



TOWNSEND[®]
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Real Estate Portfolio

Performance Review

SECOND QUARTER 2018

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, 2018. A detailed performance report is also provided as **Exhibit A**.
- The System is below its 7.0% target to Real Estate as of year-end on a funded and committed basis.
- As of April 2018, LACERS increased its real estate target to 7%. This report reflects the new target.

	Market Value (\$ millions)*	% LACERS Plan*
LACERS Total Plan Assets	16,935	
Real Estate Target	1,185	7.0%
RE Market Value:		
Core	537	
Non-Core	242	
Timber	21	
Total RE Market Value	799	4.7%
Unfunded Commitments	102	0.6%
RE Market Value & Unfunded Commitments	902	5.3%
Remaining Allocation	284	1.7%

*Figures may not add due to rounding.

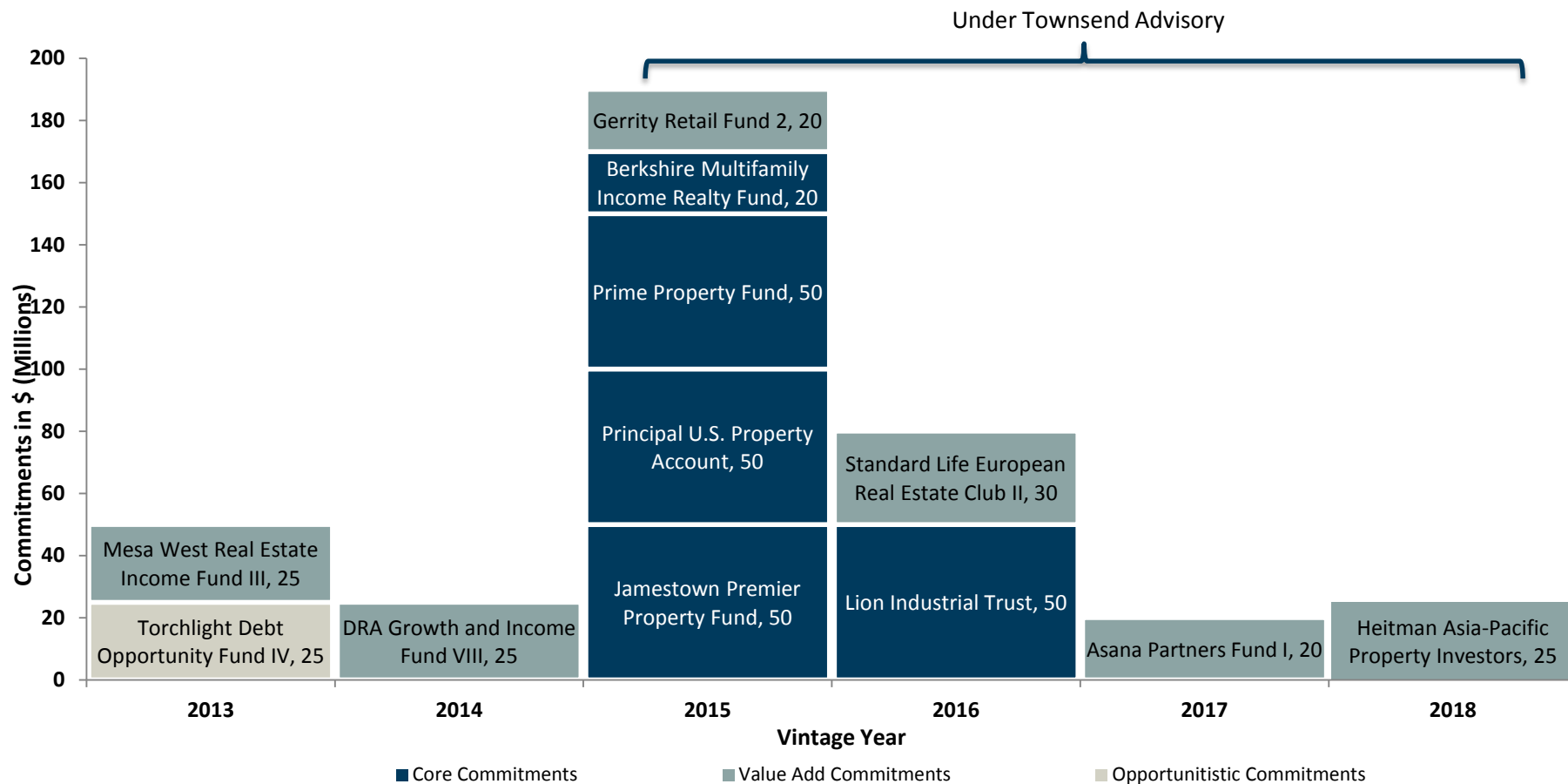
Real Estate Portfolio Composition

	<i>Strategic Targets</i>		<i>Portfolio Composition (6/30/2018)*</i>	
	Target Allocation	Tactical Range	Market Value	Market Value & Unfunded Commitments
Core	60%	40% - 80%	67.2%	59.6%
Non-Core	40%	20% - 60%	30.2%	38.1%
<i>Value Add Portfolio</i>	<i>N/A</i>	<i>N/A</i>	<i>14.6%</i>	<i>20.8%</i>
<i>Opportunistic Portfolio</i>	<i>N/A</i>	<i>N/A</i>	<i>15.6%</i>	<i>17.3%</i>
Timber	N/A	N/A	2.6%	2.3%

- 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 \$95 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.
- The Core Portfolio utilizes 25.7% leverage, measured on a loan-to-value (LTV) basis, well below the 40.0% constraint.
- The Non-Core Portfolio has a 55.2% LTV ratio, well below the 75.0% constraint.

*Figures may not add due to rounding.

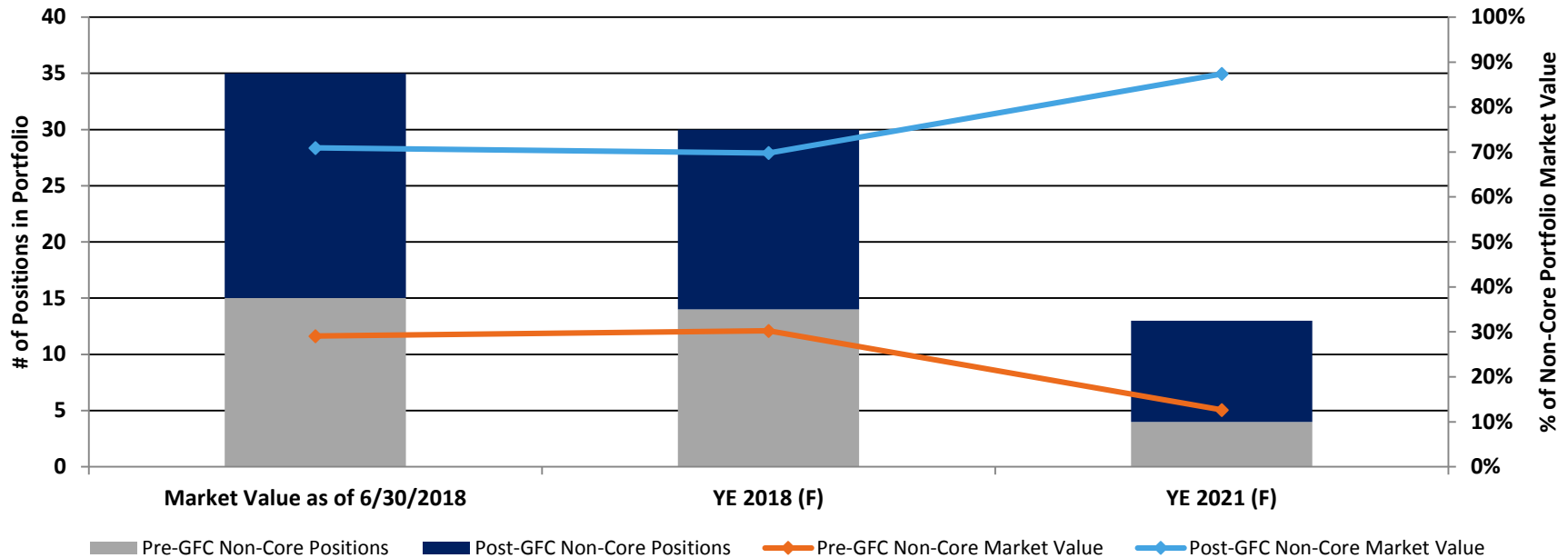
LACERS Commitment Activity – Last Five Years



- LACERS has committed \$390 million since 2013, of which \$315 million (~80%) have been Townsend-initiated activities since 2015.
- Two Non-Core commitments since 2015 (Gerrity and Asana) met LACERS Emerging Manager guidelines.
- In the Core Open-End Commingled Fund (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

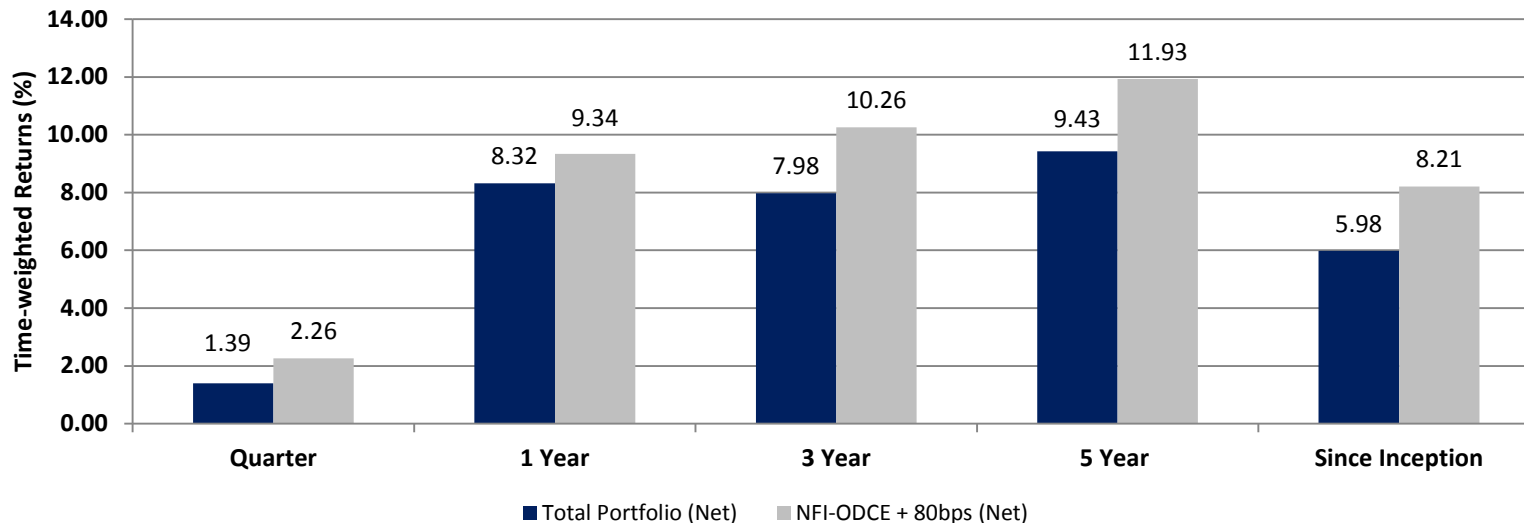
Non-Core Investments - Pre-GFC vs. Post-GFC Vintage Years



- 5 out of 35 Non-Core funds are projected to liquidate through year-end 2018, and 22 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 few years. Only 14 of the Non-Core investments made before the Global Financial Crisis are projected to remain through year-end 2018 (four through year-end 2021). As of 06/30/18, there are still 15 Pre-GFC Non-Core positions in the portfolio.
- The Non-Core Portfolio, which currently consists of 29.1% Pre-GFC investments on a market value basis, is projected to be made up of mostly Post-GFC investments by year-end 2021 (87.4% of projected market value).

Total Portfolio Performance

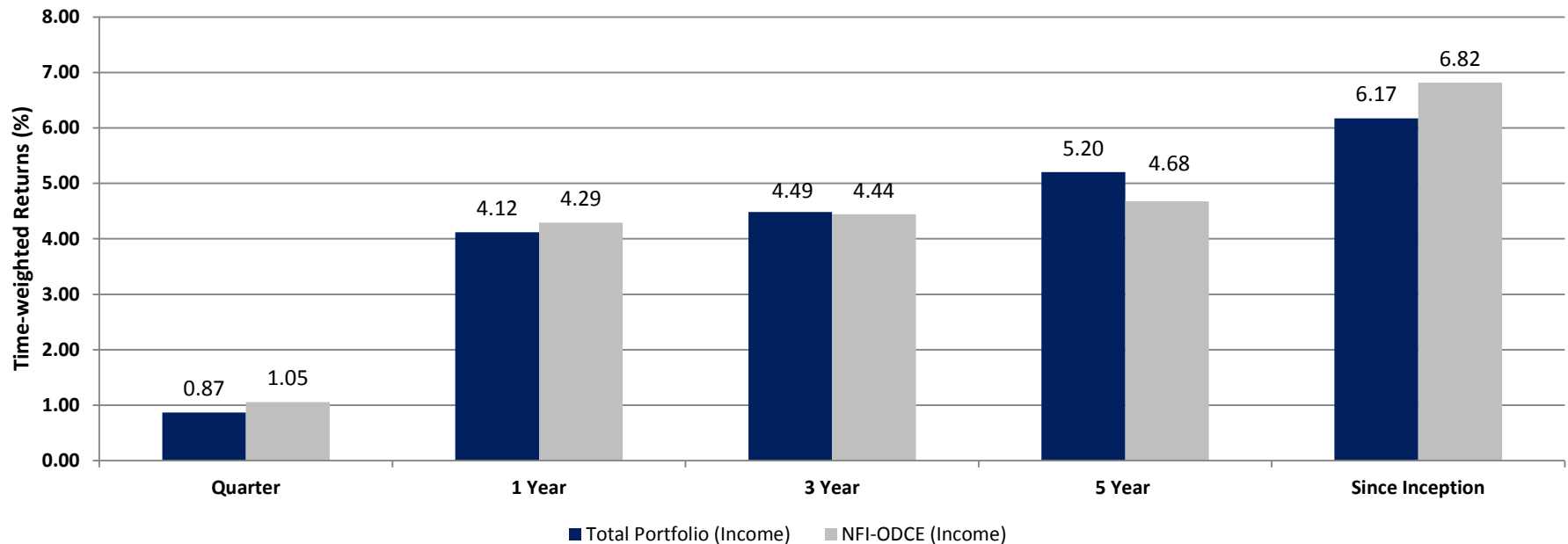
LACERS Total Real Estate Portfolio vs. NFI-ODCE + 80 bps



