prime Shopping Centre Fund II C ³ | 36,977,328 | 0.5 | 5.2 | 5.8 | 3.1 | 1.7 | 7.2 | 9.1 | 6.5 | 1.5 | 8.4 | 10.1 | 7.4 | 4Q15 | 4.5 | 1.3 |
| Hammes Partners II ³ | 3,491,629 | 5.1 | 10.5 | 16.0 | 11.9 | 7.9 | 15.9 | 24.7 | 19.3 | 8.0 | 16.5 | 25.5 | 19.6 | 3Q15 | 22.9 | 1.7 |
| Hammes Partners III ³ | 24,011,912 | 6.1 | 6.9 | 13.3 | 9.2 | | | | | 6.9 | 11.3 | 18.7 | 5.6 | 1Q19 | 9.4 | 1.3 |
| Hammes Partners IV ³ | 9,349,979 | | | | | | | | | -4.1 | 26.0 | 21.8 | -20.2 | 3Q23 | -4.9 | 1.0 |
| NREP Nordic Strategies Fund II | 9,226,708 | -3.1 | 10.6 | 8.3 | 5.8 | | | | | -0.6 | 17.2 | 17.1 | 10.9 | 3Q16 | 18.4 | 2.0 |
| NREP Nordic Strategies Fund III | 32,739,779 | -0.3 | 8.2 | 8.2 | 6.1 | | | | | -2.1 | 15.1 | 13.1 | 4.7 | 4Q18 | 8.3 | 1.4 |
| NREP Nordic Strategies Fund IV ⁵ | 28,632,845 | -7.2 | 10.9 | 3.9 | -1.7 | | | | | -12.4 | 20.1 | 6.7 | N/A | 1Q20 | -0.9 | 1.1 |
| NREP Nordic Strategies Fund V ³ | 28,015,270 | | | | | | | | | 17.2 | 9.7 | 28.6 | 22.0 | 1Q23 | 25.2 | 1.7 |
| Value Added Portfolio | 227,836,692 | 0.0 | 9.2 | 9.3 | 5.6 | 2.4 | 10.5 | 13.1 | 8.5 | 1.7 | 5.2 | 7.0 | 5.4 | 4Q86 | 5.7 | 1.3 |
| Opportunistic Portfolio | | | | | | | | | | | | | | | | |
| Carlyle China Project Rome (Co-Investment) | 14,357,107 | -13.8 | -6.5 | -16.7 | -17.8 | | | | | -8.8 | -2.5 | -9.3 | -10.9 | 3Q17 | -12.7 | 0.4 |
| Carlyle China Realty | 3,156,927 | -14.1 | -6.5 | -16.9 | -18.4 | | | | | -7.6 | -2.6 | -8.1 | -10.1 | 3Q17 | -12.2 | 0.5 |
| CIM Fund VIII ³ | 9,333,563 | -0.4 | -19.8 | -20.2 | -21.5 | -0.2 | -9.8 | -10.0 | -11.4 | -0.2 | -7.9 | -8.0 | -9.6 | 2Q15 | -12.2 | 0.5 |
| FPA Apartment Opportunity Fund IX ³ | 5,552,458 | | | | | | | | | -1.4 | 0.0 | -1.4 | -4.7 | 4Q25 | -12.5 | 0.9 |
| KKR Real Estate Partners Americas | 147,170 | -63.7 | 43.3 | -8.4 | -7.2 | -37.4 | 10.8 | -6.9 | -5.2 | -31.1 | 8.0 | -4.0 | -3.0 | 2Q14 | 11.6 | 1.3 |
| LaSalle China Logistics Venture | 8,016,580 | | | | | | | | | N/A | 36.5 | 15.0 | -15.0 | 3Q21 | -16.5 | 0.6 |
| Sculptor Real Estate Fund III ² | 2,190,644 | 6.4 | 16.4 | 23.4 | 21.7 | 8.2 | 15.5 | 24.6 | 21.7 | 10.3 | 14.4 | 25.8 | 16.3 | 4Q14 | 23.7 | 1.8 |
| Sculptor Real Estate Fund IV | 23,702,160 | 7.1 | 7.4 | 15.2 | 10.1 | | | | | 8.6 | 8.3 | 17.5 | 9.9 | 3Q20 | 9.0 | 1.2 |
| Sculptor Real Estate Fund V | 3,331,049 | | | | | | | | | -1.6 | 3.6 | 2.0 | -2.9 | 4Q25 | -15.4 | 0.9 |
| Seven Seas Japan Opportunity Fund ³ | 14,508,767 | | | | | | | | | 7.4 | -8.9 | -1.7 | -6.7 | 2Q22 | 1.4 | 1.0 |
| WCP NewCold III, LP | 36,223,990 | | | | | | | | | 1.6 | 10.1 | 11.8 | 9.6 | 1Q25 | 14.0 | 1.1 |
| Opportunistic Portfolio | 120,520,415 | -1.6 | -3.6 | -5.1 | -7.7 | 0.8 | 0.2 | 1.1 | -1.2 | 1.5 | 5.5 | 7.2 | 5.1 | 1Q91 | 0.3 | 1.0 |
| Total Non-Core Portfolio 1Q 2007 Forward | 348,357,107 | -0.5 | 4.5 | 4.0 | 0.8 | 1.8 | 6.3 | 8.3 | 4.8 | 3.0 | 5.2 | 8.3 | 5.5 | 1Q07 | 4.5 | 1.2 |
| Total Private Portfolio | | | | | | | | | | | | | | | | |
| SCERS | 956,436,047 | 2.3 | 2.6 | 5.0 | 3.3 | 3.2 | 4.0 | 7.4 | 5.7 | 4.0 | 4.7 | 8.8 | 7.9 | 4Q86 | 6.8 | 1.3 |

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

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ SCERS used NFI-ODCE + 35bps as its benchmark until 3/31/2022, and switched to NFI-ODCE + 40bps starting 4/01/2022.

⁵ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| 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 | | | |
| Ex-US Dollar Denominated Investments (In Local Currency) | | | | | | | | | | | | | | | | |
| Prologis Targeted Europe Logistics Fund (Euro) ^{1,3} | € 55,553,503 | 4.8 | 0.7 | 5.6 | 3.8 | 4.9 | 4.2 | 9.2 | 7.5 | 4.9 | 4.2 | 9.2 | 7.5 | 1Q16 | 7.5 | 1.4 |
| DRC European Real Estate Debt Fund II (Pound Sterling) ⁴ | £4,725,953 | 8.9 | 0.0 | 8.9 | 8.5 | 15 | -0.5 | 1.0 | 0.3 | 2.7 | -0.3 | 2.4 | 1.3 | 1Q14 | 4.7 | 1.2 |
| ECE European Prime Shopping Centre Fund II (Euro) ⁴ | € 31,482,497 | 0.6 | 6.0 | 6.6 | 3.9 | 1.7 | 6.3 | 8.2 | 5.6 | 1.4 | 7.9 | 9.6 | 6.9 | 4Q15 | 4.2 | 1.3 |
| NREP Nordic Strategies Fund II (Euro) | € 7,855,619 | -3.1 | 11.5 | 9.2 | 6.6 | | | | | -0.5 | 16.4 | 16.4 | 10.2 | 3Q16 | 19.1 | 2.0 |
| NREP Nordic Strategies Fund III (Euro) | € 27,874,648 | -0.4 | 9.2 | 9.1 | 7.0 | | | | | -2.2 | 15.0 | 13.0 | 4.6 | 4Q18 | 8.0 | 1.4 |
| NREP Nordic Strategies Fund IV (Euro) ⁵ | € 24,378,004 | -8.0 | 13.0 | 5.2 | -0.4 | | | | | -13.1 | 21.0 | 7.0 | N/A | 1Q20 | -2.8 | 1.1 |
| NREP Nordic Strategies Fund V (Euro) ³ | € 23,852,201 | | | | | | | | | 16.3 | 7.2 | 24.8 | 18.4 | 1Q23 | 20.0 | 1.6 |
| Seven Seas Japan Opportunity Fund ³ | ¥2,273,668,927 | | | | | | | | | 6.8 | -2.4 | 5.6 | 0.2 | 2Q22 | 6.4 | 1.2 |
| Indices | | | | | | | | | | | | | | | | |
| SCERS Custom Real Estate Benchmark ⁴ | | | | 3.8 | 2.9 | | | 5.2 | 4.3 | | | 7.0 | 6.0 | 4Q86 | | |
| NFI-ODCE | | 3.9 | -0.4 | 3.4 | 2.5 | 4.0 | 0.7 | 4.8 | 3.9 | 6.3 | 0.3 | 6.6 | 5.6 | 4Q86 | | |
| NFI-ODCE + 100 bps | | | | 4.4 | 3.5 | | | 5.8 | 4.9 | | | 7.6 | 6.6 | 4Q86 | | |
| CPI + 500 bps | | | | 9.7 | | | | 8.4 | | | | 7.9 | | 4Q86 | | |

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

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ SCERS used NFI-ODCE + 35bps as its benchmark until 3/31/2022, and switched to NFI-ODCE + 40bps starting 4/01/2022.

