



TOWNSEND
GROUP

Real Estate Portfolio

Performance Review

SECOND QUARTER 2017



Portfolio Funding Status

- The following slides provide a review of key information pertaining to the Los Angeles City Employees' Retirement System ("LACERS") Real Estate Portfolio (the "Portfolio") through June 30, 2017. A detailed performance report is also provided as **Exhibit A**.
- The System is above its 5.0% target to Real Estate, but is expected to come in line with its target over the next two years as non-core legacy funds liquidate from the Portfolio.

	Market Value (\$ millions)*	% LACERS Plan*
LACERS Total Plan Assets	15,709	
Real Estate Target	785	5.0%
RE Market Value:		
<i>Core</i>	<i>518</i>	
<i>Non-Core</i>	<i>302</i>	
<i>Timber</i>	<i>21</i>	
Total RE Market Value	841	5.4%
Unfunded Commitments	92	0.6%
RE Market Value & Unfunded Commitments	932	5.9%
Remaining Allocation	(147)	(0.9%)

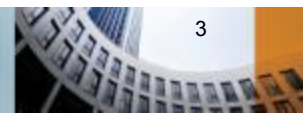
*Figures may not add due to rounding.

Real Estate Portfolio Composition

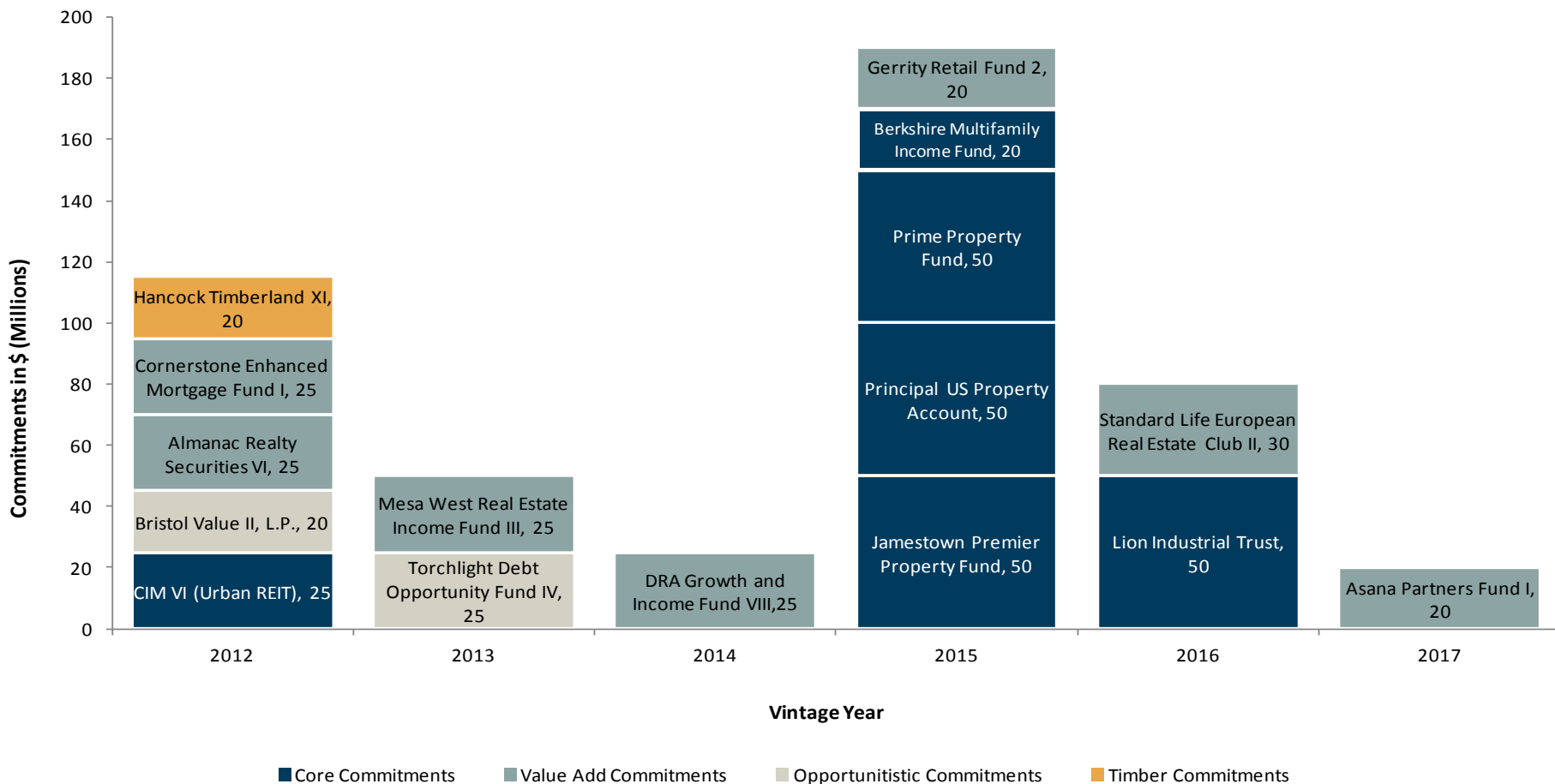
	Strategic Targets		Portfolio Composition (6/30/2017)*	
	Target Allocation	Tactical Range	Market Value	Market Value & Unfunded Commitments
Core	60%	40% - 80%	61.6%	55.6%
Non-Core	40%	20% - 60%	35.9%	42.2%
<i>Value Add Portfolio</i>	<i>N/A</i>	<i>N/A</i>	<i>16.0%</i>	<i>20.4%</i>
<i>Opportunistic Portfolio</i>	<i>N/A</i>	<i>N/A</i>	<i>19.9%</i>	<i>21.8%</i>
Timber	N/A	N/A	2.5%	2.2%

- In May 2014, the Board approved the strategic targets displayed above in order to reflect a more conservative risk profile going-forward. At the time, the Portfolio had 30% exposure to Core and 70% exposure to Non-Core.
- Since that time, and in an effort to transition the Portfolio, the LACERS Board has approved \$220 million in Core commitments, which have all been funded to date.
- The LACERS Board approved \$70 million in Non-Core investments since 2014. These investments focused on Value Add strategies with pre-specified portfolios, embedded value and/or an element of current income.
- On a funded and committed basis, the LACERS Core and Non-Core allocations are in line with the strategic targets. Core exposure is expected to increase as Non-Core investments continue to liquidate and recent Core commitments become fully invested.
- The Core Portfolio utilizes 29.2% leverage, measured on a loan-to-value (LTV) basis, well below the 40.0% constraint.
- The Non-Core Portfolio has a 44.6% LTV ratio, well below the 75.0% constraint.

*Figures may not add due to rounding.



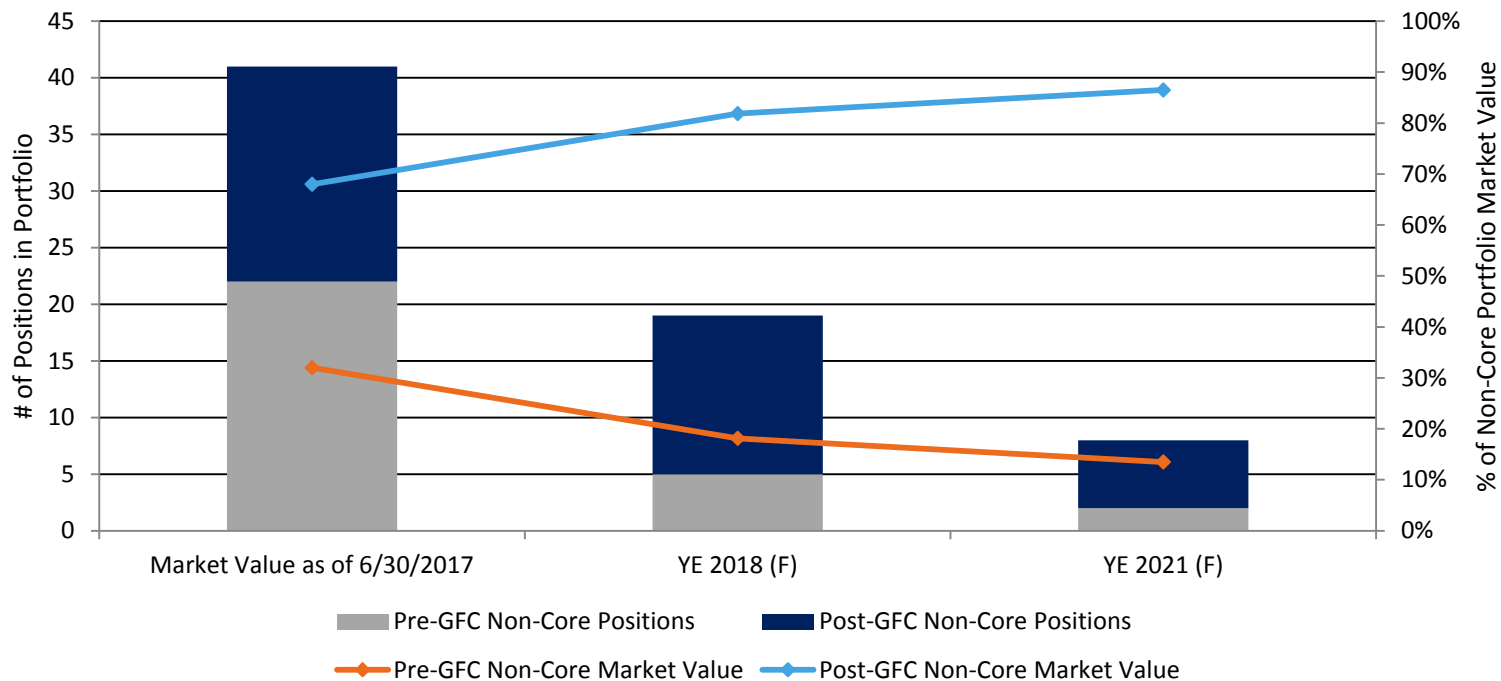
Commitments Since 2012



- LACERS has committed \$480 million since 2012, of which \$290 million (~60%) have been Townsend-initiated activities since 2015.
- 57% of Non-Core commitments since 2015 (Gerrity and Asana) met LACERS Emerging Manager guidelines. In the Core OECF space, there are currently no managers meeting these guidelines.
- Vintage year classifications are based on LACERS' first capital call (or expected capital call), though commitments may have been approved in prior years.

Projected Non-Core Liquidations

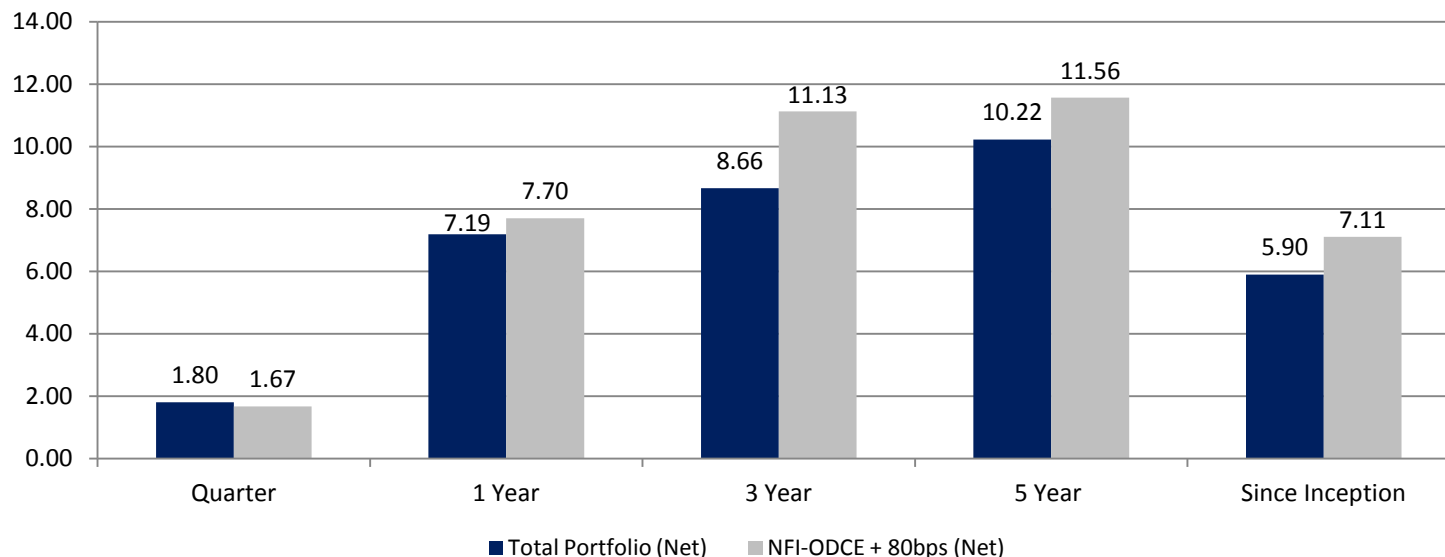
Non-Core Investments - Pre-GFC vs. Post-GFC Vintage Years



- 22 out of 41 Non-Core funds are projected to liquidate through year-end 2018, and 33 through year-end 2021.
- The number of Pre-Global Financial Crisis (“Pre-GFC”) Non-Core positions is also projected to decrease significantly over the next two years. Only five of the Non-Core investments made before the Global Financial Crisis are projected to remain through year-end 2018 (two through year-end 2021). As of 6/30/17, there are still twenty-two Pre-GFC Non-Core positions in the portfolio.
- The Non-Core Portfolio, which currently consists of 32% Pre-GFC investments on a market value basis, is projected to be made up of mostly Post-GFC investments by year-end 2018 (82% of projected market value).

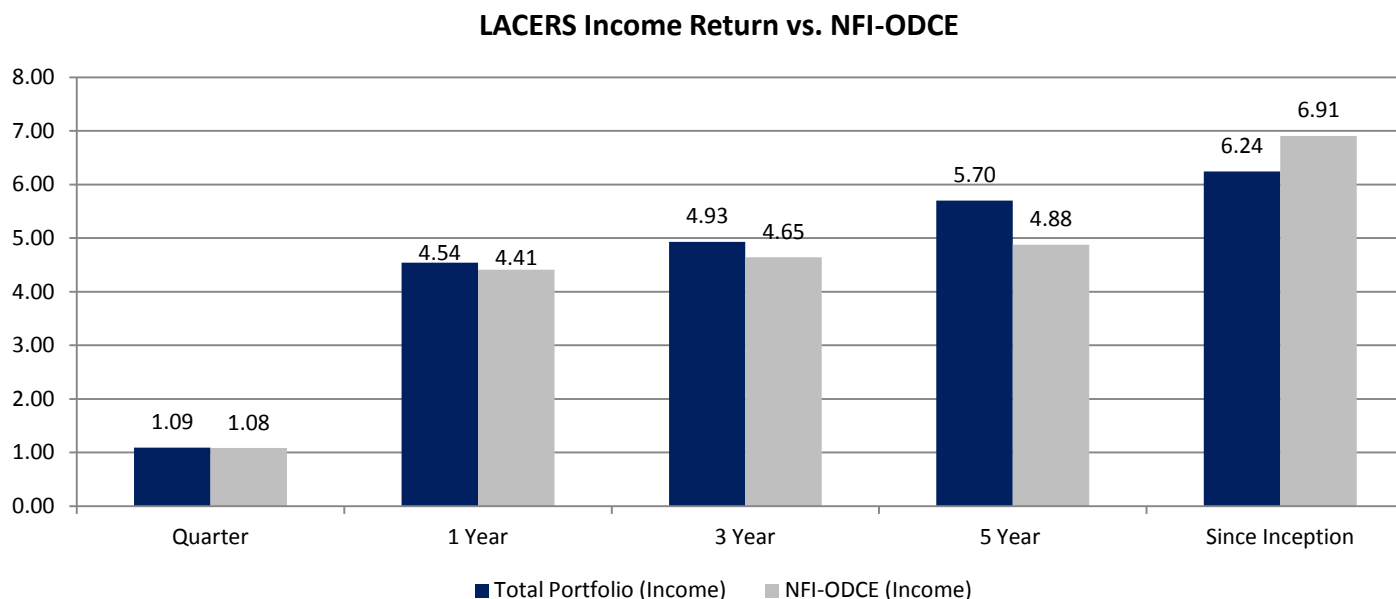
Total Portfolio Performance

LACERS Total Real Estate Portfolio vs. NFI-ODCE + 80 bps



- The benchmark for the LACERS Total Real Estate Portfolio is the NFI-ODCE + 80 basis points (“bps”), measured over five year time periods, net of fees (defined below). LACERS has outperformed this benchmark over the most recent Quarter, but underperformed over the medium and long term, mostly due to weak performance of Non-Core legacy funds.
- When the LACERS benchmark was restructured in 2014, Townsend advised the Board that it could take up to five years for outperformance to begin, given the heavy concentration in Non-Core legacy funds that were expected to underperform until liquidation.
- The NFI-ODCE stands for the NCREIF Fund Index of Open-End Diversified Core Equity funds. The NFI-ODCE is a Core index that includes Core open-end diversified funds with at least 95% of their investments in US markets. The NFI-ODCE is the first of the NCREIF Fund Database products, created in May 2005, and is an index of investment returns reporting on both a historical (back to 1978) and current basis (24 active vehicles), utilizing approximately 21.5% leverage.
 - The 80 basis point (“bps”) premium is a reflection of the incremental return expected from Non-Core exposure in the Portfolio, which is not included in the NFI-ODCE.