- The benchmark for the LACERS Total Real Estate Portfolio is the NCREIF Fund Index of Open-End Diversified Core Equity funds (NFI-ODCE) + 80 basis points (“bps”), measured over five year time periods, net of fees (defined below). LACERS has underperformed across all periods, mostly due to weak performance of Non-Core legacy funds. Improving relative performance is driven by recent investment activity.
- 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 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 (25 active vehicles), utilizing approximately 21.1% 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

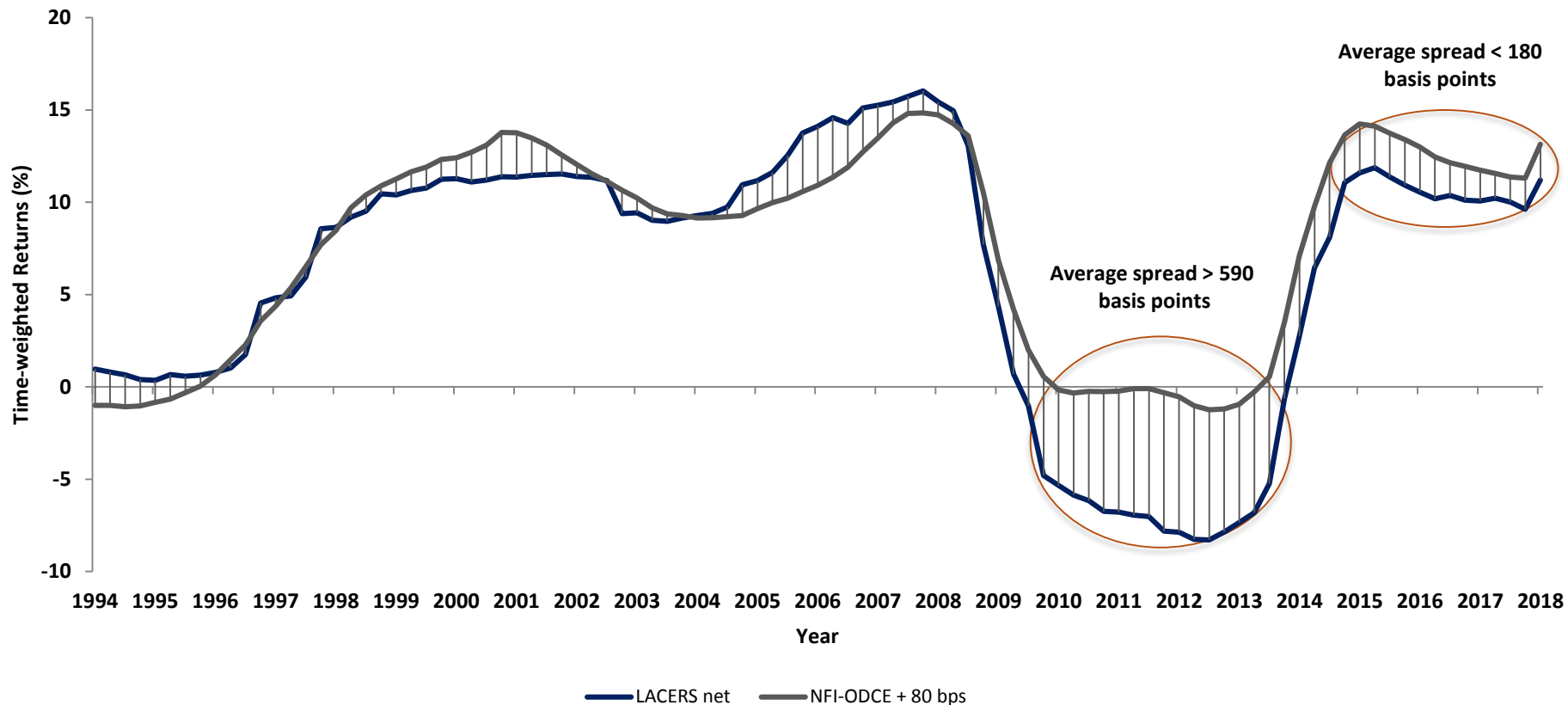
LACERS Income Return vs. NFI-ODCE



- 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 performed in line with or above the income return of the NFI-ODCE over the 3 and 5-year periods, and has underperformed over the quarter, 1-year and since inception periods. Recent underperformance on an income basis is attributable to poor absolute income performance in the Opportunistic portfolio.

Improving Relative Total Portfolio Performance

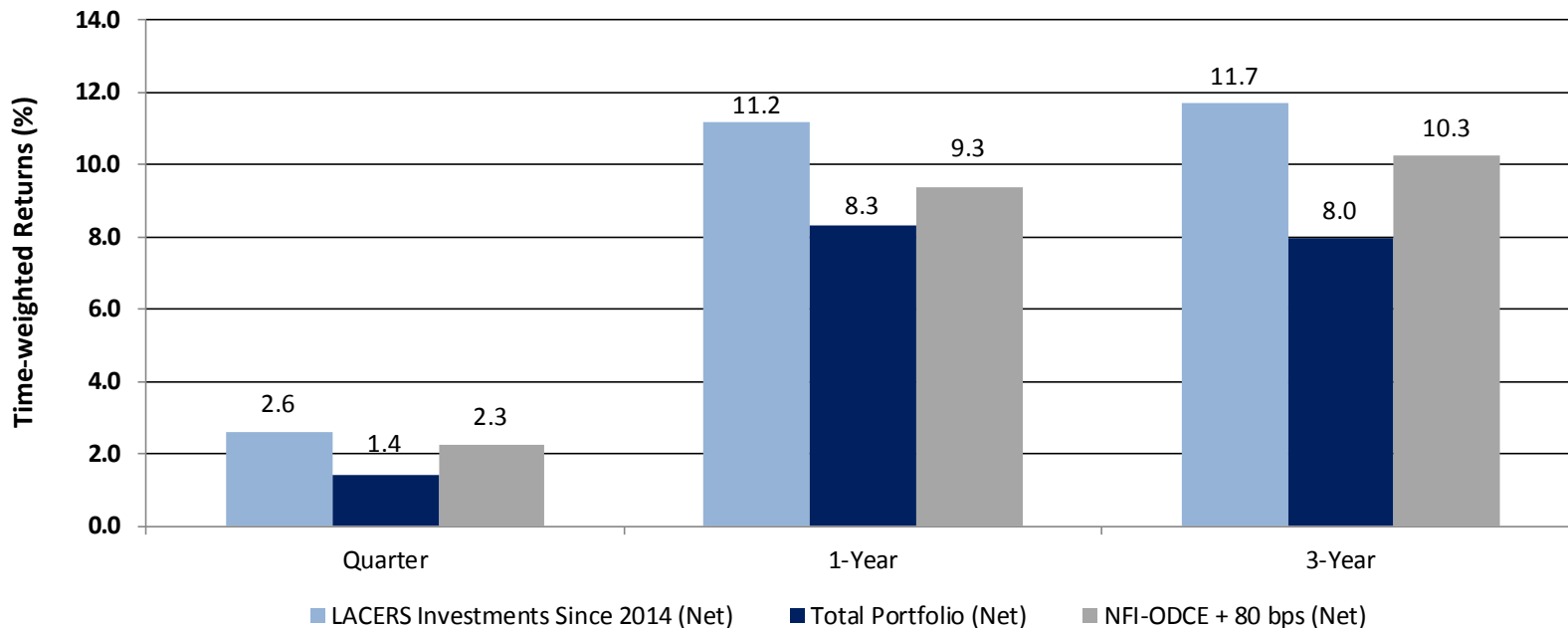
LACERS Rolling Five Year Net Returns vs. NFI-ODCE + 80 bps



- 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 on a rolling five-year basis, performance should improve as accretive investments approved since 2014 continue to fund into the Portfolio and legacy investments fully liquidate. The number of positions in the Portfolio is projected to decline by roughly 10% 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.

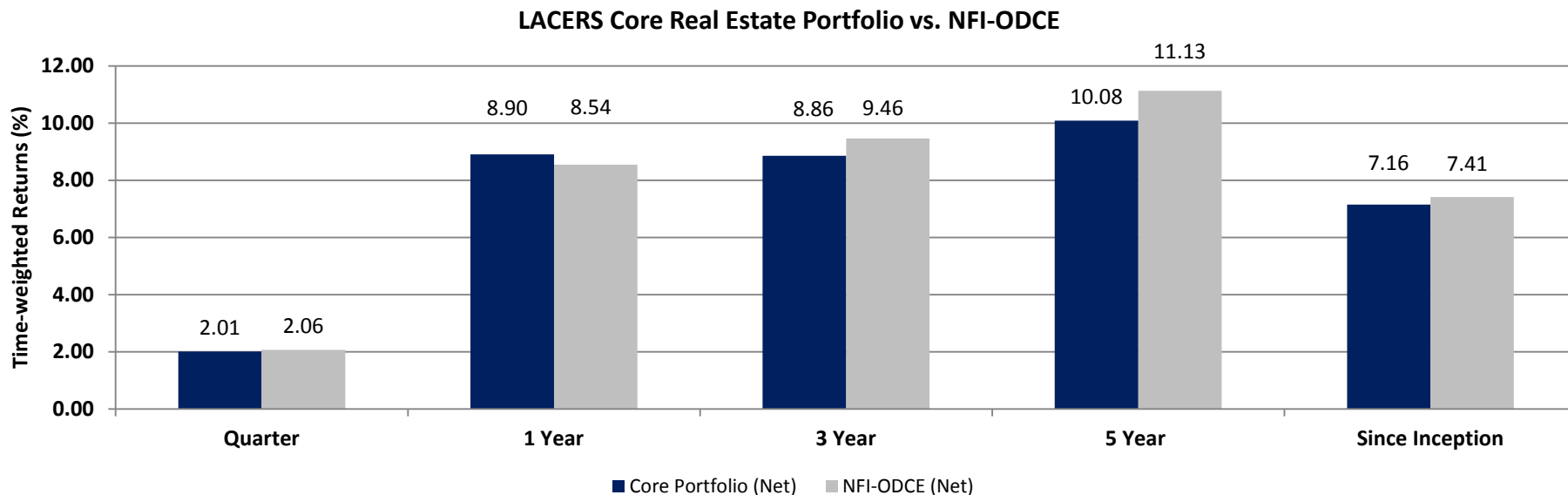
Post-GFC Investments Accretive to Performance

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 for Board recommendation. The first of these investments to call capital was Jamestown Premier Property Fund in 3Q15. Core investments include Berkshire, Jamestown, Lion Industrial Trust, Prime, and Principal. Non-Core investments include Gerrity, Standard Life, Asana, and Heitman Asia.
- Performance of Townsend-advised investments since 2014 exceeds performance of the Total Portfolio and the benchmark over the trailing quarter, 1-year and 3-year periods. These investments are expected to drive performance going forward.

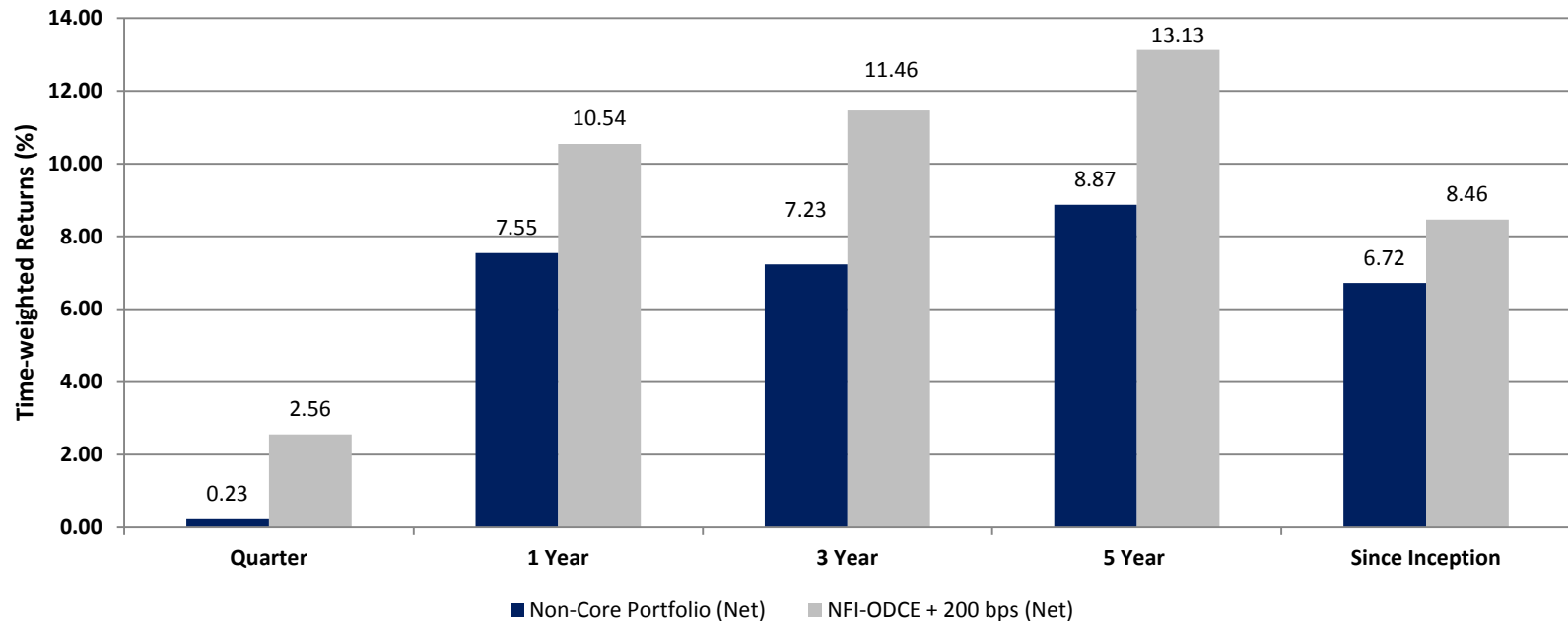
Relative Performance by Strategy: Core



- The LACERS Core benchmark is the NFI-ODCE, measured over five year time periods, net of fees.
- The Core Portfolio outperformed the benchmark over the most recent year, but underperformed across all other time periods.
- Principal U.S Property Account and Lion Industrial Trust were the largest contributors to Core performance over the Quarter, outperforming the NFI-ODCE by 22 bps and 211 bps respectively.
- Berkshire, CMCT, CIM VI, Prime Property Fund, JPM SPF and Invesco Core Real Estate lagged the NFI-ODCE, with underperformance ranging from 19 to 85 bps.
- Over the trailing year, outperformance was driven by strong returns of Lion Industrial Trust and Jamestown Premier Property Fund, which outperformed the NFI-ODCE by 550 basis points and 680 basis points respectively.

