

# RVKuhns

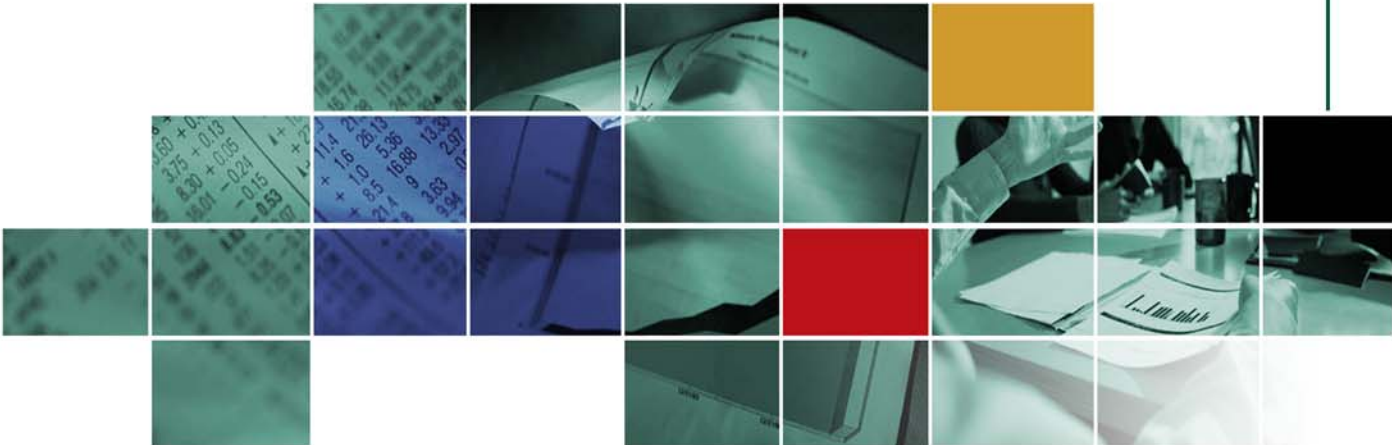
▶▶▶ & ASSOCIATES, INC.