⁵ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| Returns (%) | Market Value (\$) | Fiscal Year 2026 | | 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 | TGRS | TNET |
| Core Commingled Funds | | | | | | | | | | | | | | | | | | | | | | | |
| Brookfield Premier Real Estate Partners | 92,636,248 | 2.1 | 1.6 | 3.4 | 2.4 | -6.3 | -7.3 | -19.3 | -18.2 | 13.1 | 10.8 | 28.5 | 23.0 | 1.8 | 1.9 | 10.6 | 8.5 | 2.3 | 1.9 | | | | |
| FPA Core Plus Fund VI ¹ | 34,309,215 | 4.9 | 4.6 | 26.2 | 23.1 | | | | | | | | | | | | | | | | | | |
| Lion Properties Fund | 104,688,716 | 2.6 | 2.1 | 5.3 | 4.4 | -2.3 | -3.1 | -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 | 69,215,674 | 1.2 | 1.0 | 2.4 | 2.0 | -1.6 | -2.1 | -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 | 56,658,282 | 2.8 | 2.3 | 5.1 | 4.1 | -1.1 | -2.1 | -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 ^{1,2} | 65,249,593 | 1.8 | 1.3 | 19.4 | 18.2 | -0.6 | -1.6 | -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 | 75,946,598 | 2.8 | 2.4 | 4.1 | 3.3 | 7.2 | 6.4 | -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 Core Real Estate Fund - US, LP ³ | 93,679,719 | 2.5 | 2.3 | 4.8 | 4.6 | 1.7 | 1.7 | | | | | | | | | | | | | | | | |
| Townsend Real Estate Fund, LP ³ | 15,694,895 | 7.2 | 7.1 | 7.8 | 7.5 | -1.9 | -2.1 | -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 |
| Core Commingled Funds | 608,078,940 | 2.5 | 2.2 | 6.2 | 5.4 | -1.3 | -2.0 | -13.0 | -12.9 | 8.8 | 7.7 | 30.6 | 27.4 | 4.6 | 4.0 | 9.5 | 8.3 | 10.9 | 9.7 | 14.2 | 12.8 | 9.8 | 8.9 |
| Value Added Portfolio | | | | | | | | | | | | | | | | | | | | | | | |
| Asana Partners Fund II ³ | 27,296,705 | -10.4 | -11.0 | -21.3 | -22.3 | -7.8 | -8.8 | -3.4 | 0.3 | 1.8 | 0.7 | 63.7 | 49.9 | -36.4 | -45.7 | 11.1 | 1.5 | | | | | | |
| Asana Partners Fund III ³ | 21,726,187 | 6.1 | 5.2 | 9.5 | 7.6 | 1.9 | -1.0 | -7.2 | -13.3 | 13.9 | -5.4 | | | | | | | | | | | | |
| DRC European Real Estate Debt Fund II ³ | 6,368,350 | -1.9 | -1.9 | 7.7 | 7.7 | -1.7 | -1.7 | 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 ³ | 36,977,328 | 2.2 | 0.3 | 18.4 | 15.3 | -2.0 | -4.5 | 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 | 3,491,629 | 8.2 | 6.2 | 17.3 | 12.9 | 9.5 | 6.7 | 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 ³ | 24,011,912 | 6.7 | 4.3 | 10.1 | 7.5 | 9.0 | 7.6 | 6.4 | 4.1 | 13.2 | 9.0 | 29.1 | 18.3 | 43.5 | 24.5 | 23.9 | -24.4 | | | | | | |
| Hammes Partners IV ³ | 9,349,979 | 11.4 | 6.6 | 21.4 | 8.8 | 30.5 | -33.8 | -285.7 | -649.7 | | | | | | | | | | | | | | |
| NREP Nordic Strategies Fund II | 9,226,708 | -3.9 | 0.5 | 17.0 | 19.4 | -22.3 | -20.8 | -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 | 32,739,779 | 8.8 | 8.4 | 28.4 | 27.0 | -3.8 | -5.1 | -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 ⁴ | 28,632,845 | -1.4 | -2.2 | 7.5 | 5.7 | -0.9 | -2.9 | -13.7 | -13.1 | 0.6 | -6.4 | 30.7 | 10.0 | 22.1 | -121.4 | | | | | | | | |
| NREP Nordic Strategies Fund V ² | 28,015,270 | 0.5 | -0.8 | 18.2 | 15.2 | -3 | -6 | 85.5 | 68.3 | | | | | | | | | | | | | | |
| Value Added Portfolio | 227,836,692 | 0.3 | -0.6 | 10.0 | 7.9 | -4.2 | -6.0 | -0.1 | 0.6 | 7.3 | 2.5 | 37.9 | 25.6 | 19.0 | 10.6 | 22.1 | 11.5 | 10.5 | 6.3 | 24.9 | 22.3 | 9.5 | 7.0 |
| Opportunistic Portfolio | | | | | | | | | | | | | | | | | | | | | | | |
| Carlyle China Project Rome (Co-Investment) | 14,357,107 | -6.3 | -6.1 | -15.2 | -16.1 | -18.0 | -19.5 | -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 | 3,156,927 | -6.6 | -7.3 | -15.7 | -17.1 | -18.3 | -20.2 | -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 ⁵ | 9,333,563 | -3.5 | -4.1 | -7.4 | -8.5 | -50.3 | -51.6 | -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 |
| FPA Apartment Opportunity Fund IX ³ | 5,552,458 | -1.4 | -4.7 | -1.4 | -4.7 | | | | | | | | | | | | | | | | | | |
| KKR Real Estate Partners Americas | 147,170 | 6.8 | 5.5 | 16.3 | 13.0 | -19.9 | -15.7 | -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 | 8,016,580 | -1.8 | -2.5 | -17.4 | -18.7 | -13.2 | -14.7 | -12.9 | -18.1 | 4.2 | -9.6 | 188.6 | -6.2 | | | | | | | | | | |
| Sculptor Real Estate Fund III ² | 2,190,644 | -12.4 | -12.4 | -14.4 | -14.6 | 23.8 | 22.7 | 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 | 23,702,160 | 4.0 | 3.4 | 7.2 | 5.9 | 10.3 | 8.4 | 14.2 | 11.0 | 6.9 | 0.8 | 40.3 | 25.9 | 19.6 | 3.9 | | | | | | | | |
| Sculptor Real Estate Fund V | 3,331,049 | 2.0 | -2.9 | 2.0 | -2.9 | | | | | | | | | | | | | | | | | | |
| Seven Seas Japan Opportunity Fund ³ | 14,508,767 | 3.2 | 0.7 | 13.3 | 10.1 | 24.4 | 16.0 | 6.3 | 2.2 | -37.5 | -41.0 | | | | | | | | | | | | |
| WCP NewCold III, LP | 36,223,990 | 6.0 | 4.7 | 11.8 | 9.6 | | | | | | | | | | | | | | | | | | |
| Opportunistic Portfolio | 120,520,415 | 1.1 | -0.1 | 1.0 | -1.1 | -9.0 | -12.2 | -19.2 | -20.9 | -2.3 | -5.0 | 6.2 | 2.8 | -7.0 | -8.2 | 8.6 | 7.1 | 11.0 | 8.7 | 17.0 | 14.2 | 10.2 | 7.7 |
| Total Non-Core Portfolio 1Q 2007 Forward | 348,357,107 | 0.6 | -0.5 | 7.0 | 4.9 | -5.7 | -7.9 | -7.0 | -7.2 | 3.5 | -0.5 | 25.3 | 16.7 | 6.6 | 1.7 | 15.8 | 9.9 | 10.7 | 7.5 | 21.1 | 18.4 | 9.9 | 7.4 |
| Total Private Portfolio | | | | | | | | | | | | | | | | | | | | | | | |
| SCERS | 956,436,047 | 1.8 | 1.2 | 6.5 | 5.2 | -2.8 | -4.0 | -11.3 | -11.3 | 7.4 | 5.5 | 29.2 | 24.4 | 5.2 | 3.5 | 11.0 | 8.7 | 9.2 | 7.5 | 15.0 | 13.5 | 8.9 | 7.7 |
| Indices | | | | | | | | | | | | | | | | | | | | | | | |
| SCERS Custom Real Estate Benchmark ⁴ | | 1.9 | 1.4 | 4.2 | 3.3 | -1.0 | -1.9 | -11.7 | -12.4 | 7.9 | 7.0 | 22.6 | 21.4 | 1.5 | 0.7 | 5.7 | 4.8 | 8.7 | 7.7 | 8.0 | 7.0 | 9.1 | 8.2 |
| NFI-ODCE | | 1.7 | 1.2 | 3.8 | 2.9 | -1.4 | -2.3 | -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 | | 2.2 | 1.7 | 4.8 | 3.9 | -0.4 | -1.3 | -11.0 | -11.7 | 8.5 | 7.5 | 23.2 | 22.0 | 2.2 | 1.3 | 6.3 | 5.4 | 9.3 | 8.4 | 8.6 | 7.7 | 9.8 | 8.8 |
| CPI + 500 bps | | 4.0 | | 7.8 | | 8.0 | | 8.5 | | 11.7 | | 12.5 | | 6.4 | | 7.4 | | 7.1 | | 7.2 | | 7.2 | |

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

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ SCERS used NFI-ODCE + 35bps as its benchmark until 3/31/2022, and switched to NFI-ODCE + 40bps starting 4/01/2022.