Relative Performance by Strategy: Non-Core

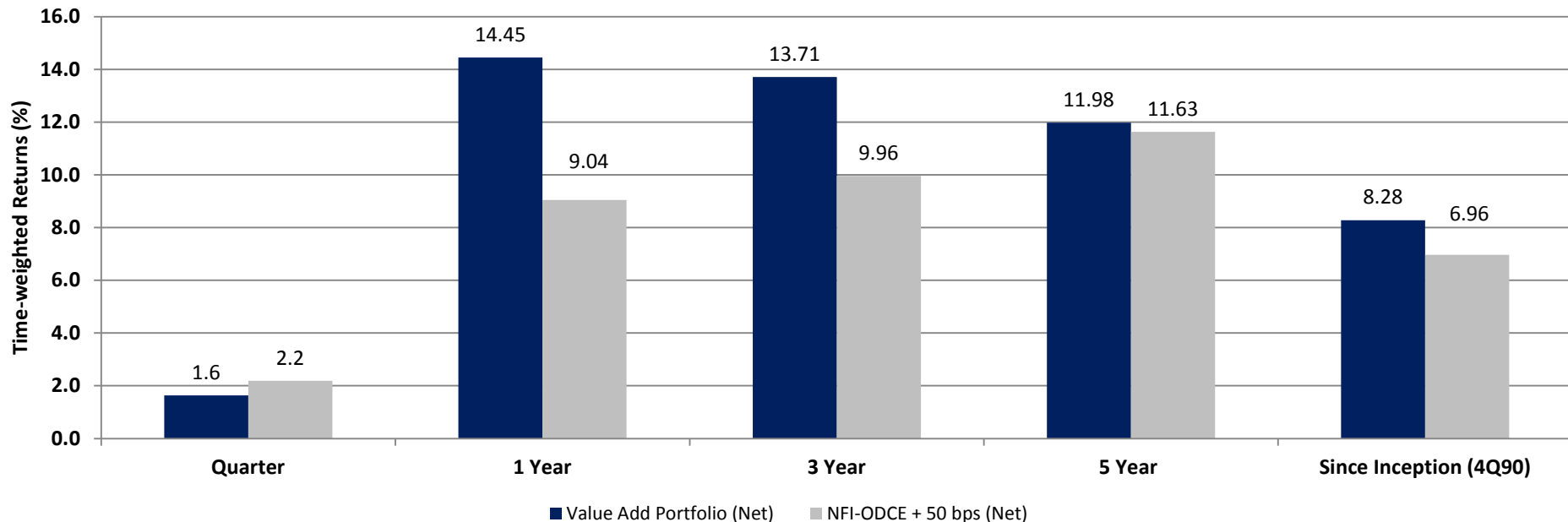
LACERS Non-Core Real Estate Portfolio vs. NFI-ODCE + 200 bps



- 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 underperformed the NFI-ODCE + 200 bps benchmark over all periods. Underperformance over longer 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 15 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.
- The Value Add Portfolio has achieved strong absolute and relative annualized returns, while the Opportunistic Portfolio has been the main reason for Non-Core underperformance. Both are discussed in more detail on the following pages.

Relative Performance by Strategy: Non-Core — Value Add

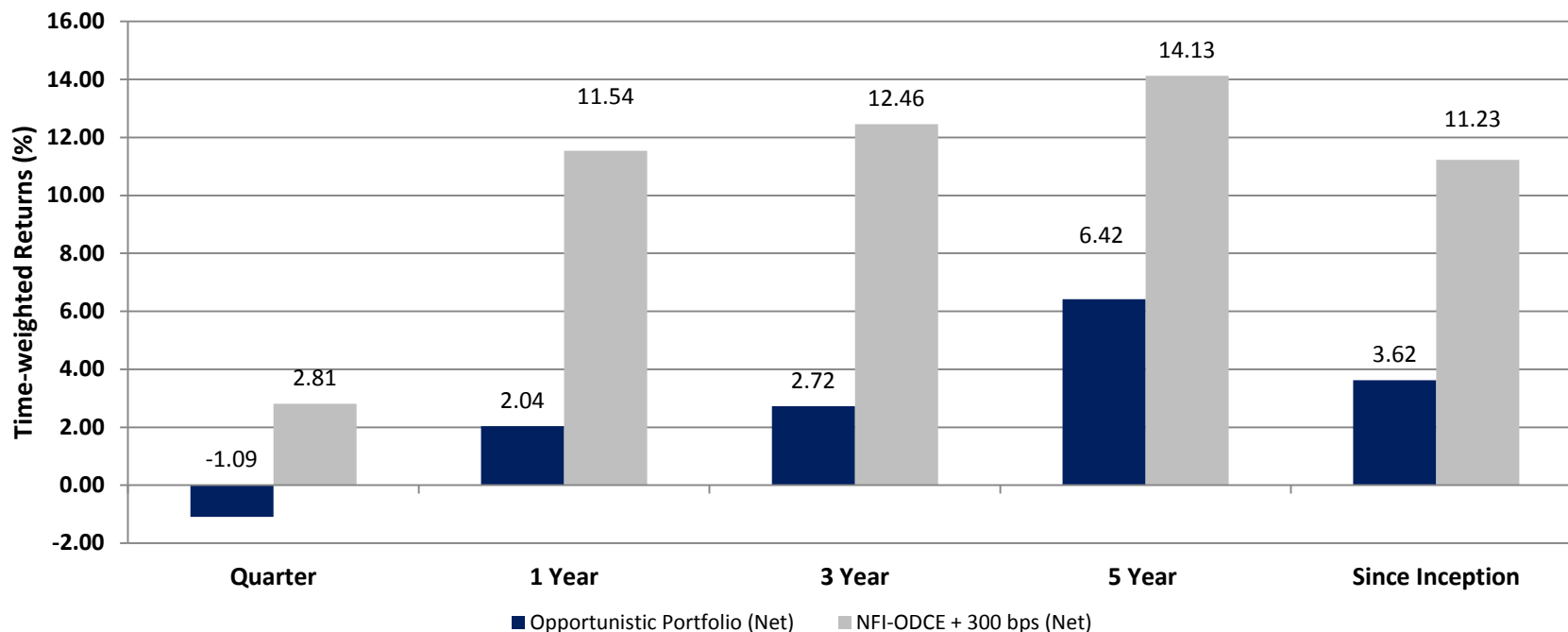
LACERS Value Add Real Estate Portfolio vs. NFI-ODCE + 50 basis points



- The LACERS Value Add benchmark is the NFI-ODCE + 50 bps, measured over five-year time periods, net of fees. The 50 bps premium is a reflection of the incremental return expected from additional risk inherent in Value Add strategies
- The Value Add Portfolio outperformed the NFI-ODCE + 50 bps benchmark over all periods except the recent quarter, with significant outperformance over the 1-year and 3-year periods.
- DRA Growth and Income Fund VII, which outperformed its benchmark by 1051 bps over the Quarter, was the strongest driver of performance. This was followed by Asana Partners Fund I, which outperformed its benchmark by 190 basis points.
- Over the trailing year, six out of eight Value Add investments outperformed the benchmark.

Relative Performance by Strategy: Non-Core — Opportunistic

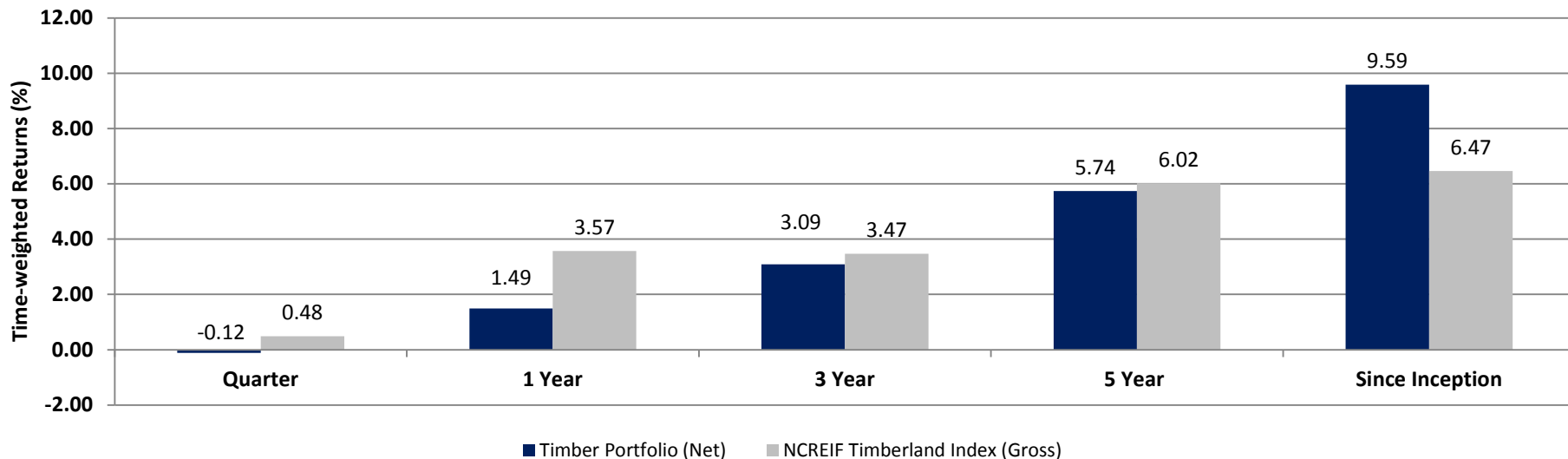
LACERS Opportunistic Portfolio vs. NFI-ODCE + 300 bps



- The LACERS Opportunistic benchmark is the NFI-ODCE + 300 bps, measured over five-year time periods, net of fees. The 300 bps premium is a reflection of the incremental return expected from additional risk inherent in Opportunistic strategies.
- The Non-Core Portfolio underperformed the NFI-ODCE + 300 bps benchmark across all time periods. Underperformance over long time periods is mostly due to legacy funds that are due to liquidate over the next few years.
- There are currently 15 Opportunistic funds in the portfolio that were committed to before the Global Financial Crisis. As these funds liquidate and approved investments are funded Opportunistic portfolio performance is expected to improve.
- The only two outperforming Opportunistic funds over the trailing year are Bristol Value II (330 basis points above benchmark) and Torchlight Debt Opportunity Fund IV (210 basis points).

Relative Performance by Strategy: Timber

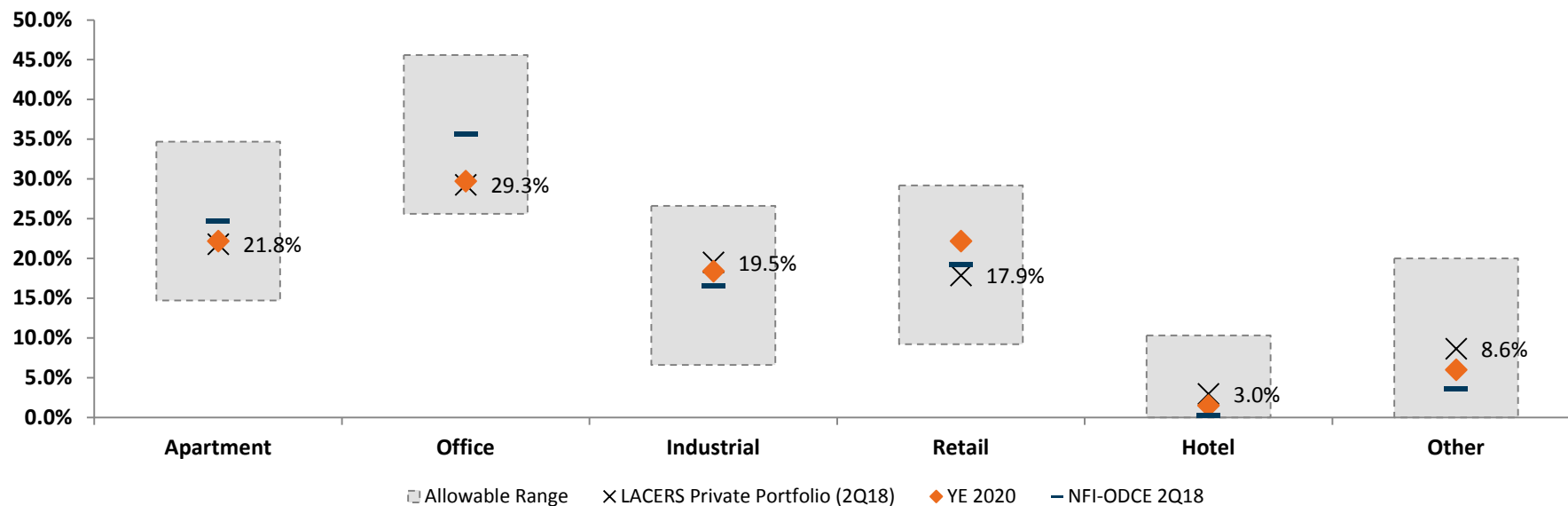
LACERS Timber Portfolio vs. NCREIF Timberland Index



- The Timber Portfolio, net of fees, underperformed its benchmark, the NCREIF Timberland Index, gross of fees, all periods except the since-inception time period.
- Outperformance over the long-term is mostly related to strong performance of Hancock ForesTree V, which was fully liquidated by year-end 2015.
- The LACERS active timberland investment is Hancock Timberland IX. The Fund's assets are located in the United States (85%, split between the South and the Northwest) and Chile (15%). The Northwest region was the strongest performing region in the NCREIF Timberland Index over the Quarter.
- Income returns for timber investments tend to be infrequent and are realized through harvest. To date, there has been no meaningful income from the fund due to limited harvest activity during a period of lower timber prices. This has impacted total returns.
- Further, 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 annualized returns.

