



TOWNSEND[®]
GROUP

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Real Estate Portfolio

Performance Review

As of December 31, 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 December 31, 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%. The new target was applied as of 2Q18 and is reflected in this report.

	Market Value (\$ millions)*	% LACERS Plan*
LACERS Total Plan Assets	16,274	
Real Estate Target	1,139	7.0%
RE Market Value:		
Core	553	
Non-Core	211	
Timber	21	
Total RE Market Value	785	4.8%
Unfunded Commitments	126	0.8%
RE Market Value & Unfunded Commitments	911	5.6%
Remaining Allocation	228	1.4%

*Figures may not add due to rounding.

Real Estate Portfolio Composition

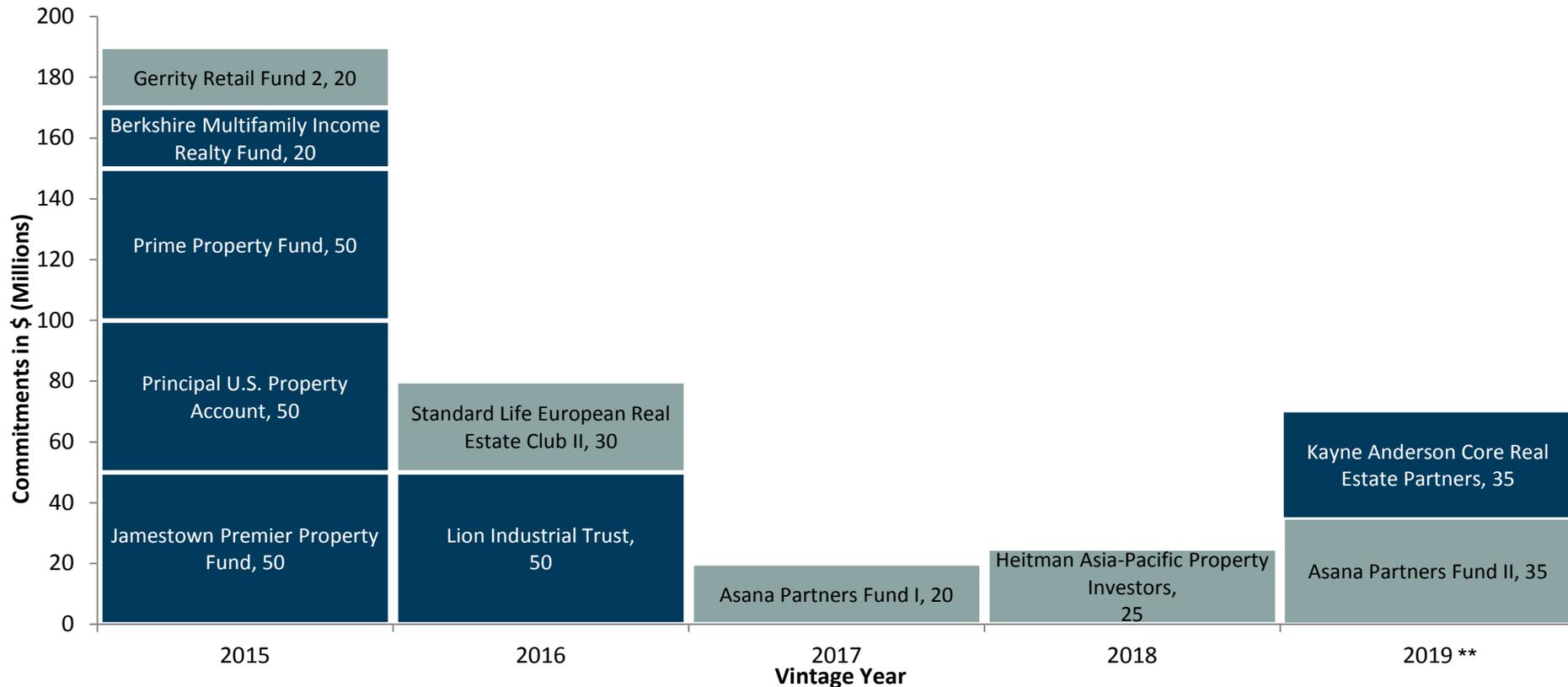
	Strategic Targets		Portfolio Composition (12/31/2018)*	
	Target Allocation	Tactical Range	Market Value	Market Value & Unfunded Commitments
Core	60%	40% - 80%	70.5%	60.7%
Non-Core	40%	20% - 60%	26.9%	37.0%
<i>Value Add Portfolio</i>	<i>N/A</i>	<i>N/A</i>	<i>12.8%</i>	<i>22.0%</i>
<i>Opportunistic Portfolio</i>	<i>N/A</i>	<i>N/A</i>	<i>14.0%</i>	<i>15.0%</i>
Timber	N/A	N/A	2.7%	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 2014, in an effort to transition the Portfolio, the LACERS Board has approved \$255 million in Core commitments**, which have all been funded to date, with the exception of Kayne Anderson Core Real Estate Fund.
- 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.

** As of 12/31/2018

LACERS Commitment Activity – Last Five Years



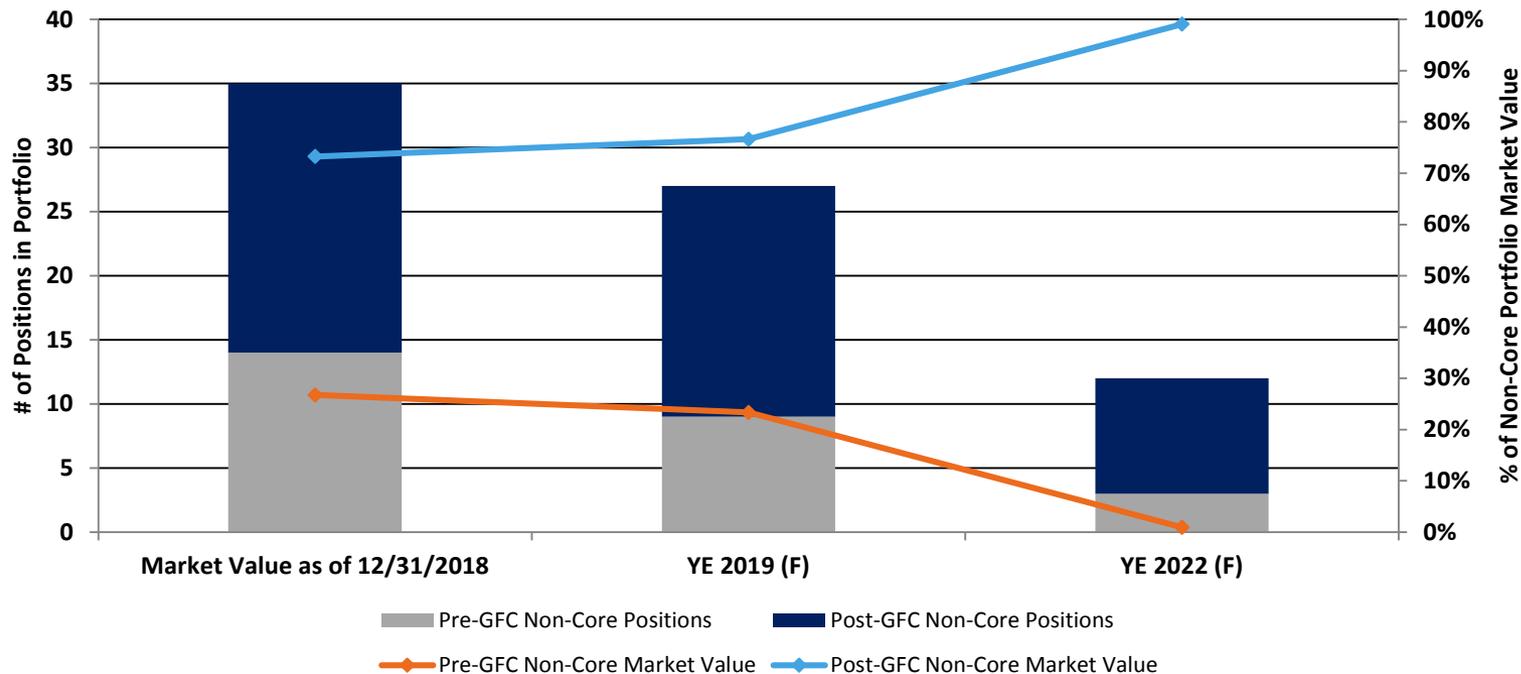
- LACERS has committed \$410 million since 2014, of which \$385 million (94%) have been Townsend-initiated activities since 2015*.
- Two Non-Core commitments since 2015 (Gerrity and Asana) met LACERS' Emerging Manager guidelines.
- In the Core Open-End Commingled Fund (OECF) space, there are currently 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.

*Commitment amounts as of 4Q18.

**During the quarter, the Board approved commitments to Kayne Anderson Core Real Estate Fund and Asana Partners Fund II. Capital is expected to be called in 2019.

Projected Non-Core Liquidations

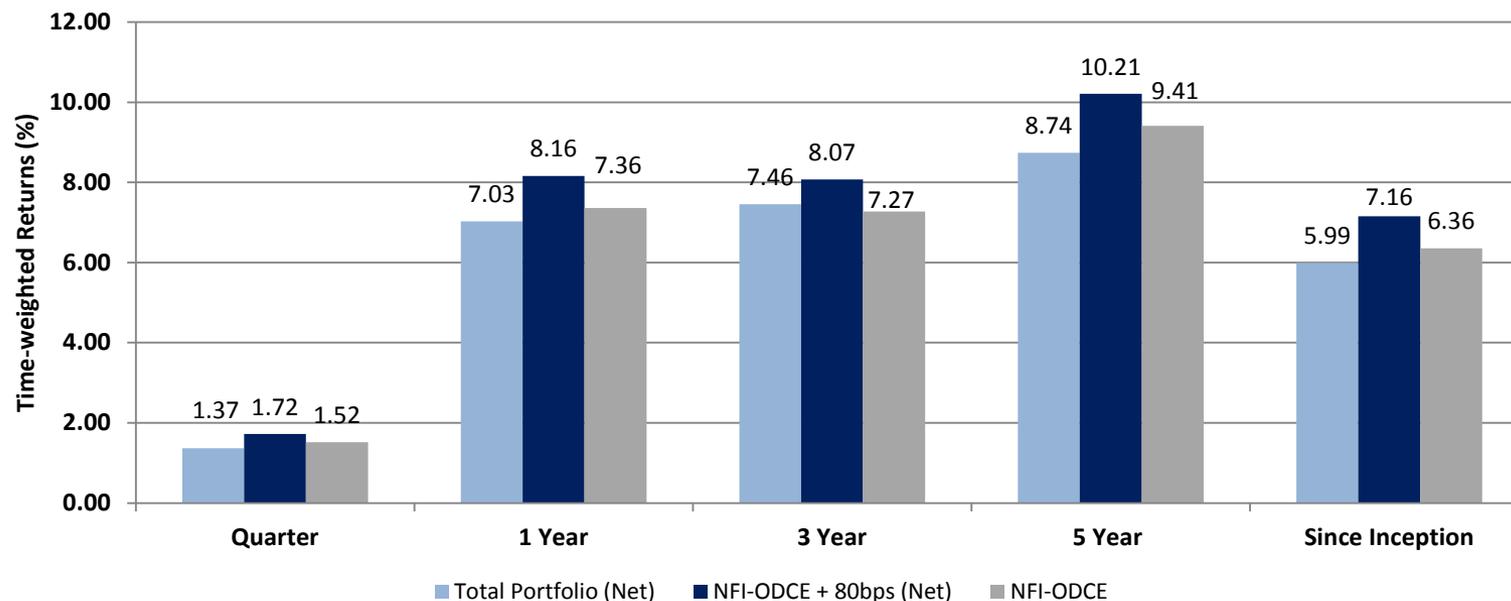
Non-Core Investments - Pre-GFC vs. Post-GFC Vintage Years



- By year-end 2019, 9 out of 35 Non-Core funds are projected to liquidate, while one Non-Core commitment is projected to be funded over the same time-frame. Through year-end 2022, 22 Non-Core positions are expected to liquidate.
- The number of Pre-Global Financial Crisis (“Pre-GFC”) Non-Core positions is also projected to decrease significantly over the next few years. Only 9 of the Non-Core investments made before the Global Financial Crisis are projected to remain through year-end 2019 (three through year-end 2022). As of 12/31/18, there are still 14 Pre-GFC Non-Core positions in the portfolio.
- The Non-Core Portfolio, which currently consists of 26.7% Pre-GFC investments on a market value basis, is projected to be made up of almost entirely Post-GFC investments by year-end 2022 (99.1% of projected market value).