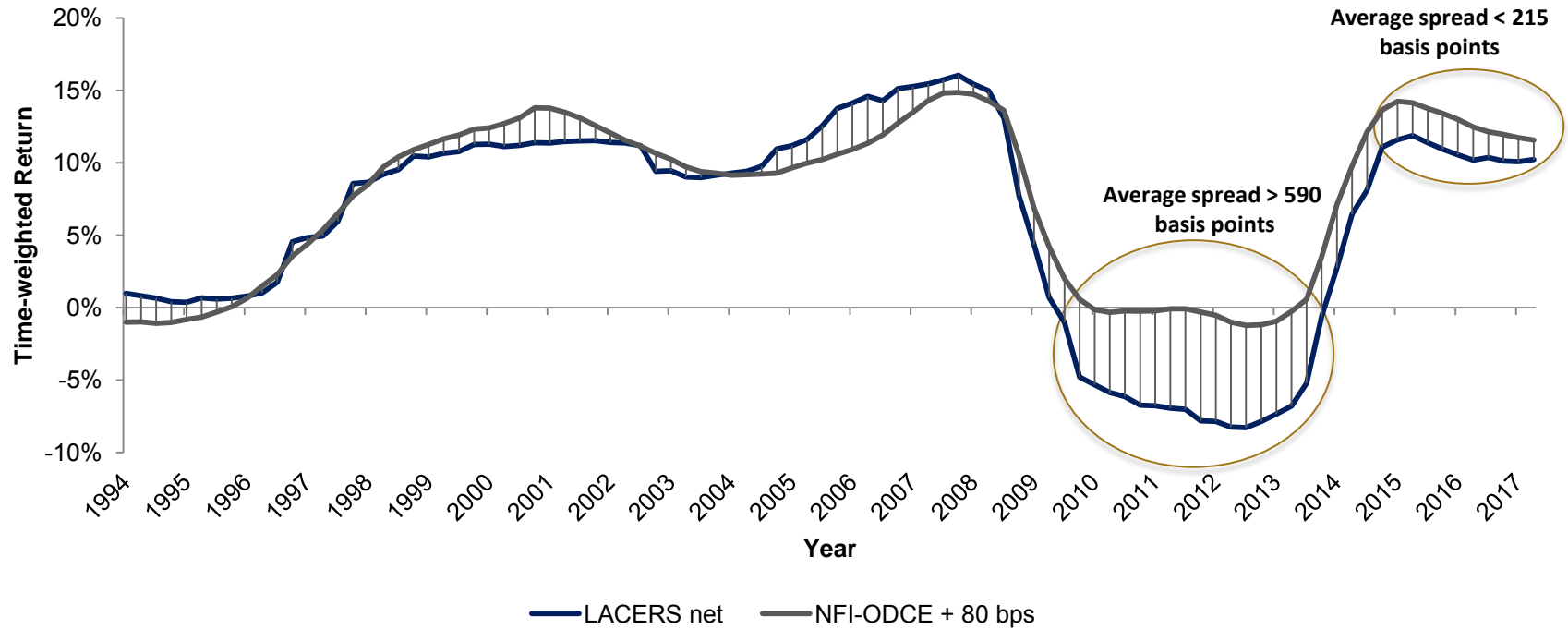
Total Portfolio Income Performance



- As outlined in the Real Estate Strategic Plan, a primary objective for real estate is to generate income for the LACERS program.
- Historically, real estate has generated returns comprised primarily of income.
- The income return for the LACERS Portfolio has outperformed the income return of the NFI-ODCE across all time periods with the exception of the Since Inception time period. Recent outperformance on an income basis is attributable to Townsend-advised Core investments made since 2014, which are positioned to achieve a predominant portion of their returns through income.

Improving Relative Total Portfolio Performance

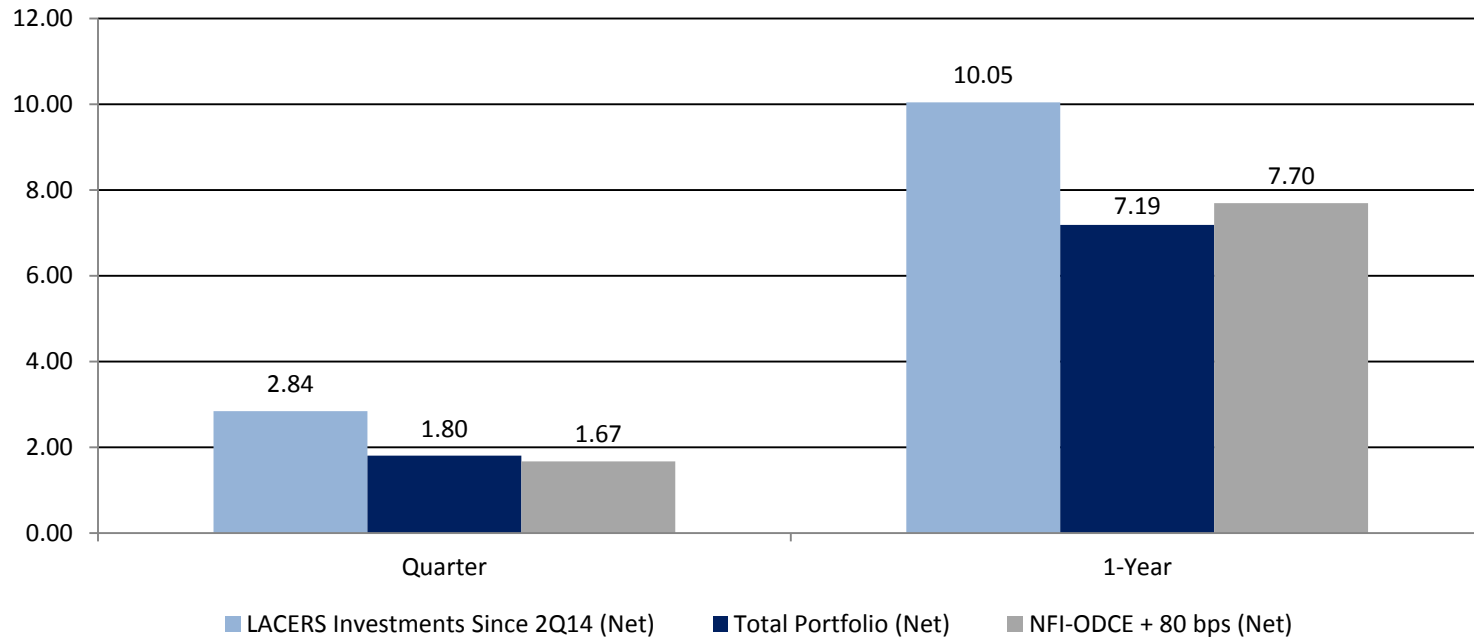
LACERS Rolling Five Year Net Returns vs. NFI-ODCE + 80 bps



- The chart above displays rolling five year time-weighted returns for the Total LACERS Portfolio, net of fees, relative to the benchmark.
- While LACERS continues to underperform the benchmark, performance should improve as accretive investments approved in recent years fund into the Portfolio and legacy investments fully liquidate. The number of positions in the Portfolio is projected to decline by roughly 30% through year-end 2018.
- Townsend also analyzed this performance trend by strategy within the LACERS Portfolio. The same trend existed by strategy but Core holdings tracked the benchmark closer than Non-Core strategies.

Townsend-advised Post-GFC Investments Accretive to Performance

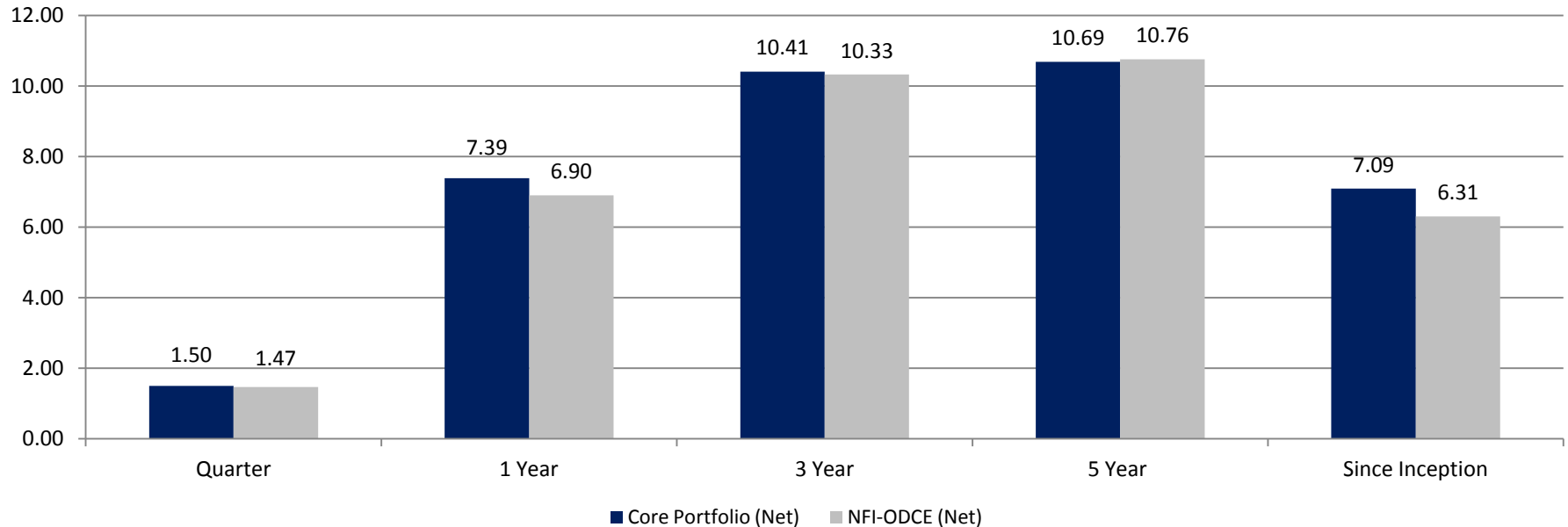
LACERS Investments Since 2014 vs. Total Real Estate Portfolio vs. NFI-ODCE + 80 bps



- Since 2014, Townsend has recommended ten investments to LACERS staff and nine (including two emerging managers) ultimately were brought forth to the Board for recommendation. Eight of these Townsend-advised investments have called capital to-date and are included in performance figures throughout the report. Core investments include Berkshire, Jamestown, Lion Industrial Trust, Prime, and Principal. Non-Core investments include Gerrity, Standard Life, and Asana.
- Performance of Townsend-advised investments since 2014 exceeds performance of the Total Portfolio and the benchmark over the trailing year and these investments are expected to drive performance going forward.

Relative Performance by Strategy: Core

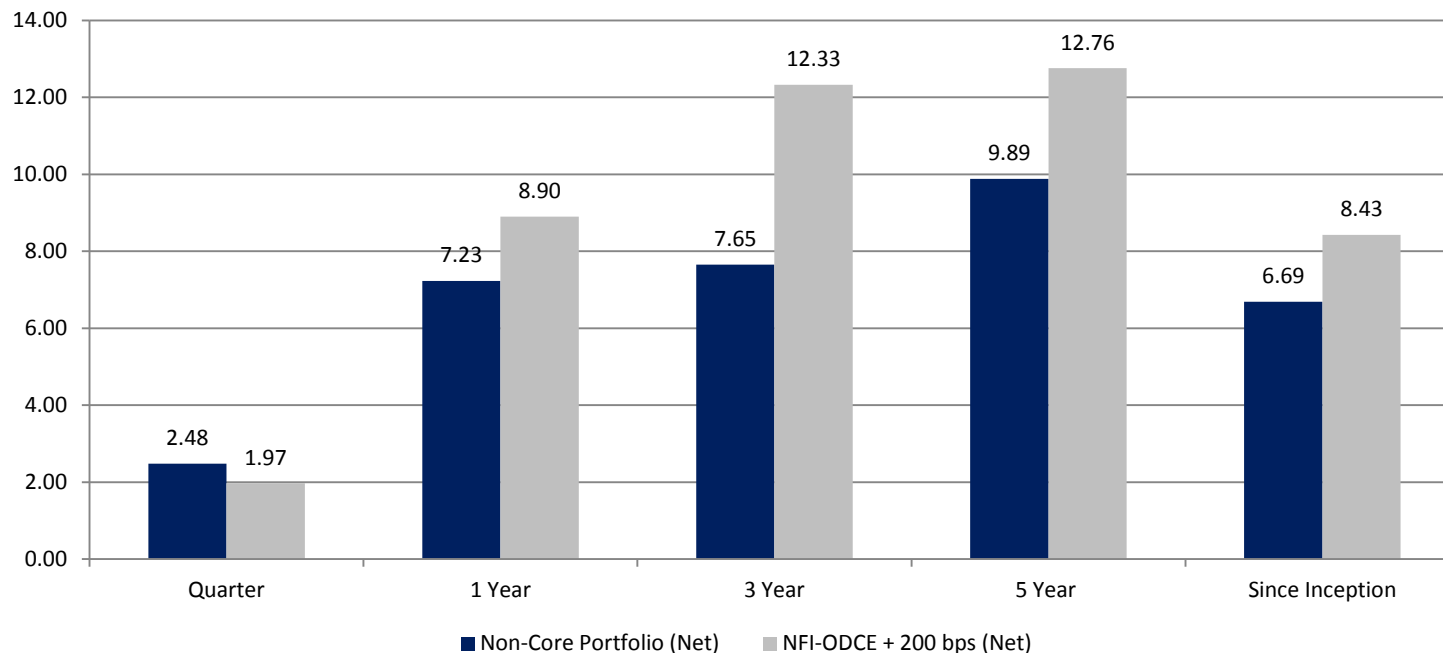
LACERS Core Real Estate Portfolio vs. NFI-ODCE



- The LACERS Core benchmark is the NFI-ODCE, measured over five year time periods, net of fees.
- The Core Portfolio slightly underperformed the benchmark over the five-year period, but outperformed over all other displayed time periods.
- During the Second Quarter, Lion Industrial Trust drove performance, outperforming the NFI-ODCE by 170 bps respectively.
- CMCT was the largest detractor of Core performance over the Quarter, underperforming the NFI-ODCE by 500 bps.
- Townsend-advised investments approved by the LACERS Board in 2015 are positioned to outperform the NFI-ODCE with a predominant portion of return coming through income. Over the most recent Quarter, four of these investments (Jamestown, Lion Industrial Trust, Prime Property Fund and Principal U.S. Property Account) outperformed the NFI-ODCE.