Real Estate Portfolio Diversification

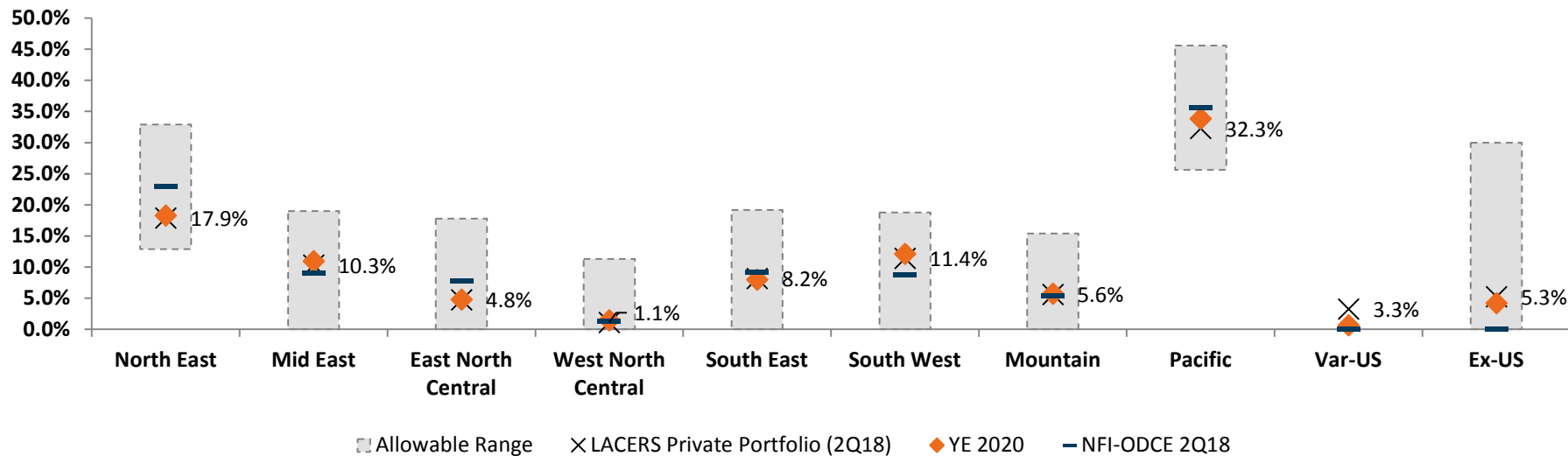
Private Real Estate Portfolio (Ex. Timber) - Property Type Diversification
2Q18 vs. Projected Year-End 2020 Exposure



- 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

Private Real Estate Portfolio (Ex. Timber) – Geographic Diversification
2Q18 vs. Projected Year-End 2020 Exposure



- 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 2020) includes all commitments approved by the Board.
- The Portfolio currently has an aggregate exposure to the Los Angeles metropolitan area of 7.9%, with a 4.1% exposure to Los Angeles City. The NFI-ODCE's exposure to the Los Angeles metropolitan area is 9.7%*.
- The 5.3% Ex-US exposure can be broken out into Europe (3.1%), Asia (1.5%), and Emerging Americas (0.8%).

*Collected by Townsend bi-annually, as of 1Q18. Based on % NAV.

Exhibit A: Performance Flash Report



Portfolio Composition (\$)								
Total Plan Assets	Allocation		Market Value		Unfunded Commitments		Remaining Allocation	
16,935,000,000	1,185,450,000	7.0%	799,496,108	4.7%	102,143,203	0.6%	283,810,689	1.7%

Performance Summary	Quarter (%)		1 Year (%)		3 Year (%)		5 Year (%)	
	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
LACERS	1.8	1.4	9.9	8.3	9.4	8.0	11.1	9.4
NFI-ODCE + 80 basis points	2.5	2.3	10.3	9.3	11.3	10.3	12.9	11.9

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	435,232,197	0	124,990,497	537,108,915	67.2	59.6
Non-Core Portfolio	1990	813,539,229	782,892,787	102,143,203	664,781,748	241,811,795	30.2	38.1
Value Added Portfolio	1990	258,531,885	201,217,692	70,563,479	149,281,268	116,993,524	14.6	20.8
Opportunistic Portfolio	1996	555,007,343	581,675,096	31,579,724	515,500,480	124,818,271	15.6	17.3
Timber Portfolio	1999	20,000,000	18,601,851	0	1,452,514	20,575,398	2.6	2.3
Total Current Portfolio								
LACERS	1989	1,212,406,782	1,236,726,835	102,143,203	791,224,759	799,496,108	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	1,781,377	24,316,715	3.0	2.7
CIM Commercial Trust Corporation ("CMCT")	2014	40,000,000	46,417,723	0	33,020,792	22,845,515	2.9	2.5
CIM VI (Urban REIT), LLC	2012	25,000,000	25,000,000	0	4,454,149	30,400,045	3.8	3.4
INVESCO Core Real Estate	2004	63,867,553	111,675,174	0	52,875,110	170,440,831	21.3	18.9
Jamestown Premier Property Fund	2015	50,000,000	50,683,380	0	20,913,139	41,424,732	5.2	4.6
JP Morgan Strategic Property Fund	2005	30,000,000	30,421,882	0	2,858,499	66,793,401	8.4	7.4
Lion Industrial Trust - 2007	2016	50,000,000	51,034,038	0	4,208,889	63,646,543	8.0	7.1
Prime Property Fund	2015	50,000,000	50,000,000	0	4,878,542	55,596,270	7.0	6.2
Principal U.S. Property Account	2015	50,000,000	50,000,000	0	0	61,644,863	7.7	6.8
Core	1989	378,867,553	435,232,197	0	124,990,497	537,108,915	67.2	59.6
Timber								
Hancock Timberland XI	2012	20,000,000	18,601,851	0	1,452,514	20,575,398	2.6	2.3
Timber	1999	20,000,000	18,601,851	0	1,452,514	20,575,398	2.6	2.3
Value Added								
Almanac Realty Securities VI	2012	25,000,000	15,475,571	3,750,000	12,813,497	9,032,488	1.1	1.4
Asana Partners Fund I	2017	20,000,000	12,210,965	7,789,035	0	13,828,163	1.7	2.4
Cornerstone Enhanced Mortgage Fund I	2012	25,000,000	13,436,224	11,563,777	16,068,028	1,235,915	0.2	1.4
DRA Growth and Income Fund VII	2011	25,000,000	26,640,000	0	32,610,067	20,574,759	2.6	2.3
DRA Growth and Income Fund VIII	2014	25,000,000	28,187,182	1,907,407	13,388,786	21,682,633	2.7	2.6
Gerrity Retail Fund 2	2015	20,000,000	14,881,768	5,196,086	2,338,894	15,390,775	1.9	2.3
Heitman Asia-Pacific Property Investors	2018	25,000,000	3,312,391	21,687,609	0	2,874,831	0.4	2.7
JP Morgan Alternative Property Fund	2006	25,000,000	25,000,000	0	18,465,738	240,457	0.0	0.0
Mesa West Real Estate Income Fund III	2013	25,000,000	18,939,181	17,371,586	14,993,086	8,919,638	1.1	2.9
Standard Life Investments European Real Estate Club II	2015	28,531,885	28,134,410	1,297,980	14,648,383	23,121,701	2.9	2.7
The Realty Associates Fund IX, L.P.	2010	15,000,000	15,000,000	0	23,954,790	92,165	0.0	0.0
Value Added	1990	258,531,885	201,217,692	70,563,480	149,281,269	116,993,525	14.6	20.8
Total Current Portfolio								
LACERS	1989	1,212,406,781	1,236,726,837	102,143,204	791,224,759	799,496,108	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	1,737,906	11,493,929	590,915	0.1	0.3
Bristol Value II, L.P.	2012	20,000,000	19,161,959	6,868,354	10,559,560	12,597,264	1.6	2.2
Bryanston Retail Opportunity Fund	2005	10,000,000	4,271,584	5,885,919	9,569,780	3,390,050	0.4	1.0
California Smart Growth Fund IV	2006	30,000,000	31,522,663	33,153	32,287,426	4,237,293	0.5	0.5
Canyon Johnson Urban Fund II	2005	10,000,000	8,988,718	1,011,296	3,974,652	34,454	0.0	0.1
CIM Real Estate Fund III	2007	15,000,000	16,763,475	0	20,587,454	7,907,410	1.0	0.9
CityView LA Urban Fund I	2007	25,000,000	61,482,527	2,271,500	73,592,830	237,874	0.0	0.3
Colony Investors VIII	2007	30,000,000	28,963,224	1,023,167	12,378,404	656,577	0.1	0.2
DRA Growth and Income Fund VI	2007	25,000,000	16,788,945	0	26,505,778	1,798,993	0.2	0.2
Genesis Workforce Housing Fund II	2006	20,000,000	19,999,316	0	29,103,609	-44,621	0.0	0.0
Integrated Capital Hospitality Fund	2009	10,000,000	6,006,797	798,641	2,728,129	3,726,731	0.5	0.5
LaSalle Asia Fund II	2005	25,000,000	24,016,560	0	25,752,817	231,098	0.0	0.0
Latin America Investors III	2008	20,000,000	20,686,689	0	3,886,924	3,314,707	0.4	0.4
Lone Star Fund VII	2011	15,000,000	14,075,468	924,533	24,557,560	173,417	0.0	0.1
Lone Star Real Estate Fund II	2011	15,000,000	13,291,475	1,708,525	19,636,185	917,262	0.1	0.3
RECP Fund IV, L.P.	2008	40,000,000	50,130,393	2,363,121	24,696,706	36,053,653	4.5	4.3
Southern California Smart Growth Fund	2004	10,000,000	18,836,734	68,213	16,800,333	1,012,470	0.1	0.1
Stockbridge Real Estate Fund II	2006	30,000,000	30,000,000	0	4,049,560	10,405,324	1.3	1.2
The Buchanan Fund V	2007	30,000,000	27,000,000	3,000,000	23,214,697	2,743,550	0.3	0.6
Torchlight Debt Opportunity Fund II	2007	25,000,000	24,703,453	0	19,833,931	1,810,127	0.2	0.2
Torchlight Debt Opportunity Fund III	2009	25,000,000	24,890,796	0	37,974,798	154,225	0.0	0.0
Torchlight Debt Opportunity Fund IV	2013	24,474,342	24,483,106	0	18,976,275	15,684,655	2.0	1.7
Tuckerman Group Residential Income & Value Added Fund	2004	25,000,000	26,064,010	0	25,409,679	916,876	0.1	0.1
Walton Street Real Estate Fund V	2006	25,000,000	25,000,001	0	13,999,328	5,998,709	0.8	0.7
Walton Street Real Estate Fund VI	2009	25,000,000	22,161,966	3,885,396	23,930,135	10,269,257	1.3	1.6
Opportunistic	1996	555,007,343	581,675,097	31,579,724	515,500,479	124,818,270	15.6	17.3
Private Real Estate Portfolio Only (ex. Timber)	1989	1,192,406,781	1,218,124,986	102,143,204	789,772,245	778,920,710	97.4	97.7
Non-Core Portfolio	1990	813,539,228	782,892,789	102,143,204	664,781,748	241,811,795	30.2	38.1
Total Current Portfolio								
LACERS	1989	1,212,406,781	1,236,726,837	102,143,204	791,224,759	799,496,108	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	24,316,715	1.0	0.4	1.5	1.3	4.3	2.9	7.3	6.7				
CIM Commercial Trust Corporation ("CMCT") ¹	22,845,515	0.5	0.7	1.2	1.2	2.2	5.4	7.7	7.7	2.7	1.1	3.9	3.9
CIM VI (Urban REIT), LLC	30,400,045	1.0	0.5	1.5	1.2	3.9	0.9	4.8	3.3	4.0	2.8	6.9	5.6
INVESCO Core Real Estate	170,440,831	1.0	0.9	1.9	1.8	3.7	4.5	8.3	7.9	3.8	5.3	9.2	8.9
Jamestown Premier Property Fund	41,424,732	0.9	1.2	2.1	1.8	4.3	15.2	20.0	15.3	4.5	8.6	13.4	10.5
JP Morgan Strategic Property Fund	66,793,401	1.0	1.0	1.9	1.7	4.1	3.7	7.9	6.9	4.4	4.4	8.9	7.9
Lion Industrial Trust - 2007	63,646,543	1.2	3.6	4.8	4.1	5.3	10.7	16.4	14.0				
Prime Property Fund	55,596,270	1.0	1.1	2.1	1.8	4.0	5.3	9.4	8.4				
Principal U.S. Property Account	61,644,863	1.2	1.3	2.5	2.2	4.7	4.4	9.3	8.3				
Core	537,108,915	1.0	1.3	2.2	2.0	4.1	5.9	10.2	8.9	4.2	5.5	9.9	8.9
Timber													
Hancock Timberland XI	20,575,398	0.1	0.0	0.1	-0.1	0.4	2.0	2.4	1.5	-0.2	4.2	4.0	3.1
Timber	20,575,398	0.1	0.0	0.1	-0.1	0.4	2.0	2.4	1.5	-0.2	4.2	4.0	3.1
Value Added													
Almanac Realty Securities VI	9,032,488	1.5	0.6	2.1	1.9	7.5	-6.5	0.7	-0.1	7.2	6.3	13.8	12.9
Asana Partners Fund I	13,828,163	-0.1	5.6	5.6	4.0	0.1	29.7	29.8	20.2				
Cornerstone Enhanced Mortgage Fund I	1,235,915	1.1	0.0	1.1	1.0	6.1	0.0	6.1	5.4	8.7	0.0	8.7	7.5
DRA Growth and Income Fund VII	20,574,759	2.1	12.6	14.7	12.2	10.7	37.5	51.0	41.9	10.6	25.3	37.8	30.9
DRA Growth and Income Fund VIII	21,682,633	2.5	0.8	3.4	2.7	10.7	3.2	14.1	11.6	12.3	2.5	15.0	12.2
Gerrity Retail Fund 2	15,390,775	1.5	2.2	3.7	3.2	8.0	3.2	11.4	9.3				
Heitman Asia-Pacific Property Investors	2,874,831												
JP Morgan Alternative Property Fund ⁴	240,457	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mesa West Real Estate Income Fund III	8,919,638	3.4	0.0	3.4	2.9	13.8	0.0	13.8	11.2	12.5	-0.3	12.2	9.7
Standard Life Investments European Real Estate Club II	23,121,701	-1.0	-4.6	-5.5	-5.7	2.0	13.0	15.0	14.1				
The Realty Associates Fund IX, L.P. ⁴	92,165	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Value Added	116,993,525	1.0	1.4	2.4	1.6	6.9	10.1	17.5	14.5	7.6	8.4	16.4	13.7
Total Portfolio													
LACERS	799,496,108	0.9	0.9	1.8	1.4	4.1	5.6	9.9	8.3	4.5	4.8	9.4	8.0
Indices													
NFI-ODCE (Core)				2.3	2.1			9.5	8.5			10.5	9.5
NFI-ODCE + 80 bps (Total Portfolio)				2.5	2.3			10.3	9.3			11.3	10.3
NFI-ODCE + 200 bps (Non-Core Portfolio)				2.8	2.6			11.5	10.5			12.5	11.5
NFI -ODCE + 50 bps (Value Add)				2.4	2.2			10.0	9.0			11.0	10.0
NFI -ODCE + 300 bps (Opportunistic)				3.1	2.8			12.5	11.5			13.5	12.5
NCREIF Timberland Property Index "NTI"		0.8	-0.3	0.5		3.1	0.4	3.6		2.8	0.7	3.5	

* 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 6.3% 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 Negative Market Value represents fees owed to the manager. No capital had been called as of quarter-end.

⁴ Liquidating investment. Time-weighted returns are excluded as they are no longer meaningful.