Total Portfolio Performance

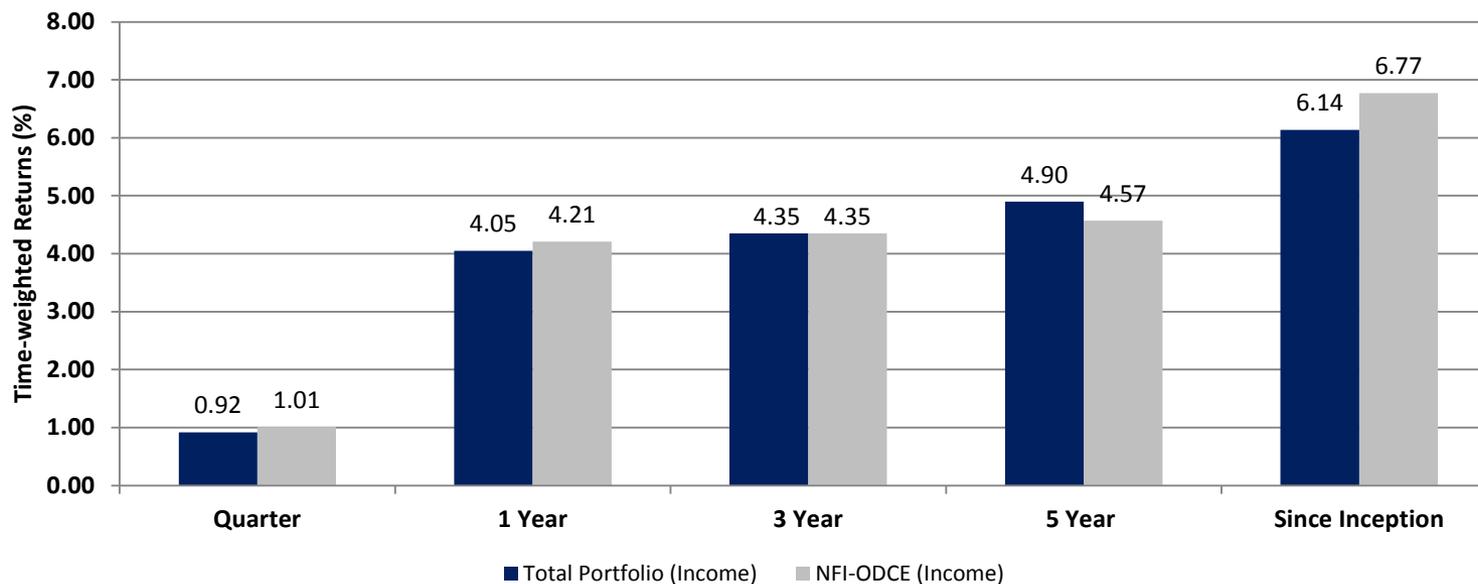
LACERS Total Real Estate Portfolio vs. NFI-ODCE + 80 bps



- 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 5-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 21.5% 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

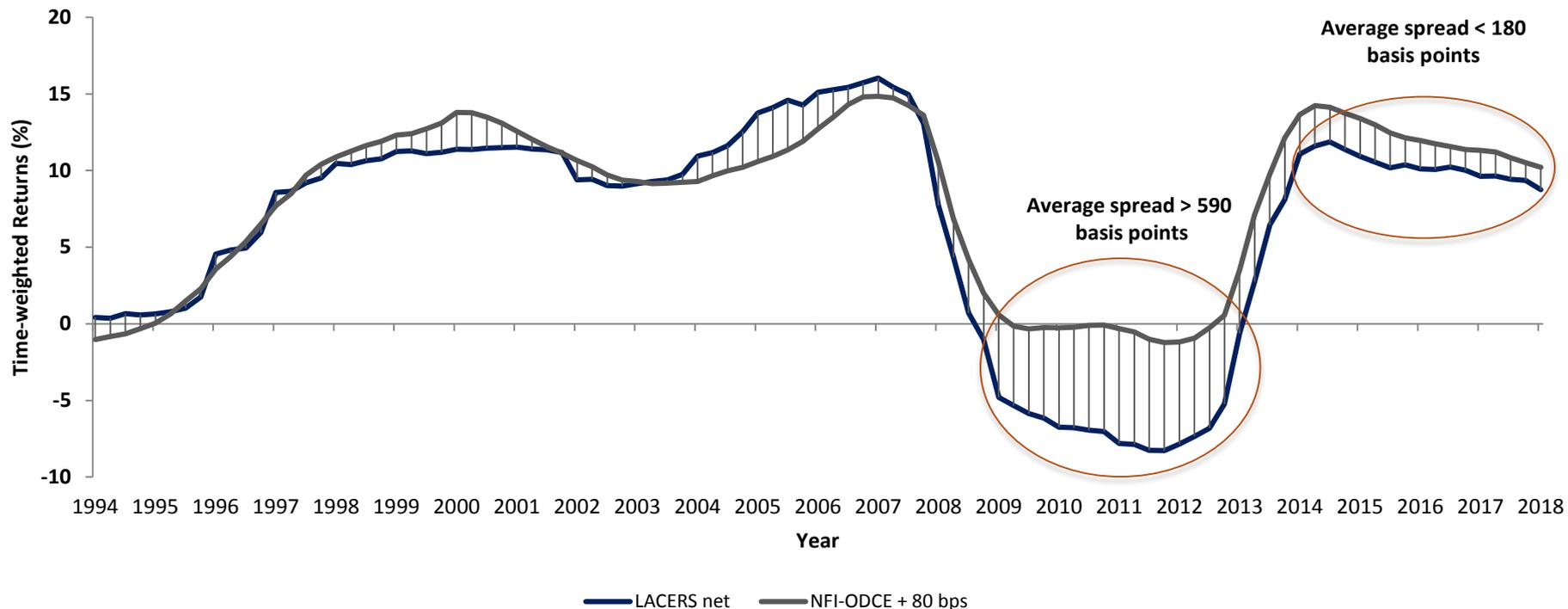
LACERS Income Return vs. NFI-ODCE



- 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 performed above the income return of the NFI-ODCE over the 5-year period, underperforming over all other periods. Recent underperformance on an income basis is attributable to poor absolute income performance in the Opportunistic portfolio.

Improving Relative Total Portfolio Performance

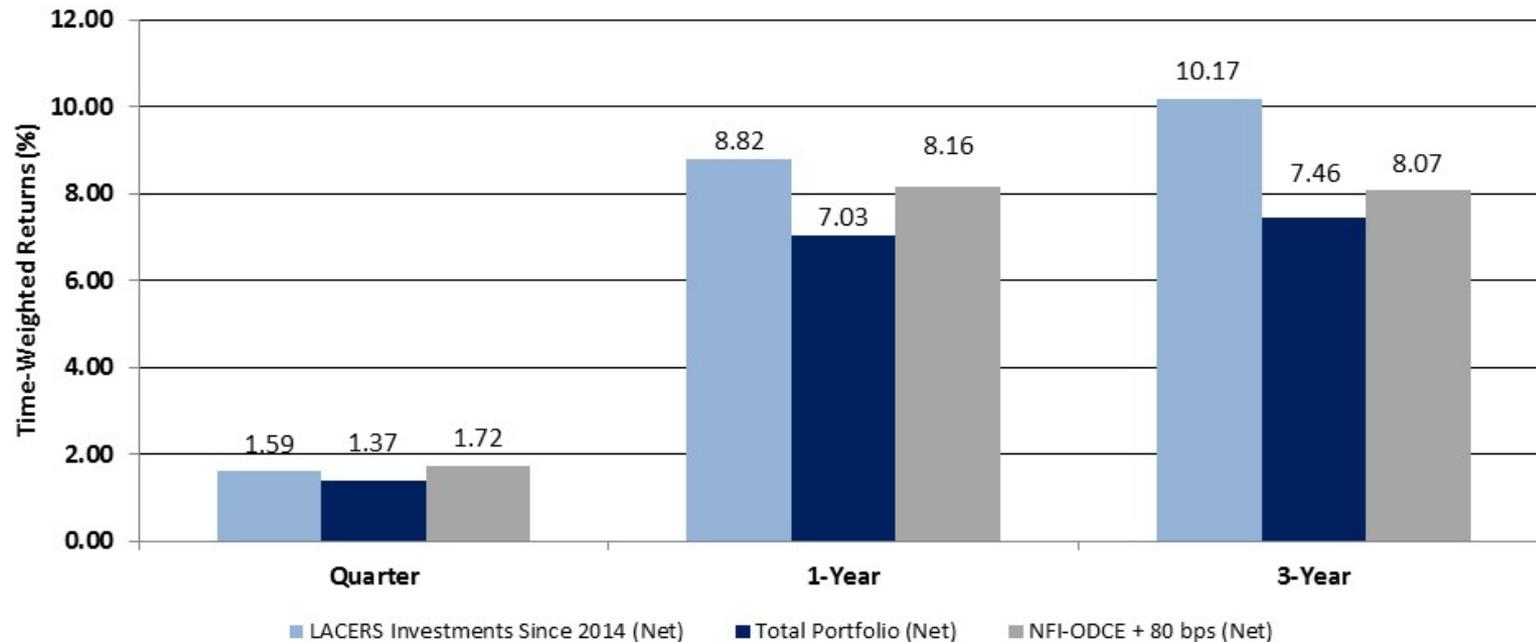
LACERS Rolling Five Year Net Returns vs. NFI-ODCE + 80 bps



- The chart above displays rolling 5-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 5-year basis, LACERS' average spread to the benchmark is trending downwards. Performance should continue to 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 20% through year-end 2019.
- 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



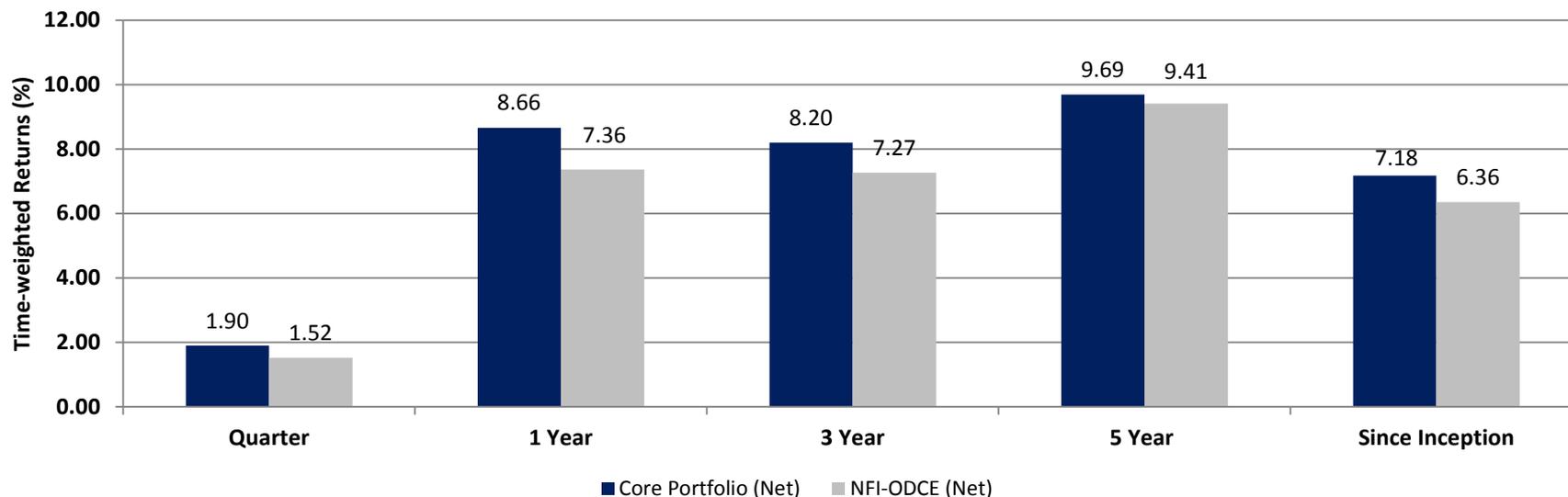
- Since 2014, Townsend has recommended ten* investments to LACERS staff and nine (including two emerging managers) ultimately were brought forth for Board recommendation. The first of these investments to call capital was Jamestown Premier Property Fund in 3Q15. Core investments include Berkshire, Jamestown, Lion Industrial Trust, Prime, Principal, and Kayne Anderson Core**. Non-Core investments include Gerrity, Standard Life, Asana I and Asana II, and Heitman Asia.
- Performance of Townsend-advised investments since 2014 exceeds performance of the Total Portfolio and the benchmark over the trailing 1-year and 3-year periods, but underperforms the benchmark over the recent quarter, largely due to currency effects and J-curve from the funding of Heitman Asia. These investments are expected to drive performance going forward.

*As of 4Q18.