⁵ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| 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 |
| Core Commingled Funds | | | | | | | | | | | | | | | | | | | | | |
| Brookfield Premier Real Estate Partners | 92,636,248 | | | | | | | | | | | | | | | | | | | | |
| FPA Core Plus Fund VI ¹ | 34,309,215 | | | | | | | | | | | | | | | | | | | | |
| Lion Properties Fund | 104,688,716 | | | | | | | | | | | | | | | | | | | | |
| MetLife Core Property Fund | 69,215,674 | 16.9 | 16.3 | 17.4 | 16.9 | | | | | | | | | | | | | | | | |
| Principal U.S. Property Account | 56,658,282 | 3.0 | 2.8 | | | | | | | | | | | | | | | | | | |
| Prologis European Logistics Fund ² | 65,249,593 | | | | | | | | | | | | | | | | | | | | |
| Prologis Targeted U.S. Logistics Fund | 75,946,598 | 9.1 | 7.9 | | | | | | | | | | | | | | | | | | |
| Townsend Core Real Estate Fund - US, LP ³ | 93,679,719 | | | | | | | | | | | | | | | | | | | | |
| Townsend Real Estate Fund, LP ³ | 15,694,895 | | | | | | | | | | | | | | | | | | | | |
| Core Commingled Funds | 608,078,940 | 15.7 | 14.1 | 13.5 | 12.4 | 10.2 | 9.3 | 11.1 | 10.1 | 16.4 | 15.5 | 14.1 | 13.3 | -33.0 | -33.6 | -13.8 | -14.6 | 15.5 | 14.5 | 16.9 | 15.8 |
| Value Added Portfolio | | | | | | | | | | | | | | | | | | | | | |
| Asana Partners Fund II ³ | 27,296,705 | | | | | | | | | | | | | | | | | | | | |
| Asana Partners Fund III ³ | 21,726,187 | | | | | | | | | | | | | | | | | | | | |
| DRC European Real Estate Debt Fund II ³ | 6,368,350 | 5.0 | 3.0 | 14 | -2.1 | | | | | | | | | | | | | | | | |
| ECE European Prime Shopping Centre Fund II C ³ | 36,977,328 | 12.1 | 11.0 | | | | | | | | | | | | | | | | | | |
| Hammes Partners II ³ | 3,491,629 | 19.4 | 12.9 | | | | | | | | | | | | | | | | | | |
| Hammes Partners III ³ | 24,011,912 | | | | | | | | | | | | | | | | | | | | |
| Hammes Partners IV ³ | 9,349,979 | | | | | | | | | | | | | | | | | | | | |
| NREP Nordic Strategies Fund II | 9,226,708 | | | | | | | | | | | | | | | | | | | | |
| NREP Nordic Strategies Fund III | 32,739,779 | | | | | | | | | | | | | | | | | | | | |
| NREP Nordic Strategies Fund IV ⁵ | 28,632,845 | | | | | | | | | | | | | | | | | | | | |
| NREP Nordic Strategies Fund V ³ | 28,015,270 | | | | | | | | | | | | | | | | | | | | |
| Value Added Portfolio | 227,836,692 | 19.1 | 17.0 | 15.7 | 13.7 | 13.3 | 10.8 | 19.6 | 18.1 | 16.7 | 14.7 | 23.2 | 20.3 | -56.4 | -57.6 | -31.2 | -33.5 | 18.2 | 5.6 | 0.8 | 0.5 |
| Opportunistic Portfolio | | | | | | | | | | | | | | | | | | | | | |
| Carlyle China Project Rome (Co-Investment) | 14,357,107 | | | | | | | | | | | | | | | | | | | | |
| Carlyle China Realty | 3,156,927 | | | | | | | | | | | | | | | | | | | | |
| CIM Fund VIII ³ | 9,333,563 | 16.9 | 13.8 | | | | | | | | | | | | | | | | | | |
| FPA Apartment Opportunity Fund IX ³ | 5,552,458 | | | | | | | | | | | | | | | | | | | | |
| KKR Real Estate Partners Americas | 147,170 | 17.1 | 12.4 | 8.1 | 6.6 | | | | | | | | | | | | | | | | |
| LaSalle China Logistics Venture | 8,016,580 | | | | | | | | | | | | | | | | | | | | |
| Sculptor Real Estate Fund III ² | 2,190,644 | 33.7 | 6.9 | 9.4 | -28.3 | | | | | | | | | | | | | | | | |
| Sculptor Real Estate Fund IV | 23,702,160 | | | | | | | | | | | | | | | | | | | | |
| Sculptor Real Estate Fund V | 3,331,049 | | | | | | | | | | | | | | | | | | | | |
| Seven Seas Japan Opportunity Fund ³ | 14,508,767 | | | | | | | | | | | | | | | | | | | | |
| WCP NewCold III, LP | 36,223,990 | | | | | | | | | | | | | | | | | | | | |
| Opportunistic Portfolio | 120,520,415 | 23.8 | 13.0 | 89.6 | 72.1 | 11.7 | 9.4 | 54.2 | 38.5 | -10.1 | -8.0 | 42.4 | 34.2 | 54.0 | 43.5 | -44.5 | -45.4 | 3.4 | 2.6 | 0.0 | 0.0 |
| Total Non-Core Portfolio 1Q 2007 Forward | 348,357,107 | 20.0 | 15.6 | 20.1 | 16.9 | 16.7 | 13.5 | 34.6 | 26.9 | -0.3 | 0.4 | 37.0 | 30.4 | -13.5 | -17.8 | -33.7 | -35.7 | 18.2 | 5.6 | | |
| Total Private Portfolio | | | | | | | | | | | | | | | | | | | | | |
| SCERS | 956,436,047 | 9.8 | 8.3 | 16.4 | 14.5 | 12.0 | 10.7 | 19.2 | 17.8 | 9.8 | 9.4 | 20.6 | 19.2 | -16.0 | -16.7 | -14.1 | -14.7 | 10.7 | 8.7 | 16.9 | 14.2 |
| Indices | | | | | | | | | | | | | | | | | | | | | |
| SCERS Custom Real Estate Benchmark ⁴ | | 15.4 | 14.3 | 12.9 | 11.9 | 14.3 | 13.3 | 11.3 | 10.2 | 16.4 | 15.4 | 16.8 | 15.7 | -29.5 | -30.2 | -9.7 | -10.4 | 16.4 | 15.2 | 16.7 | 15.7 |
| 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 | |

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

² Previously Och-Ziff Real Estate Fund III.

³ Preliminary data.

⁴ SCERS used NFI-ODCE + 35bps as its benchmark until 3/31/2022, and switched to NFI-ODCE + 40bps starting 4/01/2022.