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	24,316,715					4.3	3.5	7.9	7.1	1Q16	11.0	1.3
CIM Commercial Trust Corporation ("CMCT") ¹	22,845,515					3.1	2.0	5.2	5.2	1Q14	5.2	1.2
CIM VI (Urban REIT), LLC	30,400,045	4.0	4.4	8.6	7.2	3.8	5.8	9.8	8.4	3Q12	7.5	1.4
INVESCO Core Real Estate	170,440,831	4.1	6.6	11.0	10.6	5.2	3.0	8.3	7.8	4Q04	7.8	2.0
Jamestown Premier Property Fund	41,424,732					4.5	8.6	13.4	10.5	3Q15	10.5	1.2
JP Morgan Strategic Property Fund	66,793,401	4.8	5.8	10.8	9.8	5.3	2.3	7.7	6.7	4Q05	6.9	2.3
Lion Industrial Trust - 2007	63,646,543					5.5	9.7	15.5	13.3	1Q16	13.3	1.3
Prime Property Fund	55,596,270					4.2	5.6	9.9	8.8	1Q16	8.8	1.2
Principal U.S. Property Account	61,644,863					4.8	4.8	9.8	8.8	4Q15	8.8	1.2
Core	537,108,915	4.3	6.4	10.9	10.1	6.4	1.6	8.1	7.2	1Q89	5.9	1.4
Timber												
Hancock Timberland XI	20,575,398	-0.4	6.1	5.7	4.8	-0.5	6.0	5.5	4.7	2Q12	4.1	1.2
Timber	20,575,398	2.1	5.0	7.5	5.7	5.0	5.6	11.0	9.6	4Q99	10.0	1.7
Value Added												
Almanac Realty Securities VI	9,032,488	7.5	6.9	14.7	13.0	8.5	6.9	15.8	13.7	1Q13	14.2	1.4
Asana Partners Fund I	13,828,163					0.9	24.3	25.3	16.0	2Q17	18.7	1.1
Cornerstone Enhanced Mortgage Fund I	1,235,915	9.7	-0.7	8.9	7.4	10.9	1.2	12.1	10.5	4Q12	9.3	1.3
DRA Growth and Income Fund VII	20,574,759	11.6	17.1	30.2	24.5	12.3	13.8	27.4	22.3	1Q12	20.8	2.0
DRA Growth and Income Fund VIII	21,682,633					12.5	1.9	14.6	11.7	4Q14	12.0	1.2
Gerrity Retail Fund 2	15,390,775					8.8	4.9	14.1	11.1	4Q15	9.2	1.2
Heitman Asia-Pacific Property Investors	2,874,831									3Q18		
JP Morgan Alternative Property Fund ⁴	240,457	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1Q06	-4.2	0.7
Mesa West Real Estate Income Fund III	8,919,638					12.5	0.1	12.7	9.0	4Q13	8.5	1.3
Standard Life Investments European Real Estate Club II	23,121,701					1.3	14.0	15.4	14.4	1Q16	16.0	1.3
The Realty Associates Fund IX, L.P. ⁴	92,165	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q10	10.4	1.6
Value Added	116,993,525	7.8	6.2	14.4	12.0	7.6	2.4	10.2	8.3	4Q90		
Total Portfolio												
LACERS	799,496,108	5.2	5.6	11.1	9.4	6.2	1.4	7.7	6.0	1Q89		
Indices												
NFI-ODCE (Core)				12.1	11.1			8.4	7.4	1Q89		
NFI-ODCE + 80 bps (Total Portfolio)				12.9	11.9			9.2	8.2	1Q89		
NFI-ODCE + 200 bps (Non-Core Portfolio)				14.1	13.1			9.5	8.5	4Q90		
NFI -ODCE + 50 bps (Value Add)				12.6	11.6			8.0	7.0	4Q90		
NFI -ODCE + 300 bps (Opportunistic)				15.1	14.1			12.3	11.2	4Q96		
NCREIF Timberland Property Index "NTI"		2.8	3.2	6.0		3.3	3.1	6.5		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 6.3% net IRR and 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 Negative Market Value represents fees owed to the manager. No capital had been called as of quarter-end.

⁴ Liquidating investment. Time-weighted returns are excluded as they are no longer meaningful.

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	590,915	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bristol Value II, L.P.	12,597,264	0.7	0.0	0.7	0.3	1.8	14.6	16.6	14.8	2.7	8.6	11.5	9.7
Bryanston Retail Opportunity Fund	3,390,050	0.0	0.0	0.0	-0.2	-0.1	-23.2	-23.3	-23.6	-0.2	21.5	21.3	20.8
California Smart Growth Fund IV	4,237,293	0.0	-1.3	-1.2	-1.2	0.9	2.6	3.6	2.3	3.7	7.4	11.3	10.5
Canyon Johnson Urban Fund II ¹	34,454	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CIM Real Estate Fund III ²	7,907,410	-1.6	3.6	2.0	1.7	4.8	1.7	7.2	5.8	8.5	-3.2	7.0	5.5
CityView LA Urban Fund I ¹	237,874	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Colony Investors VIII ¹	656,577	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DRA Growth and Income Fund VI	1,798,993	-2.4	0.0	-2.4	-2.8	-2.2	0.4	-1.9	-3.7	2.2	5.0	7.3	4.6
Genesis Workforce Housing Fund II ¹	-44,621	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Integrated Capital Hospitality Fund	3,726,731	-1.2	-3.6	-4.8	-5.2	-9.3	-14.6	-23.8	-24.9	-9.7	-14.4	-24.6	-25.4
LaSalle Asia Fund II ¹	231,098	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Latin America Investors III	3,314,707	0.0	-30.3	-30.4	-31.4	-1.5	-44.0	-44.9	-47.3	-3.1	-26.8	-29.1	-31.5
Lone Star Fund VII ¹	173,417	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lone Star Real Estate Fund II	917,262	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RECP Fund IV, L.P.	36,053,653	0.1	-1.5	-1.5	-1.5	2.9	6.4	9.5	8.2	2.0	6.3	8.4	6.6
Southern California Smart Growth Fund ²	1,012,470	0.0	0.0	0.0	0.0	1.1	0.0	1.1	1.1	11.7	0.5	12.2	11.7
Stockbridge Real Estate Fund II	10,405,324	0.1	0.6	0.7	0.6	0.7	8.8	9.4	9.1	0.2	5.2	5.4	4.6
The Buchanan Fund V	2,743,550	-0.2	2.5	2.3	2.0	2.5	-0.1	2.4	1.3	2.3	5.5	7.9	6.8
Torchlight Debt Opportunity Fund II	1,810,127	0.2	-0.4	-0.2	-0.3	0.4	-4.2	-3.8	-4.0	3.3	-1.1	2.1	1.9
Torchlight Debt Opportunity Fund III ¹	154,225	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Torchlight Debt Opportunity Fund IV	15,684,655	2.0	4.4	6.4	4.1	9.1	10.3	20.2	13.6	9.5	4.5	14.2	10.9
Tuckerman Group Residential Income & Value Added Fund ¹	916,876	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Walton Street Real Estate Fund V	5,998,709	0.3	-1.6	-1.3	-1.5	1.8	-4.0	-2.2	-2.7	3.5	-2.0	1.4	0.4
Walton Street Real Estate Fund VI	10,269,257	1.8	0.7	2.5	2.2	3.2	7.1	10.6	9.3	2.8	2.1	4.9	3.7
Opportunistic	124,818,270	0.3	-0.9	-0.6	-1.1	2.5	1.2	3.8	2.0	3.3	1.0	4.4	2.7
Private Real Estate Portfolio Only (ex. Timber)	778,920,710	0.9	0.9	1.8	1.4	4.2	5.7	10.1	8.5	4.6	4.8	9.5	8.1
Non-Core Portfolio	241,811,795	0.7	0.2	0.9	0.2	4.5	5.2	9.9	7.5	5.1	4.1	9.3	7.2
Total Portfolio													
LACERS	799,496,108	0.9	0.9	1.8	1.4	4.1	5.6	9.9	8.3	4.5	4.8	9.4	8.0
Indices													
NFI-ODCE (Core)				2.3	2.1			9.5	8.5			10.5	9.5
NFI-ODCE + 80 bps (Total Portfolio)				2.5	2.3			10.3	9.3			11.3	10.3
NFI-ODCE + 200 bps (Non-Core Portfolio)				2.8	2.6			11.5	10.5			12.5	11.5
NFI-ODCE + 50 bps (Value Add)				2.4	2.2			10.0	9.0			11.0	10.0
NFI-ODCE + 300 bps (Opportunistic)				3.1	2.8			12.5	11.5			13.5	12.5
NCREIF Timberland Property Index "NTI"		0.8	-0.3	0.5		3.1	0.4	3.6		2.8	0.7	3.5	

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

¹ Liquidating investment. Time-weighted returns are excluded as they are no longer meaningful.

² Broken time-weighted return since inception

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	590,915	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4Q06	-9.2	0.5
Bristol Value II, L.P.	12,597,264	3.0	12.6	16.0	14.0	3.3	11.4	15.0	13.1	1Q13	11.1	1.2
Bryanston Retail Opportunity Fund	3,390,050	1.5	23.6	25.3	24.2	7.8	22.0	29.1	25.7	2Q05	79.7	3.0
California Smart Growth Fund IV	4,237,293	3.6	9.0	12.8	11.8	2.4	-0.1	2.2	-0.1	1Q07	2.5	1.2
Canyon Johnson Urban Fund II ¹	34,454	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q05	-10.5	0.4
CIM Real Estate Fund III ²	7,907,410	6.4	1.5	9.1	7.8	N/A	N/A	N/A	N/A	1Q09	10.4	1.7
CityView LA Urban Fund I ¹	237,874	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q07	11.8	1.2
Colony Investors VIII ¹	656,577	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4Q07	-11.5	0.5
DRA Growth and Income Fund VI	1,798,993	4.5	12.2	17.1	12.0	7.5	4.1	11.9	7.5	2Q08	10.9	1.7
Genesis Workforce Housing Fund II ¹	-44,621	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2Q07	8.7	1.5
Integrated Capital Hospitality Fund	3,726,731	-2.3	-5.5	-9.1	-10.0	5.5	1.2	4.2	2.2	3Q11	2.5	1.1
LaSalle Asia Fund II ¹	231,098	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4Q05	1.8	1.1
Latin America Investors III	3,314,707	-2.0	-16.7	-18.4	-21.5	-3.2	-12.7	-15.7	-19.3	1Q09	-18.9	0.4
Lone Star Fund VII ¹	173,417	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q11	50.3	1.8
Lone Star Real Estate Fund II	917,262	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q11	26.7	1.5
RECP Fund IV, L.P.	36,053,653	2.0	6.4	8.4	6.6	3.5	-6.8	-3.5	-7.5	4Q08	4.2	1.2
Southern California Smart Growth Fund ²	1,012,470	9.3	7.5	17.6	16.3	N/A	N/A	N/A	N/A	1Q05	-2.0	0.9
Stockbridge Real Estate Fund II	10,405,324	-0.3	16.1	15.8	14.6	-9.7	-9.7	-18.3	-20.6	4Q06	-7.9	0.5
The Buchanan Fund V	2,743,550	3.8	7.7	11.7	10.5	-1.8	1.3	-0.6	-2.3	3Q07	-0.7	1.0
Torchlight Debt Opportunity Fund II	1,810,127	3.9	0.9	4.8	4.3	12.1	-9.2	2.5	0.9	1Q08	-1.8	0.9
Torchlight Debt Opportunity Fund III ¹	154,225	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q09	13.7	1.5
Torchlight Debt Opportunity Fund IV	15,684,655					9.8	4.4	14.6	11.0	4Q13	10.4	1.4
Tuckerman Group Residential Income & Value Added Fund ¹	916,876	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4Q04	0.1	1.0
Walton Street Real Estate Fund V	5,998,709	3.9	2.5	6.4	5.2	2.4	-1.1	1.3	-0.6	4Q06	-2.5	0.8
Walton Street Real Estate Fund VI	10,269,257	3.0	5.5	8.7	7.4	-10.3	16.2	2.6	-2.5	3Q09	9.3	1.5
Opportunistic	124,818,270	4.6	3.8	8.5	6.4	4.3	2.9	7.3	3.6	4Q96	2.1	1.1
Private Real Estate Portfolio Only (ex. Timber)	778,920,710	5.3	5.7	11.1	9.5	6.2	1.4	7.6	5.9	1Q89		
Non-Core Portfolio	241,811,795	5.9	5.0	11.1	8.9	6.5	2.6	9.2	6.7	4Q90		
Total Portfolio												
LACERS	799,496,108	5.2	5.6	11.1	9.4	6.2	1.4	7.7	6.0	1Q89		
Indices												
NFI-ODCE (Core)				12.1	11.1			8.4	7.4	1Q89		
NFI-ODCE + 80 bps (Total Portfolio)				12.9	11.9			9.2	8.2	1Q89		
NFI-ODCE + 200 bps (Non-Core Portfolio)				14.1	13.1			9.5	8.5	4Q90		
NFI-ODCE + 50 bps (Value Add)				12.6	11.6			8.0	7.0	4Q90		
NFI-ODCE + 300 bps (Opportunistic)				15.1	14.1			12.3	11.2	4Q96		
NCREIF Timberland Property Index "NTI"		2.8	3.2	6.0		3.3	3.1	6.5		4Q99		

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

¹ Liquidating investment. Time-weighted returns are excluded as they are no longer meaningful.