** Expected to call capital in 2019.

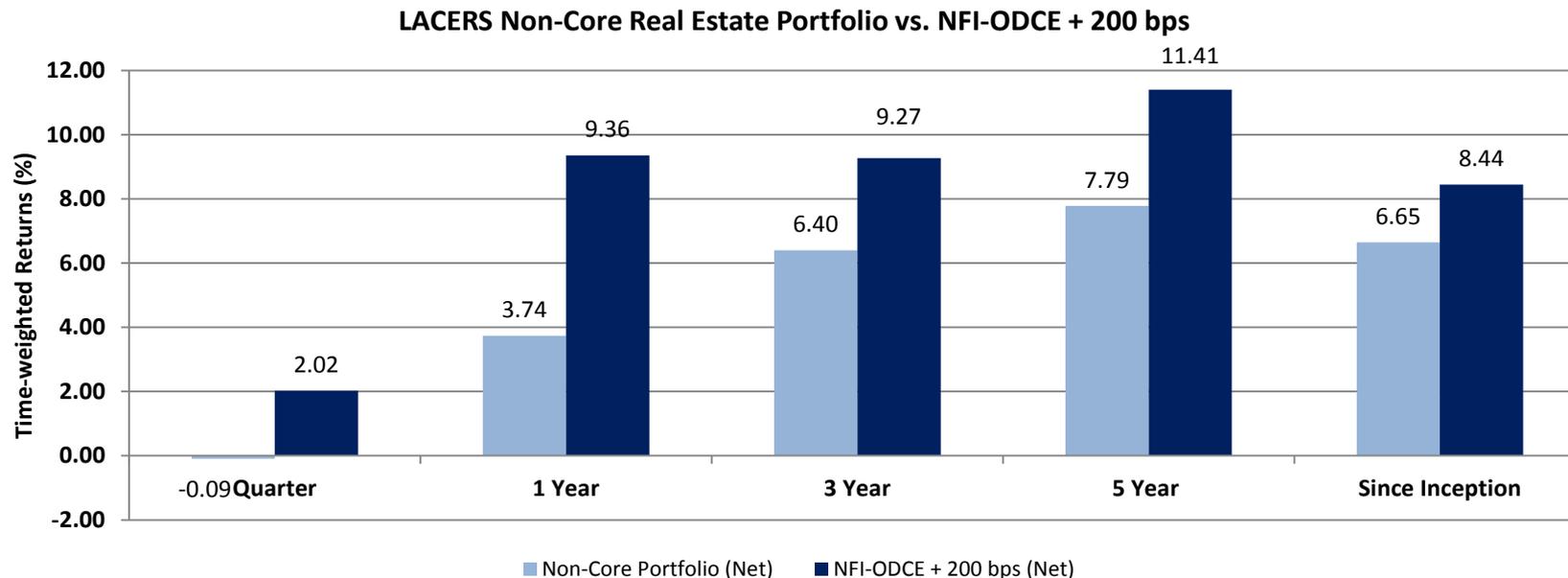
Relative Performance by Strategy: Core

LACERS Core Real Estate Portfolio vs. NFI-ODCE



- The LACERS Core benchmark is the NFI-ODCE, measured over 5-year time periods, net of fees.
- The Core Portfolio has outperformed the benchmark over all periods.
- On a dollar-return basis, Invesco Core Real Estate and Lion Industrial Trust were the largest contributors to Core performance over the quarter, outperforming the NFI-ODCE by 56 bps and 186 bps respectively.
- On an absolute-return basis, CIM VI and Lion Industrial Trust generated the greatest returns, delivering a 6.0% and 3.4% net return over the quarter, respectively.
- Berkshire, CMCT, Jamestown Premier Property Fund , JPM SPF and Principal USPSA lagged the NFI-ODCE, with underperformance ranging from 42 to 81 bps.
- Over the trailing year, outperformance on both a dollar and absolute return basis was driven by the strong returns of Lion Industrial Trust and Invesco Core Real Estate, which outperformed the NFI-ODCE by 852 basis points and 162 basis points respectively.

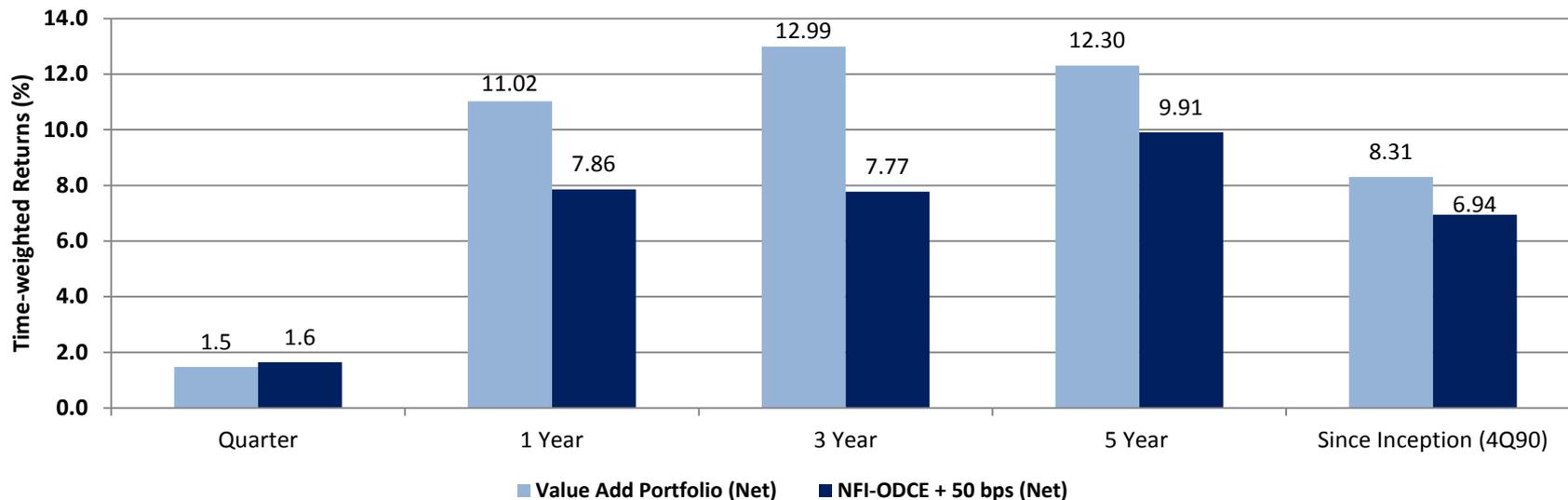
Relative Performance by Strategy: Non-Core



- The LACERS Non-Core benchmark is the NFI-ODCE + 200 bps, measured over 5-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 14 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

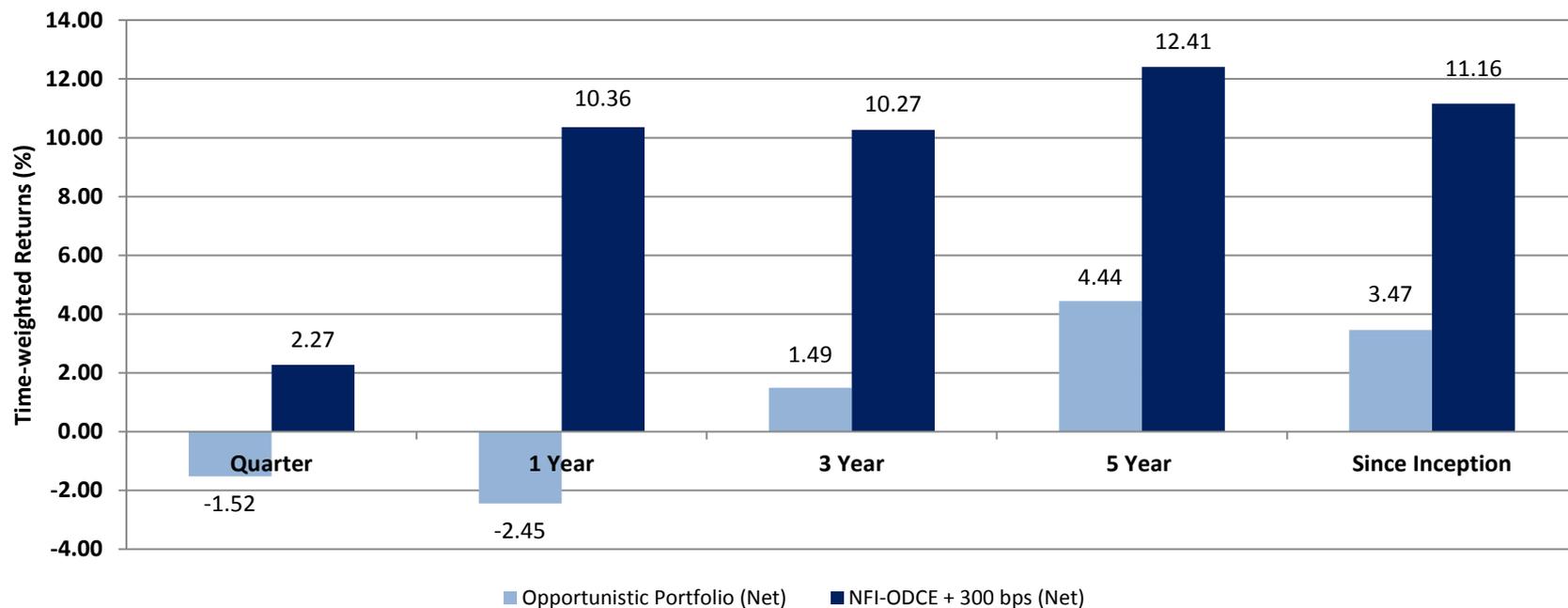
LACERS Value Add Real Estate Portfolio vs. NFI-ODCE + 50 basis points



- The LACERS Value Add benchmark is the NFI-ODCE + 50 bps, measured over 5-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.
- Asana Partners Fund I, which outperformed its benchmark by 336 bps over the quarter, was the strongest driver of performance on an absolute-return and dollar-return basis. This was followed by Mesa West Real Estate Income Fund III, which outperformed its benchmark by 302 basis points. Standard Life Investments European Real Estate Club II and Heitman Asia-Pacific Property Investors were the largest detractors from performance.
 - Underperformance for Standard Life was driven by USD/EUR currency translation effects, resulting in negative quarterly and 1-year returns.
 - For Heitman Asia, underperformance was due to J-curve effects in which management fees on committed capital represented a significant proportion of current NAV.
- Over the trailing year, four out of eight active Value Add investments outperformed the benchmark.

Relative Performance by Strategy: Non-Core — Opportunistic

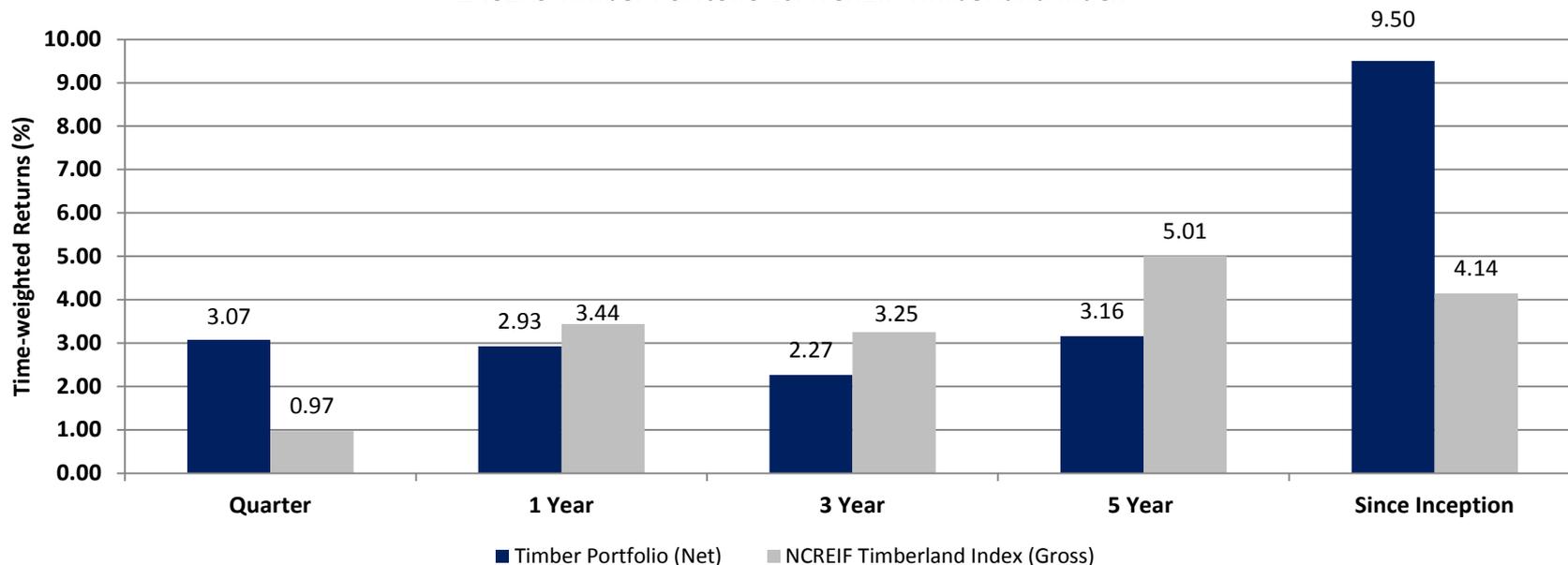
LACERS Opportunistic Portfolio vs. NFI-ODCE + 300 bps



- The LACERS Opportunistic benchmark is the NFI-ODCE + 300 bps, measured over 5-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 Opportunistic 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 14 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 Bryanston Retail Opportunity Fund (1254 basis points above benchmark) and Torchlight Debt Opportunity Fund IV (33 basis points).