## Real Estate Investment Performance Analysis

City of Phoenix Employees' Retirement System

As of September 30, 2011

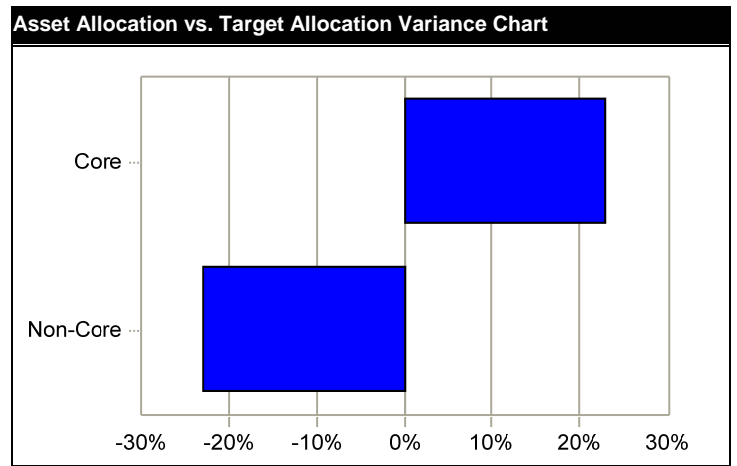
Prepared by Jennifer Sandberg



**Total Portfolio**  
**Asset Allocation**  
As of September 30, 2011

<b>Asset Allocation</b>						
	<b>Commitment</b>	<b>Commitment Funded</b>	<b>Uncalled Capital</b>	<b>Ending MV</b>	<b>MV + Uncalled Capital</b>	<b>Allocation</b>
<b>Core Portfolio</b>	<b>\$0</b>	<b>\$177,880,529</b>	<b>\$0</b>	<b>\$131,594,332</b>	<b>\$131,594,332</b>	<b>69.82%</b>
JPMorgan SPF	\$0	\$87,380,529	\$0	\$58,440,080	\$58,440,080	31.01%
MS Prime Property	\$0	\$90,500,000	\$0	\$73,154,252	\$73,154,252	38.82%
<b>Non-Core Portfolio</b>	<b>\$47,000,000</b>	<b>\$40,571,731</b>	<b>\$3,631,974</b>	<b>\$53,238,543</b>	<b>\$56,870,517</b>	<b>30.18%</b>
JDM Partners Opp Fund I	\$20,000,000	\$19,448,276	\$551,724	\$30,099,405	\$30,651,129	16.26%
RECAP II	\$9,000,000	\$6,923,705	\$0	\$8,660,956	\$8,660,956	4.60%
TA Realty IX	\$9,000,000	\$8,280,000	\$0	\$9,022,865	\$9,022,865	4.79%
Wrightwood HY Ptrs II	\$9,000,000	\$5,919,750	\$3,080,250	\$5,455,317	\$8,535,567	4.53%
<b>Total Portfolio</b>	<b>\$47,000,000</b>	<b>\$218,452,259</b>	<b>\$3,631,974</b>	<b>\$184,832,874</b>	<b>\$188,464,848</b>	<b>100.00%</b>

<b>Asset Allocation vs. Target Allocation</b>			
	<b>Allocation</b>	<b>Target</b>	<b>Variance</b>
Core	69.82%	47.00%	22.82%
Non-Core	30.18%	53.00%	-22.82%
<b>Total Portfolio</b>	<b>100.00%</b>	<b>100.00%</b>	



The commitment funded value reported by RECAP II, of \$7,613,280 includes all management fees paid to date whereas the RVK reported value of \$6,923,705 does not include management fees paid. The investment periods for TA Realty IX and RECAP II expired 08/27/2011 and 08/08/2011 respectively; however, each Fund may continue to call capital for management fees, operating expenses, and committed investments.