² Broken time-weighted return since inception

Returns (%)	Market Value (\$)	2018		2017		2016		2015		2014		2013		2012	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Core															
Berkshire Multifamily Income Realty Fund	24,316,715	3.9	3.5	5.4	4.7	10.4	9.5								
CIM Commercial Trust Corporation ("CMCT")	22,845,515	2.4	2.4	2.8	2.8	3.3	3.3	5.0	5.0	9.7	9.7				
CIM VI (Urban REIT), LLC	30,400,045	2.4	1.7	5.2	3.7	2.6	2.4	13.4	11.0	15.0	13.5	6.8	5.4	13.8	13.1
INVESCO Core Real Estate	170,440,831	4.4	4.2	8.4	8.0	9.2	8.9	14.7	14.3	12.4	11.9	14.3	13.8	8.7	8.2
Jamestown Premier Property Fund	41,424,732	6.7	4.9	18.0	14.2	6.7	5.4	8.5	7.0						
JP Morgan Strategic Property Fund	66,793,401	4.2	3.7	7.2	6.2	8.4	7.3	15.2	14.1	11.1	10.1	15.9	14.8	12.1	11.0
Lion Industrial Trust - 2007	63,646,543	9.1	7.8	14.4	12.3	14.9	12.8								
Prime Property Fund	55,596,270	4.4	3.9	9.9	8.8	10.4	9.2								
Principal U.S. Property Account	61,644,863	4.7	4.2	9.1	8.1	10.1	9.0	3.0	2.8						
Core	537,108,915	4.9	4.3	9.2	8.1	8.7	7.9	13.4	12.7	11.8	11.3	13.3	12.5	9.6	8.9
Timber															
Hancock Timberland XI	20,575,398	0.3	-0.1	2.1	1.2	3.5	2.6	5.4	4.6	5.2	4.6	9.9	8.9	8.1	7.6
Timber	20,575,398	0.3	-0.1	2.1	1.2	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	9,032,488	3.5	3.1	0.4	-0.3	15.2	14.3	23.5	21.2	15.2	12.8	31.6	26.1		
Asana Partners Fund I	13,828,163	12.3	8.6	18.1	10.8										
Cornerstone Enhanced Mortgage Fund I	1,235,915	2.3	1.9	7.2	6.6	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	20,574,759	30.0	24.5	33.0	27.5	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	21,682,633	6.7	5.4	14.2	11.7	14.7	11.8	16.0	12.9	2.7	2.1				
Gerrity Retail Fund 2	15,390,775	5.9	5.0	9.8	7.6	21.4	17.7	1.7	0.6						
Heitman Asia-Pacific Property Investors	2,874,831														
JP Morgan Alternative Property Fund ²	240,457	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mesa West Real Estate Income Fund III	8,919,638	6.7	5.5	12.6	10.1	11.2	8.8	13.0	10.2	13.3	8.7	3.2	-0.6		
Standard Life Investments European Real Estate Club II	23,121,701	-1.0	-1.4	33.8	32.6	8.1	7.1								
The Realty Associates Fund IX, L.P. ²	92,165	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Value Added	116,993,525	7.6	5.9	18.5	15.9	14.6	12.1	14.5	11.7	12.6	10.9	9.5	7.9	17.1	15.6
Total Portfolio															
LACERS	799,496,108	4.3	3.5	10.0	8.6	8.1	6.8	11.2	9.5	13.7	11.9	13.5	11.4	12.8	11.0
Indices															
NFI-ODCE (Core)		4.8	4.3	8.7	7.7	9.9	8.9	16.2	15.1	13.6	12.6	15.1	14.0	12.0	10.9
NFI-ODCE + 80 bps (Total Portfolio)		5.2	4.7	9.5	8.5	10.7	9.7	17.0	15.9	14.4	13.4	15.9	14.8	12.8	11.7
NFI-ODCE + 200 bps (Non-Core Portfolio)		5.8	5.3	10.7	9.7	11.9	10.9	18.2	17.1	15.6	14.6	17.1	16.0	14.0	12.9
NFI-ODCE + 50 bps (Value Add)		5.1	4.6	9.2	8.2	10.4	9.4	16.7	15.6	14.1	13.1	15.6	14.5	12.5	11.4
NFI-ODCE + 300 bps (Opportunistic)		6.3	5.8	11.7	10.7	12.9	11.9	19.2	18.1	16.6	15.6	18.1	17.0	15.0	13.9
NCREIF Timberland Index (Timber)		1.4		3.6		2.7		5.0		10.5		9.7		7.8	

¹ Negative Market Value represents fees owed to the manager. No capital had been called as of quarter-end.

² Liquidating investment. Time-weighted returns are excluded as they are no longer meaningful.

Returns (%)	Market Value (\$)	2011		2010		2009		2008		2007		2006	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Core													
Berkshire Multifamily Income Realty Fund	24,316,715												
CIM Commercial Trust Corporation ("CMCT")	22,845,515												
CIM VI (Urban REIT), LLC	30,400,045												
INVESCO Core Real Estate	170,440,831	16.9	16.4	16.7	16.1	-32.2	-32.6	-4.6	-5.0	13.6	13.1	19.2	18.6
Jamestown Premier Property Fund	41,424,732												
JP Morgan Strategic Property Fund	66,793,401	15.9	14.8	14.1	13.0	-26.5	-27.4	-8.1	-9.0	16.6	15.6	16.6	15.5
Lion Industrial Trust - 2007	63,646,543												
Prime Property Fund	55,596,270												
Principal U.S. Property Account	61,644,863												
Core	537,108,915	15.6	14.8	16.1	15.2	-26.4	-27.1	-4.9	-5.6	14.4	13.6	17.7	16.9
Timber													
Hancock Timberland XI	20,575,398												
Timber	20,575,398	3.9	4.2	2.9	2.7	-7.4	-5.5	7.6	6.5	22.1	17.3	24.8	22.5
Value Added													
Almanac Realty Securities VI	9,032,488												
Asana Partners Fund I	13,828,163												
Cornerstone Enhanced Mortgage Fund I	1,235,915												
DRA Growth and Income Fund VII	20,574,759												
DRA Growth and Income Fund VIII	21,682,633												
Gerrity Retail Fund 2	15,390,775												
Heitman Asia-Pacific Property Investors	2,874,831												
JP Morgan Alternative Property Fund ²	240,457	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mesa West Real Estate Income Fund III	8,919,638												
Standard Life Investments European Real Estate Club II	23,121,701												
The Realty Associates Fund IX, L.P. ²	92,165	N/A	N/A	N/A	N/A								
Value Added	116,993,525	18.3	16.2	4.1	1.8	-38.5	-39.4	-20.7	-20.0	17.8	15.2	15.3	12.9
Total Portfolio													
LACERS	799,496,108	12.6	10.8	13.0	10.3	-34.4	-35.9	-22.5	-23.6	14.5	11.3	20.2	17.4
Indices													
NFI-ODCE (Core)		17.1	16.1	17.5	16.4	-29.1	-29.7	-9.1	-9.8	17.1	16.0	17.5	16.4
NFI-ODCE + 80 bps (Total Portfolio)		17.9	16.9	18.3	17.2	-28.3	-28.9	-8.3	-9.0	17.9	16.8	18.3	17.2
NFI-ODCE + 200 bps (Non-Core Portfolio)		19.1	18.1	19.5	18.4	-27.1	-27.7	-7.1	-7.8	19.1	18.0	19.5	18.4
NFI-ODCE + 50 bps (Value Add)		17.6	16.6	18.0	16.9	-28.6	-29.2	-8.6	-9.3	17.6	16.5	18.0	16.9
NFI-ODCE + 300 bps (Opportunistic)		20.1	19.1	20.5	19.4	-26.1	-26.7	-6.1	-6.8	20.1	19.0	20.5	19.4
NCREIF Timberland Index (Timber)		1.6		-0.1		-4.7		9.5		18.4		13.7	

¹ Negative Market Value represents fees owed to the manager. No capital had been called as of quarter-end.

² Liquidating investment. Time-weighted returns are excluded as they are no longer meaningful.

Returns (%)	Market Value (\$)	2018		2017		2016		2015		2014		2013	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Opportunistic													
Apollo CPI Europe I ¹	590,915	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bristol Value II, L.P.	12,597,264	1.2	0.4	17.1	15.3	11.0	9.1	8.2	6.1	12.4	10.6	35.0	33.0
Bryanston Retail Opportunity Fund	3,390,050	-1.8	-2.0	-22.1	-22.4	-2.5	-2.8	144.0	142.1	7.3	5.8	50.5	47.5
California Smart Growth Fund IV	4,237,293	0.5	0.5	14.3	12.8	5.9	5.4	20.3	19.2	17.9	16.2	13.1	11.6
Canyon Johnson Urban Fund II ¹	34,454	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CIM Real Estate Fund III	7,907,410	3.4	2.7	8.0	6.4	5.4	4.0	8.3	7.1	11.0	9.8	11.1	9.9
CityView LA Urban Fund I ¹	237,874	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Colony Investors VIII ¹	656,577	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DRA Growth and Income Fund VI	1,798,993	-9.0	-9.3	4.7	2.9	11.3	8.3	27.4	21.1	49.0	32.7	17.6	15.1
Genesis Workforce Housing Fund II ¹	-44,621	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Integrated Capital Hospitality Fund	3,726,731	-4.3	-5.1	-17.6	-18.7	-34.0	-34.6	-14.6	-15.2	28.2	27.2	12.1	11.0
LaSalle Asia Fund II ¹	231,098	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Latin America Investors III	3,314,707	-29.8	-31.5	-21.9	-24.6	-4.9	-6.9	-30.3	-32.8	0.4	-4.6	-17.9	-22.4
Lone Star Fund VII ¹	173,417	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lone Star Real Estate Fund II ¹	917,262	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RECP Fund IV, L.P.	36,053,653	-1.0	-1.4	14.6	12.4	6.9	5.3	8.3	6.2	6.4	4.6	8.5	6.7
Southern California Smart Growth Fund	1,012,470	0.1	0.1	-1.1	-1.1	44.3	43.3	21.0	19.2	21.8	19.3	14.9	11.4
Stockbridge Real Estate Fund II	10,405,324	0.7	0.5	21.2	20.6	-4.7	-5.5	3.9	2.6	24.4	22.8	46.5	43.7
The Buchanan Fund V	2,743,550	2.7	2.1	2.3	1.3	20.1	18.8	2.1	0.9	19.2	17.8	22.4	21.2
Torchlight Debt Opportunity Fund II	1,810,127	-5.3	-5.3	3.4	3.1	-2.3	-2.6	15.7	15.2	6.7	6.0	24.6	23.5
Torchlight Debt Opportunity Fund III ¹	154,225	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Torchlight Debt Opportunity Fund IV	15,684,655	12.0	7.7	15.2	11.3	11.8	9.8	12.0	9.8	13.9	10.4	3.6	3.0
Tuckerman Group Residential Income & Value Added Fund ¹	916,876	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Walton Street Real Estate Fund V	5,998,709	-4.8	-5.1	4.5	3.5	2.1	0.7	11.9	10.4	13.2	11.7	12.9	11.2
Walton Street Real Estate Fund VI	10,269,257	5.1	4.5	9.2	7.9	-5.4	-6.6	13.5	12.2	14.8	13.4	16.0	14.3
Opportunistic	124,818,270	-0.1	-1.0	7.5	5.8	2.8	1.3	7.2	5.3	15.7	12.9	15.3	12.3
Private Real Estate Portfolio Only (ex. Timber)	778,920,710	4.4	3.6	10.2	8.8	8.2	6.9	11.3	9.6	13.8	12.0	13.4	11.4
Non-Core Portfolio	241,811,795	3.4	2.2	12.0	10.0	7.5	5.6	9.8	7.6	14.7	12.3	13.6	11.0
Total Portfolio													
LACERS	799,496,108	4.3	3.5	10.0	8.6	8.1	6.8	11.2	9.5	13.7	11.9	13.5	11.4
Indices													
NFI-ODCE (Core)		4.8	4.3	8.7	7.7	9.9	8.9	16.2	15.1	13.6	12.6	15.1	14.0
NFI-ODCE + 80 bps (Total Portfolio)		5.2	4.7	9.5	8.5	10.7	9.7	17.0	15.9	14.4	13.4	15.9	14.8
NFI-ODCE + 200 bps (Non-Core Portfolio)		5.8	5.3	10.7	9.7	11.9	10.9	18.2	17.1	15.6	14.6	17.1	16.0
NFI-ODCE + 50 bps (Value Add)		5.1	4.6	9.2	8.2	10.4	9.4	16.7	15.6	14.1	13.1	15.6	14.5
NFI-ODCE + 300 bps (Opportunistic)		6.3	5.8	11.7	10.7	12.9	11.9	19.2	18.1	16.6	15.6	18.1	17.0
NCREIF Timberland Index (Timber)		1.4		3.6		2.7		5.0		10.5		9.7	

¹ Liquidating investment. Time-weighted returns are excluded as they are no longer meaningful.

Returns (%)	Market Value (\$)	2012		2011		2010		2009		2008		2007		2006	
		TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
Opportunistic															
Apollo CPI Europe I ¹	590,915	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Bristol Value II, L.P.	12,597,264														
Bryanston Retail Opportunity Fund	3,390,050	40.1	37.2	-4.3	-7.2	20.9	18.3	12.8	10.2	73.9	69.4	-43.1	-45.5	112.8	98.1
California Smart Growth Fund IV	4,237,293	19.9	18.3	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 ¹	34,454	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CIM Real Estate Fund III	7,907,410	20.8	19.4	21.8	19.8	15.3	-13.8	-53.5	-83.5	-117.3	-113.8				
CityView LA Urban Fund I ¹	237,874	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Colony Investors VIII ¹	656,577	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
DRA Growth and Income Fund VI	1,798,993	4.3	2.1	32.6	29.1	15.9	11.1	-10.2	-14.7	-6.9	-10.3				
Genesis Workforce Housing Fund II ¹	-44,621	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
Integrated Capital Hospitality Fund	3,726,731	96.8	87.9	6.0	2.6										
LaSalle Asia Fund II ¹	231,098	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Latin America Investors III	3,314,707	-60.0	-62.6	-32.5	-34.9	20.8	15.3	100.5	93.8						
Lone Star Fund VII ¹	173,417	N/A	N/A	N/A	N/A										
Lone Star Real Estate Fund II ¹	917,262	N/A	N/A	N/A	N/A										
RECP Fund IV, L.P.	36,053,653	23.4	21.1	2.4	-1.4	12.5	4.3	-45.6	-54.8	-40.0	-40.0				
Southern California Smart Growth Fund	1,012,470	-33.5	-33.6	-5.3	-5.4	-7.5	-7.7	-40.5	-40.6	-19.2	-19.3	75.6	75.3	82.2	81.0
Stockbridge Real Estate Fund II	10,405,324	3.2	0.7	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	2,743,550	10.2	9.2	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	1,810,127	24.5	23.1	23.7	22.0	41.4	36.1	29.9	23.6	-68.7	-69.7				
Torchlight Debt Opportunity Fund III ¹	154,225	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						
Torchlight Debt Opportunity Fund IV	15,684,655														
Tuckerman Group Residential Income & Value Added Fund ¹	916,876	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Walton Street Real Estate Fund V	5,998,709	9.5	7.8	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	10,269,257	12.1	10.4	14.3	12.3	173.3	162.1	-78.1	-84.0						
Opportunistic	124,818,270	12.5	10.1	8.8	6.5	17.1	12.6	-39.0	-41.6	-36.6	-39.2	10.6	4.6	31.4	24.5
Private Real Estate Portfolio Only (ex. Timber)	778,920,710	12.8	11.1	12.8	10.9	13.3	10.5	-35.1	-36.7	-23.1	-24.3	14.3	11.1	20.1	17.2
Non-Core Portfolio	241,811,795	14.0	11.9	11.9	9.6	12.2	8.5	-38.8	-40.7	-30.0	-31.3	14.2	10.0	21.1	17.1
Total Portfolio															
LACERS	799,496,108	12.8	11.0	12.6	10.8	13.0	10.3	-34.4	-35.9	-22.5	-23.6	14.5	11.3	20.2	17.4
Indices															
NFI-ODCE (Core)		12.0	10.9	17.1	16.1	17.5	16.4	-29.1	-29.7	-9.1	-9.8	17.1	16.0	17.5	16.4
NFI-ODCE + 80 bps (Total Portfolio)		12.8	11.7	17.9	16.9	18.3	17.2	-28.3	-28.9	-8.3	-9.0	17.9	16.8	18.3	17.2
NFI-ODCE + 200 bps (Non-Core Portfolio)		14.0	12.9	19.1	18.1	19.5	18.4	-27.1	-27.7	-7.1	-7.8	19.1	18.0	19.5	18.4
NFI-ODCE + 50 bps (Value Add)		12.5	11.4	17.6	16.6	18.0	16.9	-28.6	-29.2	-8.6	-9.3	17.6	16.5	18.0	16.9
NFI-ODCE + 300 bps (Opportunistic)		15.0	13.9	20.1	19.1	20.5	19.4	-26.1	-26.7	-6.1	-6.8	20.1	19.0	20.5	19.4
NCREIF Timberland Index (Timber)		7.8		1.6		-0.1		-4.7		9.5		18.4		13.7	

¹ Liquidating investment. Time-weighted returns are excluded as they are no longer meaningful.