Relative Performance by Strategy: Timber

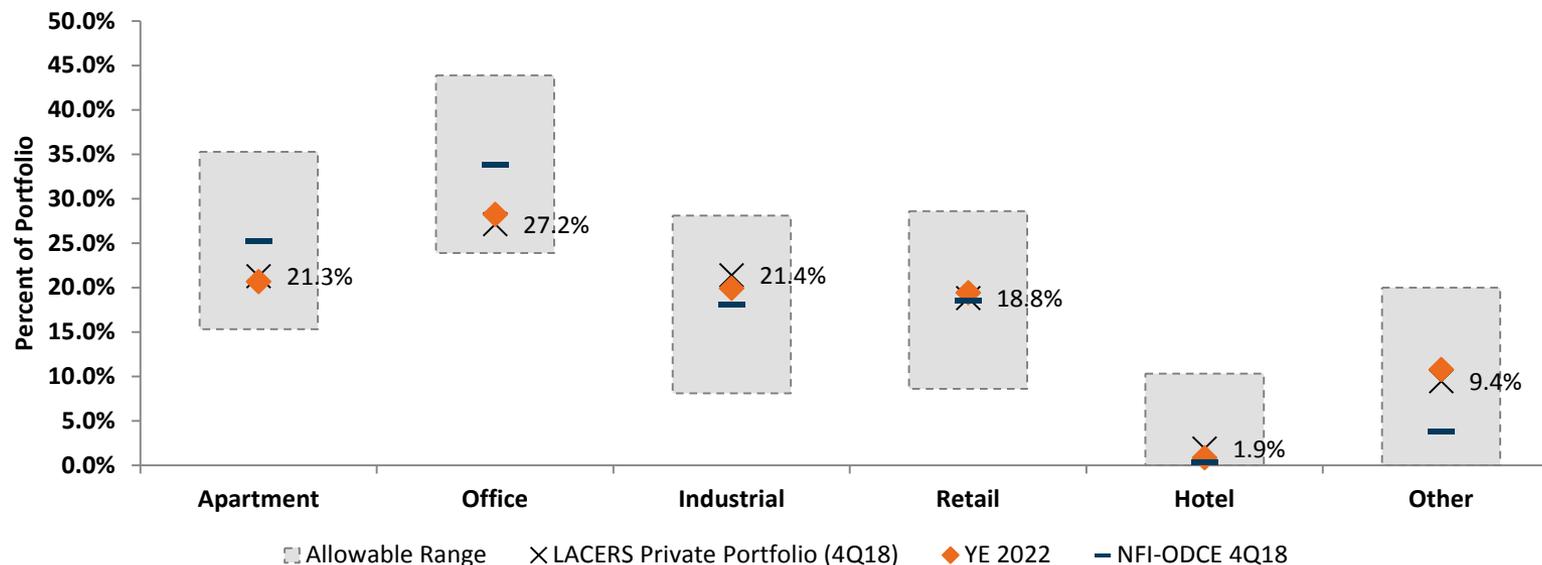
LACERS Timber Portfolio vs. NCREIF Timberland Index



- The Timber Portfolio, net of fees, significantly outperformed its benchmark, the NCREIF Timberland Index, gross of fees, over the quarter (210 bps) and since inception (536 bps). The portfolio underperformed the benchmark over all other periods.
- 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 (86%, split between the South and the Northwest) and Chile (14%). The Northeast 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 and the current quarter.

Real Estate Portfolio Diversification

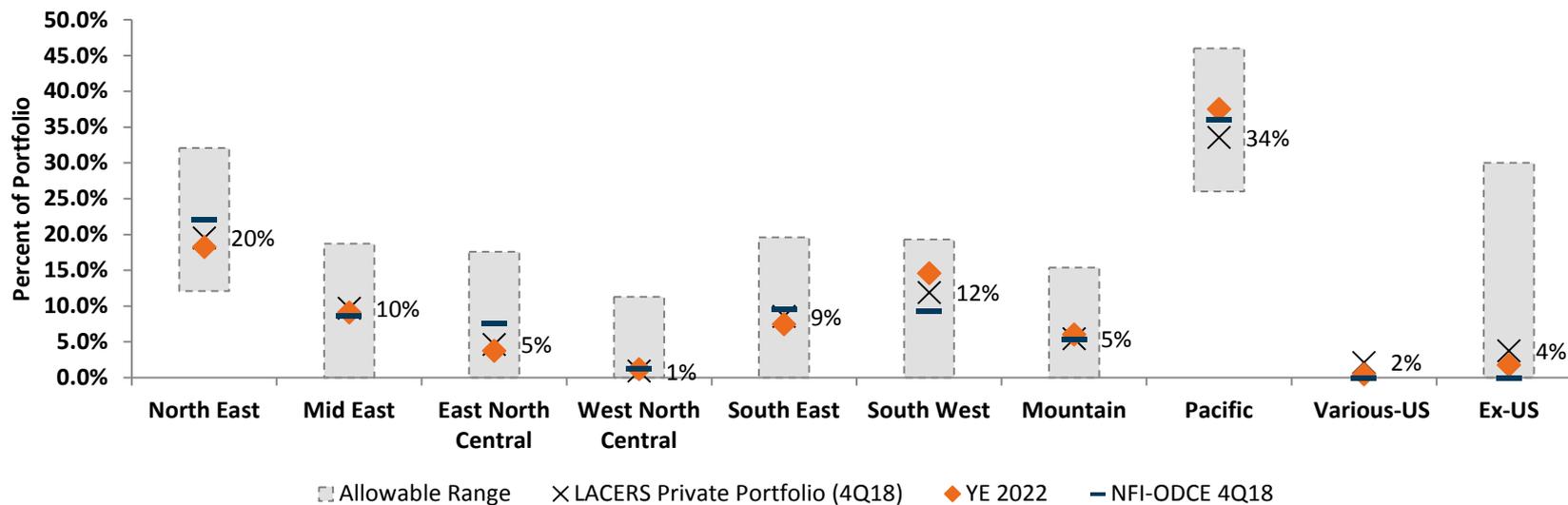
Private Real Estate Portfolio (Ex. Timber) - Property Type Diversification
4Q18 vs. Projected Year-End 2022 Exposure



- 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.
- Among the "Other" property types, LACERS' portfolio has the greatest exposure to Self-Storage (1.33%), Land (1.21%), Student Housing (0.46%), and Healthcare (0.30%)

Real Estate Portfolio Diversification

Private Real Estate Portfolio (Ex. Timber) – Geographic Diversification
4Q18 vs. Projected Year-End 2022 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 2022) includes all commitments approved by the Board through 12/31/18.
- The Portfolio currently has an aggregate exposure to the Los Angeles metropolitan area of 8.0%, with a 4.2% exposure to Los Angeles City. The NFI-ODCE's exposure to the Los Angeles metropolitan area is 10.6%**.
- The 4.4% Ex-US exposure can be broken out into three large regional exposures: Asia (1.8%), Europe (1.5%), and Emerging Americas (0.6%).

Exhibit A: Performance Flash Report



Portfolio Composition (\$)								
Total Plan Assets	Allocation		Market Value		Unfunded Commitments		Remaining Allocation	
16,274,000,000	1,139,180,000	7.0%	784,930,038	4.8%	126,092,993	0.8%	228,156,969	1.4%

Performance Summary	Quarter (%)		1 Year (%)		3 Year (%)		5 Year (%)	
	TGRS	TNET	TGRS	TNET	TGRS	TNET	TGRS	TNET
LACERS	1.6	1.4	8.4	7.0	8.8	7.5	10.3	8.7
NFI-ODCE + 80 basis points	2.0	1.7	9.1	8.2	9.0	8.1	11.2	10.2