Relative Performance by Strategy: Non-Core

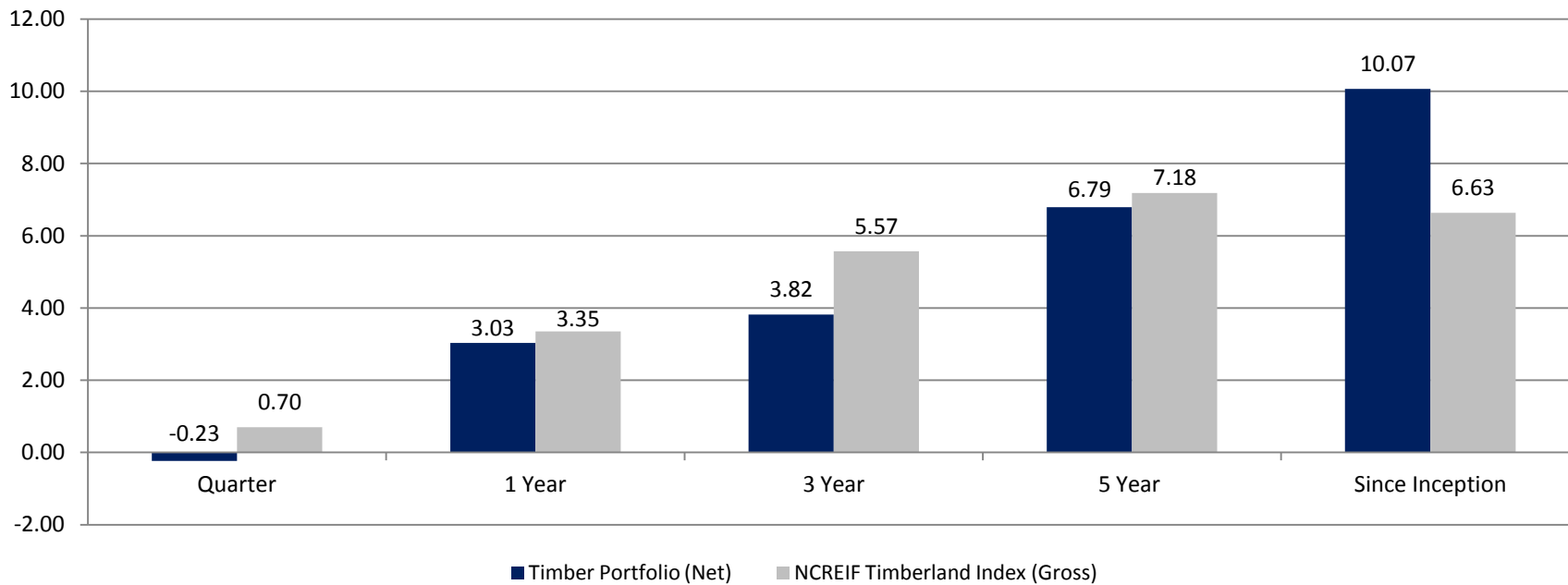
LACERS Non-Core Real Estate Portfolio vs. NFI-ODCE + 200 bps



- The LACERS Non-Core benchmark is the NFI-ODCE + 200 bps, measured over five year time periods, net of fees. The 200 bps premium is a reflection of the incremental return expected from additional risk inherent in Non-Core strategies.
- The Non-Core Portfolio outperformed the NFI-ODCE + 200 bps benchmark over the most recent Quarter. Underperformance over long time periods is mostly due to Non-Core legacy funds that are due to liquidate over the next few years. As discussed on page 5, there are currently twenty-two Non-Core funds in the portfolio that were committed to before the Global Financial Crisis. As these funds liquidate and approved investments are funded, Non-Core portfolio performance is expected to improve.

Relative Performance by Strategy: Timber

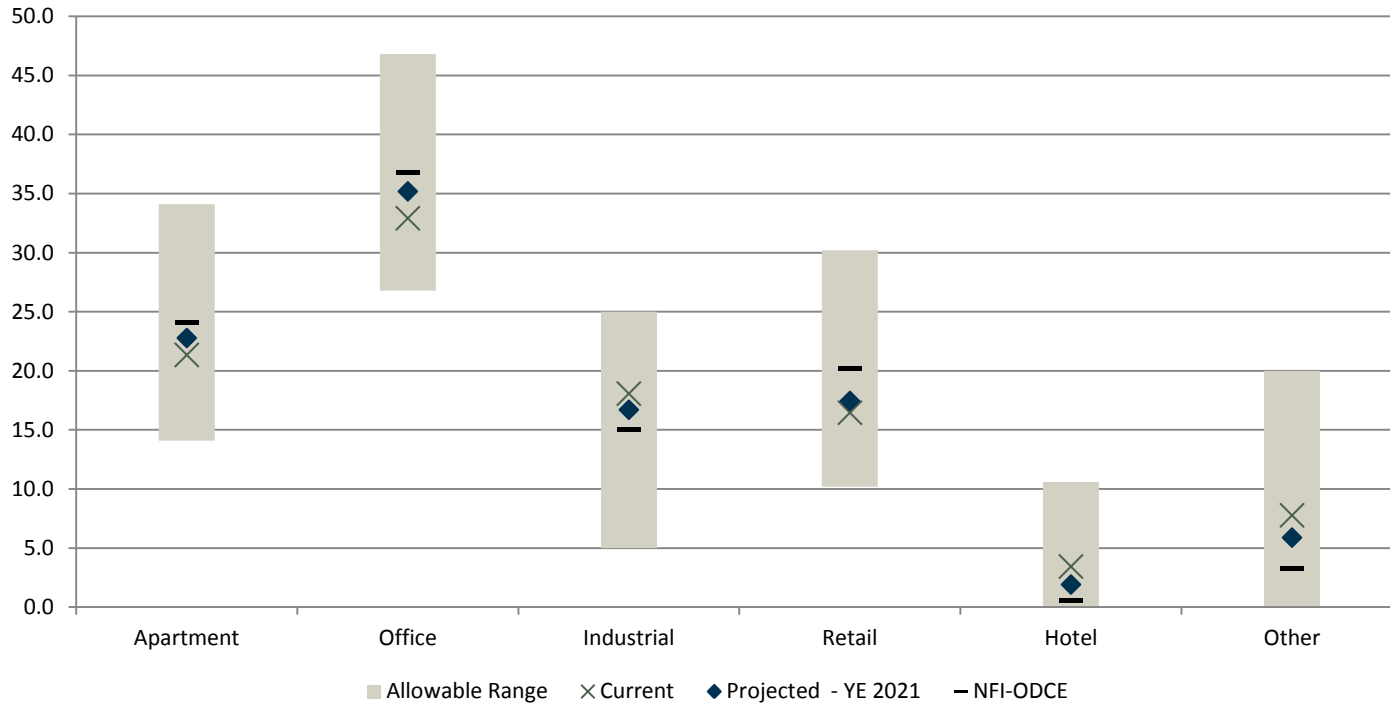
LACERS Timber Portfolio vs. NCREIF Timberland Index



- The Timber Portfolio, net of fees, underperformed its benchmark, the NCREIF Timberland Index, gross of fees, in recent years but outperformed since inception.
- The LACERS active timberland investment is Hancock Timberland IX. The Fund's assets are located in the United States (87%, split between the South and the Northwest) and Chile (13%). The Northwest region was the strongest performing region in the NCREIF Timberland Index over the Quarter.
- All assets in Hancock Timberland IX are appraised at year-end, which is why appreciation usually remains relatively flat from the First Quarter through the Third Quarter of each year. The effect of year-end appraisals is demonstrated in the strong annualized returns since inception, which are driven by appreciation.

Real Estate Portfolio Diversification

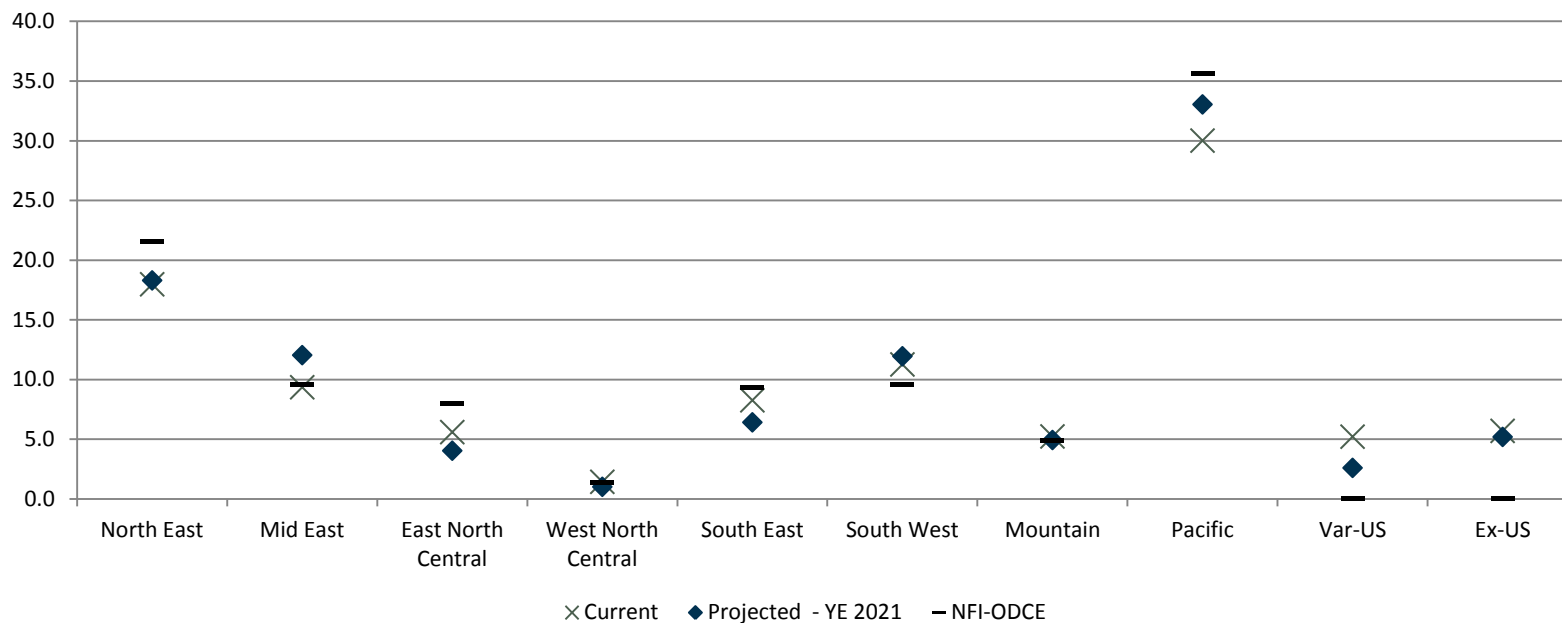
LACERS Private Portfolio Property Type Diversification (2Q17)



- The diversification of the Private Portfolio is measured against the diversification of the NFI-ODCE $\pm 10.0\%$ with up to 20.0% of the Portfolio allowed in "Other". Currently, the "Other" category includes investments in alternative property types including Self Storage, Student Housing, Senior Housing, For Sale Residential, and Land.

Real Estate Portfolio Diversification

LACERS Private Portfolio Geographic Diversification (2Q17)



- The diversification goal of the Private Portfolio is to be well diversified across the US. The only constraint is a 30.0% maximum allocation to Ex-US investments. NFI-ODCE diversification is provided as a benchmark.
- The LACERS Projected Private Portfolio (YE 2021) includes all commitments approved by the Board.
- The Portfolio currently has an aggregate exposure to the Los Angeles metropolitan area of 9.4%, with a 5.0% exposure to Los Angeles City. The NFI-ODCE’s exposure to the Los Angeles metropolitan area is 10.2%*.
- During the Quarter, the LACERS Board approved a \$25 million commitment to Heitman Asia-Pacific Property Investors. This investment will offset other liquidating ex-US investments.
- The 5.7% Ex-US exposure can be broken out into Europe (3.1%), Asia (1.2%), Emerging Americas (0.6%) and Other.

*Collected by Townsend bi-annually, as of 1Q17. Based on % NAV.



Exhibit A: Performance Flash Report



Portfolio Composition (\$)									
Total Plan Assets	Allocation		Market Value		Unfunded Commitments		Remaining Allocation		
15,708,981,023	785,449,051	5.0%	840,582,631	5.4%	91,722,870	0.6%	-146,856,450	-0.9%	

Performance Summary	Quarter (%)		1 Year (%)		3 Year (%)		5 Year (%)		
	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	
LACERS	2.1	1.8	8.6	7.2	10.2	10.2	11.9	10.2	
NFI-ODCE + 80 basis points	1.9	1.7	8.7	7.7	12.1	11.1	12.6	11.6	

Funding Status (\$)	Investment Vintage Year	Commitment Amount	Funded Amount	Unfunded Commitments	Capital Returned	Market Value	Market Value (%)	Market Value + Unfunded Commitments
Core Portfolio	1989	378,867,553	429,136,216	0	92,501,233	518,119,093	61.6	55.6
Non-Core Portfolio	1990	943,407,806	927,583,499	91,722,870	640,196,955	301,698,373	35.9	42.2
Value Added Portfolio	1990	293,531,885	247,346,735	56,177,424	139,319,807	134,326,088	16.0	20.4
Opportunistic Portfolio	1996	649,875,921	680,236,764	35,545,446	500,877,148	167,372,285	19.9	21.8
Timber Portfolio	1999	20,000,000	18,601,851	0	954,579	20,765,165	2.5	2.2
Total Current Portfolio								
LACERS	1989	1,342,275,359	1,375,321,566	91,722,870	733,652,767	840,582,631	100.0	100.0

Funding Status (\$)	Investment Vintage Year	Commitment Amount	Funded Amount	Unfunded Commitments	Capital Returned	Market Value	Market Value (%)	Market Value + Unfunded Commitments
Core								
Berkshire Multifamily Income Realty Fund	2015	20,000,000	20,000,000	0	918,001	23,632,834	2.8	2.5
CIM Commercial Trust Corporation ("CMCT")	2014	40,000,000	46,417,723	0	25,514,467	28,408,235	3.4	3.0
CIM VI (Urban REIT), LLC	2012	25,000,000	25,000,000	0	3,517,285	30,338,695	3.6	3.3
INVESCO Core Real Estate	2004	63,867,553	106,412,012	0	47,512,405	157,960,561	18.8	16.9
Jamestown Premier Property Fund	2015	50,000,000	50,399,573	0	7,070,680	47,976,285	5.7	5.1
JP Morgan Strategic Property Fund	2005	30,000,000	30,421,882	0	2,858,499	62,505,821	7.4	6.7
Lion Industrial Trust - 2007	2016	50,000,000	50,485,026	0	2,372,257	57,040,678	6.8	6.1
Prime Property Fund	2015	50,000,000	50,000,000	0	2,737,639	53,326,823	6.3	5.7
Principal U.S. Property Account	2015	50,000,000	50,000,000	0	0	56,929,161	6.8	6.1
Core	1989	378,867,553	429,136,216	0	92,501,233	518,119,093	61.6	55.6
Timber								
Hancock Timberland XI	2012	20,000,000	18,601,851	0	954,579	20,765,165	2.5	2.2
Timber	1999	20,000,000	18,601,851	0	954,579	20,765,165	2.5	2.2
Value Added								
Almanac Realty Securities VI	2012	25,000,000	15,475,571	3,750,000	11,565,394	10,308,109	1.2	1.5
Asana Partners Fund I	2016	20,000,000	5,411,739	14,588,261	0	5,546,392	0.7	2.2
CBRE Strategic Partners IV	2005	25,000,000	25,000,000	0	957,592	863,837	0.1	0.1
Cornerstone Enhanced Mortgage Fund I	2012	25,000,000	13,436,224	11,563,777	11,739,272	5,293,850	0.6	1.8
DRA Growth and Income Fund VII	2011	25,000,000	26,015,000	740,000	22,085,198	23,989,985	2.9	2.7
DRA Growth and Income Fund VIII	2014	25,000,000	27,594,589	2,500,000	9,043,234	22,959,550	2.7	2.7
Gerrity Retail Fund 2	2015	20,000,000	12,658,322	7,419,532	1,147,740	13,052,554	1.6	2.2
JP Morgan Alternative Property Fund	2006	25,000,000	25,000,000	0	18,465,738	222,274	0.0	0.0
Mesa West Real Estate Income Fund III	2013	25,000,000	18,939,181	10,726,626	7,735,718	15,052,355	1.8	2.8
RREEF America REIT III - 1410	2005	15,000,000	18,301,718	0	14,831,888	143,747	0.0	0.0
Standard Life Investments European Real Estate Club II	2015	28,531,885	28,134,410	1,269,208	0	33,088,694	3.9	3.7
The Realty Associates Fund IX, L.P.	2010	15,000,000	15,000,000	0	21,469,619	2,589,138	0.3	0.3
Urdang Value Added Fund II	2008	20,000,000	16,379,981	3,620,020	20,278,414	1,215,603	0.1	0.5
Value Added	1990	293,531,885	247,346,735	56,177,424	139,319,807	134,326,088	16.0	20.4
Total Current Portfolio								
LACERS	1989	1,342,275,359	1,375,321,566	91,722,870	733,652,767	840,582,631	100.0	100.0