**Total Portfolio**  
**Comparative Performance**  
As of September 30, 2011

	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	IRR	Inception Date
<b>Total Portfolio</b>									
<b>Total Portfolio (Gross)</b>	<b>2.81%</b>	<b>11.45%</b>	<b>25.64%</b>	<b>-3.80%</b>	<b>2.77%</b>	<b>N/A</b>	<b>2.82%</b>		
Total Portfolio (Net)	2.51%	10.34%	24.04%	-5.13%	1.48%	N/A	1.50%	-0.66%	10/31/2006
Difference	0.30%	1.11%	1.60%	1.32%	1.30%	N/A	1.32%		
<b>Total Portfolio Inc. (Gross)</b>									
<b>Total Portfolio Inc. (Gross)</b>	<b>0.74%</b>	<b>3.41%</b>	<b>4.26%</b>	<b>4.74%</b>	<b>4.80%</b>	<b>N/A</b>	<b>4.88%</b>		
Total Portfolio Inc. (Net)	0.54%	2.84%	3.48%	3.95%	3.85%	N/A	3.92%	N/A	10/31/2006
Difference	0.20%	0.57%	0.79%	0.79%	0.94%	N/A	0.96%		
<b>Total Portfolio Apprec. (Gross)</b>									
<b>Total Portfolio Apprec. (Gross)</b>	<b>2.07%</b>	<b>7.87%</b>	<b>20.71%</b>	<b>-8.29%</b>	<b>-1.98%</b>	<b>N/A</b>	<b>-2.01%</b>		
Total Portfolio Apprec. (Net)	2.07%	7.69%	20.51%	-8.34%	-2.01%	N/A	-2.04%	N/A	10/31/2006
Difference	0.00%	0.17%	0.19%	0.05%	0.03%	N/A	0.03%		
<b>Index Performance</b>									
<b>NCREIF ODCE Index (Gross) (AWA)</b>	<b>3.52%</b>	<b>12.65%</b>	<b>18.27%</b>	<b>-6.40%</b>	<b>0.00%</b>	<b>5.91%</b>	<b>0.00%</b>		
NCREIF ODCE Index (Net) (AWA)	3.31%	11.92%	17.18%	-7.22%	-0.89%	4.94%	-0.90%	N/A	10/31/2006
Difference	0.21%	0.73%	1.09%	0.81%	0.89%	0.97%	0.90%		
<b>Core Portfolio</b>									
<b>Core Portfolio (Gross)</b>	<b>4.53%</b>	<b>13.33%</b>	<b>19.04%</b>	<b>-5.26%</b>	<b>1.84%</b>	<b>N/A</b>	<b>1.87%</b>		
Core Portfolio (Net)	4.22%	12.46%	17.79%	-6.25%	0.75%	N/A	0.77%	-2.71%	10/31/2006
Difference	0.30%	0.87%	1.25%	0.99%	1.09%	N/A	1.10%		
<b>Core Portfolio Inc. (Gross)</b>									
<b>Core Portfolio Inc. (Gross)</b>	<b>1.24%</b>	<b>3.92%</b>	<b>5.40%</b>	<b>5.47%</b>	<b>5.24%</b>	<b>N/A</b>	<b>5.33%</b>		
Core Portfolio Inc. (Net)	1.04%	3.42%	4.70%	4.85%	4.40%	N/A	4.47%	N/A	10/31/2006
Difference	0.20%	0.50%	0.71%	0.62%	0.84%	N/A	0.86%		
<b>Core Portfolio Apprec. (Gross)</b>									
<b>Core Portfolio Apprec. (Gross)</b>	<b>3.29%</b>	<b>9.18%</b>	<b>13.12%</b>	<b>-10.29%</b>	<b>-3.27%</b>	<b>N/A</b>	<b>-3.32%</b>		
Core Portfolio Apprec. (Net)	3.29%	9.18%	13.12%	-10.29%	-3.27%	N/A	-3.32%	N/A	10/31/2006
Difference	0.00%	0.00%	0.00%	0.00%	0.00%	N/A	0.00%		
<b>JPMorgan SPF (Gross)</b>									
<b>JPMorgan SPF (Gross)</b>	<b>3.22%</b>	<b>12.53%</b>	<b>18.07%</b>	<b>-4.84%</b>	<b>N/A</b>	<b>N/A</b>	<b>-1.64%</b>		
JPMorgan SPF (Net)	2.98%	11.76%	16.99%	-5.87%	N/A	N/A	-2.57%	-3.97%	7/1/2007
Difference	0.24%	0.77%	1.08%	1.04%	N/A	N/A	0.93%		
<b>MS Prime Property (Gross)</b>									
<b>MS Prime Property (Gross)</b>	<b>5.58%</b>	<b>13.98%</b>	<b>19.81%</b>	<b>-5.70%</b>	<b>N/A</b>	<b>N/A</b>	<b>0.41%</b>		
MS Prime Property (Net)	5.22%	13.02%	18.43%	-6.65%	N/A	N/A	-0.65%	-1.71%	1/1/2007
Difference	0.36%	0.96%	1.39%	0.95%	N/A	N/A	1.06%		

Time-weighted performance for funds with less than four full quarters of data does not provide a basis for meaningful comparison; however, all fund data is reflected in time-weighted performance at the portfolio level. Composite inception dates shown reflect the composite's first cash flow.