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	438,647,517	0	134,732,134	553,092,715	70.5	60.7
Non-Core Portfolio	1990	848,539,228	792,694,134	126,092,993	708,393,707	210,952,967	26.9	37.0
Value Added Portfolio	1990	293,531,885	208,496,788	99,659,821	177,794,412	100,847,886	12.8	22.0
Opportunistic Portfolio	1996	555,007,343	584,197,345	26,433,171	530,599,294	110,105,083	14.0	15.0
Timber Portfolio	1999	20,000,000	18,601,851	0	1,768,278	20,884,356	2.7	2.3
Total Current Portfolio								
LACERS	1989	1,247,406,781	1,249,943,502	126,092,993	844,894,119	784,930,038	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	2,183,521	24,387,811	3.1	2.7
CIM Commercial Trust Corporation ("CMCT")	2014	40,000,000	46,417,723	0	33,251,200	21,941,867	2.8	2.4
CIM VI (Urban REIT), LLC	2012	25,000,000	25,000,000	0	4,922,581	32,070,603	4.1	3.5
INVESCO Core Real Estate	2004	63,867,553	114,568,945	0	55,869,930	178,257,257	22.7	19.6
Jamestown Premier Property Fund	2015	50,000,000	50,804,012	0	24,479,294	39,032,858	5.0	4.3
JP Morgan Strategic Property Fund	2005	30,000,000	30,421,882	0	2,858,499	68,915,689	8.8	7.6
Lion Industrial Trust - 2007	2016	50,000,000	51,434,954	0	5,188,046	67,828,655	8.6	7.4
Prime Property Fund	2015	50,000,000	50,000,000	0	5,979,062	56,686,386	7.2	6.2
Principal U.S. Property Account	2015	50,000,000	50,000,000	0	0	63,971,589	8.1	7.0
Core	1989	378,867,553	438,647,516	0	134,732,133	553,092,715	70.5	60.7
Timber								
Hancock Timberland XI	2012	20,000,000	18,601,851	0	1,768,278	20,884,356	2.7	2.3
Timber	1999	20,000,000	18,601,851	0	1,768,278	20,884,356	2.7	2.3
Value Added								
Almanac Realty Securities VI	2012	25,000,000	15,475,571	0	14,686,555	7,029,880	0.9	0.8
Asana Partners Fund I	2017	20,000,000	14,410,965	5,589,035	0	17,398,308	2.2	2.5
Asana Partners Fund II		35,000,000	0	35,000,000	0	-126,921	0.0	3.8
Cornerstone Enhanced Mortgage Fund I	2012	25,000,000	13,436,224	11,563,777	17,238,663	72,334	0.0	1.3
DRA Growth and Income Fund VII	2011	25,000,000	26,640,000	0	40,639,061	14,319,440	1.8	1.6
DRA Growth and Income Fund VIII	2014	25,000,000	29,113,108	981,481	16,395,604	20,811,793	2.7	2.4
Gerrity Retail Fund 2	2015	20,000,000	16,857,641	3,220,213	2,979,759	17,543,357	2.2	2.3
Heitman Asia-Pacific Property Investors	2018	25,000,000	5,489,688	19,510,312	0	4,857,296	0.6	2.7
JP Morgan Alternative Property Fund	2006	25,000,000	25,000,000	0	18,465,738	271,351	0.0	0.0
Mesa West Real Estate Income Fund III	2013	25,000,000	18,939,181	22,521,430	20,311,299	4,016,034	0.5	2.9
Standard Life Investments European Real Estate Club II	2015	28,531,885	28,134,410	1,273,574	23,040,290	14,646,868	1.9	1.7
The Realty Associates Fund IX, L.P.	2010	15,000,000	15,000,000	0	24,037,444	8,145	0.0	0.0
Value Added	1990	293,531,885	208,496,788	99,659,822	177,794,413	100,847,885	12.8	22.0
Total Current Portfolio								
LACERS	1989	1,247,406,781	1,249,943,501	126,092,993	844,894,118	784,930,038	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	1,705,228	11,493,929	579,629	0.1	0.3
Bristol Value II, L.P.	2012	20,000,000	20,658,467	5,371,846	10,699,878	14,600,835	1.9	2.2
Bryanston Retail Opportunity Fund	2005	10,000,000	4,271,584	5,885,919	9,569,780	4,252,711	0.5	1.1
California Smart Growth Fund IV	2006	30,000,000	31,522,663	33,153	32,810,109	3,440,484	0.4	0.4
Canyon Johnson Urban Fund II	2005	10,000,000	8,988,718	1,011,296	3,974,652	34,109	0.0	0.1
CIM Real Estate Fund III	2007	15,000,000	16,763,475	0	20,587,454	8,045,202	1.0	0.9
CityView LA Urban Fund I	2007	25,000,000	61,482,527	0	73,781,337	45,851	0.0	0.0
Colony Investors VIII	2007	30,000,000	28,963,224	1,023,167	12,378,404	604,788	0.1	0.2
DRA Growth and Income Fund VI	2007	25,000,000	16,788,945	0	26,505,778	1,849,217	0.2	0.2
Genesis Workforce Housing Fund II	2006	20,000,000	19,999,316	0	29,109,871	-52,685	0.0	0.0
Integrated Capital Hospitality Fund	2009	10,000,000	6,006,797	0	2,728,129	2,210,031	0.3	0.2
LaSalle Asia Fund II	2005	25,000,000	24,016,560	0	25,752,817	233,115	0.0	0.0
Latin America Investors III	2008	20,000,000	20,686,689	0	3,886,924	-145,576	0.0	0.0
Lone Star Fund VII	2011	15,000,000	14,075,468	924,533	24,557,560	149,917	0.0	0.1
Lone Star Real Estate Fund II	2011	15,000,000	13,291,475	1,708,525	19,978,366	597,499	0.1	0.3
RECP Fund IV, L.P.	2008	40,000,000	50,677,619	1,815,895	26,742,051	35,616,252	4.5	4.1
Southern California Smart Growth Fund	2004	10,000,000	18,836,734	68,213	17,604,871	970,940	0.1	0.1
Stockbridge Real Estate Fund II	2006	30,000,000	30,000,000	0	4,049,560	10,377,900	1.3	1.1
The Buchanan Fund V	2007	30,000,000	27,000,000	3,000,000	25,794,507	205,960	0.0	0.4
Torchlight Debt Opportunity Fund II	2007	25,000,000	24,703,453	0	21,432,489	881,722	0.1	0.1
Torchlight Debt Opportunity Fund III	2009	25,000,000	24,890,796	0	38,123,630	0	0.0	0.0
Torchlight Debt Opportunity Fund IV	2013	24,474,342	24,483,106	0	25,233,012	9,795,634	1.2	1.1
Tuckerman Group Residential Income & Value Added Fund	2004	25,000,000	26,542,525	0	25,874,723	444,858	0.1	0.0
Walton Street Real Estate Fund V	2006	25,000,000	25,000,001	0	13,999,328	5,239,994	0.7	0.6
Walton Street Real Estate Fund VI	2009	25,000,000	22,161,966	3,885,396	23,930,135	10,126,695	1.3	1.5
Opportunistic	1996	555,007,343	584,197,346	26,433,171	530,599,294	110,105,082	14.0	15.0
Private Real Estate Portfolio Only (ex. Timber)	1989	1,227,406,781	1,231,341,650	126,092,993	843,125,840	764,045,682	97.3	97.7
Non-Core Portfolio	1990	848,539,228	792,694,134	126,092,993	708,393,707	210,952,967	26.9	37.0
Total Current Portfolio								
LACERS	1989	1,247,406,781	1,249,943,501	126,092,993	844,894,118	784,930,038	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	24,387,811	1.0	-0.4	0.6	0.5	4.0	2.0	6.2	5.6	4.3	3.0	7.3	6.6
CIM Commercial Trust Corporation ("CMCT") ¹	21,941,867	1.6	-5.6	-4.0	-4.0	3.2	-3.8	-0.6	-0.6	2.9	-1.0	1.8	1.8
CIM VI (Urban REIT), LLC	32,070,603	0.8	5.5	6.3	6.0	3.6	6.6	10.4	8.9	3.8	2.1	6.0	5.0
INVESCO Core Real Estate	178,257,257	0.9	1.3	2.2	2.1	3.8	5.4	9.4	9.0	3.8	5.1	9.0	8.6
Jamestown Premier Property Fund	39,032,858	0.8	0.4	1.2	1.2	3.4	6.2	9.7	7.7	4.3	6.9	11.4	9.0
JP Morgan Strategic Property Fund	68,915,689	0.9	1.0	1.9	1.7	3.9	4.0	8.0	7.0	4.2	3.6	7.9	6.8
Lion Industrial Trust - 2007	67,828,655	1.3	2.7	4.0	3.4	5.1	13.1	18.7	15.9	5.4	10.2	16.0	13.6
Prime Property Fund	56,686,386	0.9	1.3	2.2	2.0	3.9	5.0	9.1	8.0	4.1	5.5	9.8	8.6
Principal U.S. Property Account	63,971,589	1.1	0.4	1.5	1.2	4.6	4.3	9.1	8.1	4.8	4.5	9.4	8.4
Core	553,092,715	1.0	1.1	2.1	1.9	4.0	5.6	9.8	8.7	4.1	4.9	9.2	8.2
Timber													
Hancock Timberland XI	20,884,356	0.3	3.0	3.3	3.1	0.8	3.0	3.9	2.9	0.0	3.1	3.1	2.3
Timber	20,884,356	0.3	3.0	3.3	3.1	0.8	3.0	3.9	2.9	0.0	3.1	3.1	2.3
Value Added													
Almanac Realty Securities VI	7,029,880	2.0	-2.7	-0.7	-0.9	7.7	-5.4	2.0	1.3	7.3	-1.6	5.7	4.9
Asana Partners Fund I	17,398,308	0.2	6.4	6.7	5.0	0.6	25.7	26.4	18.7				
Asana Partners Fund II	-126,921												
Cornerstone Enhanced Mortgage Fund I	72,334	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 VII	14,319,440	0.5	4.7	5.2	4.4	8.3	35.0	45.3	37.5	9.6	26.4	37.8	31.2
DRA Growth and Income Fund VIII	20,811,793	2.6	0.3	2.9	2.4	11.9	2.0	14.1	11.3	11.9	2.3	14.4	11.6
Gerrity Retail Fund 2	17,543,357	1.4	-1.8	-0.5	-0.8	6.9	5.3	12.4	10.6	8.5	5.6	14.4	11.9
Heitman Asia-Pacific Property Investors	4,857,296	-3.1	0.8	-2.2	-2.5								
JP Morgan Alternative Property Fund ⁴	271,351	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	4,016,034	5.7	0.0	5.7	4.7	15.8	0.0	15.8	12.8	13.3	-0.1	13.2	10.6
Standard Life Investments European Real Estate Club II	14,646,868	0.0	-2.8	-2.7	-2.9	5.8	-7.4	-2.0	-2.7	2.7	9.5	12.3	11.4
The Realty Associates Fund IX, L.P. ⁴	8,145	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	100,847,885	1.2	1.0	2.2	1.5	7.3	6.5	14.1	11.0	7.6	7.7	15.7	13.0
Total Portfolio													
LACERS	784,930,038	0.9	0.7	1.6	1.4	4.0	4.3	8.4	7.0	4.4	4.3	8.8	7.5
Indices													
NFI-ODCE (Core)		1.0	0.7	1.8	1.5	4.2	4.0	8.3	7.4	4.4	3.8	8.2	7.3
NFI-ODCE + 80 bps (Total Portfolio)				2.0	1.7			9.1	8.2			9.0	8.1
NFI-ODCE + 200 bps (Non-Core Portfolio)				2.3	2.0			10.3	9.4			10.2	9.3
NFI -ODCE + 50 bps (Value Add)				1.9	1.6			8.8	7.9			8.7	7.8
NFI -ODCE + 300 bps (Opportunistic)				2.5	2.3			11.3	10.4			11.2	10.3
NCREIF Timberland Property Index "NTI"		0.8	0.2	1.0		3.2	0.2	3.4		2.9	0.4	3.3	

* 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	24,387,811					4.3	3.0	7.3	6.6	1Q16	9.9	1.3
CIM Commercial Trust Corporation ("CMCT") ¹	21,941,867	3.3	0.7	4.0	4.0	3.3	0.7	4.0	4.0	1Q14	4.6	1.2
CIM VI (Urban REIT), LLC	32,070,603	4.0	5.0	9.2	7.8	3.8	6.3	10.3	8.9	3Q12	8.0	1.5
INVESCO Core Real Estate	178,257,257	4.0	6.6	10.8	10.4	5.2	3.1	8.4	7.9	4Q04	7.8	2.0
Jamestown Premier Property Fund	39,032,858					4.3	7.7	12.3	9.8	3Q15	9.8	1.3
JP Morgan Strategic Property Fund	68,915,689	4.7	5.1	9.9	8.9	5.3	2.3	7.7	6.7	4Q05	6.8	2.4
Lion Industrial Trust - 2007	67,828,655					5.4	10.2	16.0	13.6	1Q16	13.7	1.4
Prime Property Fund	56,686,386					4.1	5.5	9.8	8.6	1Q16	8.6	1.3
Principal U.S. Property Account	63,971,589					4.8	4.7	9.7	8.6	4Q15	8.6	1.3
Core	553,092,715	4.3	6.1	10.6	9.7	6.4	1.6	8.1	7.2	1Q89	6.0	1.5
Timber												
Hancock Timberland XI	20,884,356	-0.2	4.2	4.0	3.2	-0.4	6.0	5.6	4.8	2Q12	4.3	1.2
Timber	20,884,356	-0.2	4.8	4.6	3.2	4.9	5.7	10.9	9.5	4Q99	10.0	1.7
Value Added												
Almanac Realty Securities VI	7,029,880	7.5	3.3	10.9	9.5	8.5	5.4	14.1	12.1	1Q13	13.2	1.4
Asana Partners Fund I	17,398,308					1.1	24.5	25.7	16.9	2Q17	19.0	1.2
Asana Partners Fund II	-126,921									2Q19	0.0	N/A
Cornerstone Enhanced Mortgage Fund I	72,334	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4Q12	9.2	1.3
DRA Growth and Income Fund VII	14,319,440	10.7	18.8	31.0	25.3	11.8	14.1	27.2	22.2	1Q12	20.8	2.1
DRA Growth and Income Fund VIII	20,811,793					12.5	1.9	14.5	11.7	4Q14	11.9	1.3
Gerrity Retail Fund 2	17,543,357					8.4	5.1	13.9	11.1	4Q15	9.5	1.2
Heitman Asia-Pacific Property Investors	4,857,296					-1.6	-3.2	-4.7	-5.2	3Q18	-23.4	0.9
JP Morgan Alternative Property Fund ⁴	271,351	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	4,016,034	13.0	0.1	13.1	10.1	13.0	0.1	13.2	9.5	4Q13	8.7	1.3
Standard Life Investments European Real Estate Club II	14,646,868					2.7	9.5	12.3	11.4	1Q16	14.1	1.3
The Realty Associates Fund IX, L.P. ⁴	8,145	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q10	10.4	1.6
Value Added	100,847,885	7.7	6.7	14.8	12.3	7.6	2.5	10.2	8.3	4Q90		
Total Portfolio												
LACERS	784,930,038	4.9	5.2	10.3	8.7	6.1	1.5	7.7	6.0	1Q89		
Indices												
NFI-ODCE (Core)		4.6	5.6	10.4	9.4	6.8	0.6	7.4	6.4	1Q89		
NFI-ODCE + 80 bps (Total Portfolio)				11.2	10.2			8.2	7.2	1Q89		
NFI-ODCE + 200 bps (Non-Core Portfolio)				12.4	11.4			9.5	8.4	4Q90		
NFI -ODCE + 50 bps (Value Add)				10.9	9.9			8.0	6.9	4Q90		
NFI -ODCE + 300 bps (Opportunistic)				13.4	12.4			12.2	11.2	4Q96		
NCREIF Timberland Property Index "NTI"		2.8	2.1	5.0		3.3	0.8	4.1		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	579,629	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.	14,600,835	-0.1	5.5	5.4	5.1	1.0	5.7	6.7	5.1	2.3	9.1	11.5	9.8
Bryanston Retail Opportunity Fund	4,252,711	0.1	25.7	25.8	25.7	0.0	23.5	23.5	22.9	-0.1	-2.0	-2.1	-2.5
California Smart Growth Fund IV	3,440,484	0.2	-9.2	-9.0	-9.0	0.3	-6.4	-6.1	-6.1	3.0	1.3	4.3	3.7
Canyon Johnson Urban Fund II ¹	34,109	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	8,045,202	-0.5	1.5	1.0	0.7	5.7	-0.3	5.9	4.5	6.4	-0.4	6.4	5.0
CityView LA Urban Fund I ¹	45,851	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	604,788	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	1,849,217	4.1	0.0	4.1	2.0	-3.9	-0.2	-4.1	-6.7	3.8	0.0	3.8	1.3
Genesis Workforce Housing Fund II ¹	-52,685	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	2,210,031	-20.2	-20.8	-41.0	-41.3	-19.6	-23.6	-42.7	-43.7	-13.4	-18.0	-32.2	-33.1
LaSalle Asia Fund II ¹	233,115	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	-145,576	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 Fund VII ¹	149,917	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	597,499	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.	35,616,252	0.9	3.4	4.3	4.2	1.1	1.0	2.1	1.6	1.8	5.8	7.7	6.3
Southern California Smart Growth Fund ²	970,940	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Stockbridge Real Estate Fund II	10,377,900	-0.1	0.0	-0.1	-0.1	0.0	0.6	0.6	0.2	0.5	4.7	5.1	4.5
The Buchanan Fund V	205,960	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 II	881,722	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 III ¹	0	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	9,795,634	1.5	-3.3	-1.8	-0.1	7.9	6.6	14.8	10.7	9.2	4.4	13.9	10.6
Tuckerman Group Residential Income & Value Added Fund ¹	444,858	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	5,239,994	0.3	-7.7	-7.4	-7.5	2.4	-18.7	-16.6	-17.1	3.5	-7.2	-3.9	-4.8
Walton Street Real Estate Fund VI	10,126,695	1.4	-4.6	-3.3	-3.5	4.3	-0.2	4.2	3.1	3.2	-0.7	2.5	1.3
Opportunistic	110,105,082	0.4	-1.7	-1.3	-1.5	1.9	-2.9	-1.0	-2.4	3.0	0.0	3.0	1.5
Private Real Estate Portfolio Only (ex. Timber)	764,045,682	0.9	0.7	1.6	1.3	4.1	4.3	8.6	7.1	4.5	4.4	9.0	7.6
Non-Core Portfolio	210,952,967	0.8	-0.5	0.3	-0.1	4.4	1.4	5.9	3.7	5.0	3.3	8.4	6.4
Total Portfolio													
LACERS	784,930,038	0.9	0.7	1.6	1.4	4.0	4.3	8.4	7.0	4.4	4.3	8.8	7.5
Indices													
NFI-ODCE (Core)		1.0	0.7	1.8	1.5	4.2	4.0	8.3	7.4	4.4	3.8	8.2	7.3
NFI-ODCE + 80 bps (Total Portfolio)				2.0	1.7			9.1	8.2			9.0	8.1
NFI-ODCE + 200 bps (Non-Core Portfolio)				2.3	2.0			10.3	9.4			10.2	9.3
NFI -ODCE + 50 bps (Value Add)				1.9	1.6			8.8	7.9			8.7	7.8
NFI -ODCE + 300 bps (Opportunistic)				2.5	2.3			11.3	10.4			11.2	10.3
NCREIF Timberland Property Index "NTI"		0.8	0.2	1.0		3.2	0.2	3.4		2.9	0.4	3.3	