Funding Status (\$)	Investment Vintage Year	Commitment Amount	Funded Amount	Unfunded Commitments	Capital Returned	Market Value	Market Value (%)	Market Value + Unfunded Commitments
Opportunistic								
Apollo CPI Europe I	2006	25,533,001	22,385,238	1,699,383	10,838,349	1,254,384	0.1	0.3
Bristol Value II, L.P.	2012	20,000,000	16,440,182	9,590,131	8,151,148	10,595,436	1.3	2.2
Bryanston Retail Opportunity Fund	2005	10,000,000	4,271,584	5,885,919	9,401,748	4,605,157	0.5	1.1
California Smart Growth Fund IV	2006	30,000,000	31,448,081	33,153	28,320,411	7,981,531	0.9	0.9
Canyon Johnson Urban Fund II	2005	10,000,000	8,988,718	1,011,296	3,974,652	30,025	0.0	0.1
CBRE Strategic Partners UK Fund III	2007	29,868,578	25,901,670	0	3,829,166	223,268	0.0	0.0
CIM Real Estate Fund III	2007	15,000,000	16,763,475	0	18,697,698	9,343,947	1.1	1.0
CityView LA Urban Fund I	2007	25,000,000	61,459,547	2,294,481	71,353,042	2,388,177	0.3	0.5
Colony Investors VIII	2007	30,000,000	28,963,224	1,023,200	10,615,056	2,263,655	0.3	0.4
DRA Growth and Income Fund VI	2007	25,000,000	16,788,945	0	25,811,936	2,556,755	0.3	0.3
Genesis Workforce Housing Fund II	2006	20,000,000	19,999,316	0	28,921,170	140,284	0.0	0.0
Integrated Capital Hospitality Fund	2009	10,000,000	6,006,797	798,641	2,728,129	4,965,373	0.6	0.6
LaSalle Asia Fund II	2005	25,000,000	24,016,560	0	25,752,817	214,240	0.0	0.0
Latin America Investors III	2008	20,000,000	20,686,689	0	3,886,924	6,285,451	0.7	0.7
Lone Star Fund VII	2011	15,000,000	14,075,468	924,533	24,117,072	968,295	0.1	0.2
Lone Star Real Estate Fund II	2011	15,000,000	13,291,475	1,708,525	18,271,952	2,381,482	0.3	0.4
Lowe Hospitality Investment Partners	2004	25,000,000	36,431,477	0	20,924,886	74,814	0.0	0.0
MacFarlane Urban Real Estate Fund II	2008	40,000,000	40,679,342	1	9,827,220	1,061,647	0.1	0.1
RECP Fund IV, L.P.	2008	40,000,000	48,498,910	3,622,574	21,471,613	34,757,049	4.1	4.1
Southern California Smart Growth Fund	2004	10,000,000	18,836,734	68,213	16,800,333	1,104,802	0.1	0.1
Stockbridge Real Estate Fund II	2006	30,000,000	30,000,000	0	4,049,560	9,540,582	1.1	1.0
The Buchanan Fund V	2007	30,000,000	27,000,000	3,000,000	22,340,980	3,588,793	0.4	0.7
Torchlight Debt Opportunity Fund II	2007	25,000,000	24,703,453	0	13,427,194	8,516,479	1.0	0.9
Torchlight Debt Opportunity Fund III	2009	25,000,000	24,890,796	0	34,854,116	2,909,961	0.3	0.3
Torchlight Debt Opportunity Fund IV	2013	24,474,342	24,483,106	0	8,714,344	23,494,264	2.8	2.5
Tuckerman Group Residential Income & Value Added Fund	2004	25,000,000	26,064,010	0	18,744,046	7,759,067	0.9	0.8
Walton Street Real Estate Fund V	2006	25,000,000	25,000,001	0	13,059,776	7,092,540	0.8	0.8
Walton Street Real Estate Fund VI	2009	25,000,000	22,161,966	3,885,396	21,991,810	11,274,827	1.3	1.6
Opportunistic	1996	649,875,921	680,236,764	35,545,446	500,877,148	167,372,285	19.9	21.8
Private Portfolio	1989	1,322,275,359	1,356,719,715	91,722,870	732,698,188	819,817,466	97.5	97.8
Non-Core Portfolio	1990	943,407,806	927,583,499	91,722,870	640,196,955	301,698,373	35.9	42.2
Total Current Portfolio								
LACERS	1989	1,342,275,359	1,375,321,566	91,722,870	733,652,767	840,582,631	100.0	100.0

Returns (%)	Market Value (\$)	Quarter				1 Year				3 Year			
		INC ²	APP ²	TGRS ²	TNET ²	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET
Core													
Berkshire Multifamily Income Realty Fund	23,632,834	0.8	0.1	1.0	0.8	4.2	3.0	7.3	6.6				
CIM Commercial Trust Corporation ("CMCT") ¹	28,408,235	0.4	-3.9	-3.5	-3.5	2.4	-2.4	-0.1	-0.1	3.3	1.0	4.3	4.3
CIM VI (Urban REIT), LLC	30,338,695	0.9	0.5	1.4	1.2	3.9	-2.7	1.1	0.7	4.2	6.0	10.4	9.0
INVESCO Core Real Estate	157,960,561	0.9	0.9	1.9	1.8	3.8	4.6	8.5	8.2	4.1	7.6	11.9	11.5
Jamestown Premier Property Fund	47,976,285	1.2	1.3	2.5	2.0	4.6	3.7	8.4	6.6				
JP Morgan Strategic Property Fund	62,505,821	1.0	0.5	1.6	1.3	4.3	3.5	7.9	6.9	4.9	5.6	10.8	9.7
Lion Industrial Trust - 2007	57,040,678	1.3	2.5	3.8	3.2	5.4	9.8	15.6	13.3				
Prime Property Fund	53,326,823	1.0	1.5	2.5	2.2	4.3	5.8	10.3	9.1				
Principal U.S. Property Account	56,929,161	1.2	1.2	2.3	2.1	4.8	4.8	9.8	8.8				
Core	518,119,093	1.0	0.7	1.7	1.5	4.2	4.0	8.3	7.4	4.3	6.6	11.2	10.4
Timber													
Hancock Timberland XI	20,765,165	0.0	0.0	0.0	-0.2	-0.3	4.2	3.9	3.0	-0.5	5.2	4.7	3.8
Timber	20,765,165	0.0	0.0	0.0	-0.2	-0.3	4.2	3.9	3.0	-0.5	6.2	5.6	3.8
Value Added													
Almanac Realty Securities VI	10,308,109	1.7	-0.3	1.4	1.3	7.2	5.8	13.4	12.6	6.8	9.3	16.6	15.0
Asana Partners Fund I	5,546,392	0.9	1.2	2.1	0.1								
CBRE Strategic Partners IV ³	863,837												
Cornerstone Enhanced Mortgage Fund I	5,293,850	0.0	0.0	0.0	0.0	7.1	0.0	7.1	6.0	9.6	-0.2	9.3	7.9
DRA Growth and Income Fund VII	23,989,985	2.4	5.9	8.3	6.9	9.9	21.7	33.1	26.9	11.1	15.0	27.3	21.6
DRA Growth and Income Fund VIII	22,959,550	3.5	0.0	3.5	2.9	12.8	2.9	16.0	13.0				
Gerrity Retail Fund 2	13,052,554	2.2	0.0	2.2	1.6	10.3	0.4	10.8	8.2				
JP Morgan Alternative Property Fund ³	222,274												
Mesa West Real Estate Income Fund III	15,052,355	2.5	0.0	2.5	2.0	11.6	0.1	11.7	9.0	12.3	-0.4	11.9	9.2
RREEF America REIT III - 1410 ³	143,747												
Standard Life Investments European Real Estate Club II	33,088,694	-0.5	9.9	9.5	9.2	0.7	16.3	17.1	16.0				
The Realty Associates Fund IX, L.P.	2,589,138	1.8	-1.7	0.1	0.0	7.6	-4.9	2.4	1.8	7.6	3.4	11.2	8.9
Urdang Value Added Fund II	1,215,603	-0.1	-13.6	-13.7	-13.7	2.0	-13.0	-11.3	-11.3	4.2	-8.3	-4.4	-4.5
Value Added	134,326,088	1.7	3.0	4.7	4.1	8.1	7.5	16.0	13.4	7.9	6.2	14.5	12.0
Total Portfolio													
LACERS	840,582,631	1.1	1.1	2.1	1.8	4.5	3.9	8.6	7.2	4.9	5.0	10.2	8.7
Indices													
NFI-ODCE (Core)		1.1	0.6	1.7	1.5	4.4	3.3	7.9	6.9	4.6	6.5	11.3	10.3
NFI-ODCE + 80 bps (Total Portfolio)				1.9	1.7			8.7	7.7			12.1	11.1
NFI-ODCE + 200 bps (Non-Core Portfolio)				2.2	2.0			9.9	8.9			13.3	12.3
NFI -ODCE + 50 bps (Value Add)				1.8	1.6			8.4	7.4			11.8	10.8
NFI -ODCE + 300 bps (Opportunistic)				2.4	2.2			10.9	9.9			14.3	13.3
NCREIF Timberland Property Index "NTI"		0.6	0.1	0.7		2.6	0.7	3.4		2.7	2.8	5.6	

* Net IRR and Equity Multiple may be missing due to hard coded data.

¹ Originally CIM IV. Data shown only reflects performance since the formation of CMCT. Combined, CIM IV/CMCT has achieved a 6.2% net IRR nad 1.3x net equity multiple since inception (1Q06).

² INC: Income Return; APP: Appreciation Return; TGRS: Total Gross Return; TNET: Total Net Return. Please refer to Exhibit C for more detailed definitions.

³ Liquidating investment.

Returns (%)	Market Value (\$)	5 Year				Inception				TWR Calculation Inception	Net IRR*	Equity Multiple*
		INC	APP	TGRS	TNET	INC	APP	TGRS	TNET			
Core												
Berkshire Multifamily Income Realty Fund	23,632,834					4.3	3.8	8.3	7.4	1Q16	13.6	1.2
CIM Commercial Trust Corporation ("CMCT") ¹	28,408,235					3.4	1.0	4.4	4.4	1Q14	4.8	1.2
CIM VI (Urban REIT), LLC	30,338,695	3.8	6.8	10.8	9.4	3.8	6.8	10.8	9.4	3Q12	8.4	1.4
INVESCO Core Real Estate	157,960,561	4.4	7.4	12.0	11.6	5.4	2.8	8.3	7.8	4Q04	7.8	1.9
Jamestown Premier Property Fund	47,976,285					4.6	5.4	10.2	8.3	3Q15	7.3	1.1
JP Morgan Strategic Property Fund	62,505,821	5.0	6.8	12.1	11.1	5.4	2.2	7.7	6.7	4Q05	6.9	2.1
Lion Industrial Trust - 2007	57,040,678					5.6	9.0	14.9	12.8	1Q16	12.9	1.2
Prime Property Fund	53,326,823					4.3	5.7	10.2	9.0	1Q16	9.0	1.1
Principal U.S. Property Account	56,929,161					4.9	5.1	10.2	9.1	4Q15	9.1	1.1
Core	518,119,093	4.5	6.7	11.4	10.7	6.5	1.4	8.0	7.1	1Q89	5.7	1.4
Timber												
Hancock Timberland XI	20,765,165	-0.7	7.1	6.4	5.6	-0.6	6.8	6.1	5.3	2Q12	4.9	1.2
Timber	20,765,165	5.8	2.3	8.7	6.8	5.2	5.9	11.5	10.1	4Q99	10.4	1.7
Value Added												
Almanac Realty Securities VI	10,308,109					8.7	10.2	19.5	17.0	1Q13	16.7	1.4
Asana Partners Fund I	5,546,392					0.9	1.2	2.1	0.1	2Q17	12.7	1.0
CBRE Strategic Partners IV ³	863,837									1Q06	-25.9	0.1
Cornerstone Enhanced Mortgage Fund I	5,293,850					11.5	1.4	13.1	11.3	4Q12	9.3	1.3
DRA Growth and Income Fund VII	23,989,985	12.7	10.2	23.9	19.2	12.6	10.0	23.5	19.0	1Q12	19.0	1.8
DRA Growth and Income Fund VIII	22,959,550					13.1	1.5	14.7	11.8	4Q14	12.2	1.2
Gerrity Retail Fund 2	13,052,554					9.3	5.9	15.6	12.2	4Q15	9.1	1.1
JP Morgan Alternative Property Fund ³	222,274									1Q06	-4.3	0.7
Mesa West Real Estate Income Fund III	15,052,355					12.2	0.2	12.4	8.4	4Q13	8.0	1.2
RREEF America REIT III - 1410 ³	143,747									1Q06	-2.7	0.8
Standard Life Investments European Real Estate Club II	33,088,694					0.9	14.7	15.7	14.6	1Q16	16.9	1.2
The Realty Associates Fund IX, L.P.	2,589,138	7.5	4.3	12.1	9.6	7.1	5.2	12.6	10.3	3Q10	10.5	1.6
Urdang Value Added Fund II	1,215,603	4.9	-2.2	2.6	2.2	4.4	-2.6	1.7	0.2	2Q08	6.1	1.3
Value Added	134,326,088	7.9	5.7	14.0	11.9	7.7	2.2	9.9	8.1	4Q90		
Total Portfolio												
LACERS	840,582,631	5.7	6.0	11.9	10.2	6.2	1.3	7.6	5.9	1Q89		
Indices												
NFI-ODCE (Core)		4.9	6.7	11.8	10.8	6.9	0.4	7.3	6.3	1Q89		
NFI-ODCE + 80 bps (Total Portfolio)				12.6	11.6			8.1	7.1	1Q89		
NFI-ODCE + 200 bps (Non-Core Portfolio)				13.8	12.8			9.5	8.4	4Q90		
NFI -ODCE + 50 bps (Value Add)				12.3	11.3			8.0	6.9	4Q90		
NFI -ODCE + 300 bps (Opportunistic)				14.8	13.8			12.3	11.3	4Q96		
NCREIF Timberland Property Index "NTI"		2.7	4.4	7.2		3.3	3.2	6.6		4Q99		

* Net IRR and Equity Multiple may be missing due to hard coded data.

¹ Originally CIM IV. Data shown only reflects performance since the formation of CMCT. Combined, CIM IV/CMCT has achieved a 6.2% net IRR nad 1.3x net equity multiple since inception (1Q06).

² INC: Income Return; APP: Appreciation Return; TGRS: Total Gross Return; TNET: Total Net Return. Please refer to Exhibit C for more detailed definitions.