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	24,185,280	0	186,893	0	249,279	39,579	108,628	24,316,715	40.3
CIM Commercial Trust Corporation ("CMCT")	22,696,591	0	112,945	0	113,242	0	148,627	22,845,515	31.0
CIM VI (Urban REIT), LLC	30,283,540	0	234,216	0	292,039	105,429	164,112	30,400,045	0.0
INVESCO Core Real Estate	167,490,820	1,390,813	1,416,163	0	1,616,701	151,398	1,510,058	170,440,831	24.5
Jamestown Premier Property Fund	41,125,444	61,688	494,828	0	369,569	118,402	481,261	41,424,732	37.4
JP Morgan Strategic Property Fund	65,671,648	0	0	0	632,341	158,439	647,851	66,793,401	23.4
Lion Industrial Trust - 2007	61,367,764	230,507	477,746	0	764,463	429,738	2,191,293	63,646,543	33.2
Prime Property Fund	55,139,133	0	544,246	0	533,781	133,298	600,900	55,596,270	16.4
Principal U.S. Property Account	60,302,930	0	0	0	711,295	144,481	775,119	61,644,863	21.0
Core	528,263,150	1,683,008	3,467,037	0	5,282,710	1,280,764	6,627,849	537,108,915	25.7
Timber									
Hancock Timberland XI	20,745,293	0	145,737	0	22,414	46,572	0	20,575,398	0.0
Timber	20,745,293	0	145,737	0	22,414	46,572	0	20,575,398	0.0
Value Added									
Almanac Realty Securities VI	9,142,564	0	153,161	128,076	137,789	16,833	50,205	9,032,488	47.8
Asana Partners Fund I	9,014,624	4,400,000	0	0	-5,798	170,885	590,221	13,828,163	48.7
Cornerstone Enhanced Mortgage Fund I	1,203,316	0	-21,101	0	13,733	2,235	0	1,235,915	0.0
DRA Growth and Income Fund VII	18,282,169	625,000	383,711	165,613	383,357	456,927	2,290,484	20,574,759	57.0
DRA Growth and Income Fund VIII	22,295,002	0	1,028,229	166,368	553,493	148,787	177,522	21,682,633	65.0
Gerrity Retail Fund 2	14,835,998	317,517	245,470	0	219,874	68,750	331,606	15,390,775	58.1
Heitman Asia-Pacific Property Investors	-374,865	3,312,391	0	0	2,271	2,883	-62,083	2,874,831	58.0
JP Morgan Alternative Property Fund	241,436	0	0	0	-24,507	0	23,527	240,457	0.0
Mesa West Real Estate Income Fund III	8,792,090	0	123,622	0	299,715	48,545	0	8,919,638	61.0
Standard Life Investments European Real Estate Club II	36,405,253	0	0	11,224,457	-353,659	49,299	-1,656,137	23,121,701	41.2
The Realty Associates Fund IX, L.P.	91,733	0	0	0	540	108	0	92,165	0.0
Value Added	119,929,320	8,654,908	1,913,092	11,684,514	1,226,808	965,252	1,745,345	116,993,525	55.2
Total Portfolio									
LACERS	804,938,431	11,231,884	15,446,393	12,411,686	6,967,827	2,936,968	7,153,013	799,496,108	33.9

Quarterly Cash Flow Activity (\$)	Beginning Market Value	Contributions	Distributions	Withdrawals	Gross Income	Manager Fees	Appreciation	Ending Market Value	LTV (%)
Opportunistic									
Apollo CPI Europe I	625,299	0	0	0	0	1,942	-32,441	590,915	0.0
Bristol Value II, L.P.	11,694,773	893,968	23,238	0	82,252	50,991	500	12,597,264	39.4
Bryanston Retail Opportunity Fund	3,395,414	0	0	0	-1,228	4,136	0	3,390,050	73.0
California Smart Growth Fund IV	4,697,600	0	0	402,064	804	0	-59,047	4,237,293	0.0
Canyon Johnson Urban Fund II	33,903	0	0	0	-222	0	773	34,454	0.0
CIM Real Estate Fund III	7,778,370	0	0	0	-123,722	26,811	279,573	7,907,410	31.2
CityView LA Urban Fund I	257,822	0	0	0	0	0	-19,948	237,874	0.0
Colony Investors VIII	749,261	0	0	0	836	0	-93,520	656,577	0.0
DRA Growth and Income Fund VI	1,850,167	0	0	0	-45,307	5,867	0	1,798,993	48.0
Genesis Workforce Housing Fund II	-44,565	0	0	0	-56	0	0	-44,621	0.0
Integrated Capital Hospitality Fund	3,929,320	0	0	0	-46,541	15,527	-140,521	3,726,731	40.4
LaSalle Asia Fund II	231,218	0	0	0	-120	0	0	231,098	0.0
Latin America Investors III	4,829,403	0	0	0	-1,629	48,063	-1,465,004	3,314,707	18.6
Lone Star Fund VII	172,407	0	0	0	-284	-1,080	214	173,417	62.6
Lone Star Real Estate Fund II	1,116,474	0	142,398	90,220	6,689	4,468	31,184	917,262	29.7
RECP Fund IV, L.P.	36,621,197	0	0	0	20,919	34,475	-553,988	36,053,653	33.3
Southern California Smart Growth Fund	1,012,153	0	0	0	317	0	0	1,012,470	70.0
Stockbridge Real Estate Fund II	10,339,786	0	0	0	13,606	8,712	60,644	10,405,324	46.8
The Buchanan Fund V	2,690,238	0	0	0	-5,359	7,727	66,399	2,743,550	0.0
Torchlight Debt Opportunity Fund II	7,553,969	0	5,732,011	0	8,054	2,664	-17,221	1,810,127	33.0
Torchlight Debt Opportunity Fund III	768,018	0	621,430	0	12,070	2,473	-1,960	154,225	0.0
Torchlight Debt Opportunity Fund IV	18,403,666	0	3,401,450	0	341,765	395,488	736,162	15,684,655	19.4
Tuckerman Group Residential Income & Value Added Fund	925,138	0	0	0	-25,606	483	17,827	916,876	0.0
Walton Street Real Estate Fund V	6,324,188	0	0	234,888	17,685	8,078	-100,198	5,998,709	43.6
Walton Street Real Estate Fund VI	10,045,449	0	0	0	180,972	27,555	70,391	10,269,257	56.4
Opportunistic	136,000,668	893,968	9,920,527	727,172	435,895	644,380	-1,220,181	124,818,270	38.6
Private Real Estate Portfolio Only (ex. Timber)	784,193,138	11,231,884	15,300,656	12,411,686	6,945,413	2,890,396	7,153,013	778,920,710	34.4
Non-Core Portfolio	255,929,988	9,548,876	11,833,619	12,411,686	1,662,703	1,609,632	525,164	241,811,795	48.0
Total Portfolio									
LACERS	804,938,431	11,231,884	15,446,393	12,411,686	6,967,827	2,936,968	7,153,013	799,496,108	33.9

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
Core						
Berkshire Multifamily Income Realty Fund	100.0	-	-	-	-	-
CIM Commercial Trust Corporation ("CMCT")	-	86.5	-	-	11.0	2.4
CIM VI (Urban REIT), LLC	60.6	25.8	-	13.6	-	-
INVESCO Core Real Estate	30.8	35.0	15.2	18.1	-	0.8
Jamestown Premier Property Fund	-	62.6	-	28.3	-	9.1
JP Morgan Strategic Property Fund	22.1	39.8	10.9	25.8	-	1.4
Lion Industrial Trust - 2007	-	-	100.0	-	-	-
Prime Property Fund	24.3	32.3	19.3	15.6	-	8.5
Principal U.S. Property Account	14.5	40.1	23.3	16.1	1.0	5.0
Core	24.8	32.2	25.4	14.7	0.5	2.5
Timber						
Hancock Timberland XI	-	-	-	-	-	100.0
Timber	-	-	-	-	-	100.0
Value Added						
Almanac Realty Securities VI	28.0	0.5	-	0.5	69.1	1.9
Asana Partners Fund I	-	-	-	100.0	-	-
Cornerstone Enhanced Mortgage Fund I	-	100.0	-	-	-	-
DRA Growth and Income Fund VII	41.9	20.3	27.9	9.9	-	-
DRA Growth and Income Fund VIII	10.0	29.3	11.0	49.8	-	-
Gerrity Retail Fund 2	-	-	-	100.0	-	-
Heitman Asia-Pacific Property Investors	-	41.2	-	-	-	58.8
JP Morgan Alternative Property Fund	-	-	-	-	-	-
Mesa West Real Estate Income Fund III	31.2	53.7	-	-	15.1	-
Standard Life Investments European Real Estate Club II	-	73.6	-	26.4	-	-
The Realty Associates Fund IX, L.P.	-	-	-	-	-	-
Value Added	13.8	29.8	7.2	41.5	6.0	1.8
Total Portfolio						
LACERS	21.3	28.6	19.0	17.4	2.9	10.8
Indices						
NFI-ODCE	24.7	35.6	16.6	19.2	0.3	3.6

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
Opportunistic						
Apollo CPI Europe I	-	-	-	-	-	-
Bristol Value II, L.P.	12.9	58.6	-	-	-	28.5
Bryanston Retail Opportunity Fund	-	-	-	100.0	-	-
California Smart Growth Fund IV	-	-	42.3	0.5	-	57.2
Canyon Johnson Urban Fund II	-	-	-	-	100.0	-
CIM Real Estate Fund III	11.2	8.9	-	13.6	3.9	62.3
CityView LA Urban Fund I	100.0	-	-	-	-	-
Colony Investors VIII	-	-	-	3.2	-	96.8
DRA Growth and Income Fund VI	-	61.2	-	38.8	-	-
Genesis Workforce Housing Fund II	-	-	-	-	-	-
Integrated Capital Hospitality Fund	-	-	-	-	100.0	-
LaSalle Asia Fund II	-	-	-	-	-	-
Latin America Investors III	-	10.5	-	-	-	89.5
Lone Star Fund VII	-	-	-	-	-	100.0
Lone Star Real Estate Fund II	-	44.6	0.4	4.6	5.6	44.8
RECP Fund IV, L.P.	23.5	4.3	4.6	-	12.2	55.4
Southern California Smart Growth Fund	-	-	-	-	-	-
Stockbridge Real Estate Fund II	-	-	-	-	-	100.0
The Buchanan Fund V	100.0	-	-	-	-	-
Torchlight Debt Opportunity Fund II	-	100.0	-	-	-	-
Torchlight Debt Opportunity Fund III	-	-	-	-	-	-
Torchlight Debt Opportunity Fund IV	25.5	16.0	6.1	26.4	15.9	10.2
Tuckerman Group Residential Income & Value Added Fund	-	-	100.0	-	-	-
Walton Street Real Estate Fund V	-	-	-	2.3	39.0	58.8
Walton Street Real Estate Fund VI	6.1	6.1	-	3.1	6.0	78.7
Opportunistic	15.4	14.2	3.4	8.5	11.9	46.7
Private Real Estate Portfolio Only (ex. Timber)	21.8	29.3	19.5	17.9	3.0	8.6
Non-Core Portfolio	14.5	22.2	5.3	25.5	8.8	23.5
Total Portfolio						
LACERS	21.3	28.6	19.0	17.4	2.9	10.8
Indices						
NFI-ODCE	24.7	35.6	16.6	19.2	0.3	3.6

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	9.1	10.9	-	25.7	12.3	8.3	27.9	-	-
CIM Commercial Trust Corporation ("CMCT")	-	22.3	-	-	-	6.3	-	71.3	-	-
CIM VI (Urban REIT), LLC	48.8	13.2	-	-	-	19.2	-	18.7	-	-
INVESCO Core Real Estate	17.7	9.9	3.3	0.9	2.7	12.7	9.9	43.1	-	-
Jamestown Premier Property Fund	33.8	33.8	-	-	2.9	-	-	29.5	-	-
JP Morgan Strategic Property Fund	23.3	7.7	4.7	0.0	5.9	13.8	2.8	41.7	-	-
Lion Industrial Trust - 2007	20.4	2.1	8.3	2.3	14.5	16.0	4.8	31.6	-	-
Prime Property Fund	23.3	7.7	8.7	1.9	11.6	8.5	4.6	33.7	-	-
Principal U.S. Property Account	17.1	8.7	4.0	2.1	8.2	14.1	11.9	34.0	-	-
Core	20.6	10.2	4.7	1.0	7.1	12.3	6.4	37.6	-	-
Timber										
Hancock Timberland XI	-	-	-	-	-	-	-	21.7	63.8	14.5
Timber	-	-	-	-	-	-	-	21.7	63.6	14.7
Value Added										
Almanac Realty Securities VI	-	-	-	-	-	-	-	-	100.0	-
Asana Partners Fund I	-	48.2	-	-	6.0	33.4	-	12.3	-	-
Cornerstone Enhanced Mortgage Fund I	-	-	-	-	-	-	100.0	-	-	-
DRA Growth and Income Fund VII	-	5.4	2.5	5.8	25.6	36.4	14.6	9.9	-	-
DRA Growth and Income Fund VIII	4.3	5.2	38.6	5.3	20.1	11.2	2.1	13.2	-	-
Gerrity Retail Fund 2	-	-	-	-	-	-	-	100.0	-	-
Heitman Asia-Pacific Property Investors	-	-	-	-	-	-	-	-	-	100.0
JP Morgan Alternative Property Fund	-	-	-	-	-	-	-	-	100.0	-
Mesa West Real Estate Income Fund III	16.1	12.3	6.4	-	21.6	19.6	7.3	16.7	-	-
Standard Life Investments European Real Estate Club II	-	-	-	-	-	-	-	-	-	100.0
The Realty Associates Fund IX, L.P.	-	-	-	-	-	-	-	-	100.0	-
Value Added	4.2	11.4	7.1	2.8	13.0	14.8	4.9	20.2	6.7	14.9
Total Portfolio										
LACERS	17.4	10.1	4.6	1.1	8.0	11.1	5.5	32.0	4.7	5.5
Indices										
NFI-ODCE	22.9	9.0	7.8	1.3	9.2	8.8	5.4	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	-	-	-	-	-	-	-	-	100.0	-
Bristol Value II, L.P.	46.2	-	-	-	44.9	-	8.8	0.1	-	-
Bryanston Retail Opportunity Fund	16.7	0.0	9.7	0.2	1.7	12.0	13.1	46.5	-	-
California Smart Growth Fund IV	-	-	-	-	-	-	-	100.0	-	-
Canyon Johnson Urban Fund II	-	100.0	-	-	-	-	-	-	-	-
CIM Real Estate Fund III	28.1	-	15.5	-	32.6	0.1	5.4	18.3	-	-
CityView LA Urban Fund I	-	-	-	-	-	-	-	100.0	-	-
Colony Investors VIII	0.2	-	-	-	-	-	-	86.9	-	12.9
DRA Growth and Income Fund VI	7.8	-	-	8.2	53.4	-	30.6	-	-	-
Genesis Workforce Housing Fund II	-	-	-	-	-	-	-	-	100.0	-
Integrated Capital Hospitality Fund	-	83.8	-	-	-	16.2	-	-	-	-
LaSalle Asia Fund II	-	-	-	-	-	-	-	-	100.0	-
Latin America Investors III	-	-	-	-	-	-	-	-	-	100.0
Lone Star Fund VII	-	12.5	-	-	33.3	2.8	-	-	51.4	-
Lone Star Real Estate Fund II	-	-	-	-	-	-	-	-	90.0	10.0
RECP Fund IV, L.P.	31.0	26.2	-	-	-	1.1	0.1	15.8	-	26.0
Southern California Smart Growth Fund	-	-	-	-	-	-	-	-	100.0	-
Stockbridge Real Estate Fund II	-	-	-	-	-	-	-	100.0	-	-
The Buchanan Fund V	-	-	-	-	-	100.0	-	-	-	-
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	-	13.1	-	-	28.8	-	3.7	12.8	-	41.6
Walton Street Real Estate Fund VI	58.6	11.6	4.1	1.6	8.5	6.6	-0.7	4.2	-	5.6
Opportunistic	21.5	12.1	1.8	0.3	10.7	3.9	2.5	19.0	15.5	12.6
Private Real Estate Portfolio Only (ex. Timber)	17.9	10.3	4.8	1.1	8.2	11.4	5.6	32.3	3.3	5.3
Non-Core Portfolio	11.4	10.4	5.0	1.2	10.7	9.3	3.6	19.4	11.2	17.9
Total Portfolio										
LACERS	17.4	10.1	4.6	1.1	8.0	11.1	5.5	32.0	4.7	5.5
Indices										
NFI-ODCE	22.9	9.0	7.8	1.3	9.2	8.8	5.4	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 (2Q18)