* 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	579,629	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.	14,600,835	2.5	8.4	11.0	9.2	3.0	11.4	14.7	12.8	1Q13	10.3	1.2
Bryanston Retail Opportunity Fund	4,252,711	0.4	19.2	19.7	18.9	7.5	23.1	30.1	26.7	2Q05	79.7	3.2
California Smart Growth Fund IV	3,440,484	3.4	6.5	10.0	9.1	2.3	-0.7	1.6	-0.6	1Q07	2.3	1.1
Canyon Johnson Urban Fund II ¹	34,109	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	8,045,202	6.0	0.4	7.7	6.3	-9.4	N/A	N/A	N/A	1Q08	10.3	1.7
CityView LA Urban Fund I ¹	45,851	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	604,788	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4Q07	-11.6	0.4
DRA Growth and Income Fund VI	1,849,217	4.5	11.4	16.2	10.8	7.6	3.9	11.9	7.4	2Q08	10.8	1.7
Genesis Workforce Housing Fund II ¹	-52,685	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	2,210,031	-7.5	-10.3	-19.3	-20.2	2.2	-2.0	-3.0	-4.8	3Q11	-4.7	0.8
LaSalle Asia Fund II ¹	233,115	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	-145,576	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1Q09	0.0	0.2
Lone Star Fund VII ¹	149,917	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q11	50.2	1.8
Lone Star Real Estate Fund II	597,499	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q11	26.6	1.5
RECP Fund IV, L.P.	35,616,252	2.0	5.5	7.6	6.0	3.4	-6.3	-3.1	-6.9	4Q08	4.0	1.2
Southern California Smart Growth Fund ²	970,940	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1Q05	-0.4	1.0
Stockbridge Real Estate Fund II	10,377,900	-0.3	8.8	8.5	7.5	-9.3	-9.3	-17.6	-19.9	4Q06	-7.4	0.5
The Buchanan Fund V	205,960	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3Q07	-0.6	1.0
Torchlight Debt Opportunity Fund II	881,722	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1Q08	-1.3	0.9
Torchlight Debt Opportunity Fund III ¹	0	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	9,795,634	9.5	3.8	13.5	10.4	9.5	3.8	13.6	10.5	4Q13	10.4	1.4
Tuckerman Group Residential Income & Value Added Fund ¹	444,858	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	5,239,994	3.6	-1.2	2.4	1.3	2.3	-2.2	0.1	-1.7	4Q06	-2.9	0.8
Walton Street Real Estate Fund VI	10,126,695	3.1	3.8	7.0	5.8	-9.6	14.9	2.4	-2.5	3Q09	9.0	1.5
Opportunistic	110,105,082	4.0	2.2	6.3	4.4	4.2	2.8	7.1	3.5	4Q96	2.1	1.1
Private Real Estate Portfolio Only (ex. Timber)	764,045,682	5.0	5.2	10.4	8.9	6.1	1.4	7.6	5.9	1Q89		
Non-Core Portfolio	210,952,967	5.6	4.2	9.9	7.8	6.5	2.6	9.2	6.6	4Q90		
Total Portfolio												
LACERS	784,930,038	4.9	5.2	10.3	8.7	6.1	1.5	7.7	6.0	1Q89		
Indices												
NFI-ODCE (Core)		4.6	5.6	10.4	9.4	6.8	0.6	7.4	6.4	1Q89		
NFI-ODCE + 80 bps (Total Portfolio)				11.2	10.2			8.2	7.2	1Q89		
NFI-ODCE + 200 bps (Non-Core Portfolio)				12.4	11.4			9.5	8.4	4Q90		
NFI -ODCE + 50 bps (Value Add)				10.9	9.9			8.0	6.9	4Q90		
NFI -ODCE + 300 bps (Opportunistic)				13.4	12.4			12.2	11.2	4Q96		
NCREIF Timberland Property Index "NTI"		2.8	2.1	5.0		3.3	0.8	4.1		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												
Core															
Berkshire Multifamily Income Realty Fund	24,387,811	6.2	5.6	5.4	4.7	10.4	9.5								
CIM Commercial Trust Corporation ("CMCT")	21,941,867	-0.6	-0.6	2.8	2.8	3.3	3.3	5.0	5.0	9.7	9.7				
CIM VI (Urban REIT), LLC	32,070,603	10.4	8.9	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	178,257,257	9.4	9.0	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	39,032,858	9.7	7.7	18.0	14.2	6.7	5.4	8.5	7.0						
JP Morgan Strategic Property Fund	68,915,689	8.0	7.0	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	67,828,655	18.7	15.9	14.4	12.3	14.9	12.8								
Prime Property Fund	56,686,386	9.1	8.0	9.9	8.8	10.4	9.2								
Principal U.S. Property Account	63,971,589	9.1	8.1	9.1	8.1	10.1	9.0	3.0	2.8						
Core	553,092,715	9.8	8.7	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	20,884,356	3.9	2.9	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	20,884,356	3.9	2.9	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	7,029,880	2.0	1.3	0.4	-0.3	15.2	14.3	23.5	21.2	15.2	12.8	31.6	26.1		
Asana Partners Fund I	17,398,308	26.4	18.7	18.1	10.8										
Asana Partners Fund II	-126,921														
Cornerstone Enhanced Mortgage Fund I	72,334	N/A													
DRA Growth and Income Fund VII	14,319,440	45.3	37.5	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	20,811,793	14.1	11.3	14.2	11.7	14.7	11.8	16.0	12.9	2.7	2.1				
Gerrity Retail Fund 2	17,543,357	12.4	10.6	9.8	7.6	21.4	17.7	1.7	0.6						
Heitman Asia-Pacific Property Investors	4,857,296	-4.7	-5.2												
JP Morgan Alternative Property Fund ²	271,351	N/A													
Mesa West Real Estate Income Fund III	4,016,034	15.8	12.8	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	14,646,868	-2.0	-2.7	33.8	32.6	8.1	7.1								
The Realty Associates Fund IX, L.P. ²	8,145	N/A													
Value Added	100,847,885	14.1	11.0	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	784,930,038	8.4	7.0	10.0	8.6	8.1	6.8	11.2	9.5	13.7	11.8	13.5	11.4	12.8	11.0
Indices															
NFI-ODCE (Core)		8.3	7.4	7.6	6.7	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)		9.1	8.2	8.4	7.5	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)		10.3	9.4	9.6	8.7	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)		8.8	7.9	8.1	7.2	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)		11.3	10.4	10.6	9.7	11.8	10.8	18.0	17.0	15.5	14.5	16.9	15.9	13.9	12.8
NCREIF Timberland Index (Timber)		3.4		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	24,387,811												
CIM Commercial Trust Corporation ("CMCT")	21,941,867												
CIM VI (Urban REIT), LLC	32,070,603												
INVESCO Core Real Estate	178,257,257	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	39,032,858												
JP Morgan Strategic Property Fund	68,915,689	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	67,828,655												
Prime Property Fund	56,686,386												
Principal U.S. Property Account	63,971,589												
Core	553,092,715	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	20,884,356												
Timber	20,884,356	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	7,029,880												
Asana Partners Fund I	17,398,308												
Asana Partners Fund II ¹	-126,921												
Cornerstone Enhanced Mortgage Fund I	72,334												
DRA Growth and Income Fund VII	14,319,440												
DRA Growth and Income Fund VIII	20,811,793												
Gerrity Retail Fund 2	17,543,357												
Heitman Asia-Pacific Property Investors	4,857,296												
JP Morgan Alternative Property Fund ²	271,351	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	4,016,034												
Standard Life Investments European Real Estate Club II	14,646,868												
The Realty Associates Fund IX, L.P. ²	8,145	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	100,847,885	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	784,930,038	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)		16.0	15.0	16.4	15.3	-29.8	-30.4	-10.0	-10.7	16.0	14.8	16.3	15.3
NFI-ODCE + 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
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
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
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
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	579,629	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.	14,600,835	6.7	5.1	17.1	15.3	11.0	9.1	8.2	6.1	12.4	10.6	35.0	33.0
Bryanston Retail Opportunity Fund	4,252,711	23.5	22.9	-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	3,440,484	-6.1	-6.1	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	34,109	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	8,045,202	5.9	4.5	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	45,851	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	604,788	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	1,849,217	-4.1	-6.7	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	-52,685	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	2,210,031	-42.7	-43.7	-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	233,115	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	-145,576	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 Fund VII ¹	149,917	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	597,499	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.	35,616,252	2.1	1.6	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	970,940	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Stockbridge Real Estate Fund II	10,377,900	0.6	0.2	21.2	20.6	-4.7	-5.5	3.9	2.6	24.4	22.8	46.5	43.7
The Buchanan Fund V	205,960	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 II	881,722	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 III ¹	0	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	9,795,634	14.8	10.7	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	444,858	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	5,239,994	-16.6	-17.1	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	10,126,695	4.2	3.1	9.2	7.9	-5.4	-6.6	13.5	12.2	14.8	13.4	16.0	14.3
Opportunistic	110,105,082	-1.0	-2.4	7.5	5.8	2.8	1.3	7.2	5.3	15.7	12.9	15.3	12.2
Private Real Estate Portfolio Only (ex. Timber)	764,045,682	8.6	7.1	10.2	8.8	8.2	6.9	11.3	9.6	13.8	12.0	13.4	11.3
Non-Core Portfolio	210,952,967	5.9	3.7	12.0	10.0	7.5	5.6	9.8	7.6	14.7	12.2	13.6	10.9
Total Portfolio													
LACERS	784,930,038	8.4	7.0	10.0	8.6	8.1	6.8	11.2	9.5	13.7	11.8	13.5	11.4
Indices													
NFI-ODCE (Core)		8.3	7.4	7.6	6.7	8.8	7.8	15.0	14.0	12.5	11.5	13.9	12.9
NFI-ODCE + 80 bps (Total Portfolio)		9.1	8.2	8.4	7.5	9.6	8.6	15.8	14.8	13.3	12.3	14.7	13.7
NFI-ODCE + 200 bps (Non-Core Portfolio)		10.3	9.4	9.6	8.7	10.8	9.8	17.0	16.0	14.5	13.5	15.9	14.9
NFI-ODCE + 50 bps (Value Add)		8.8	7.9	8.1	7.2	9.3	8.3	15.5	14.5	13.0	12.0	14.4	13.4
NFI-ODCE + 300 bps (Opportunistic)		11.3	10.4	10.6	9.7	11.8	10.8	18.0	17.0	15.5	14.5	16.9	15.9
NCREIF Timberland Index (Timber)		3.4		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	579,629	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						
Bristol Value II, L.P.	14,600,835														
Bryanston Retail Opportunity Fund	4,252,711	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	3,440,484	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	34,109	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						
CIM Real Estate Fund III	8,045,202	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	45,851	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						
Colony Investors VIII ¹	604,788	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						
DRA Growth and Income Fund VI	1,849,217	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	-52,685	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						
Integrated Capital Hospitality Fund	2,210,031	96.8	87.9	6.0	2.6										
LaSalle Asia Fund II ¹	233,115	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						
Latin America Investors III	-145,576	N/A	N/A												
Lone Star Fund VII ¹	149,917	N/A	N/A	N/A	N/A										
Lone Star Real Estate Fund II ¹	597,499	N/A	N/A	N/A	N/A										
RECP Fund IV, L.P.	35,616,252	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	970,940	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						
Stockbridge Real Estate Fund II	10,377,900	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	205,960	N/A	N/A	N/A	N/A	N/A	N/A								
Torchlight Debt Opportunity Fund II	881,722	N/A	N/A	N/A	N/A										
Torchlight Debt Opportunity Fund III ¹	0	N/A	N/A												
Torchlight Debt Opportunity Fund IV	9,795,634														
Tuckerman Group Residential Income & Value Added Fund ¹	444,858	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A						
Walton Street Real Estate Fund V	5,239,994	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	10,126,695	12.1	10.4	14.3	12.3	173.3	162.1	-78.1	-84.0						
Opportunistic	110,105,082	12.5	10.1	8.8	6.5	17.1	12.6	-39.0	-41.6	-36.6	-39.2	10.6	4.5	31.4	24.5
Private Real Estate Portfolio Only (ex. Timber)	764,045,682	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	210,952,967	14.0	11.9	11.9	9.6	12.2	8.5	-38.8	-40.7	-30.0	-31.3	14.2	9.9	21.1	17.1
Total Portfolio															
LACERS	784,930,038	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)		10.9	9.8	16.0	15.0	16.4	15.3	-29.8	-30.4	-10.0	-10.7	16.0	14.8	16.3	15.3
NFI-ODCE + 80 bps (Total Portfolio)		11.7	10.6	16.8	15.8	17.2	16.1	-29.0	-29.6	-9.2	-9.9	16.8	15.6	17.1	16.1
NFI-ODCE + 200 bps (Non-Core Portfolio)		12.9	11.8	18.0	17.0	18.4	17.3	-27.8	-28.4	-8.0	-8.7	18.0	16.8	18.3	17.3
NFI-ODCE + 50 bps (Value Add)		11.4	10.3	16.5	15.5	16.9	15.8	-29.3	-29.9	-9.5	-10.2	16.5	15.3	16.8	15.8
NFI-ODCE + 300 bps (Opportunistic)		13.9	12.8	19.0	18.0	19.4	18.3	-26.8	-27.4	-7.0	-7.7	19.0	17.8	19.3	18.3
NCREIF Timberland Index (Timber)		7.8		1.6		2.4		-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	24,481,521	0	213,845	0	245,866	19,572	-106,159	24,387,811	39.2
CIM Commercial Trust Corporation ("CMCT")	22,969,251	0	112,945	0	377,825	0	-1,292,264	21,941,867	31.1
CIM VI (Urban REIT), LLC	30,487,442	0	234,216	0	240,602	106,276	1,683,051	32,070,603	0.0
INVESCO Core Real Estate	174,643,233	1,478,131	1,520,162	0	1,602,531	154,347	2,207,871	178,257,257	23.9
Jamestown Premier Property Fund	38,996,941	58,495	494,965	0	319,449	13,534	166,471	39,032,858	40.3
JP Morgan Strategic Property Fund	67,793,906	0	0	0	632,498	165,925	655,209	68,915,689	22.4
Lion Industrial Trust - 2007	65,927,697	172,736	503,134	0	832,277	382,209	1,781,288	67,828,655	33.9
Prime Property Fund	56,136,126	0	553,267	0	532,983	150,999	721,543	56,686,386	17.7
Principal U.S. Property Account	63,183,732	0	0	0	666,305	152,208	273,759	63,971,589	18.3
Core	544,619,849	1,709,362	3,632,534	0	5,450,336	1,145,070	6,090,769	553,092,715	25.5
Timber									
Hancock Timberland XI	20,450,073	0	194,316	0	58,261	46,905	617,243	20,884,356	0.0
Timber	20,450,073	0	194,316	0	58,261	46,905	617,243	20,884,356	0.0
Value Added									
Almanac Realty Securities VI	7,113,929	0	19,066	0	142,684	13,055	-194,612	7,029,880	47.8
Asana Partners Fund I	14,386,508	2,200,000	0	0	34,467	267,256	1,044,589	17,398,308	48.7
Asana Partners Fund II	-60,754	0	0	0	-7,913	58,254	0	-126,921	0.0
Cornerstone Enhanced Mortgage Fund I	71,526	0	0	0	673	-135	0	72,334	0.0
DRA Growth and Income Fund VII	17,671,233	0	1,817,889	2,271,052	82,802	138,047	792,393	14,319,440	60.0
DRA Growth and Income Fund VIII	22,613,120	0	836,741	1,488,601	551,944	95,829	67,900	20,811,793	66.3
Gerrity Retail Fund 2	15,977,257	1,975,872	280,346	0	226,646	50,827	-305,246	17,543,357	56.5
Heitman Asia-Pacific Property Investors	3,703,236	1,253,037	0	0	-120,844	10,421	32,287	4,857,296	46.0
JP Morgan Alternative Property Fund	270,780	0	0	0	571	0	0	271,351	0.0
Mesa West Real Estate Income Fund III	6,491,503	0	63,801	2,657,984	301,651	55,335	0	4,016,034	59.0
Standard Life Investments European Real Estate Club II	15,091,562	0	0	0	4,917	31,646	-417,965	14,646,868	53.3
The Realty Associates Fund IX, L.P.	30,488	0	22,241	0	-127	-25	0	8,145	0.0
Value Added	103,360,388	5,428,909	3,040,084	6,417,637	1,217,471	720,510	1,019,346	100,847,885	41.0
Total Portfolio									
LACERS	786,793,020	7,726,207	12,224,074	8,130,411	7,205,909	2,131,024	5,690,406	784,930,038	34.0