⁵ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| Quarterly Cash Flow Activity (\$) | Beginning Market Value | Contributions | Distributions | Withdrawals | Gross Income | Manager Fees | Appreciation | Ending Market Value | LTV (%) |
|---|------------------------|-------------------|------------------|------------------|-------------------|------------------|------------------|---------------------|-------------|
| Core Commingled Funds | | | | | | | | | |
| Brookfield Premier Real Estate Partners | 92,506,446 | 0 | 552,515 | 0 | 348,488 | 232,214 | 566,043 | 92,636,248 | 49.3 |
| FPA Core Plus Fund VI | 26,043,711 | 7,500,000 | 259,368 | 0 | 162,258 | 60,396 | 923,010 | 34,309,215 | 50.4 |
| Lion Properties Fund | 104,165,371 | 216,110 | 956,986 | 0 | 1,031,601 | 218,543 | 451,163 | 104,688,716 | 27.6 |
| MetLife Core Property Fund | 69,784,942 | 0 | 686,705 | 0 | 887,638 | 82,221 | -687,980 | 69,215,674 | 32.4 |
| Principal U.S. Property Account | 56,030,124 | 0 | 0 | 0 | 626,086 | 134,922 | 136,994 | 56,658,282 | 26.1 |
| Prologis European Logistics Fund | 65,193,234 | 0 | 507,691 | 0 | 830,355 | 167,747 | -98,557 | 65,249,593 | 26.0 |
| Prologis Targeted U.S. Logistics Fund | 75,131,206 | 0 | 479,618 | 0 | 863,679 | 142,747 | 574,078 | 75,946,598 | 23.5 |
| Townsend Core Real Estate Fund – US, LP | 93,303,154 | 0 | 887,878 | 0 | 823,054 | 53,561 | 494,949 | 93,679,719 | 41.6 |
| Townsend Real Estate Fund, L.P. | 16,498,646 | 0 | 0 | 1,414,835 | 43,782 | 9,815 | 577,117 | 15,694,895 | 36.3 |
| Core Commingled Funds | 598,656,834 | 7,716,110 | 4,330,761 | 1,414,835 | 5,616,941 | 1,102,166 | 2,936,817 | 608,078,940 | 35.9 |
| Value Added Portfolio | | | | | | | | | |
| Asana Partners Fund II ² | 29,260,304 | 753,450 | 0 | 0 | -15,566 | 93,124 | -2,608,360 | 27,296,705 | 51.4 |
| Asana Partners Fund III ² | 21,130,675 | 0 | 0 | 0 | -17,508 | 89,276 | 702,296 | 21,726,187 | 41.3 |
| DRC European Real Estate Debt Fund II | 6,354,649 | 0 | 0 | 0 | 0 | 0 | 13,701 | 6,368,350 | 0.0 |
| ECE European Prime Shopping Centre Fund II C | 37,394,524 | 0 | 469,762 | 0 | 339,105 | 402,238 | 115,698 | 36,977,328 | 56.5 |
| Hammes Partners II | 3,385,264 | 9,996 | 19,183 | 2,055 | 18,467 | 37,028 | 136,168 | 3,491,629 | 55.0 |
| Hammes Partners III | 23,612,332 | 0 | 227,693 | 108,382 | 206,240 | 378,119 | 907,535 | 24,011,912 | 66.1 |
| Hammes Partners IV | 6,381,642 | 2,735,640 | 113,500 | 12,352 | 44,793 | 150,000 | 463,755 | 9,349,979 | 68.0 |
| NREP Nordic Strategies Fund II | 14,340,536 | 0 | 5,319,819 | 0 | -288,500 | -900,278 | -408,787 | 9,226,708 | 48.0 |
| NREP Nordic Strategies Fund III | 30,541,121 | 0 | 1,243,953 | 0 | -199,944 | 119,545 | 3,762,101 | 32,739,779 | 49.0 |
| NREP Nordic Strategies Fund IV ³ | 29,706,401 | 0 | -2,158,224 | 0 | -3,032,303 | 111,653 | -87,824 | 28,632,845 | 53.0 |
| NREP Nordic Strategies Fund V | 26,961,977 | 0 | -1,178,190 | 0 | -1,995,087 | 167,368 | 2,037,559 | 28,015,270 | 51.0 |
| Value Added Portfolio | 229,069,425 | 3,499,086 | 4,057,496 | 122,789 | -4,940,303 | 648,073 | 5,033,842 | 227,836,692 | 53.7 |
| Opportunistic Portfolio | | | | | | | | | |
| Carlyle China Project Rome (Co-Investment) | 14,249,012 | 0 | 0 | 0 | -38,387 | -133,219 | 13,263 | 14,357,107 | 29.0 |
| Carlyle China Realty | 3,174,116 | 0 | 0 | 0 | -7,609 | 12,565 | 2,985 | 3,156,927 | 29.0 |
| CIM Fund VIII | 9,582,490 | 225,540 | 0 | 278,973 | -36,095 | 29,306 | -130,093 | 9,333,563 | 54.1 |
| FPA Apartment Opportunity Fund IX | 3,307,552 | 2,400,000 | 0 | 0 | -45,781 | 109,313 | 0 | 5,552,458 | 65.2 |
| KKR Real Estate Partners Americas | 180,284 | 0 | 40,687 | 0 | 9,466 | 1,893 | 0 | 147,170 | 0.0 |
| LaSalle China Logistics Venture | 8,081,342 | 0 | 0 | 0 | -48,396 | 28,231 | 11,865 | 8,016,580 | 58.0 |
| Sculptor Real Estate Fund III ¹ | 2,431,260 | 0 | 0 | 0 | -7,269 | 0 | -233,347 | 2,190,644 | 39.1 |
| Sculptor Real Estate Fund IV | 21,027,547 | 2,439,902 | 111,805 | 0 | 94,833 | 61,536 | 313,219 | 23,702,160 | 34.7 |
| Sculptor Real Estate Fund V | 1,272,750 | 2,080,344 | -3,325 | -21,035 | -25,399 | 77,832 | 56,826 | 3,331,049 | 31.8 |
| Seven Seas Japan Opportunity Fund | 15,140,092 | 0 | 0 | 675,617 | 42,951 | 237,916 | 239,258 | 14,508,767 | 0.0 |
| WCP NewCold III, LP | 32,087,442 | 3,025,000 | 36,031 | 0 | 24,478 | 315,593 | 1,438,694 | 36,223,990 | 23.4 |
| Opportunistic Portfolio | 110,533,887 | 10,170,786 | 185,198 | 933,555 | -37,208 | 740,966 | 1,712,670 | 120,520,415 | 35.5 |
| Total Non-Core Portfolio 1Q 2007 Forward | 339,603,312 | 13,669,872 | 4,242,694 | 1,056,344 | -4,977,511 | 1,389,039 | 6,746,512 | 348,357,107 | 48.7 |
| Total Private Portfolio | | | | | | | | | |
| SCERS | 938,260,146 | 21,385,982 | 8,573,455 | 2,471,179 | 639,430 | 2,491,205 | 9,683,329 | 956,436,047 | 41.2 |

¹ Previously Och-Ziff Real Estate Fund III.

² Manager did not provide 4Q25 LTV, so 3Q25 LTV has been used as a placeholder.

³ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| Property Type Diversification (%) | Apartment | Office | Industrial | Retail | Hotel | Other |
|--|-------------|-------------|-------------|-------------|------------|-------------|
| Core Commingled Funds | | | | | | |
| Brookfield Premier Real Estate Partners | 33.9 | 11.6 | 47.6 | - | - | 6.9 |
| FPA Core Plus Fund VI | 100.0 | - | - | - | - | - |
| Lion Properties Fund | 26.1 | 11.0 | 37.0 | 6.6 | - | 19.3 |
| MetLife Core Property Fund | 30.3 | 26.4 | 24.8 | 9.9 | 1.7 | 6.9 |
| Principal U.S. Property Account | 26.0 | 13.8 | 38.5 | 11.2 | - | 10.5 |
| Prologis European Logistics Fund | - | - | 100.0 | - | - | - |
| Prologis Targeted U.S. Logistics Fund | - | - | 100.0 | - | - | - |
| Townsend Core Real Estate Fund – US, LP ¹ | 29.8 | 7.4 | 46.6 | 1.9 | 0.1 | 14.2 |
| Townsend Real Estate Fund, L.P. ¹ | 56.5 | 4.0 | 24.7 | 3.7 | 0.0 | 11.1 |
| Core Commingled Funds | 27.2 | 9.2 | 51.1 | 3.7 | 0.2 | 8.6 |
| Value Added Portfolio | | | | | | |
| Asana Partners Fund II ² | 0.6 | 34.0 | - | 55.3 | - | 10.2 |
| Asana Partners Fund III ² | 9.6 | 25.8 | - | 64.4 | - | 0.1 |
| DRC European Real Estate Debt Fund II | - | 50.0 | - | 50.0 | - | - |
| ECE European Prime Shopping Centre Fund II C | - | - | - | 100.0 | - | - |
| Hammes Partners II | - | - | - | - | - | 100.0 |
| Hammes Partners III | - | - | - | - | - | 100.0 |
| Hammes Partners IV | - | - | - | - | - | 100.0 |
| NREP Nordic Strategies Fund II | - | - | - | 53.2 | - | 46.8 |
| NREP Nordic Strategies Fund III | 53.5 | 16.9 | 19.5 | 6.3 | - | 3.8 |
| NREP Nordic Strategies Fund IV ³ | 41.2 | 2.4 | 31.0 | 3.8 | 4.9 | 16.7 |
| NREP Nordic Strategies Fund V | 36.8 | 9.7 | 31.2 | 3.2 | 6.5 | 12.6 |
| Value Added Portfolio | 18.4 | 11.9 | 10.5 | 34.3 | 1.4 | 23.5 |

¹ Property diversification numbers used are from 3Q25.

² Manager did not submit 4Q25 diversification data by the requested deadline, so 3Q25 data has been used as a placeholder.

³ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| Property Type Diversification (%) | Apartment | Office | Industrial | Retail | Hotel | Other |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| Opportunistic Portfolio | | | | | | |
| Carlyle China Project Rome (Co-Investment) | - | - | 100.0 | - | - | - |
| Carlyle China Realty | - | - | 100.0 | - | - | - |
| CIM Fund VIII | 21.7 | 40.8 | - | 18.0 | 3.6 | 15.9 |
| FPA Apartment Opportunity Fund IX | 100.0 | - | - | - | - | - |
| KKR Real Estate Partners Americas | - | - | - | - | - | 100.0 |
| LaSalle China Logistics Venture | - | - | 100.0 | - | - | - |
| Sculptor Real Estate Fund III | - | - | - | - | 11.8 | 88.2 |
| Sculptor Real Estate Fund IV | - | 1.4 | 1.4 | - | 7.4 | 89.8 |
| Sculptor Real Estate Fund V | - | - | - | - | 25.2 | 74.8 |
| Seven Seas Japan Opportunity Fund | - | 1.3 | - | - | 73.5 | 25.2 |
| WCP NewCold III, LP | - | - | - | - | - | 100.0 |
| Opportunistic Portfolio | 6.3 | 3.6 | 21.5 | 1.4 | 11.5 | 55.8 |
| Total Non-Core Portfolio 1Q 2007 Forward | 14.2 | 9.0 | 14.3 | 22.9 | 4.9 | 34.7 |
| Total Private Portfolio | | | | | | |
| SCERS | 22.5 | 9.1 | 37.7 | 10.7 | 1.9 | 18.1 |
| Indices | | | | | | |
| NFI-ODCE | 29.9 | 15.7 | 33.9 | 10.7 | 0.2 | 9.5 |

¹ Property diversification numbers used are from 3Q25.