**Total Portfolio**  
**Comparative Performance**  
As of September 30, 2011

	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	IRR	Inception Date
<b>Non-Core Portfolio</b>									
<b>Non-Core Portfolio (Gross)</b>	<b>-1.37%</b>	<b>6.80%</b>	<b>55.48%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>17.42%</b>		
Non-Core Portfolio (Net)	-1.66%	5.09%	52.53%	N/A	N/A	N/A	-0.67%	25.85%	1/8/2009
Difference	0.29%	1.71%	2.95%	N/A	N/A	N/A	18.09%		
<b>Non-Core Portfolio Inc. (Gross)</b>									
<b>Non-Core Portfolio Inc. (Gross)</b>	<b>-0.48%</b>	<b>2.19%</b>	<b>0.40%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.17%</b>		
Non-Core Portfolio Inc. (Net)	-0.69%	1.42%	-0.62%	N/A	N/A	N/A	-1.53%	N/A	1/8/2009
Difference	0.22%	0.77%	1.02%	N/A	N/A	N/A	7.70%		
<b>Non-Core Portfolio Apprec. (Gross)</b>									
<b>Non-Core Portfolio Apprec. (Gross)</b>	<b>-0.89%</b>	<b>4.56%</b>	<b>54.04%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>7.97%</b>		
Non-Core Portfolio Apprec. (Net)	-0.89%	3.94%	53.13%	N/A	N/A	N/A	7.73%	N/A	1/8/2009
Difference	0.00%	0.62%	0.91%	N/A	N/A	N/A	0.24%		
<b>JDM Partners Opp Fund I (Gross)</b>									
<b>JDM Partners Opp Fund I (Gross)</b>	<b>-1.83%</b>	<b>1.04%</b>	<b>76.76%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>42.12%</b>		
JDM Partners Opp Fund I (Net)	-2.04%	0.33%	75.41%	N/A	N/A	N/A	40.90%	35.19%	4/1/2010
Difference	0.22%	0.71%	1.35%	N/A	N/A	N/A	1.22%		
<b>RECAP II (Gross)</b>									
<b>RECAP II (Gross)</b>	<b>-7.55%</b>	<b>19.81%</b>	<b>29.12%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>25.96%</b>		
RECAP II (Net)	-7.99%	14.26%	22.03%	N/A	N/A	N/A	20.02%	30.42%	10/1/2009
Difference	0.44%	5.54%	7.09%	N/A	N/A	N/A	5.94%		
<b>TA Realty IX (Gross)</b>									
<b>TA Realty IX (Gross)</b>	<b>2.70%</b>	<b>10.61%</b>	<b>17.88%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>14.96%</b>		
TA Realty IX (Net)	2.44%	9.72%	16.47%	N/A	N/A	N/A	13.39%	11.48%	7/1/2010
Difference	0.26%	0.89%	1.41%	N/A	N/A	N/A	1.58%		
<b>Wrightwood HY Ptrs II (Gross)</b>									
<b>Wrightwood HY Ptrs II (Gross)</b>	<b>6.35%</b>	<b>17.63%</b>	<b>20.26%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>2.42%</b>		
Wrightwood HY Ptrs II (Net)	5.77%	14.19%	14.84%	N/A	N/A	N/A	-6.14%	-5.17%	4/1/2009
Difference	0.57%	3.43%	5.42%	N/A	N/A	N/A	8.56%		