³ Liquidating investment.

Returns (%)	Market Value (\$)	Quarter				1 Year				3 Year			
		INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET
Opportunistic													
Apollo CPI Europe I	1,254,384	-0.2	9.1	8.8	8.8	-0.7	8.0	7.3	7.1	-0.2	-5.7	-5.9	-6.2
Bristol Value II, L.P.	10,595,436	0.8	0.0	0.9	0.5	3.3	7.7	11.2	9.4	2.9	7.5	10.6	8.6
Bryanston Retail Opportunity Fund	4,605,157	0.0	-0.2	-0.2	-0.3	-0.1	-1.9	-2.0	-2.4	0.3	35.7	36.2	35.3
California Smart Growth Fund IV	7,981,531	2.6	2.3	4.9	4.9	6.5	6.5	13.3	13.1	4.9	10.6	15.8	15.0
Canyon Johnson Urban Fund II ²	30,025												
CBRE Strategic Partners UK Fund III ²	223,268												
CIM Real Estate Fund III ¹	9,343,947	0.2	3.3	3.5	3.1	13.1	-5.8	7.4	5.8	8.1	-1.9	7.8	6.5
CityView LA Urban Fund I	2,388,177	-1.2	3.3	2.1	1.5	1.6	1.8	3.5	1.3	14.2	0.0	15.4	13.5
Colony Investors VIII	2,263,655	0.6	-1.6	-0.9	-1.2	1.7	-2.4	-0.8	-1.8	1.7	-9.9	-8.3	-10.1
DRA Growth and Income Fund VI	2,556,755	0.8	0.8	1.6	1.1	6.2	-2.3	3.8	2.0	5.1	17.5	23.2	15.9
Genesis Workforce Housing Fund II ²	140,284												
Integrated Capital Hospitality Fund	4,965,373	2.2	0.0	2.2	1.9	-14.5	-18.6	-33.9	-34.6	-4.3	-5.0	-10.8	-11.6
LaSalle Asia Fund II ²	214,240												
Latin America Investors III	6,285,451	-1.3	-2.2	-3.5	-4.3	-3.4	-9.0	-12.1	-14.0	-2.9	-13.0	-15.5	-18.6
Lone Star Fund VII	968,295												
Lone Star Real Estate Fund II	2,381,482	2.2	-3.5	-1.3	-0.7	5.6	2.8	8.5	12.6	6.0	23.4	30.4	26.0
Lowe Hospitality Investment Partners ²	74,814												
MacFarlane Urban Real Estate Fund II ¹	1,061,647	-0.2	0.0	-0.2	-0.2	-1.6	7.2	5.5	2.0	-3.8	9.9	6.0	1.6
RECP Fund IV, L.P.	34,757,049	0.5	2.5	3.0	2.4	1.2	9.8	11.0	8.8	1.9	6.5	8.5	6.6
Southern California Smart Growth Fund ¹	1,104,802	-0.7	0.0	-0.7	-0.7	13.7	0.0	13.7	13.7	20.0	6.0	27.2	25.9
Stockbridge Real Estate Fund II	9,540,582	0.0	1.4	1.4	1.2	0.8	16.1	16.9	16.0	-0.7	5.2	4.5	3.4
The Buchanan Fund V	3,588,793	0.1	1.4	1.5	1.3	3.2	6.9	10.4	9.2	3.3	8.3	11.8	10.6
Torchlight Debt Opportunity Fund II	8,516,479	0.1	-0.2	-0.1	-0.1	4.4	-5.7	-1.6	-1.9	4.4	2.0	6.4	6.0
Torchlight Debt Opportunity Fund III	2,909,961	2.1	2.9	4.9	3.7	13.0	5.1	19.0	14.2	12.2	13.7	27.0	20.1
Torchlight Debt Opportunity Fund IV	23,494,264	2.3	2.1	4.4	3.1	10.3	8.3	19.2	13.6	9.3	3.4	12.9	10.3
Tuckerman Group Residential Income & Value Added Fund	7,759,067	1.4	-6.6	-5.2	-5.4	5.6	-15.5	-10.6	-11.4	5.5	-6.0	-0.8	-1.8
Walton Street Real Estate Fund V	7,092,540	4.0	-3.1	0.9	0.5	5.4	-4.0	1.2	-0.2	4.2	3.0	7.4	6.0
Walton Street Real Estate Fund VI	11,274,827	1.6	0.6	2.2	1.9	2.8	-3.8	-1.2	-2.4	2.9	2.5	5.5	4.2
Opportunistic	167,372,285	1.1	0.8	1.8	1.3	3.8	1.4	5.2	3.3	4.2	2.4	6.7	4.9
Private Portfolio	819,817,466	1.1	1.1	2.2	1.9	4.7	3.9	8.7	7.3	5.0	5.0	10.3	8.8
Non-Core Portfolio	301,698,373	1.3	1.7	3.0	2.5	5.5	3.8	9.4	7.2	5.6	3.9	9.8	7.6
Total Portfolio													
LACERS	840,582,631	1.1	1.1	2.1	1.8	4.5	3.9	8.6	7.2	4.9	5.0	10.2	8.7
Indices													
NFI-ODCE (Core)		1.1	0.6	1.7	1.5	4.4	3.3	7.9	6.9	4.6	6.5	11.3	10.3
NFI-ODCE + 80 bps (Total Portfolio)				1.9	1.7			8.7	7.7			12.1	11.1
NFI-ODCE + 200 bps (Non-Core Portfolio)				2.2	2.0			9.9	8.9			13.3	12.3
NFI -ODCE + 50 bps (Value Add)				1.8	1.6			8.4	7.4			11.8	10.8
NFI -ODCE + 300 bps (Opportunistic)				2.4	2.2			10.9	9.9			14.3	13.3
NCREIF Timberland Property Index "NTI"		0.6	0.1	0.7		2.6	0.7	3.4		2.7	2.8	5.6	

* Net IRR and Equity Multiple may be missing due to hard coded data.

Returns (%)	Market Value (\$)	5 Year				Inception				TWR Calculation Inception	Net IRR*	Equity Multiple*
		INC	APP	TGRS	TNET	INC	APP	TGRS	TNET			
Opportunistic												
Apollo CPI Europe I	1,254,384	0.4	1.4	1.8	1.3	0.4	-4.6	-4.1	-6.2	4Q06	-9.3	0.5
Bristol Value II, L.P.	10,595,436					3.7	10.7	14.7	12.8	1Q13	8.8	1.1
Bryanston Retail Opportunity Fund	4,605,157	3.7	32.9	37.3	35.7	8.4	26.7	34.7	30.9	2Q05	79.8	3.3
California Smart Growth Fund IV	7,981,531	3.8	11.2	15.3	14.2	2.6	-0.4	2.1	-0.3	1Q07	2.4	1.2
Canyon Johnson Urban Fund II ²	30,025									3Q05	-10.5	0.4
CBRE Strategic Partners UK Fund III ²	223,268					-0.1	0.1	0.0	-0.1	3Q07	-24.7	0.2
CIM Real Estate Fund III ¹	9,343,947	6.2	4.6	12.1	10.8	-9.9	12.0	1.7	-13.8	1Q09	10.6	1.7
CityView LA Urban Fund I	2,388,177	22.2	1.7	24.1	22.1	4.3	0.7	4.9	-17.8	3Q07	11.8	1.2
Colony Investors VIII	2,263,655	1.5	1.9	3.5	1.3	0.2	-20.4	-20.2	-23.4	4Q07	-12.1	0.4
DRA Growth and Income Fund VI	2,556,755	6.2	12.8	19.5	14.2	8.6	4.5	13.5	8.8	2Q08	11.0	1.7
Genesis Workforce Housing Fund II ²	140,284									2Q07	8.7	1.5
Integrated Capital Hospitality Fund	4,965,373	8.1	4.6	9.7	8.5	8.2	4.1	9.8	7.6	3Q11	6.5	1.3
LaSalle Asia Fund II ²	214,240									4Q05	1.7	1.1
Latin America Investors III	6,285,451	-2.7	-17.6	-20.0	-23.5	-3.4	-8.1	-11.4	-15.2	1Q09	-17.1	0.5
Lone Star Fund VII	968,295									3Q11	50.7	1.8
Lone Star Real Estate Fund II	2,381,482	9.9	20.8	32.5	26.0	11.1	25.5	38.6	30.1	3Q11	27.5	1.6
Lowe Hospitality Investment Partners ²	74,814									3Q04	-17.6	0.6
MacFarlane Urban Real Estate Fund II ¹	1,061,647	-3.7	8.6	5.4	1.1	-14.4	9.1	-5.5	-11.5	2Q10	-16.8	0.3
RECP Fund IV, L.P.	34,757,049	1.7	9.1	10.9	9.0	3.6	-8.2	-4.9	-9.1	4Q08	3.3	1.2
Southern California Smart Growth Fund ¹	1,104,802	5.8	8.6	14.7	13.0	2.7	6.2	7.8	6.9	1Q06	-1.8	1.0
Stockbridge Real Estate Fund II	9,540,582	-3.5	19.2	15.2	13.7	-10.6	-11.2	-20.5	-23.0	4Q06	-9.0	0.5
The Buchanan Fund V	3,588,793	3.7	10.6	14.7	13.5	-2.3	1.4	-0.9	-2.7	3Q07	-0.7	1.0
Torchlight Debt Opportunity Fund II	8,516,479	5.1	6.1	11.4	10.7	13.4	-9.7	3.2	1.4	1Q08	-1.7	0.9
Torchlight Debt Opportunity Fund III	2,909,961	12.9	20.1	34.8	24.9	12.2	14.2	27.6	19.7	3Q09	13.7	1.5
Torchlight Debt Opportunity Fund IV	23,494,264					10.0	2.9	13.1	10.3	4Q13	10.1	1.3
Tuckerman Group Residential Income & Value Added Fund	7,759,067	4.8	2.2	7.1	5.9	0.8	2.2	3.5	1.4	4Q04	0.2	1.0
Walton Street Real Estate Fund V	7,092,540	3.9	5.6	9.7	8.2	2.5	-0.8	1.6	-0.4	4Q06	-2.5	0.8
Walton Street Real Estate Fund VI	11,274,827	3.2	6.5	9.8	8.4	-11.9	17.4	1.7	-3.8	3Q09	9.3	1.5
Opportunistic	167,372,285	5.4	5.1	10.7	8.4	4.4	3.0	7.4	3.7	4Q96		
Private Portfolio	819,817,466	5.7	6.1	12.0	10.3	6.2	1.2	7.5	5.8	1Q89		
Non-Core Portfolio	301,698,373	6.3	5.5	12.1	9.9	6.6	2.5	9.2	6.7	4Q90		
Total Portfolio												
LACERS	840,582,631	5.7	6.0	11.9	10.2	6.2	1.3	7.6	5.9	1Q89		
Indices												
NFI-ODCE (Core)		4.9	6.7	11.8	10.8	6.9	0.4	7.3	6.3	1Q89		
NFI-ODCE + 80 bps (Total Portfolio)				12.6	11.6			8.1	7.1	1Q89		
NFI-ODCE + 200 bps (Non-Core Portfolio)				13.8	12.8			9.5	8.4	4Q90		
NFI -ODCE + 50 bps (Value Add)				12.3	11.3			8.0	6.9	4Q90		
NFI -ODCE + 300 bps (Opportunistic)				14.8	13.8			12.3	11.3	4Q96		
NCREIF Timberland Property Index "NTI"		2.7	4.4	7.2		3.3	3.2	6.6		4Q99		

* Net IRR and Equity Multiple may be missing due to hard coded data.

Returns (%)	Market Value (\$)	2017 (YTD)		2016		2015		2014		2013		2012	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Core													
Berkshire Multifamily Income Realty Fund	23,632,834	2.0	1.7	10.4	9.5								
CIM Commercial Trust Corporation ("CMCT")	28,408,235	-2.2	-2.2	3.3	3.3	5.0	5.0	9.7	9.7				
CIM VI (Urban REIT), LLC	30,338,695	2.8	2.1	2.6	2.4	13.4	11.0	15.0	13.5	6.8	5.4	13.8	13.1
INVESCO Core Real Estate	157,960,561	4.5	4.3	9.2	8.9	14.7	14.3	12.4	11.9	14.3	13.8	8.7	8.2
Jamestown Premier Property Fund	47,976,285	4.9	4.0	6.7	5.4	8.5	7.0						
JP Morgan Strategic Property Fund	62,505,821	3.5	3.0	8.4	7.3	15.2	14.1	11.1	10.1	15.9	14.8	12.1	11.0
Lion Industrial Trust - 2007	57,040,678	7.2	6.2	14.9	12.8								
Prime Property Fund	53,326,823	4.8	4.2	10.4	9.2								
Principal U.S. Property Account	56,929,161	4.5	4.0	10.1	9.0	3.0	2.8						
Core	518,119,093	4.0	3.5	8.7	7.9	13.4	12.7	11.8	11.3	13.3	12.5	9.6	8.9
Timber													
Hancock Timberland XI	20,765,165	0.1	-0.4	3.5	2.6	5.4	4.6	5.2	4.6	9.9	8.9	8.1	7.6
Timber	20,765,165	0.1	-0.4	3.5	2.6	5.4	4.5	8.1	4.5	20.9	17.8	9.9	8.9
Value Added													
Almanac Realty Securities VI	10,308,109	3.2	2.8	15.2	14.3	23.5	21.2	15.2	12.8	31.6	26.1		
Asana Partners Fund I	5,546,392	2.1	0.1										
CBRE Strategic Partners IV	863,837												
Cornerstone Enhanced Mortgage Fund I	5,293,850	1.9	1.6	10.9	9.2	11.1	9.4	5.5	5.0	20.0	16.4	12.8	12.3
DRA Growth and Income Fund VII	23,989,985	14.5	11.9	35.2	28.8	22.9	16.2	20.3	17.7	18.7	15.5	17.6	14.3
DRA Growth and Income Fund VIII	22,959,550	6.8	5.4	14.7	11.8	16.0	12.9	2.7	2.1				
Gerrity Retail Fund 2	13,052,554	4.4	3.3	21.4	17.7	1.7	0.6						
JP Morgan Alternative Property Fund	222,274												
Mesa West Real Estate Income Fund III*	15,052,355	5.5	4.4	11.2	8.8	13.0	10.2	13.3	8.7	3.2	-0.6		
RREEF America REIT III - 1410	143,747												
Standard Life Investments European Real Estate Club II	33,088,694	15.1	14.6	8.1	7.1								
The Realty Associates Fund IX, L.P.	2,589,138	-0.4	-0.4	8.2	6.6	18.2	14.6	18.5	14.3	11.0	8.7	11.3	9.4
Urdang Value Added Fund II	1,215,603	-12.3	-12.3	-4.5	-4.5	1.7	1.5	7.4	6.8	12.2	11.5	18.8	17.7
Value Added	134,326,088	8.4	7.2	14.6	12.1	14.5	11.7	12.6	10.9	9.5	7.9	17.1	15.6
Total Portfolio													
LACERS	840,582,631	4.4	3.8	8.1	6.8	11.2	9.5	13.7	11.9	13.5	11.4	12.8	11.0
Indices													
NFI-ODCE (Core)		3.5	3.0	8.8	7.8	15.0	14.0	12.5	11.5	13.9	12.9	10.9	9.8
NFI-ODCE + 80 bps (Total Portfolio)		3.9	3.4	9.6	8.6	15.8	14.8	13.3	12.3	14.7	13.7	11.7	10.6
NFI-ODCE + 200 bps (Non-Core Portfolio)		4.5	4.0	10.8	9.8	17.0	16.0	14.5	13.5	15.9	14.9	12.9	11.8
NFI-ODCE + 50 bps (Value Add)		3.8	3.3	9.3	8.3	15.5	14.5	13.0	12.0	14.4	13.4	11.4	10.3
NFI-ODCE + 300 bps (Opportunistic)		5.0	4.5	11.8	10.8	18.0	17.0	15.5	14.5	16.9	15.9	13.9	12.8
NCREIF Timberland Index (Timber)		1.5		2.7		5.0		10.5		9.7		7.8	