² Manager did not submit 4Q25 diversification data by the requested deadline, so 3Q25 data has been used as a placeholder.

³ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| Geographic Diversification (%) | North East | Mid East | East North Central | West North Central | South East | South West | Mountain | Pacific | Var-US | Ex-US |
|--|-------------|------------|--------------------|--------------------|-------------|------------|------------|-------------|------------|-------------|
| Core Commingled Funds | | | | | | | | | | |
| Brookfield Premier Real Estate Partners | 23.1 | 10.0 | 15.3 | 6.9 | 3.4 | - | 1.1 | 40.3 | - | - |
| FPA Core Plus Fund VI | 18.5 | - | - | - | 25.2 | 6.8 | - | 49.5 | - | - |
| Lion Properties Fund | 20.3 | 9.9 | 2.5 | 0.2 | 10.7 | 8.5 | 9.2 | 38.6 | - | - |
| MetLife Core Property Fund | 17.4 | 11.9 | 9.2 | 1.3 | 11.3 | 7.9 | 10.3 | 30.7 | - | - |
| Principal U.S. Property Account | 9.5 | 8.0 | 1.3 | 1.9 | 12.0 | 19.7 | 14.9 | 32.7 | - | - |
| Prologis European Logistics Fund | - | - | - | - | - | - | - | - | - | 100.0 |
| Prologis Targeted U.S. Logistics Fund | 16.5 | 5.7 | 11.1 | - | 15.5 | 9.5 | 7.4 | 34.3 | - | - |
| Townsend Core Real Estate Fund – US, LP ¹ | 13.6 | 8.9 | 10.8 | 3.7 | 18.7 | 10.9 | 10.2 | 23.1 | 0.3 | 0.0 |
| Townsend Real Estate Fund, L.P. ¹ | 10.0 | 9.1 | 13.4 | 1.7 | 21.3 | 13.9 | 8.3 | 22.1 | 0.1 | - |
| Core Commingled Funds | 15.3 | 7.7 | 7.3 | 2.0 | 11.6 | 7.8 | 7.0 | 30.6 | 0.0 | 10.7 |
| Value Added Portfolio | | | | | | | | | | |
| Asana Partners Fund II ² | 15.6 | 17.8 | 12.5 | 6.8 | - | 9.4 | 29.3 | 8.6 | - | - |
| Asana Partners Fund III ² | 1.2 | 16.7 | 4.7 | 1.7 | 36.8 | 26.6 | 9.5 | 2.8 | - | - |
| DRC European Real Estate Debt Fund II | - | - | - | - | - | - | - | - | - | 100.0 |
| ECE European Prime Shopping Centre Fund II | - | - | - | - | - | - | - | - | - | 100.0 |
| Hammes Partners II | - | 51.4 | 5.7 | - | - | 20.1 | 22.8 | - | - | - |
| Hammes Partners III | 46.4 | 2.2 | 6.4 | 19.8 | 14.8 | 1.3 | 7.7 | 1.4 | - | - |
| Hammes Partners IV | 2.2 | 6.4 | 13.5 | 17.8 | 15.9 | 25.7 | 18.5 | - | - | - |
| NREP Nordic Strategies Fund II | - | - | - | - | - | - | - | - | - | 100.0 |
| NREP Nordic Strategies Fund III | - | - | - | - | - | - | - | - | - | 100.0 |
| NREP Nordic Strategies Fund IV ³ | - | - | - | - | - | - | - | - | - | 100.0 |
| NREP Nordic Strategies Fund V | - | - | - | - | - | - | - | - | - | 100.0 |
| Value Added Portfolio | 7.0 | 5.0 | 3.3 | 3.8 | 5.7 | 5.2 | 6.3 | 1.4 | 0.0 | 62.3 |

¹Geographic diversification numbers used are from 3Q25.

² Manager did not submit 4Q25 diversification data by the requested deadline, so 3Q25 data has been used as a placeholder.

³ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

| Geographic Diversification (%) | North East | Mid East | East North Central | West North Central | South East | South West | Mountain | Pacific | Var-US | Ex-US |
|---|-------------|------------|--------------------|--------------------|-------------|------------|------------|-------------|-------------|-------------|
| Opportunistic Portfolio | | | | | | | | | | |
| Carlyle China Project Rome Co-Investment | - | - | - | - | - | - | - | - | - | 100.0 |
| Carlyle China Realty | - | - | - | - | - | - | - | - | - | 100.0 |
| CIM Fund VIII | 51.1 | - | 4.8 | - | - | - | 0.8 | 43.3 | - | - |
| FPA Apartment Opportunity Fund IX | 26.7 | 7.6 | 15.6 | 1.1 | 16.3 | 3.6 | 11.2 | 17.8 | - | - |
| KKR Real Estate Partners Americas | - | - | - | - | - | 100.0 | - | - | - | - |
| LaSalle China Logistics | - | - | - | - | - | - | - | - | - | 100.0 |
| Sculptor Real Estate Fund III | 80.5 | - | - | 0.4 | - | - | 1.3 | 6.0 | - | 11.8 |
| Sculptor Real Estate Fund IV | - | - | - | - | - | - | - | - | 100.0 | - |
| Sculptor Real Estate Fund V | - | - | - | - | - | - | - | - | 100.0 | - |
| Seven Seas Japan Opportunity Fund | - | - | - | - | - | - | - | - | - | 100.0 |
| WCP NewCold III, LP | 1.3 | - | 9.5 | - | 8.1 | 0.5 | 5.8 | 5.0 | - | 69.9 |
| Opportunistic Portfolio | 7.0 | 0.3 | 3.9 | 0.1 | 3.2 | 0.4 | 2.3 | 5.8 | 22.4 | 54.4 |
| Total Non-Core Portfolio 1Q 2007 Forward | 7.0 | 3.4 | 3.5 | 2.5 | 4.8 | 3.5 | 5.0 | 2.9 | 7.8 | 59.6 |
| Total Private Portfolio | | | | | | | | | | |
| SCERS | 12.3 | 6.1 | 5.9 | 2.2 | 9.1 | 6.2 | 6.3 | 20.5 | 2.9 | 28.5 |
| Indices | | | | | | | | | | |
| NFI-ODCE | 21.2 | 8.3 | 5.1 | 0.8 | 13.3 | 8.2 | 8.0 | 35.0 | - | - |

¹ Geographic diversification numbers used are from 3Q25.

² Manager did not submit 4Q25 diversification data by the requested deadline, so 3Q25 data has been used as a placeholder.

³ Manager informed Townsend that the data originally submitted data was incorrect, but was unable to adjust by the required deadline.

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

¹In select instances where underlying investment managers have ceased reporting limited partner/client level performance data directly to Townsend via a secure data collection site, Townsend 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 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

5. Real Estate Market Update

Lower Rates are Catalyzing a Turn in Real Estate Valuations

Lower borrowing costs and easing cap rates are providing broad support to valuations

GDP Growth Anticipated to be Healthy

- **US:** Growth resilient; strong labor markets, solid consumption from high-income households (K-shaped economy), & reshoring-linked investment
- **Europe:** Growth stabilizing; real incomes improving and manufacturing indicators turning up
- **APAC:** Australia and Japan both seeing stabilizing to improving outlook

Inflation Coming Under Control

- In the US, Europe, and Australia, disinflation broad-based across goods, housing, and core services
- Japan is the outlier with wage-gain driven inflation

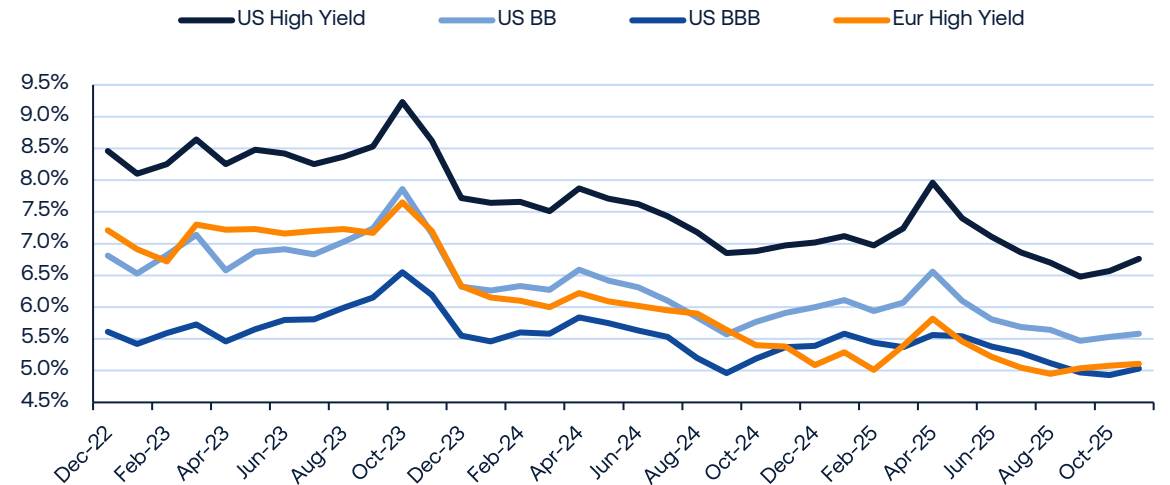
Interest Rates Declining and Likely to Remain Below Recent Highs