Quarterly Cash Flow Activity (\$)	Beginning Market Value	Contributions	Distributions	Withdrawals	Gross Income	Manager Fees	Appreciation	Ending Market Value	LTV (%)
Opportunistic									
Apollo CPI Europe I	583,662	0	0	0	2,955	0	-6,988	579,629	0.0
Bristol Value II, L.P.	13,428,965	587,936	115,429	0	-8,909	38,868	747,140	14,600,835	38.3
Bryanston Retail Opportunity Fund	3,384,550	0	0	0	2,030	4,078	870,209	4,252,711	64.5
California Smart Growth Fund IV	4,349,315	0	0	522,683	6,451	0	-392,599	3,440,484	0.0
Canyon Johnson Urban Fund II	34,453	0	0	0	-344	0	0	34,109	0.0
CIM Real Estate Fund III	7,993,161	0	0	0	-37,434	27,005	116,480	8,045,202	32.8
CityView LA Urban Fund I	49,625	0	0	0	-3,814	0	40	45,851	0.0
Colony Investors VIII	655,200	0	0	0	591	0	-51,003	604,788	0.0
DRA Growth and Income Fund VI	1,813,843	0	0	0	75,126	39,752	0	1,849,217	52.0
Genesis Workforce Housing Fund II	-44,618	0	6,262	0	-1,805	0	0	-52,685	0.0
Integrated Capital Hospitality Fund	3,768,149	0	0	0	-761,954	12,861	-783,303	2,210,031	37.2
LaSalle Asia Fund II	231,089	0	0	0	2,026	0	0	233,115	0.0
Latin America Investors III	2,556,044	0	0	0	-181,976	190,876	-2,328,768	-145,576	25.3
Lone Star Fund VII	153,498	0	0	0	-113	-4,114	-7,582	149,917	59.4
Lone Star Real Estate Fund II	652,183	0	0	68,417	14,457	4,644	3,919	597,499	39.0
RECP Fund IV, L.P.	34,469,070	0	0	317,136	321,703	21,250	1,163,865	35,616,252	37.2
Southern California Smart Growth Fund	1,869,836	0	0	804,538	761	0	-95,119	970,940	0.0
Stockbridge Real Estate Fund II	10,392,261	0	0	0	-5,436	8,808	-117	10,377,900	48.2
The Buchanan Fund V	2,735,779	0	2,579,810	0	77,140	8,078	-19,070	205,960	0.0
Torchlight Debt Opportunity Fund II	1,799,720	0	1,598,558	0	665,840	0	14,720	881,722	0.0
Torchlight Debt Opportunity Fund III	152,719	0	148,832	0	1,022	-972	-5,881	0	0.0
Torchlight Debt Opportunity Fund IV	10,718,852	0	908,249	0	160,267	-167,145	-342,381	9,795,634	24.4
Tuckerman Group Residential Income & Value Added Fund	453,005	0	0	0	-7,659	488	0	444,858	0.0
Walton Street Real Estate Fund V	5,667,329	0	0	0	17,213	7,776	-436,772	5,239,994	62.3
Walton Street Real Estate Fund VI	10,495,020	0	0	0	141,703	26,286	-483,742	10,126,695	57.3
Opportunistic	118,362,710	587,936	5,357,140	1,712,774	479,841	218,539	-2,036,952	110,105,082	42.3
Private Real Estate Portfolio Only (ex. Timber)	766,342,947	7,726,207	12,029,758	8,130,411	7,147,648	2,084,119	5,073,163	764,045,682	34.6
Non-Core Portfolio	221,723,098	6,016,845	8,397,224	8,130,411	1,697,312	939,049	-1,017,606	210,952,967	50.5
Total Portfolio									
LACERS	786,793,020	7,726,207	12,224,074	8,130,411	7,205,909	2,131,024	5,690,406	784,930,038	34.0

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
Core						
Berkshire Multifamily Income Realty Fund	100.0	-	-	-	-	-
CIM Commercial Trust Corporation ("CMCT")	-	85.9	-	-	10.9	3.2
CIM VI (Urban REIT), LLC	60.1	26.2	-	13.8	-	-
INVESCO Core Real Estate	30.2	33.0	16.8	18.3	-	1.8
Jamestown Premier Property Fund	-	63.2	-	28.0	-	8.8
JP Morgan Strategic Property Fund	22.5	37.2	14.1	25.5	-	0.6
Lion Industrial Trust - 2007	-	-	100.0	-	-	-
Prime Property Fund	25.1	31.8	20.0	13.3	-	9.7
Principal U.S. Property Account	14.9	40.3	21.6	15.9	-	7.4
Core	25.2	30.9	26.2	14.4	0.4	3.0
Timber						
Hancock Timberland XI	-	-	-	-	-	100.0
Timber	-	-	-	-	-	100.0
Value Added						
Almanac Realty Securities VI	-	-	-	-	-	100.0
Asana Partners Fund I	-	-	-	100.0	-	-
Asana Partners Fund II	-	-	-	-	-	-
Cornerstone Enhanced Mortgage Fund I	-	-	-	-	-	-
DRA Growth and Income Fund VII	33.1	11.1	41.5	14.3	-	-
DRA Growth and Income Fund VIII	7.4	30.6	10.5	51.5	-	-
Gerrity Retail Fund 2	-	-	-	100.0	-	-
Heitman Asia-Pacific Property Investors	-	34.9	-	28.7	-	36.4
JP Morgan Alternative Property Fund	-	-	-	-	-	-
Mesa West Real Estate Income Fund III	30.0	54.4	-	-	15.6	-
Standard Life Investments European Real Estate Club II	-	55.2	-	44.8	-	-
The Realty Associates Fund IX, L.P.	-	-	-	-	-	-
Value Added	8.1	17.9	9.0	55.4	0.6	9.0
Total Portfolio						
LACERS	20.8	26.5	20.9	18.4	1.8	11.6
Indices						
NFI-ODCE	25.3	33.9	18.1	18.6	0.3	3.8

Property Type Diversification (%)	Apartment	Office	Industrial	Retail	Hotel	Other
Opportunistic						
Apollo CPI Europe I	-	-	-	-	-	-
Bristol Value II, L.P.	11.8	59.9	-	-	-	28.4
Bryanston Retail Opportunity Fund	-	-	-	100.0	-	-
California Smart Growth Fund IV	44.0	-	51.1	0.7	-	4.1
Canyon Johnson Urban Fund II	-	-	-	-	-	-
CIM Real Estate Fund III	12.1	13.7	-	1.3	16.2	56.6
CityView LA Urban Fund I	-	-	-	-	-	100.0
Colony Investors VIII	-	-	-	4.0	-	96.0
DRA Growth and Income Fund VI	-	61.6	-	38.4	-	-
Genesis Workforce Housing Fund II	-	-	-	-	-	-
Integrated Capital Hospitality Fund	-	-	-	-	100.0	-
LaSalle Asia Fund II	-	-	-	-	-	-
Latin America Investors III	-	15.3	-	-	-	84.7
Lone Star Fund VII	-	-	-	-	-	100.0
Lone Star Real Estate Fund II	-	43.8	-	5.3	-	50.8
RECP Fund IV, L.P.	18.6	4.2	10.9	-	13.1	53.2
Southern California Smart Growth Fund	-	-	100.0	-	-	-
Stockbridge Real Estate Fund II	-	-	-	-	-	100.0
The Buchanan Fund V	-	-	-	-	-	-
Torchlight Debt Opportunity Fund II	-	100.0	-	-	-	-
Torchlight Debt Opportunity Fund III	-	-	-	-	-	-
Torchlight Debt Opportunity Fund IV	19.6	13.8	6.8	30.9	17.3	11.6
Tuckerman Group Residential Income & Value Added Fund	-	-	-	-	-	100.0
Walton Street Real Estate Fund V	-	-	-	2.5	18.3	79.2
Walton Street Real Estate Fund VI	3.5	2.4	-	5.0	4.8	84.4
Opportunistic	11.7	14.7	5.7	8.1	12.1	47.6
Private Real Estate Portfolio Only (ex. Timber)	21.3	27.2	21.4	18.8	1.9	9.4
Non-Core Portfolio	9.9	16.3	7.4	31.8	6.3	28.3
Total Portfolio						
LACERS	20.8	26.5	20.9	18.4	1.8	11.6
Indices						
NFI-ODCE	25.3	33.9	18.1	18.6	0.3	3.8