Returns (%)	Market Value (\$)	2011		2010		2009		2008		2007		2006		2005	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Core															
Berkshire Multifamily Income Realty Fund	23,632,834														
CIM Commercial Trust Corporation ("CMCT")	28,408,235														
CIM VI (Urban REIT), LLC	30,338,695														
INVESCO Core Real Estate	157,960,561	16.9	16.4	16.7	16.1	-32.2	-32.6	-4.6	-5.0	13.6	13.1	19.2	18.6	20.8	20.2
Jamestown Premier Property Fund	47,976,285														
JP Morgan Strategic Property Fund	62,505,821	15.9	14.8	14.1	13.0	-26.5	-27.4	-8.1	-9.0	16.6	15.6	16.6	15.5	5.3	5.3
Lion Industrial Trust - 2007	57,040,678														
Prime Property Fund	53,326,823														
Principal U.S. Property Account	56,929,161														
Core	518,119,093	15.6	14.8	16.1	15.2	-26.4	-27.1	-4.9	-5.6	14.4	13.6	17.7	16.9	21.2	20.7
Timber															
Hancock Timberland XI	20,765,165														
Timber	20,765,165	3.9	4.2	2.9	2.7	-7.4	-5.5	7.6	6.5	22.1	17.3	24.8	22.5	26.8	23.0
Value Added															
Almanac Realty Securities VI	10,308,109														
Asana Partners Fund I	5,546,392														
CBRE Strategic Partners IV	863,837														
Cornerstone Enhanced Mortgage Fund I	5,293,850														
DRA Growth and Income Fund VII	23,989,985														
DRA Growth and Income Fund VIII	22,959,550														
Gerrity Retail Fund 2	13,052,554														
JP Morgan Alternative Property Fund	222,274														
Mesa West Real Estate Income Fund III*	15,052,355														
RREEF America REIT III - 1410	143,747														
Standard Life Investments European Real Estate Club II	33,088,694														
The Realty Associates Fund IX, L.P.	2,589,138	14.3	13.0	7.5	6.5										
Urdang Value Added Fund II	1,215,603	27.5	26.2	37.0	33.3	-37.3	-40.0	-12.4	-15.2						
Value Added	134,326,088	18.3	16.2	4.1	1.8	-38.5	-39.4	-20.7	-20.0	17.8	15.2	15.3	12.9	26.0	23.1
Total Portfolio															
LACERS	840,582,631	12.6	10.8	13.0	10.3	-34.4	-35.9	-22.5	-23.6	14.5	11.3	20.2	17.4	25.4	22.3
Indices															
NFI-ODCE (Core)		16.0	15.0	16.4	15.3	-29.8	-30.4	-10.0	-10.7	16.0	14.8	16.3	15.3	21.4	20.2
NFI-ODCE + 80 bps (Total Portfolio)		16.8	15.8	17.2	16.1	-29.0	-29.6	-9.2	-9.9	16.8	15.6	17.1	16.1	22.2	21.0
NFI-ODCE + 200 bps (Non-Core Portfolio)		18.0	17.0	18.4	17.3	-27.8	-28.4	-8.0	-8.7	18.0	16.8	18.3	17.3	23.4	22.2
NFI-ODCE + 50 bps (Value Add)		16.5	15.5	16.9	15.8	-29.3	-29.9	-9.5	-10.2	16.5	15.3	16.8	15.8	21.9	20.7
NFI-ODCE + 300 bps (Opportunistic)		19.0	18.0	19.4	18.3	-26.8	-27.4	-7.0	-7.7	19.0	17.8	19.3	18.3	24.4	23.2
NCREIF Timberland Index (Timber)		1.6		-0.1		-4.7		9.5		18.4		13.7		19.4	

Returns (%)	Market Value (\$)	2017 (YTD)		2016		2015		2014		2013		2012	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Opportunistic													
Apollo CPI Europe I	1,254,384	9.9	9.8	-0.3	-0.4	-16.0	-16.4	-0.8	-1.5	0.7	0.1	20.3	19.5
Bristol Value II, L.P.	10,595,436	1.7	0.9	11.0	9.1	8.2	6.1	12.4	10.6	35.0	33.0		
Bryanston Retail Opportunity Fund	4,605,157	-0.2	-0.4	-2.5	-2.8	144.0	142.1	7.3	5.8	50.5	47.5	40.1	37.2
California Smart Growth Fund IV	7,981,531	10.9	10.9	5.9	5.4	20.3	19.2	17.9	16.2	13.1	11.6	19.9	18.3
Canyon Johnson Urban Fund II	30,025												
CBRE Strategic Partners UK Fund III	223,268												
CIM Real Estate Fund III	9,343,947	4.2	3.4	5.4	4.0	8.3	7.1	11.0	9.8	11.1	9.9	20.8	19.4
CityView LA Urban Fund I	2,388,177	0.0	-1.3	7.7	5.8	32.2	30.5	81.4	79.3	10.2	8.3	7.8	5.9
Colony Investors VIII	2,263,655	2.4	2.0	-13.9	-15.0	-3.3	-6.0	-8.7	-10.9	45.6	42.0	14.4	10.9
DRA Growth and Income Fund VI	2,556,755	-2.9	-3.1	11.3	8.3	27.4	21.1	49.0	32.7	17.6	15.1	4.3	2.1
Genesis Workforce Housing Fund II	140,284												
Integrated Capital Hospitality Fund	4,965,373	3.5	2.9	-34.0	-34.6	-14.6	-15.2	28.2	27.2	12.1	11.0	96.8	87.9
LaSalle Asia Fund II	214,240												
Latin America Investors III	6,285,451	-0.4	-2.1	-4.9	-6.9	-30.3	-32.8	0.4	-4.6	-17.9	-22.4	-60.0	-62.6
Lone Star Fund VII	968,295												
Lone Star Real Estate Fund II	2,381,482	1.7	6.1	16.4	13.8	42.5	32.9	58.3	44.7	30.5	22.3	40.2	30.6
Lowe Hospitality Investment Partners	74,814												
MacFarlane Urban Real Estate Fund II	1,061,647	2.8	1.8	9.1	4.1	8.9	3.9	-25.0	-28.5	-16.5	-19.2	61.7	53.6
RECP Fund IV, L.P.	34,757,049	3.6	2.4	6.9	5.3	8.3	6.2	6.4	4.6	8.5	6.7	23.4	21.1
Southern California Smart Growth Fund	1,104,802	-1.9	-1.9	58.8	57.8	21.0	19.2	21.8	19.3	14.9	11.4	-33.5	-33.6
Stockbridge Real Estate Fund II	9,540,582	11.5	11.1	-4.7	-5.5	3.9	2.6	24.4	22.8	46.5	43.7	3.2	0.7
The Buchanan Fund V	3,588,793	2.6	2.1	20.1	18.8	2.1	0.9	19.2	17.8	22.4	21.2	10.2	9.2
Torchlight Debt Opportunity Fund II	8,516,479	1.8	1.7	-2.3	-2.6	15.7	15.2	6.7	6.0	24.6	23.5	24.5	23.1
Torchlight Debt Opportunity Fund III	2,909,961	5.3	3.8	14.2	10.4	33.6	25.4	92.7	65.6	33.8	20.3	17.7	15.2
Torchlight Debt Opportunity Fund IV	23,494,264	7.4	5.5	11.8	9.8	12.0	9.8	13.9	10.4	3.6	3.0		
Tuckerman Group Residential Income & Value Added Fund	7,759,067	-11.0	-11.4	2.4	1.5	5.7	4.5	5.7	4.5	33.9	31.8	6.5	4.5
Walton Street Real Estate Fund V	7,092,540	1.6	0.9	2.1	0.7	11.9	10.4	13.2	11.7	12.9	11.2	9.5	7.8
Walton Street Real Estate Fund VI	11,274,827	3.8	3.2	-5.4	-6.6	13.5	12.2	14.8	13.4	16.0	14.3	12.1	10.4
Opportunistic	167,372,285	3.4	2.6	2.9	1.4	7.2	5.3	15.7	12.9	15.3	12.3	12.5	10.1
Private Portfolio	819,817,466	4.5	3.9	8.2	6.9	11.3	9.6	13.8	12.0	13.4	11.4	12.8	11.1
Non-Core Portfolio	301,698,373	5.5	4.5	7.5	5.6	9.8	7.6	14.7	12.3	13.6	11.0	14.0	11.9
Total Portfolio													
LACERS	840,582,631	4.4	3.8	8.1	6.8	11.2	9.5	13.7	11.9	13.5	11.4	12.8	11.0
Indices													
NFI-ODCE (Core)		3.5	3.0	8.8	7.8	15.0	14.0	12.5	11.5	13.9	12.9	10.9	9.8
NFI-ODCE + 80 bps (Total Portfolio)		3.9	3.4	9.6	8.6	15.8	14.8	13.3	12.3	14.7	13.7	11.7	10.6
NFI-ODCE + 200 bps (Non-Core Portfolio)		4.5	4.0	10.8	9.8	17.0	16.0	14.5	13.5	15.9	14.9	12.9	11.8
NFI-ODCE + 50 bps (Value Add)		3.8	3.3	9.3	8.3	15.5	14.5	13.0	12.0	14.4	13.4	11.4	10.3
NFI-ODCE + 300 bps (Opportunistic)		5.0	4.5	11.8	10.8	18.0	17.0	15.5	14.5	16.9	15.9	13.9	12.8
NCREIF Timberland Index (Timber)		1.5		2.7		5.0		10.5		9.7		7.8	

Returns (%)	Market Value (\$)	2011		2010		2009		2008		2007		2006		2005	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Opportunistic															
Apollo CPI Europe I	1,254,384	-6.1	-6.8	-31.1	-33.8	8.9	4.9	-41.4	-43.5	17.4	11.0	18.5	14.7		
Bristol Value II, L.P.	10,595,436														
Bryanston Retail Opportunity Fund	4,605,157	-4.3	-7.2	20.9	18.3	12.8	10.2	73.9	69.4	-43.1	-45.5	112.8	98.1	161.3	143.3
California Smart Growth Fund IV	7,981,531	26.7	24.6	20.1	17.0	-34.6	-38.0	-46.3	-48.6	3.0	-2.5				
Canyon Johnson Urban Fund II	30,025														
CBRE Strategic Partners UK Fund III	223,268														
CIM Real Estate Fund III	9,343,947	21.8	19.8	15.3	-13.8	-53.5	-83.5	-117.3	-113.8						
CityView LA Urban Fund I	2,388,177	3.9	2.1	-0.1	-32.6	-9.9	-49.6	-35.1	-72.3	-13.0	-47.7				
Colony Investors VIII	2,263,655	-27.2	-29.2	24.6	20.3	-11.9	-19.0	-90.8	-91.6	15.9	12.2				
DRA Growth and Income Fund VI	2,556,755	32.6	29.1	15.9	11.1	-10.2	-14.7	-6.9	-10.3						
Genesis Workforce Housing Fund II	140,284														
Integrated Capital Hospitality Fund	4,965,373	6.0	2.6												
LaSalle Asia Fund II	214,240														
Latin America Investors III	6,285,451	-32.5	-34.9	20.8	15.3	100.5	93.8								
Lone Star Fund VII	968,295														
Lone Star Real Estate Fund II	2,381,482	45.3	30.8												
Lowe Hospitality Investment Partners	74,814														
MacFarlane Urban Real Estate Fund II	1,061,647	-5.4	-9.8	-95.2	-93.8	-110.0	-109.6	14.4	0.0						
RECP Fund IV, L.P.	34,757,049	2.4	-1.4	12.5	4.3	-45.6	-54.8	-40.0	-40.0						
Southern California Smart Growth Fund	1,104,802	-5.3	-5.4	-7.5	-7.7	-40.5	-40.6	-19.2	-19.3	75.6	75.3	82.2	81.0	-212.5	-216.2
Stockbridge Real Estate Fund II	9,540,582	7.2	4.2	21.8	16.8	-86.3	-86.8	-83.4	-84.0	-27.9	-31.9	91.0	80.1		
The Buchanan Fund V	3,588,793	10.4	9.4	8.1	6.3	-45.9	-48.2	-30.5	-33.0	1.1	-1.1				
Torchlight Debt Opportunity Fund II	8,516,479	23.7	22.0	41.4	36.1	29.9	23.6	-68.7	-69.7						
Torchlight Debt Opportunity Fund III	2,909,961	1.2	1.0	12.7	2.8	26.4	22.7								
Torchlight Debt Opportunity Fund IV	23,494,264														
Tuckerman Group Residential Income & Value Added Fund	7,759,067	10.4	7.8	27.6	23.6	-43.7	-45.7	-13.5	-15.4	9.6	7.1	15.8	13.0	22.7	20.2
Walton Street Real Estate Fund V	7,092,540	10.1	8.0	48.0	44.0	-27.8	-31.1	-47.7	-48.7	10.3	8.6	7.2	6.6		
Walton Street Real Estate Fund VI	11,274,827	14.3	12.3	173.3	162.1	-78.1	-84.0								
Opportunistic	167,372,285	8.8	6.5	17.1	12.6	-39.0	-41.6	-36.6	-39.2	10.6	4.6	31.4	24.5	32.0	25.2
Private Portfolio	819,817,466	12.8	10.9	13.3	10.5	-35.1	-36.7	-23.1	-24.3	14.3	11.1	20.1	17.2	25.4	22.3
Non-Core Portfolio	301,698,373	11.9	9.6	12.2	8.5	-38.8	-40.7	-30.0	-31.3	14.2	10.0	21.1	17.1	28.9	24.2
Total Portfolio															
LACERS	840,582,631	12.6	10.8	13.0	10.3	-34.4	-35.9	-22.5	-23.6	14.5	11.3	20.2	17.4	25.4	22.3
Indices															
NFI-ODCE (Core)		16.0	15.0	16.4	15.3	-29.8	-30.4	-10.0	-10.7	16.0	14.8	16.3	15.3	21.4	20.2
NFI-ODCE + 80 bps (Total Portfolio)		16.8	15.8	17.2	16.1	-29.0	-29.6	-9.2	-9.9	16.8	15.6	17.1	16.1	22.2	21.0
NFI-ODCE + 200 bps (Non-Core Portfolio)		18.0	17.0	18.4	17.3	-27.8	-28.4	-8.0	-8.7	18.0	16.8	18.3	17.3	23.4	22.2
NFI-ODCE + 50 bps (Value Add)		16.5	15.5	16.9	15.8	-29.3	-29.9	-9.5	-10.2	16.5	15.3	16.8	15.8	21.9	20.7
NFI-ODCE + 300 bps (Opportunistic)		19.0	18.0	19.4	18.3	-26.8	-27.4	-7.0	-7.7	19.0	17.8	19.3	18.3	24.4	23.2
NCREIF Timberland Index (Timber)		1.6		-0.1		-4.7		9.5		18.4		13.7		19.4	