- **US:** Fed easing underway, BBB bond yields (proxy for core borrowing cost) and high yields (proxy for non-core borrowing cost) declining
- **Europe:** ECB cutting; lower sovereign yields reducing financing costs and supporting cap-rate compression
- **Australia:** Anticipated rate cuts as inflation moderates; lending spreads narrowing and refinancing improving
- **Japan:** BOJ policy steady with mild normalization; rates remain lowest globally and unlikely to fall further

Real GDP Forecasts (YoY%)

| Major Regions | 2024 | 2025 | 2026 | 2027 |
|------------------|------|------|------|------|
| North America | 2.7 | 2.1 | 2.3 | 2.0 |
| European Union | 1.1 | 1.6 | 1.5 | 1.6 |
| Asia Pacific | 4.4 | 3.9 | 3.9 | 3.8 |
| Selected Markets | 2024 | 2025 | 2026 | 2027 |
| United States | 2.8 | 2.2 | 2.4 | 2.0 |
| United Kingdom | 1.1 | 1.4 | 1.0 | 1.4 |
| Germany | -0.5 | 0.2 | 1.0 | 1.5 |
| China | 5.0 | 5.0 | 4.5 | 4.4 |
| Japan | -0.2 | 1.2 | 0.8 | 0.9 |
| Australia | 1.0 | 1.9 | 2.2 | 2.3 |

High Yield Bond Effective Yields



Source: Bloomberg (January 2026), Federal Reserve Bank of St. Louis (December 2025).

Townsend's views are as of the date of this publication and may be changed or modified at any time and without notice. Past performance is not indicative of future results. Actual results and developments may differ materially from those expressed or implied herein.

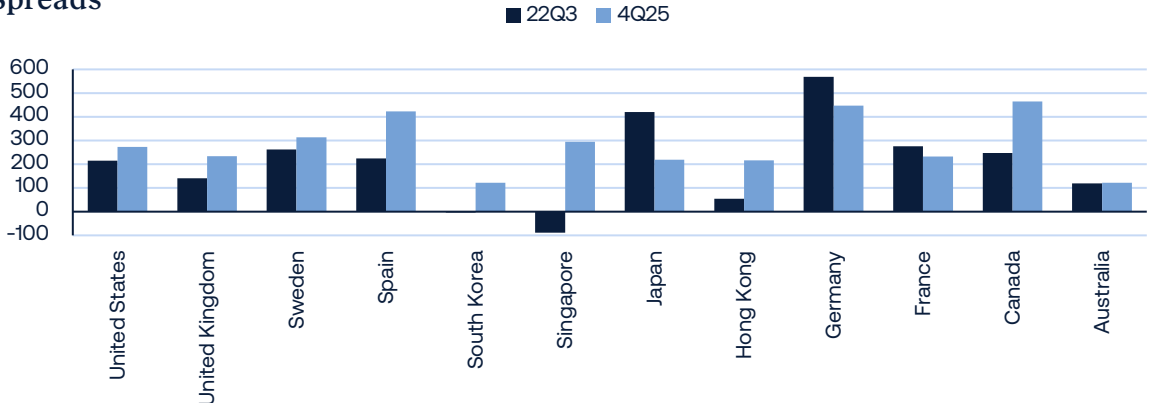
Yield Spreads Signal Real Estate is Attractively Priced at this Point

Falling rates and rising property yields have opened a valuation gap supportive of forward returns

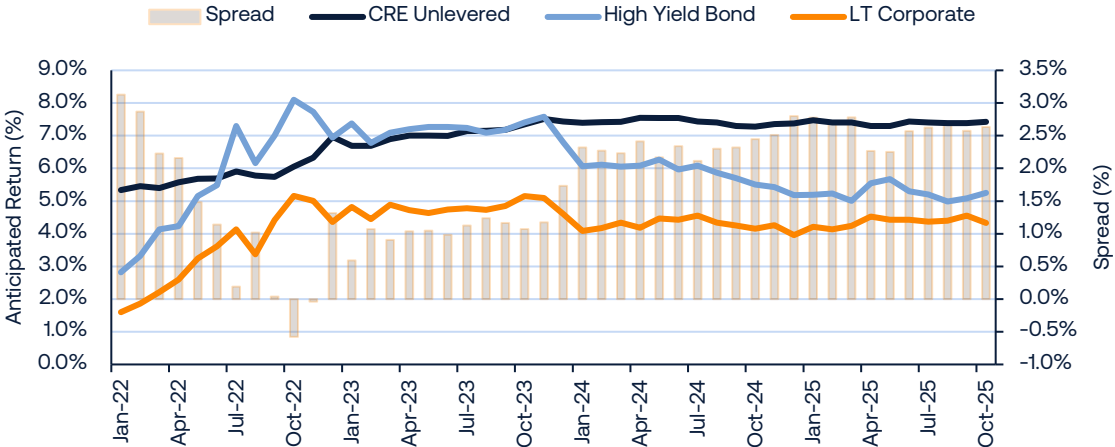
Valuation Signals Point to Opportunity

- **Wide yield spreads:** Cap rates remain well above government bond yields across major markets, with spreads widening over the past year as rates fell and property yields rose
- **Private-market spreads attractive:** In the U.S., risk-adjusted private real estate returns (~7–8%) exceed both Baa and high-yield bond benchmarks
- **Strong corporate-bond comparison:** CRE spreads versus investment-grade bonds remain above long-term norms, a historically supportive valuation signal
- **Public market confirmation:** U.S. REITs trade cheaply relative to the S&P 500, with AFFO yields above equity earnings yields—supporting valuation upside
- **Europe also compelling:** Pan-European real estate shows elevated spreads versus corporate bonds, with fair-value indicators still in “cheap” territory
- **Cycle inflection:** Historically, wide CRE–bond spreads have preceded periods of above-average forward returns

10-yr Government Bond Yields vs. Average Cap Rate (Office, Industrial, Retail) Spreads



Pan-European RE Unlevered Performance Forecasts vs. Income



Source: MSCI Real Capital Analytics (Q4 2025), Green Street (December 2025). Townsend’s views are as of the date of this presentation and may be changed or modified at any time and without notice. Past performance is not indicative of future results. Actual results and developments may differ materially from those expressed or implied herein.

Real Estate is Entering the Early Stages of a New Return Cycle

Stabilizing values & early appreciation signals indicate the turn in the private real estate cycle is underway

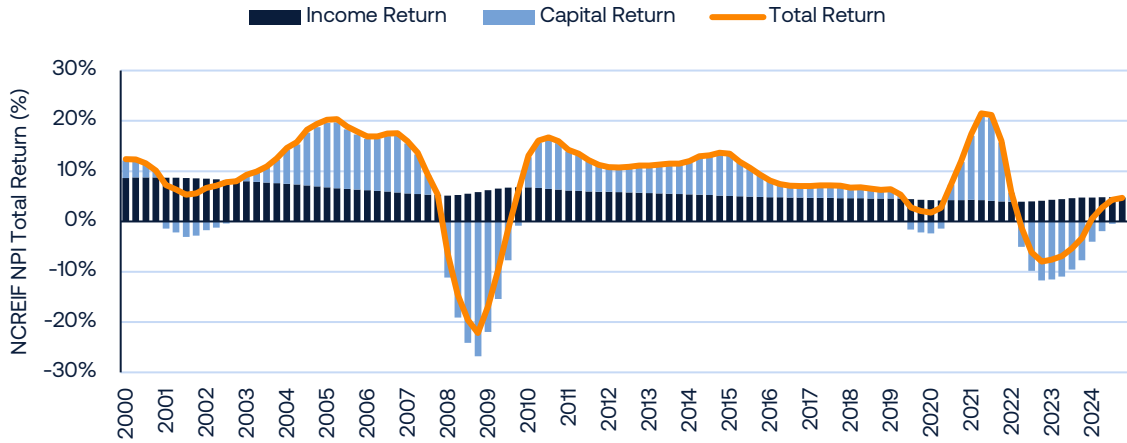
Real Estate has lagged General Post-COVID Financial Market Recovery

- **Public markets surged:** Since mid-2019, the S&P 500 has returned ~170–175%, with the Nasdaq even higher
- **Real estate lagged:** Over the same period, private real estate delivered only ~15–20% in North America and ~20–25% in Europe and APAC