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	8.8	11.1	-	25.8	12.3	8.0	28.2	-	-
CIM Commercial Trust Corporation ("CMCT")	-	17.1	-	-	-	7.4	-	75.5	-	-
CIM VI (Urban REIT), LLC	55.1	13.2	-	-	-	19.4	-	12.3	-	-
INVESCO Core Real Estate	17.5	6.7	2.5	0.8	2.6	15.1	10.4	44.4	-	-
Jamestown Premier Property Fund	33.0	35.8	-	-	2.8	-	-	28.4	-	-
JP Morgan Strategic Property Fund	22.3	7.1	4.8	0.1	5.9	14.2	3.1	42.6	-	-
Lion Industrial Trust - 2007	20.9	2.1	8.0	2.1	13.8	14.9	5.4	32.8	-	-
Prime Property Fund	22.9	7.9	8.3	1.8	12.0	9.0	5.0	33.1	-	-
Principal U.S. Property Account	17.2	8.7	3.8	1.9	8.7	14.8	11.7	33.2	-	-
Core	21.4	9.0	4.2	1.0	7.0	13.3	6.6	37.4	-	-
Timber										
Hancock Timberland XI	-	-	-	-	-	-	-	21.3	64.4	14.2
Timber	-	-	-	-	-	-	-	21.7	63.6	14.7
Value Added										
Almanac Realty Securities VI	-	-	-	-	-	-	-	-	100.0	-
Asana Partners Fund I	6.1	40.7	-	-	17.8	24.6	-	10.8	-	-
Asana Partners Fund II	-	-	-	-	-	-	-	-	-	-
Cornerstone Enhanced Mortgage Fund I	-	-	-	-	-	-	-	-	100.0	-
DRA Growth and Income Fund VII	-	7.3	2.6	1.1	36.5	38.2	2.1	12.2	-	-
DRA Growth and Income Fund VIII	5.0	5.6	38.6	4.6	20.2	10.3	2.5	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	27.2	24.9	-	-	27.6	6.9	-	13.4	-	-
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	19.1	9.4	4.5	0.9	8.3	11.6	5.3	33.3	3.6	4.0
Indices										
NFI-ODCE	22.1	8.7	7.6	1.3	9.6	9.3	5.4	36.0	-	-

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.	48.4	-	-	-	43.1	-	8.3	0.2	-	-
Bryanston Retail Opportunity Fund	16.8	0.0	9.8	0.2	1.6	11.8	13.3	46.5	-	-
California Smart Growth Fund IV	-	-	-	-	-	-	-	100.0	-	-
Canyon Johnson Urban Fund II	-	-	-	-	-	-	-	-	100.0	-
CIM Real Estate Fund III	24.8	-	13.6	-	37.7	-	3.4	20.5	-	-
CityView LA Urban Fund I	-	-	-	-	-	-	-	100.0	-	-
Colony Investors VIII	0.3	-	-	-	-	-	-	89.3	6.3	4.0
DRA Growth and Income Fund VI	7.9	-	-	7.6	53.7	-	30.7	-	-	-
Genesis Workforce Housing Fund II	-	-	-	-	-	-	-	-	100.0	-
Integrated Capital Hospitality Fund	-	61.6	24.8	-	-	13.6	-	-	-	-
LaSalle Asia Fund II	-	-	-	-	-	-	-	-	100.0	-
Latin America Investors III	-	-	-	-	-	-	-	-	-	100.0
Lone Star Fund VII	-	14.9	-	-	39.6	3.3	-	-	42.2	-
Lone Star Real Estate Fund II	-	-	-	-	-	-	-	-	94.5	5.5
RECP Fund IV, L.P.	29.4	24.8	-	-	-	1.0	0.0	14.2	-	30.6
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	-	17.7	-	-	3.9	-	4.4	19.2	-	54.9
Walton Street Real Estate Fund VI	66.6	8.7	2.9	1.1	4.1	7.8	-0.4	2.2	-	6.8
Opportunistic	24.8	11.8	2.7	0.2	11.3	1.9	2.8	20.8	9.9	13.8
Private Real Estate Portfolio Only (ex. Timber)	19.5	9.7	4.6	0.9	8.5	11.9	5.4	33.6	2.1	3.8
Non-Core Portfolio	14.1	11.5	5.8	0.7	13.1	7.7	1.8	22.3	8.3	14.8
Total Portfolio										
LACERS	19.1	9.4	4.5	0.9	8.3	11.6	5.3	33.3	3.6	4.0
Indices										
NFI-ODCE	22.1	8.7	7.6	1.3	9.6	9.3	5.4	36.0	-	-

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



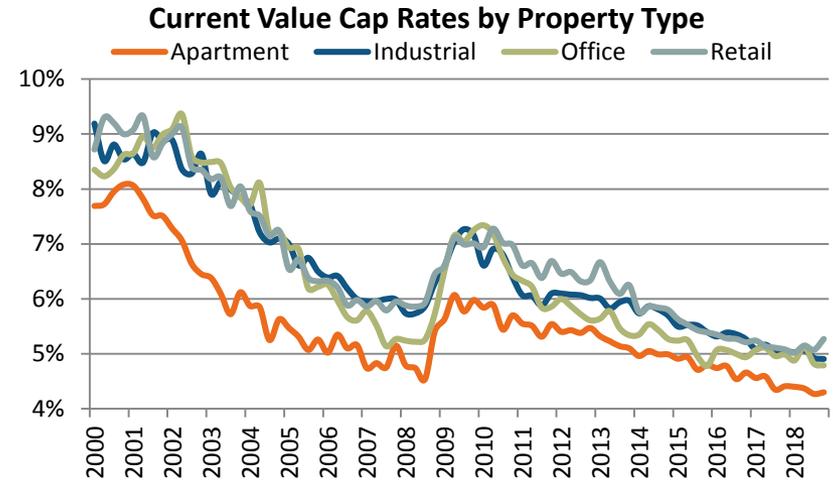
United States Real Estate Market Update (4Q18)

General

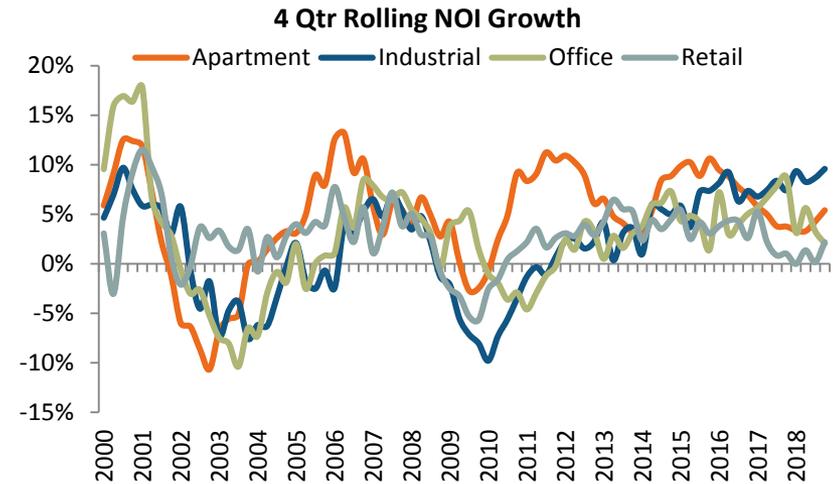
- The S&P 500 produced a gross total return of -13.1% during the Quarter, as markets dropped from tightening monetary policy, weak PMI data, and trade war rhetoric. The MSCI US REIT index produced a return of -6.7%. Consumer Sentiment fell to 98.3 and has continued to deteriorate subsequent to quarter end.
- Macro indicators for U.S. real estate continue to be positive; GDP grew at an annualized rate of 2.6% in the Fourth Quarter and headline CPI rose by 2.2% YoY, above the Fed's 2% target. As of Quarter-end, the economy has now experienced 99 consecutive months of job growth. The Federal Reserve has continued to tighten monetary policy, with the effective federal funds rate reaching 2.4% at Quarter-end. Subsequent to Quarter end, the Fed took on a more cautious approach to additional monetary tightening.

Commercial Real Estate

- Private real estate market carrying values remained flat over the quarter. Transaction cap rates (5.3%) compressed during the quarter. While, current valuation cap rates remained flat across property sectors, with the exception of the retail sector cap rates which expanded by 20 bps.
- NOI growth by sector continued to deviate during the Quarter, with the industrial sector continuing to outpace the other traditional property types. While industrial has faced increasing supply, it continues to benefit from outsized demand tailwinds (e-commerce and economic growth).
- In the Fourth Quarter of 2018, \$30bn of aggregate capital was raised by Real Estate Funds. In 2018, Private Equity Real Estate Funds have raised \$134.5bn which is on pace with the prior 5 years.
- 10-year treasury bond yields dropped 37 bps to 2.69% during the quarter, and, subsequent to quarter end, have remained anchored around 2.7%. A combination of expansionary fiscal policy and tightening monetary policy have led to increasing short-term interest rates and a flattening yield curve.



Source: NCREIF



Source: NCREIF

United States Property Matrix (4Q18)

INDUSTRIAL

- As of 4Q18, industrial properties returned 3.4% and outperformed the NPI by 202 bps.
- Transaction volumes reached \$780.2 billion for the year, marking a 23.8% year-over-year increase. Large-scale portfolio sales made 2018 the largest overall historic year in terms of total activity. With 42.5% of transactions over \$150 million in size, it was an increasingly difficult year for investors trying to gain exposure.
- Annual Net absorption of 261.9 million sqft outpaced construction deliveries of 260.6 million sqft, basis. Absorption is beginning to slow as a result of limited availability, rather than overall demand for space.
- Vacancy remained stable at 4.9% , continuing to be at an all-time historic low. A asking rents continue to climb, but at a slower annual rate of 4.7%. Average asking rents have now increased 26.5% over the last five years.
- Logistics related occupiers accounted for 62% of leasing activity, up from 56% in 2016.

MULTIFAMILY

- The apartment sector delivered a 1.3% return during the Quarter, underperforming the NPI by 3 bps.
- Transaction volume for 2018 reached \$167.5 billion, an increase of 15.1% year-over-year. The record breaking volume has made multifamily the most actively traded sector for the third straight year.
- Cross-border investment increased 29.3% for the year, reaching \$14.9 billion. Despite this increase, private domestic buyers totaled \$105.1 billion for the year, maintaining their designation as the largest share of acquisitions.
- Absorptions outpaced completions by 12.6%, causing vacancy to decline by 30 bps year-over-year to 4.6%. Increased demand has elevated rent growth to 4.2% on an annual basis.
- Deliveries have now decreased for five consecutive quarters, partially driven delays caused by labor shortages. This is forecasted to shift, with 2019 expected to deliver increased units and put pressure on supply-demand fundamentals in some markets.

OFFICE

- The office sector returned 1.6% in 4Q18, 27 bps above the NPI return over the period.
- Transaction volumes increased by 5.0% in 2018, driven by larger asset sales. Annual sales volumes totaled \$132.0 billion for the year. Single asset transactions accounted for 78% of volume, the largest proportion over the past five years.
- Rental rates increased by 2.8% in 2018, with selective secondary markets experiencing growth as high as 12.0%. This was driven by a slight decrease in vacancy of 40 bps over the 12-month period.
- Investors are shifting attention to primary markets as they target lower risk markets with increased liquidity and longer-term hold assets that can endure through market cycles. Volumes in primary CBDs has increased 2.5% in 2018, while secondary markets have declined by 11.0% over the same period.
- Foreign investment declined by 5.2% in 2018, with increased activity in Europe, where borrowing costs have become more accommodative.

RETAIL

- As of 4Q18, the retail sector delivered a quarterly return of -0.4%, performing 181 bps below the NPI.
- Transaction volumes totaled \$70.9 billion in 2018, driven by large entity-level transactions. Including these entity-level sales, annual sales growth increased 38.9%. Excluding the large portfolio sales, volume was down 18.0% year-over-year.
- Institutional investors continue to remain cautious, decreasing investment activity by 41.9% in 2018. Similarly, foreign investment decreased by 14.7% for a third consecutive year of declining investment.
- Despite the continued announcement of store closures, 12-month rental growth was 5.7%, largely driven by grocery-anchored centers. Growth is expected to slow heading into 2019.
- Absorption for the year totaled 16.8 million sqft, down 50.4% from 2017 as occupiers become increasing cautious with the overall footprint following numerous closures.

Global Real Estate Market Update (4Q18)

- Global investment activity in 2018 exceeded expectations, with investment volumes reaching the highest levels since 2007. For the full year, the three most active cities were New York City, Los Angeles, and London, respectively.
- While investment volumes for the year were strong, there were signs of softening in the fourth quarter of 2018, with quarterly year-over-year investment and leasing volumes decreasing. This trend is expected to continue through 2019.
- Strong U.S. economic growth in 2018 bolstered its investment activity, with the fourth quarter 2018 being the strongest quarter since 2016..

Global Total Commercial Real Estate Volume - 2017 - 2018

\$ US Billions	% Change			% Change		
	Q4 2018	Q4 2017	Q4 18 - Q4 17	2018	2017	2018 - 2017
Americas	151	122	24%	512	441	16%
EMEA	106	139	-24%	325	365	-11%
Asia Pacific	216	274	-21%	847	822	3%
Total	473	535	-12%	1684	1629	3%

Source: Real Capital Analytics, Inc., Q4' 18

Global Outlook - GDP (Real) Growth % pa, 2019-2021

	2019	2020	2021
Global	3.4	3.4	3.0
Asia Pacific	4.7	4.6	-
Australia	2.6	2.7	-
China	6.2	6.0	5.8
India	7.2	7.3	7.4
Japan	0.8	0.5	-
North America	2.4	1.9	1.8
US	2.5	1.9	1.8
MENA*	3.0	3.1	-
European Union	1.6	1.7	-
France	1.3	1.4	-
Germany	1.2	1.5	-
UK	1.4	1.5	1.7

*Middle East North Africa

Source: Bloomberg

Note: 2021 projections are not yet available for certain regions

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