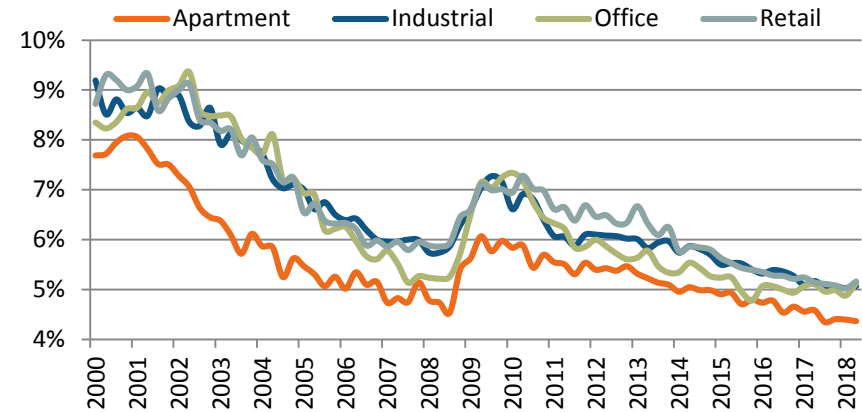
General

- The S&P 500 produced a gross total return of 3.4% during the Quarter, as markets rebounded from tightening monetary policy and trade war rhetoric on the back of strong economic data. The MSCI US REIT index produced a return of 10.1%. REITs outperformed the broader equities market for the Quarter, but continue to lag by 10.8% over the TTM period. Consumer Sentiment declined slightly during the Quarter to 98.2.
- Macro indicators for U.S. real estate continue to be positive; GDP grew at an annualized rate of 2.8% in the Second Quarter and headline CPI rose by 2.7% YoY, above the Fed's 2% target. As of Quarter-end, the economy has now experienced 93 consecutive months of job growth. The Federal Reserve has continued to tighten their policy, and, in June 2018, raised base rates to 1.75-2.0%. In 2018, consensus expectations have increased to four rate hikes.

Commercial Real Estate

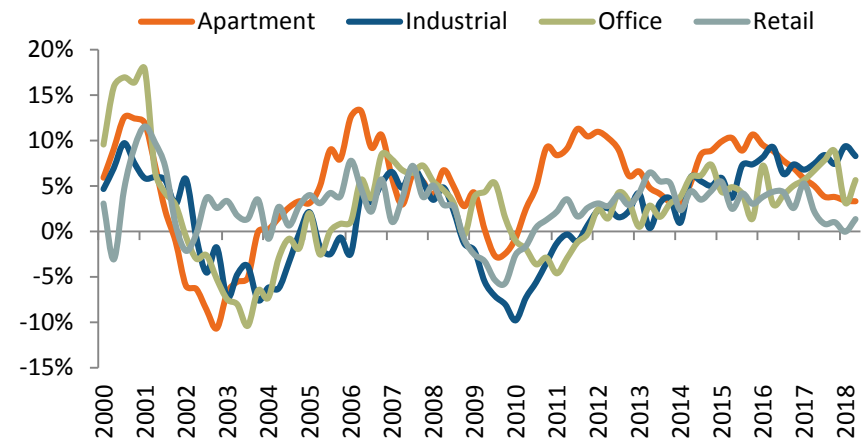
- Private Real Estate Market values have remained flat for another quarter. Transaction cap rates (5.49%) contracted 16 bps on average during the Second Quarter of 2018. At the same time, current valuation cap rates were primarily flat across property sectors, with the exception of office and retail cap rates expanding 25 bps and 14 bps, respectively.
- NOI growth by sector continued to deviate during the Quarter, with retail NOI growth continuing to lag other sectors. Positive momentum continued in the industrial sector, benefiting from e-commerce and global trade growth. The sector experienced 8.3% NOI Growth over the last year.
- In the First Quarter of 2018, \$32bn of aggregate capital was raised by US Real Estate Funds. To date in 2018, Private Equity Real Estate Funds have raised \$78.5bn.
- 10 year treasury bond yields expanded 12 bps to 2.86% during the quarter and, subsequent to quarter end have essentially remained flat. A combination of expansionary fiscal policy and tightening monetary policy have led to increasing short-term interest rates and a flattening yield curve.

Current Value Cap Rates by Property Type



Source: NCREIF

4 Qtr Rolling NOI Growth



Source: NCREIF

United States Property Matrix (2Q18)



INDUSTRIAL

MULTIFAMILY

- As of 2Q18, industrial properties returned 3.6% and outperformed the NPI by 179 bps.
- Net absorption increased to 64.1 million sqft in 2Q18, up 4.9% from the second quarter of 2017. Net absorption as a % of inventory was 1.9%.
- Transaction volumes reached \$30.5 billion, marking a 20% year-over-year increase. Large-scale portfolio sales are expected make 2018 the largest overall historic year in terms of total activity.
- New deliveries were 48.9 million sqft for the quarter, with the active pipeline increasing by 3.0% quarter-over-quarter to 239.1 million sqft.
- Vacancy remained stable quarter-over-quarter at 4.8% continuing to be at an all-time historic low. Strong demand has pushed asking rents up 6.2% year-over-year.

- The apartment sector delivered a 1.5% return during the Quarter, underperforming the NPI by 27 bps.
- Sales volumes decreased 4.8% compared to the second quarter of 2017, totaling \$32.6 billion. The drop in volume was due to a 52.2% reduction in portfolio transactions. Transaction volume is 10.2% higher on an annualized basis.
- Primary market transaction activity represented 42.5% of activity, down from 43.0% in 2017. The decrease is a result of the continued growth of capital flows into secondary and tertiary markets with a combined share increasing from 43.3% to 57.5%.
- Private investors continue to dominate the investment activity accounting for 62.5% of transactions whereas REITs have seen their proportion of transaction activity fall to 6%, less than half of their share four years ago.
- Annual rent growth rose to 2.4% percent during the second quarter of 2018, a 10 bps increase after three quarters of no change. Vacancy increased a modest 7 bps over the 12-month period ending 2Q18.

OFFICE

RETAIL

- The office sector returned 1.5% in 2Q18, 27 bps below the NPI return over the period.
- Occupancy growth increased with net absorption totaling 12.9 million sqft. Although net absorption improved in the second quarter, it is expected to be one-third lower in 2018 than in 2017.
- Total vacancy rose by 10 bps to 14.9% quarter-over-quarter due to the rising deliveries. Class A CBD vacancy declined by 30 bps to 11.6%, while vacancy in Class A suburban office increased 30 bps to 16.9%.
- Construction activity has remained strong with 27.4 million square feet delivered in the first two quarters and 36 million square feet to be delivered by year's end. In 2019, the office market will continue to see top-quality space delivered as 57.4 million square feet of deliveries is scheduled for completion.
- Asking rents increased 2.3% to \$33.82/sqft. This was driven by suburban rent growth of 3.7%, while CBD remained virtually unchanged. Concession packages continue to increase leading to an overall decline in effective rents.

- As of 1Q18, the retail sector delivered a quarterly return of 1.3%, performing 49 bps below the NPI.
- Transaction volumes for the first half of 2018 declined 3.6% year-over-year to \$28.7 billion. REIT acquisition activity declined 17.9% year-over-year, remaining net sellers and divesting both non-strategic and underperforming assets.
- Despite the continued announcement of store closures, 12-month rental growth was 5.4%, largely driven by grocery-anchored centers.
- Average cap rates remain at 4.3%. Premier assets continue to trade aggressively, driven by foreign demand, while mall and lifestyle centers struggle to agree on terms.
- Vacancy declined to 4.5%, a compression of 10 bps compared to the first quarter of 2018. Investors are starting to apply more stringent underwriting standards and evaluating shopping center tenants more cautiously.

Global Real Estate Market Update (2Q18)

GLOBAL

- Global investment activity during 2Q 2018 totaled \$173 billion, representing a 10% increase as compared to 2Q 2017 levels. Total first half 2018 activity was \$341 billion, a 13% increase from first half 2017 and the highest first half volume since 2007. Investors' demand for real estate has remained strong, with a growing number increasing their real estate allocations due to its defensive nature and steady income returns. Further, shifting demographics and technological trends are driving an increased demand for the logistics and alternatives sectors. 2018 global investment commercial real estate volumes are projected to approximately match 2017 volumes of \$715 billion. London held the top global investment position for the quarter, followed by New York and Hong Kong in second and third place, respectively.

EUROPE

- European investment increased totaled \$56.3 billion in 1Q 2018, in line with 1Q 2017 volume levels. Full-year 2018 volumes are predicted to be 10% lower as compared to 2017. The main drivers in European growth were the UK and Germany, with investment volumes for the UK up 10% y/y. Germany's activity was in line with expectations, finishing the quarter with \$13.7 billion of transactions, which represents an increase of 13% y/y. Central and Eastern Europe started the year strong with investment volumes up 36% y/y. The increase was largely driven by Poland, where volumes grew to \$2.4 billion. Within Benelux, Belgium, investment volumes tripled to \$2.4 billion, as opposed to the Netherlands, which saw a 7% y/y decline.

ASIA

- Asia Pacific saw strong y/y performance, with volumes increasing 26% and reaching \$41.7 billion during 2Q 2018. First half 2018 activity totaled \$81.0 billion, a 29% increase y/y and the highest level on record. The growth was largely driven by the following: a 17% y/y increase in Australia, a 234% y/y increase in Hong Kong, a 155% y/y increase in New Zealand, a 108% y/y increase in South Korea, and a 231% y/y increase in Taiwan. However, China and Japan overall saw a decrease in total first half 2018 volumes, with 47% and 14% decreases, respectively. Specifically, Tokyo accounted for only 46% of Japanese transaction volumes this quarter, with most of the activity coming from smaller surrounding cities. Australian investment volumes totaled \$5.7 billion in 2Q 2018, a 17% y/y increase. Cross-border investment activity accounted for 27% of total transaction volumes.

Direct Commercial Real Estate Investment - Regional Volumes, 2017 - 2018

\$ US Billions	% Change			% Change			% Change	
	Q1 2018	Q2 2018	Q1 18 - Q2 18	Q2 2017	Q2 17 - Q2 18	H1 2017	H1 2018	H1 17 - H1 18
Americas	69	63	-9%	64	-2%	122	132	8%
EMEA	61	67	10%	61	10%	117	128	9%
Asia Pacific	39	42	8%	33	27%	63	81	29%
Total	169	172	2%	158	9%	302	341	13%

Source: Jones Lang LaSalle, July 2018

Global Outlook - GDP (Real) Growth % pa, 2017-2019

	2017	2018	2019
Global	3.7	3.8	3.6
Asia Pacific	5.5	5.5	5.2
Australia	2.2	2.8	2.5
China	6.9	6.4	6.1
India	6.2	7.5	7.1
Japan	1.7	1.2	1.1
North America	2.0	2.5	2.4
US	2.3	3.0	2.3
MENA*	1.8	2.9	3.2
European Union	3.1	2.4	2.0
France	2.3	1.7	1.6
Germany	2.5	2.0	1.8
UK	1.7	1.3	1.4

*Middle East North Africa

Source: Jones Lang LaSalle (Oxford Economics), July 2018

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

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

Indices

Stylized Index:	Weights the various style group participants so as to be comparable to the investor portfolio holdings for each period.
Open-End Diversified Core Equity Index (“ODCE”):	A core index that includes only open-end diversified core strategy funds with at least 95% of their investments in U.S. markets. The ODCE is the first of the NCREIF Fund Database products, created in May 2005, and is an index of investment returns reporting on both a historical and current basis (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 Returns ¹ :	The total net return for an investment or portfolio over the period of time the client has funds invested. Total portfolio Inception Returns may include returns from investments no longer held in the current portfolio.
Net IRR:	IRR after advisory fees, incentive and promote. This includes actual cash flows and a reversion representing the LP Net Assets at market value as of the period end reporting date.
Equity Multiple:	The ratio of Total Value to Paid-in-Capital (TVPIC). It represents the Total Return of the investment to the original investment not taking into consideration the time invested. Total Value is computed by adding the Residual Value and Distributions. It is calculated net of all investment advisory and incentive fees and promote.

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

GEOGRAPHIC REGIONS and DIVISIONS