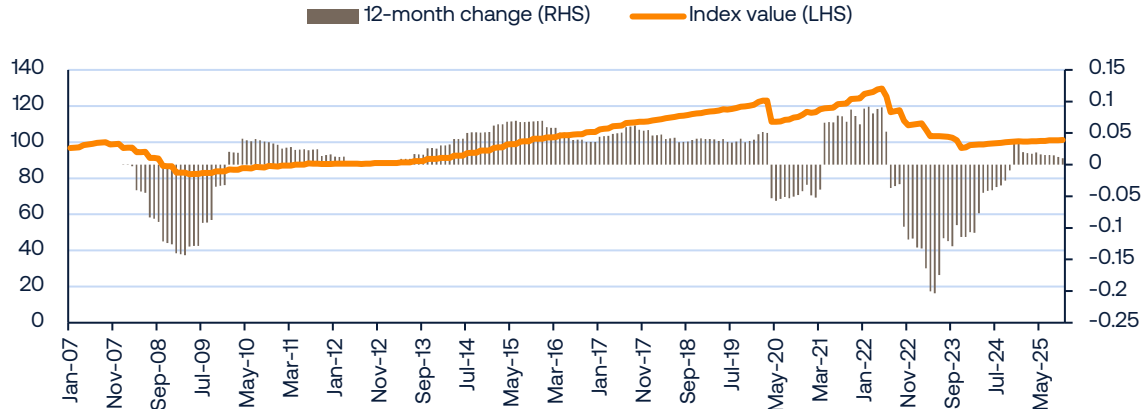
Returns are Stabilizing and Early-Cycle Signals are Emerging

- **US bottoming:** NCREIF returns have been positive for five straight quarters, with appreciation improving from -10% in 2023 to near 0% in 2025
- **History rhymes:** In past easing cycles (2000–03, 2007–08), US total returns rebounded 12–14% annually for five years after the trough
- **Europe recovering:** Pan-European values fell ~15–20% from the peak but have rebounded ~5–7% since mid-2024
- **UK turned first:** UK funds repriced fastest post-2022, moving from -16% in 2023 to +6% in 2024, one of the strongest YoY rebounds globally
- **APAC improving:** APAC property index is up ~10% from the 2023 trough, with Australia and Japan stabilizing
- **Cycle duration supportive:** real estate early-cycle recovery window is now open

Rate Cuts Cycles ('00-03, '07-08) and Corresponding US RE Performance (NPI Total Return)

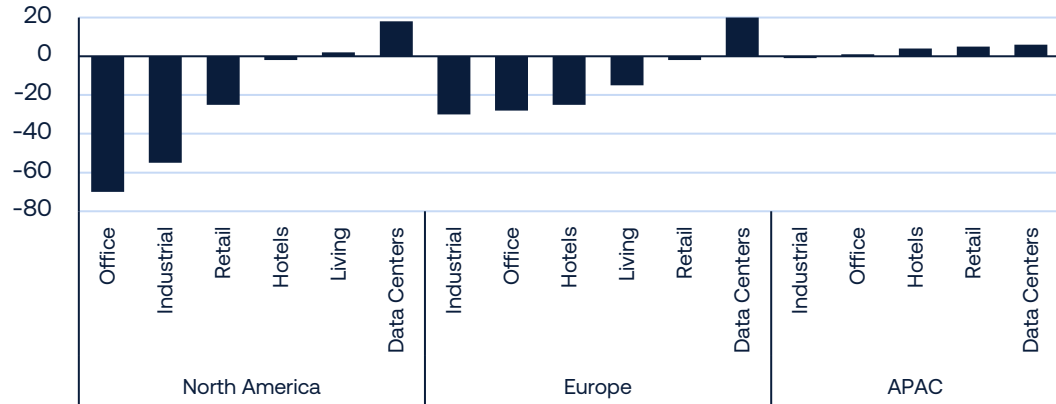


Pan-European RE Property Price Index

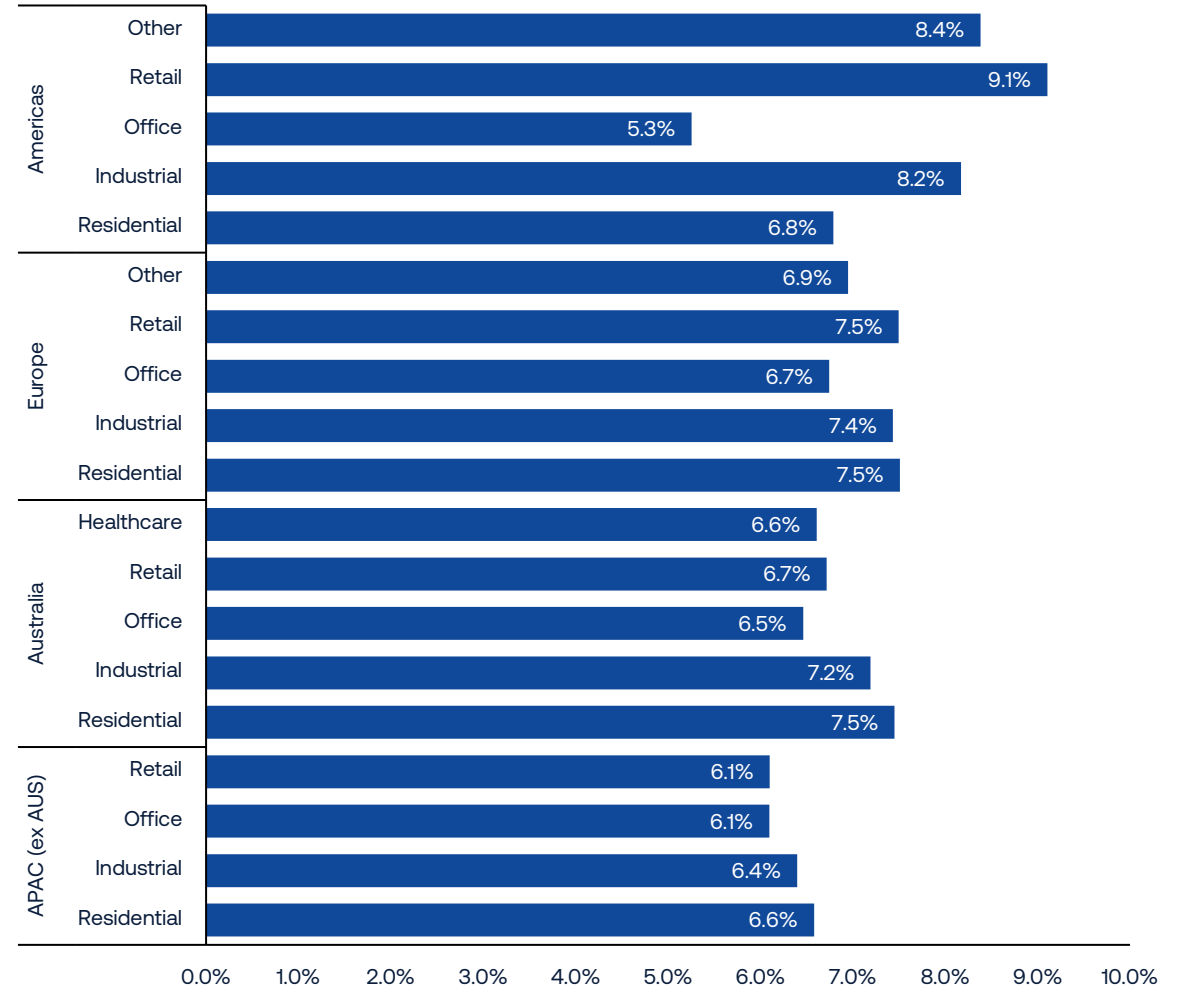


Source: NCREIF (Third Quarter 2025), Green Street (December 2025).
 Townsend's views are as of the date of this presentation and may be changed or modified at any time and without notice. Past performance is not indicative of future results. Actual results and developments may differ materially from those expressed or implied herein.
 Sacramento County Employees' Retirement System – Fourth Quarter 2025

New Supply Is Forecasted To Decline Across Most Asset Classes Globally
2025 Forecast Completions vs 2021-2024 Peak

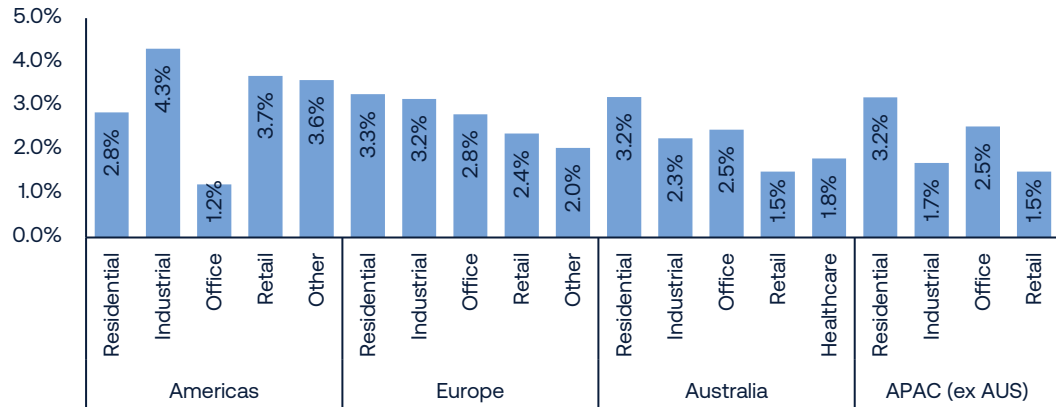


Alternative Property Types Forecasting Highest Returns in US
5-Year Unlevered IRR Forecasts by Region/Sector



Macro Fundamentals Supporting NOI Growth Across Multiple Asset Classes/Regions

5-year CAGR Forecasts by Region/Sector



Source: JLL Research (July 2025), Townsend.