Quarterly Cash Flow Activity (\$)	Beginning Market Value	Contributions	Distributions	Withdrawals	Gross Income	Manager Fees	Appreciation	Ending Market Value	LTV (%)
Core									
Berkshire Multifamily Income Realty Fund	23,609,054	0	164,023	0	197,467	38,194	28,530	23,632,834	47.0
CIM Commercial Trust Corporation ("CMCT")	42,980,720	0	155,864	13,011,264	156,041	0	-1,561,398	28,408,235	39.0
CIM VI (Urban REIT), LLC	30,204,693	0	234,216	0	276,312	57,054	148,960	30,338,695	26.7
INVESCO Core Real Estate	155,184,133	1,277,294	1,302,104	0	1,456,127	136,881	1,481,992	157,960,561	26.4
Jamestown Premier Property Fund	47,454,845	71,182	496,502	0	586,535	260,923	621,148	47,976,285	37.3
JP Morgan Strategic Property Fund	61,687,429	0	0	0	640,180	150,537	328,748	62,505,821	25.1
Lion Industrial Trust - 2007	55,591,857	112,905	460,539	0	721,355	293,713	1,368,813	57,040,678	34.5
Prime Property Fund	52,671,081	0	520,191	0	551,528	150,112	774,517	53,326,823	18.1
Principal U.S. Property Account	55,772,755	0	0	0	647,354	133,219	642,271	56,929,161	21.6
Core	525,156,567	1,461,381	3,333,439	13,011,264	5,232,899	1,220,633	3,833,581	518,119,093	29.2
Timber									
Hancock Timberland XI	20,984,327	0	170,027	0	-3,859	45,271	-5	20,765,165	0.0
Timber	20,984,327	0	170,027	0	-3,859	45,271	-5	20,765,165	0.0
Value Added									
Almanac Realty Securities VI	10,453,542	156,987	168,603	264,837	181,777	18,910	-31,847	10,308,109	40.0
Asana Partners Fund I	3,142,445	2,400,000	0	0	31,557	67,500	39,890	5,546,392	56.6
CBRE Strategic Partners IV	863,493	0	0	0	343	0	0	863,837	0.0
Cornerstone Enhanced Mortgage Fund I	5,293,850	0	0	0	0	0	0	5,293,850	0.0
DRA Growth and Income Fund VII	22,912,814	0	465,387	18,063	553,648	331,244	1,338,217	23,989,985	63.4
DRA Growth and Income Fund VIII	22,764,134	851,852	569,491	731,037	783,257	142,157	2,992	22,959,550	64.0
Gerrity Retail Fund 2	13,004,922	202,752	369,005	0	282,636	68,750	0	13,052,554	59.8
JP Morgan Alternative Property Fund	219,665	0	0	0	-2,127	0	4,736	222,274	70.7
Mesa West Real Estate Income Fund III	14,980,774	0	231,567	0	377,762	74,614	0	15,052,355	60.3
RREEF America REIT III - 1410	148,680	0	0	0	-4,297	636	0	143,747	0.0
Standard Life Investments European Real Estate Club II	24,724,449	5,945,354	0	0	-128,580	70,465	2,617,936	33,088,694	37.4
The Realty Associates Fund IX, L.P.	9,827,800	0	7,237,008	0	67,512	5,490	-63,676	2,589,138	41.3
Urdang Value Added Fund II	1,408,352	0	0	0	-1,206	0	-191,543	1,215,603	67.0
Value Added	129,744,920	9,556,945	9,041,061	1,013,937	2,142,282	779,766	3,716,705	134,326,088	52.9
Total Portfolio									
LACERS	860,962,792	11,673,385	26,206,740	21,057,099	9,222,137	2,887,164	8,875,319	840,582,631	35.7

Quarterly Cash Flow Activity (\$)	Beginning Market Value	Contributions	Distributions	Withdrawals	Gross Income	Manager Fees	Appreciation	Ending Market Value	LTV (%)
Opportunistic									
Apollo CPI Europe I	1,152,587	0	0	0	-2,658	0	104,455	1,254,384	100.0
Bristol Value II, L.P.	11,478,522	446,987	1,377,649	0	89,273	44,566	2,869	10,595,436	39.8
Bryanston Retail Opportunity Fund	4,618,899	0	0	0	-1,025	4,229	-8,488	4,605,157	66.3
California Smart Growth Fund IV	11,838,602	0	0	4,284,555	227,263	0	200,221	7,981,531	16.0
Canyon Johnson Urban Fund II	88,422	0	0	58,333	-64	0	0	30,025	0.0
CBRE Strategic Partners UK Fund III	210,961	0	0	0	4,265	0	8,042	223,268	0.0
CIM Real Estate Fund III	13,315,417	0	4,289,655	0	21,907	46,558	342,836	9,343,947	19.4
CityView LA Urban Fund I	3,111,698	15,295	775,833	0	-28,891	15,295	81,204	2,388,177	0.0
Colony Investors VIII	2,718,655	0	0	423,700	16,500	6,500	-41,300	2,263,655	0.0
DRA Growth and Income Fund VI	4,540,132	0	2,026,654	0	30,931	19,565	31,911	2,556,755	65.8
Genesis Workforce Housing Fund II	140,604	0	0	0	-320	0	0	140,284	0.0
Integrated Capital Hospitality Fund	4,871,698	0	0	0	109,265	15,590	0	4,965,373	46.5
LaSalle Asia Fund II	214,966	0	0	0	-2,218	0	1,492	214,240	0.0
Latin America Investors III	6,566,044	0	0	0	-86,112	50,327	-144,154	6,285,451	26.3
Lone Star Fund VII	1,167,183	0	144,251	0	3,367	-13,998	-72,001	968,295	68.9
Lone Star Real Estate Fund II	2,762,078	0	304,410	57,362	56,253	-14,476	-89,554	2,381,482	19.8
Low Hospitality Investment Partners	87,798	0	0	0	-12,984	0	0	74,814	0.0
MacFarlane Urban Real Estate Fund II	1,064,289	0	0	0	-2,643	0	0	1,061,647	0.0
RECP Fund IV, L.P.	33,745,843	192,777	0	0	168,292	192,777	842,914	34,757,049	29.6
Southern California Smart Growth Fund	1,112,268	0	0	0	-7,466	0	0	1,104,802	68.9
Stockbridge Real Estate Fund II	9,429,387	0	0	0	-2,992	18,187	132,374	9,540,582	61.2
The Buchanan Fund V	3,543,357	0	0	0	5,101	8,614	48,949	3,588,793	21.9
Torchlight Debt Opportunity Fund II	8,528,048	0	0	0	11,573	5,683	-17,459	8,516,479	22.4
Torchlight Debt Opportunity Fund III	3,558,113	0	780,909	0	74,142	42,456	101,071	2,909,961	0.0
Torchlight Debt Opportunity Fund IV	26,676,092	0	3,962,852	0	578,591	319,813	522,246	23,494,264	5.5
Tuckerman Group Residential Income & Value Added Fund	8,205,180	0	0	0	114,880	19,020	-541,973	7,759,067	58.2
Walton Street Real Estate Fund V	9,260,966	0	0	2,207,948	312,522	27,866	-245,134	7,092,540	48.9
Walton Street Real Estate Fund VI	11,069,169	0	0	0	174,063	32,922	64,517	11,274,827	56.3
Opportunistic	185,076,978	655,059	13,662,213	7,031,898	1,850,815	841,494	1,325,038	167,372,285	37.8
Private Portfolio	839,978,465	11,673,385	26,036,713	21,057,099	9,225,996	2,841,893	8,875,324	819,817,466	36.3
Non-Core Portfolio	314,821,898	10,212,004	22,703,274	8,045,835	3,993,097	1,621,260	5,041,743	301,698,373	45.6
Total Portfolio									
LACERS	860,962,792	11,673,385	26,206,740	21,057,099	9,222,137	2,887,164	8,875,319	840,582,631	35.7

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
Core						
Berkshire Multifamily Income Realty Fund	100.0	-	-	-	-	-
CIM Commercial Trust Corporation ("CMCT")	6.8	80.6	-	-	9.2	3.4
CIM VI (Urban REIT), LLC	58.8	27.2	-	14.0	-	-
INVESCO Core Real Estate	30.8	34.2	14.4	20.5	-	-
Jamestown Premier Property Fund	-	66.8	-	19.9	-	13.3
JP Morgan Strategic Property Fund	20.1	42.5	10.6	26.1	-	0.7
Lion Industrial Trust - 2007	-	-	100.0	-	-	-
Prime Property Fund	25.1	31.9	14.1	16.7	-	12.2
Principal U.S. Property Account	11.5	44.4	19.9	16.8	1.3	6.0
Core	24.1	34.1	23.1	15.1	0.6	3.0
Timber						
Hancock Timberland XI	-	-	-	-	-	100.0
Timber	-	-	-	-	-	100.0
Value Added						
Almanac Realty Securities VI	27.5	11.3	0.9	7.8	46.9	5.6
Asana Partners Fund I	-	-	-	100.0	-	-
CBRE Strategic Partners IV	-	100	-	-	-	-
Cornerstone Enhanced Mortgage Fund I	-	-	-	-	-	-
DRA Growth and Income Fund VII	25.9	26.9	34.7	12.5	-	-
DRA Growth and Income Fund VIII	11.1	28.0	10.5	50.3	-	-
Gerrity Retail Fund 2	-	-	-	100.0	-	-
JP Morgan Alternative Property Fund	-	-	-	-	-	-
Mesa West Real Estate Income Fund III	18.9	70.4	-	2.1	8.5	-
RREEF America REIT III - 1410	-	-	-	-	-	-
Standard Life Investments European Real Estate Club II	-	49.5	37.3	13.2	-	-
The Realty Associates Fund IX, L.P.	14.1	72.5	-	13.4	-	-
Urdang Value Added Fund II	5.6	94.0	0.4	-	-	-
Value Added	11.1	33.4	17.3	29.0	4.6	0.4
Total Portfolio						
LACERS	20.2	29.7	17.6	15.5	3.3	10.7
Indices						
NFI-ODCE	24.1	36.8	15.0	20.2	0.6	3.3

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
Opportunistic						
Apollo CPI Europe I	-	-	-	-	-	-
Bristol Value II, L.P.	15.3	51.6	20.5	12.7	-	-
Bryanston Retail Opportunity Fund	-	-	-	100.0	-	-
California Smart Growth Fund IV	53.9	-	27.5	0.3	-	18.2
Canyon Johnson Urban Fund II	-	-	-	100.0	-	-
CBRE Strategic Partners UK Fund III	-	-	-	-	-	-
CIM Real Estate Fund III	20.1	3.9	-	13.3	7.1	55.6
CityView LA Urban Fund I	100.0	-	-	-	-	-
Colony Investors VIII	-	-	-	0.6	0.1	99.4
DRA Growth and Income Fund VI	-	37.9	-	62.1	-	-
Genesis Workforce Housing Fund II	-	-	-	-	-	-
Integrated Capital Hospitality Fund	-	-	-	-	100.0	-
LaSalle Asia Fund II	-	-	-	-	-	-
Latin America Investors III	-	9.8	-	-	-	90.2
Lone Star Fund VII	-	-	-	-	-	100.0
Lone Star Real Estate Fund II	-	43.4	0.3	3.3	13.8	39.1
Lowe Hospitality Investment Partners	-	-	-	-	-	-
MacFarlane Urban Real Estate Fund II	-	-	-	-	-	-
RECP Fund IV, L.P.	22.3	8.4	4.2	-	10.5	54.6
Southern California Smart Growth Fund	-	-	100.0	-	-	-
Stockbridge Real Estate Fund II	-	70.6	-	-	-	29.4
The Buchanan Fund V	85.2	14.8	-	-	-	-
Torchlight Debt Opportunity Fund II	1.0	89.6	6.7	2.4	0.1	0.2
Torchlight Debt Opportunity Fund III	11.0	55.1	3.0	20.9	5.0	4.9
Torchlight Debt Opportunity Fund IV	25.8	15.0	11.4	19.8	20.0	8.1
Tuckerman Group Residential Income & Value Added Fund	100.0	-	-	-	-	-
Walton Street Real Estate Fund V	-	-	-	2.3	38.4	59.3
Walton Street Real Estate Fund VI	4.2	12.4	-	6.4	10.0	67.1
Opportunistic	20.6	20.1	5.1	9.9	11.6	32.7
Private Portfolio	21.3	32.9	18.1	16.5	3.4	7.8
Non-Core Portfolio	16.3	26.1	10.5	18.4	8.5	18.3
Total Portfolio						
LACERS	20.2	29.7	17.6	15.5	3.3	10.7
Indices						
NFI-ODCE	24.1	36.8	15.0	20.2	0.6	3.3

Geographic Diversification (%)	North East	Mid East	East North Central	West North Central	South East	South West	Mountain	Pacific	Var-US	Ex-US
Core										
Berkshire Multifamily Income Realty Fund	5.8	9.8	11.5	-	26.2	16.2	8.6	22.0	-	-
CIM Commercial Trust Corporation ("CMCT")	4.7	36.7	-	-	-	8.6	-	49.9	-	-
CIM VI (Urban REIT), LLC	48.8	11.8	-	-	-	21.9	-	17.4	-	-
INVESCO Core Real Estate	16.2	9.1	3.7	1.3	2.7	14.1	10.8	42.1	-	-
Jamestown Premier Property Fund	47.3	21.6	-	-	2.4	-	-	28.7	-	-
JP Morgan Strategic Property Fund	23.1	7.8	4.6	0.1	6.1	16.8	2.9	38.7	-	-
Lion Industrial Trust - 2007	18.8	2.3	7.4	2.5	15.1	16.5	3.2	34.3	-	-
Prime Property Fund	21.2	8.6	9.2	2.0	12.6	8.8	3.4	34.2	-	-
Principal U.S. Property Account	15.3	8.1	4.9	2.0	9.2	15.5	9.3	35.8	-	-
Core	21.0	10.5	4.7	1.2	7.2	13.4	5.9	36.2	-	-
Timber										
Hancock Timberland XI	-	-	-	-	-	-	-	21.6	64.9	13.5
Timber	-	-	-	-	-	-	-	21.6	64.9	13.5
Value Added										
Almanac Realty Securities VI	-	-	-	-	-	-	-	-	100.0	-
Asana Partners Fund I	-	62.5	-	-	15.7	21.8	-	-	-	-
CBRE Strategic Partners IV	-	-	-	-	100.0	-	-	-	-	-
Cornerstone Enhanced Mortgage Fund I	-	-	-	-	-	-	-	-	-	-
DRA Growth and Income Fund VII	-	6.7	2.3	10.6	17.5	29.8	6.8	26.4	-	-
DRA Growth and Income Fund VIII	3.7	11.1	29.7	11.1	18.0	11.7	1.7	13.0	-	-
Gerrity Retail Fund 2	-	-	-	-	-	-	-	100.0	-	-
JP Morgan Alternative Property Fund	-	-	-	-	-	-	-	-	-	-
Mesa West Real Estate Income Fund III	19.7	-	23.0	0.9	12.7	13.0	12.7	17.9	-	-
RREEF America REIT III - 1410	-	-	-	-	-	-	-	-	-	-
Standard Life Investments European Real Estate Club II	-	-	-	-	-	-	-	-	-	100.0
The Realty Associates Fund IX, L.P.	-	11.6	14.1	-	15.2	10.3	8.2	40.7	-	-
Urdang Value Added Fund II	0.4	5.6	-	-	-	94.0	-	-	-	-
Value Added	2.8	6.0	8.3	3.9	9.2	10.7	3.1	19.4	11.9	24.6
Total Portfolio										
LACERS	17.0	8.7	4.6	1.4	7.6	10.3	4.6	29.1	10.2	6.5
Indices										
NFI-ODCE	21.6	9.6	8.0	1.4	9.3	9.6	4.9	35.6	-	-

Geographic Diversification (%)	North East	Mid East	East North Central	West North Central	South East	South West	Mountain	Pacific	Var-US	Ex-US
Opportunistic										
Apollo CPI Europe I	-	-	-	-	-	-	-	-	-	-
Bristol Value II, L.P.	38.8	-	-	-	52.3	-	8.8	-	-	-
Bryanston Retail Opportunity Fund	18.8	0.0	10.6	0.2	1.9	12.7	14.7	41.1	-	-
California Smart Growth Fund IV	-	-	-	-	-	-	-	100.0	-	-
Canyon Johnson Urban Fund II	100.0	-	-	-	-	-	-	-	-	-
CBRE Strategic Partners UK Fund III	-	-	-	-	-	-	-	-	-	-
CIM Real Estate Fund III	37.6	2.3	17.0	-	19.0	0.1	3.4	20.2	-	0.3
CityView LA Urban Fund I	-	-	-	-	-	-	-	100.0	-	-
Colony Investors VIII	0.0	-	-	-	-	-	-	15.7	-	84.3
DRA Growth and Income Fund VI	-	-	-	6.8	37.9	-	55.3	-	-	-
Genesis Workforce Housing Fund II	-	-	-	-	-	-	-	-	-	-
Integrated Capital Hospitality Fund	-	51.9	-	-	36.8	11.3	-	-	-	-
LaSalle Asia Fund II	-	-	-	-	-	-	-	-	-	-
Latin America Investors III	-	-	-	-	-	-	-	-	-	100.0
Lone Star Fund VII	-	10.4	-	-	27.6	2.3	-	-	59.2	0.5
Lone Star Real Estate Fund II	-	-	-	-	-	-	-	-	86.5	13.5
Lowe Hospitality Investment Partners	-	-	-	-	-	-	-	-	-	-
MacFarlane Urban Real Estate Fund II	-	-	-	-	-	-	-	-	-	-
RECP Fund IV, L.P.	30.8	20.7	-	-	-	1.0	0.1	22.0	-	25.4
Southern California Smart Growth Fund	-	-	-	-	-	-	-	100.0	-	-
Stockbridge Real Estate Fund II	-	-	-	-	-	-	-	100.0	-	-
The Buchanan Fund V	-	-	-	-	-	85.2	-	14.8	-	-
Torchlight Debt Opportunity Fund II	-	-	-	-	-	-	-	-	100.0	-
Torchlight Debt Opportunity Fund III	-	-	-	-	-	-	-	-	100.0	-
Torchlight Debt Opportunity Fund IV	-	-	-	-	-	-	-	-	100.0	-
Tuckerman Group Residential Income & Value Added Fund	100.0	-	-	-	-	-	-	-	-	-
Walton Street Real Estate Fund V	-	9.6	2.4	-	32.0	-	15.1	8.8	-	32.0
Walton Street Real Estate Fund VI	41.3	10.9	9.3	1.2	8.5	8.6	0.9	14.6	-	4.6
Opportunistic	19.9	7.6	2.5	0.2	9.3	3.2	3.0	19.5	22.9	12.0
Private Portfolio	18.0	9.4	5.6	1.4	8.3	11.3	5.2	30.0	5.2	5.7
Non-Core Portfolio	12.3	6.9	5.1	1.8	9.3	6.5	3.0	19.5	18.0	17.6
Total Portfolio										
LACERS	17.0	8.7	4.6	1.4	7.6	10.3	4.6	29.1	10.2	6.5
Indices										
NFI-ODCE	21.6	9.6	8.0	1.4	9.3	9.6	4.9	35.6	-	-

Advisory Disclosures and Definitions

Disclosure

Trade Secret and Confidential.

Past performance is not indicative of future results.

Investing involves risk, including the possible loss of principal.

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

The Townsend Group, on behalf of its client base, collects quarterly limited partner/client level performance data based upon inputs from the underlying investment managers. Data collection is for purposes of calculating investment level performance as well as aggregating and reporting client level total portfolio performance. Quarterly limited partner/client level performance data is collected directly¹ from the investment managers via a secure data collection site.

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

Benchmarks

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

Footnotes to Returns (2) Tab

¹ 'Broken' TWR – In a series of quarterly returns for an investment line item, a single quarter of significant volatility and/or temporary negative market value will 'break' the time weighted calculation and period returns (including since inception) must start anew in a subsequent quarter. Depending upon the timing of the break, TWRs may never accurately reflect performance of the investment line item. Line item data continues to be reflected in the sub-portfolio and portfolio totals, however for the individual line item, the internal rate of return ("IRR") becomes a more appropriate data point for evaluation.

² Liquidating investment.

Exhibit B: Real Estate Market Update



United States Real Estate Market Update (2Q17)

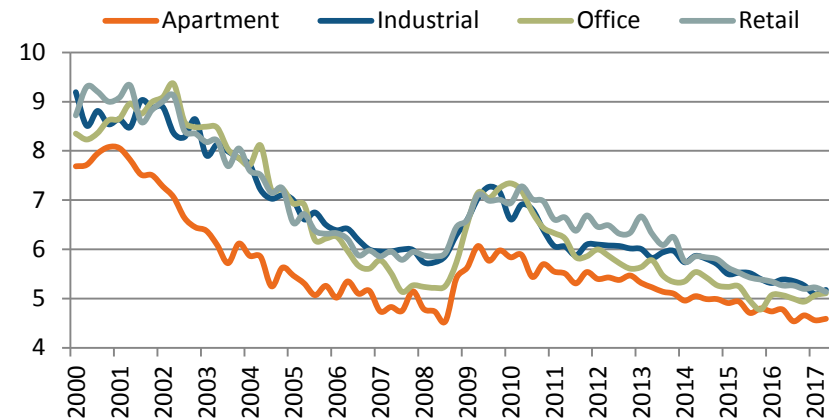
General

- The S&P 500 produced a gross total return of 3.1% during the Quarter, as market have continued to rally to new heights. Likewise, the MSCI US REIT index produced a more moderate return of 1.7%. Consumer Sentiment cooled off during the Quarter, with a final value of 95.1 in June, but remains elevated. US 10 year treasury bond yields compressed an additional 8 bps, from March 31 to June 30, to 2.3%.
- Macro indicators for U.S. real estate surpassed expectation, GDP growth for the 2nd quarter was revised up to an annualized rate of 3.0%, beating the 2.7% expected. With the conclusion of June, the economy has now experienced 81 consecutive months of job growth. Furthermore, headline inflation remained healthy at 1.9%, just shy of the fed's 2% target. The Federal reserve did not raises rates as initially expected, and now the futures market implied probabilities indicate that another rate hike is not likely until 2018.

Commercial Real Estate

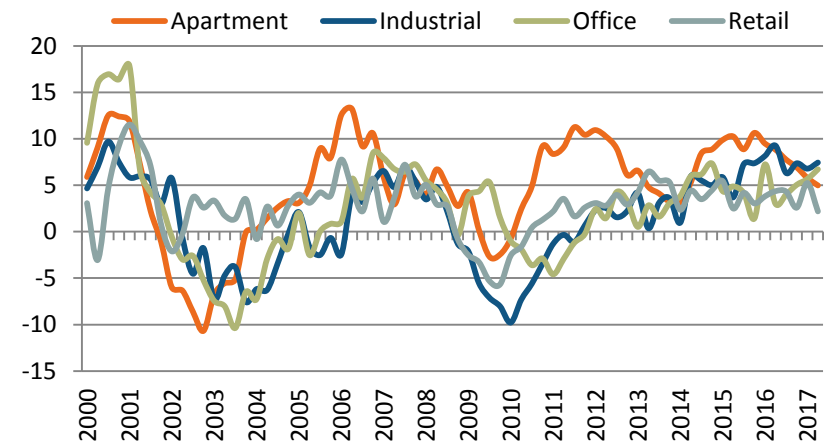
- In 2016, \$124.1bn of aggregate capital was raised by US real estate funds. During the 1st half of 2017, an additional \$56.3bn of capital was raised which represents a decline of 10% compared to the 1st half of 2016. Continuing on trend since 2012, 2017 (YTD) has witnessed the largest average fund size at \$449m thus far.
- According to RCA, deal volume dropped 8% during the 1st half of 2017 in the US compared to 2016, although capital markets remains healthy at this point. NOI Growth remains positive for all major property types tracked in the NPI, even retail despite recent negative headlines.
- Transaction cap rates (6.06%) on average remained flat during the 2nd Quarter of 2017. Multifamily, industrial and office witnessed less than 10 bps of expansion, while retail experienced 9 bps of compression.
- 10 year treasury bond yields compressed an additional 10 bps to 2.3% during the quarter and, subsequent to quarter end, have continued to decline. It appears now the pro-growth political agenda the market expected will be more difficult to achieve than initially implied by the markets reaction.

Current Value Cap Rates by Property Type



Source: NCREIF

4-Qtr Rolling NOI Growth By Property Type



Source: NCREIF

United States Property Matrix (2Q17)

INDUSTRIAL

- As of 2Q17, Industrial properties returned 3.1% and outperformed the NPI by 132 bps.
- During the quarter, net absorption was exceeded by new deliveries for the first time in seven years. However, net deliveries still lags net absorption for the first half of the year.
- A lack of investment opportunities persists, driving a continued increase in investor demand for secondary and tertiary markets. Tertiary market activity has increased 36.2% since 2014.
- First half volumes totaled \$23.8 billion, amounting to 245.0 million sqft of activity, representing year-over-year growth of 20.7%.
- The 50 bps vacancy rate decrease over the past 12 months has led to an historical low of 5.2%. A lack of supply continues to increase rental rates, reaching an all-time high of \$5.35 psf equating to 12-month rental rate growth of 9.2%.

MULTIFAMILY

- Sales volume totaled \$30.5 billion in the second quarter, compared to the \$24.8 billion the prior quarter. First half sales are down 22.3% from 2016's record setting pace of activity.
- Investors continue to shift their focus to untapped submarkets with limited exposure to construction. This shift has caused garden-style transactions to represent 70.6% of year-to-date activity, the highest level since 2009.
- Declines in primary markets transactions continues to elevate the liquidity in secondary and tertiary markets. Secondary markets comprised a two-decade record 44.6% of first half transactions.
- Annual rent growth in the second quarter was 2.5%. The pace of rent growth has now declined 190 bps year-over-year, with concessions increasing alongside recent deliveries.
- The apartment sector delivered a 1.5% return during the Quarter, underperforming the NPI by 30 bps.

OFFICE

- The Office sector returned 1.6% in 2Q17, 16 bps below the NPI.
- Year-to-date absorption in the office sector has totaled 9.9 million sqft, marking 29 consecutive quarters of positive absorption.
- Construction volumes held steady at 108.8 million sqft, remaining near the cycle high. Development and financing markets have begun to pull back, with construction starts now below the long-term quarterly average of 11.1 million sqft.
- With the market realizing increased new deliveries, year-over-year Class A vacancy has increased approximately 50 bps. The increase in deliveries has not impacted rent growth, which is up 3.2% over the past 12 months.
- Volumes recovered modestly this quarter, falling just 3.6% year-over-year, reaching \$31.5 billion. The first half of 2017 has still seen an 11.9% year-over-year decline. Investor selectivity in the market led to a forecasted volume decline of 10.0% from 2016 levels.

RETAIL

- First half retail sales volumes declined 18.7% at midyear to \$27.0 billion in transactions. Investors are returning to strong gateway markets to place capital with less risk, given the uncertainty surrounding retail.
- Transactions over \$1.0 billion accounted for 31.7% of retail volume in the first half of 2017, the highest level since 2014.
- Outside of power center vacancy softening by 62 bps year-over-year, all other retail product are experiencing vacancy declines with a 20 bps reduction over the past 12 months.
- Institutional retail investment declined 67.1% year-over-year. Private sources of capital increasingly represent a potential opportunity to divest, if sellers are willing to meet these buyers' pricing expectations.
- As of 2Q17, the retail sector delivered a quarterly return of 1.5%, performing 23 bps below the NPI.

Global Real Estate Market Update (2Q17)

Global

- Global investment activity remained stable during 2Q 2017 totaling \$153 billion, unchanged from 2Q 2016 levels. Existing political tension and uncertainties continued into the second quarter, but global markets were largely unaffected and commercial real estate investments continue to be accretive. London maintained its top global investment position, followed by New York and Los Angeles in second and third place, respectively.

Direct Commercial Real Estate Investment - Regional Volumes, 2016 - 2017

\$ US Billions	Q1 2017	Q2 2017	% Change		% Change		H1 2016	H1 2017	% Change
			Q1 17 - Q2 17	Q2 2016	Q2 16 - Q2 17	H1 2016 - H1 17			
Americas	58	64	10%	69	-7%	130	122	-6%	
EMEA	56	58	4%	56	4%	106	114	8%	
Asia Pacific	29	31	7%	28	11%	54	61	13%	
Total	143	153	7%	153	0%	290	297	2%	

Source: Jones Lang LaSalle, July 2017

Europe

- European investment increased 4% y/y in 2Q 2017 to \$58 billion. While France saw a 45% decline y/y, this was compensated for by a strong 8% annual increase by Germany. The U.K. performed well, with \$18 billion in Q2, or an increase of 18% y/y. Southern Europe posted a 58% y/y jump, with Spain and Italy being the significant contributors. Further, Greece had a large increase in investment volumes with \$400M in 2Q 2017 as compared to \$38 million in 2Q 2016. Central and Eastern Europe was down 5% y/y, mostly due to a 28% decrease by Poland. However, Russia saw a major \$1 billion hike in investment volumes resulting in a 285% y/y increase. The Nordics saw a 6% y/y increase in activity.

Asia

- Asia Pacific investment for 1H 2017 increased 13% from 1H 2016, coming in at \$60.7 billion. China was the strongest contributor with \$12.4 billion of investment volumes, or a 36% y/y increase, but activity also increased in South Korea and Japan and remained stable in Australia, Singapore, and Hong Kong. Domestic buyers dominated the Japanese market by making up 30% of total transactions, and a significant portion of demand in Australia came from offshore capital sources. Cross border investments accounted for 30% of total transaction volumes.

Global Outlook - GDP (Real) Growth % pa, 2016-2018

	2016	2017	2018
Global	3.1	3.5	3.7
Asia Pacific	5.5	5.4	5.3
Australia	2.5	2.5	2.4
China	6.7	6.6	6.1
India	7.9	6.9	7.5
Japan	1.0	1.4	1.3
North America	0.8	1.9	2.5
US	1.6	2.2	2.7
MENA*	3.2	2.5	3.7
European Union	2.0	2.2	1.9
France	1.1	1.6	1.7
Germany	1.8	2.0	1.6
UK	1.8	1.7	1.5

*Middle East North Africa

Source: Jones Lang LaSalle (Oxford Economics), July 2017

Exhibit C: Glossary



Cash Flow Statement

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

Style Groups

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

Indices

Stylized Index:	Weights the various style group participants so as to be comparable to the investor portfolio holdings for each period.
Open-End Diversified Core Equity Index (“ODCE”):	A core index that includes only open-end diversified core strategy funds with at least 95% of their investments in U.S. markets. The ODCE is the first of the NCREIF Fund Database products, created in May 2005, and is an index of investment returns reporting on both a historical and current basis (16 active vehicles). The ODCE Index is capitalization-weighted and is reported gross and net of fees. Measurement is time-weighted and includes leverage.
NCREIF Timberland Index (“NTI”):	National Index comprised of a large pool of individual timber properties owned by institutions for investment purposes.
NCREIF Property Index (“NPI”):	National Property Index comprised of core equity real estate assets owned by institutions.

Performance

Income Return (“INC”):	Net operating income net of debt service before deduction of capital items (e.g., roof replacement, renovations, etc.)
Appreciation Return (“APP”):	Increase or decrease in investment's value based on internal or third party appraisal, recognition of capital expenditures which did not add value or uncollectible accrued income, or realized gain or loss from sales.
Total Gross Return (“TGRS”):	The sum of the income return and appreciation return before adjusting for fees paid to and/or accrued by the manager.
Total Net Return (“TNET”):	Total gross return less Advisor fees reported. All fees are requested (asset management, accrued incentives, paid incentives). No fee data is verified. May not include any fees paid directly by the investor as opposed to those paid from cash flows.
Inception Returns¹:	The total net return for an investment or portfolio over the period of time the client has funds invested. Total portfolio Inception Returns may include returns from investments no longer held in the current portfolio.
Net IRR:	IRR after advisory fees, incentive and promote. This includes actual cash flows and a reversion representing the LP Net Assets at market value as of the period end reporting date.
Equity Multiple:	The ratio of Total Value to Paid-in-Capital (TVPIC). It represents the Total Return of the investment to the original investment not taking into consideration the time invested. Total Value is computed by adding the Residual Value and Distributions. It is calculated net of all investment advisory and incentive fees and promote.

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

GEOGRAPHIC REGIONS and DIVISIONS