Townsend's views are as of the date of this presentation and may be changed or modified at any time and without notice. Past performance is not indicative of future results. Actual results and developments may differ materially from those expressed or implied herein.

Many Long-Term Secular Trends Remain Intact

Secular trends can guide long-term real estate investors

ACUTE HOUSING SHORTAGE



- Millennials, the largest age cohort comprising 22% of the population, are demanding bigger dwellings leading to acute single family housing shortage
- Excess apartment supply in sunbelt market getting absorbed and new supply shrinking. Annual completions are projected to decline from +2.2% (2023-2024) to +1.4% (2025-2029E)

EVOLVING CONSUMER HABITS REQUIRING LOGISTICS INFRASTRUCTURE



- E-commerce remains a strong driver of industrial demand: as of March 2025, e-commerce represented 16.3% of total retail sales. Speculative development starts fell 12% year-over-year in 2025, resulting in the total industrial development pipeline reaching its lowest level since 2017

CONTINUED DIGITIZATION AND AI ADOPTION



- Explosive growth of AI and growing need for cloud computing are driving demand for Data Centers as digital economy expands globally. In 2025, hyperscale tenants invested over \$400 billion in capital expenditures into data centers and data infrastructure, a +65% increase year-over-year from 2024

SUPPORTIVE DEMOGRAPHIC TRENDS



- The “Silver Tsunami” is anticipated to create need for over 500k new units over the next 10 years, and the percentage of 80+ years age population is projected to increase by +93% by 2040, driving demand for Senior Housing. Annualized same store NOI growth for Senior Housing is forecast to be +6.0% across 2026-2030.

INSTITUTIONALIZATION OF ALTERNATIVE SECTORS



- Outside of the main four property types, niche/alternative sectors have seen outsized capital inflows from institutional investors. Alternative property type exposure within the NCREIF Property Index (“NPI”) has increased from 1.6% in 1Q15 to 12.6% in 4Q25.

Source: Townsend, U.S. Census Bureau (2025), Green Street (November 2025), St. Louis Fed (August 2025), Prologis Research (November 2025), NIC, Harrison Street Research (2025), NCREIF (4Q25). Townsend’s views are as of the date of this publication and may be changed or modified at any time and without notice. Past performance is not indicative of future results. Actual results and developments may differ materially from those expressed or implied herein.

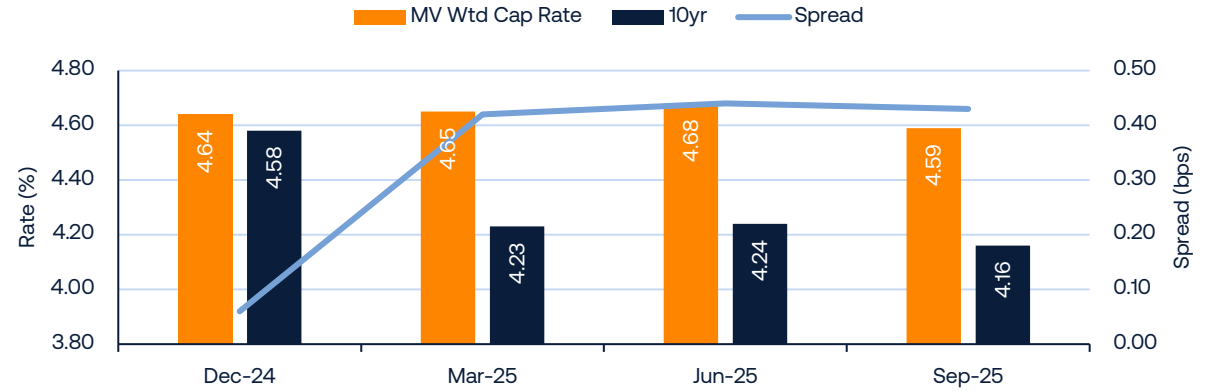
U.S. Real Estate Market Conditions Improving

Most property sectors poised for growth

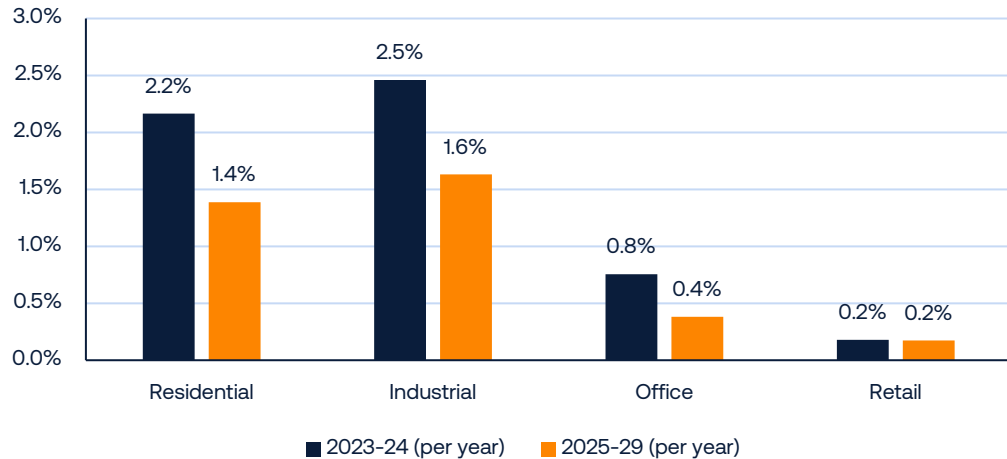
Returns Forecasted To Increase Through 2027
PREA Consensus Unlevered Gross Return Forecasts (Fourth Quarter 2025)

| Sector | 2025 | 2026 | 2027 | 25-29 |
|------------------|-------|-------|-------|-------|
| NPI All Property | 5.2% | 5.9% | 6.9% | 6.5% |
| Office | 3.2% | 4.8% | 6.0% | 5.5% |
| Retail | 7.6% | 7.3% | 7.6% | 7.4% |
| Industrial | 5.5% | 5.8% | 6.7% | 6.5% |
| Residential | 5.2% | 6.3% | 7.5% | 6.8% |
| Seniors Housing | 10.7% | 10.8% | 10.2% | 9.9% |
| Self Storage | 5.6% | 5.4% | 7.1% | 6.5% |

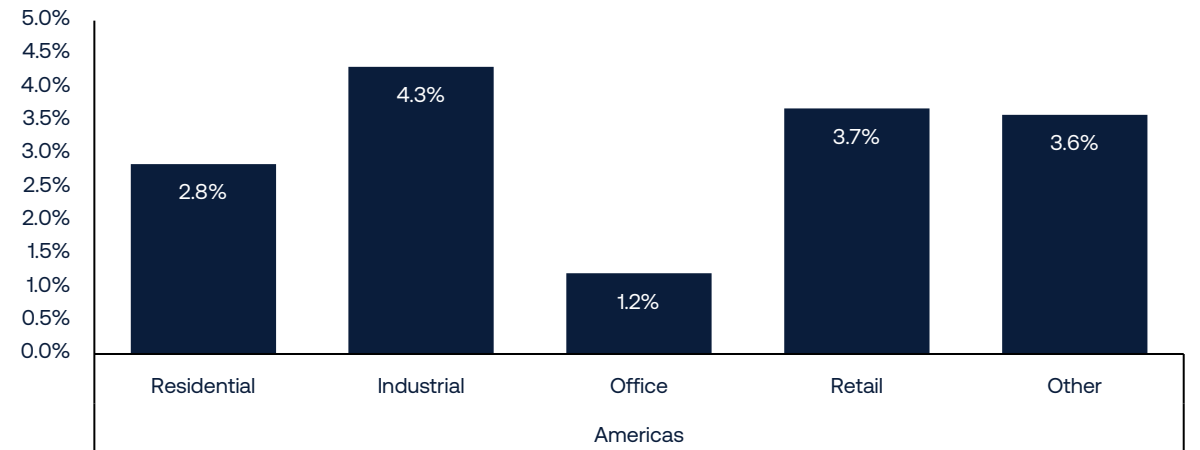
Spreads Widened in 2025 Between Private Real Estate Valuations & 10yr Treasury
NPI Current Value Cap Rate vs. 10yr Treasury



Supply growth is contracting meaningfully across sectors
Annual Completions as % of Existing Stock



Growth forecasts remain above long-term inflation
5-year NOI Growth CAGR Forecasts



Source: Pension Real Estate Association (Fourth Quarter 2025), NCREIF, St. Louis Fed (Third Quarter 2025), Green Street (November 2025), Townsend. Other NOI Growth includes cold storage, data center, self-storage, and senior housing sectors. Townsend's views are as of the date of this publication and may be changed or modified at any time and without notice. Past performance is not indicative of future results. Actual results and developments may differ materially from those expressed or implied herein.

Thank you

Townsend