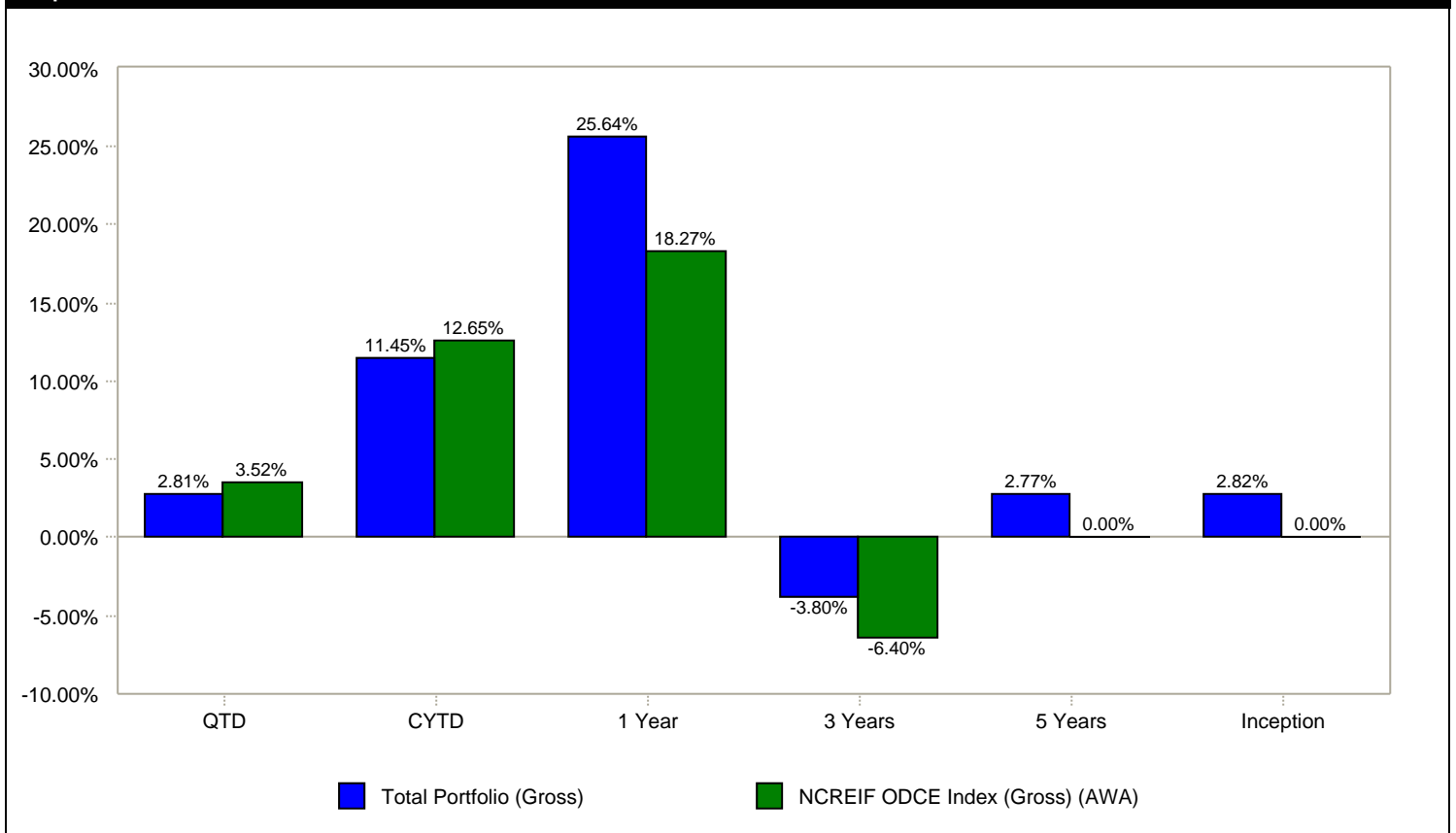
Time-weighted performance for funds with less than four full quarters of data does not provide a basis for meaningful comparison; however, all fund data is reflected in time-weighted performance at the portfolio level. Composite inception dates shown reflect the composite's first cash flow.

**Total Portfolio  
Performance Summary  
As of September 30, 2011**

**Comparative Performance**

	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total Portfolio (Gross)</b>	<b>2.81%</b>	<b>11.45%</b>	<b>25.64%</b>	<b>-3.80%</b>	<b>2.77%</b>	<b>N/A</b>	<b>2.82%</b>	<b>10/31/2006</b>
Total Portfolio (Net)	2.51%	10.34%	24.04%	-5.13%	1.48%	N/A	1.50%	
Difference	0.30%	1.11%	1.60%	1.32%	1.30%	N/A	1.32%	
<b>Total Portfolio Inc. (Gross)</b>	<b>0.74%</b>	<b>3.41%</b>	<b>4.26%</b>	<b>4.74%</b>	<b>4.80%</b>	<b>N/A</b>	<b>4.88%</b>	<b>10/31/2006</b>
Total Portfolio Inc. (Net)	0.54%	2.84%	3.48%	3.95%	3.85%	N/A	3.92%	
Difference	0.20%	0.57%	0.79%	0.79%	0.94%	N/A	0.96%	
<b>Total Portfolio Apprec. (Gross)</b>	<b>2.07%</b>	<b>7.87%</b>	<b>20.71%</b>	<b>-8.29%</b>	<b>-1.98%</b>	<b>N/A</b>	<b>-2.01%</b>	<b>10/31/2006</b>
Total Portfolio Apprec. (Net)	2.07%	7.69%	20.51%	-8.34%	-2.01%	N/A	-2.04%	
Difference	0.00%	0.17%	0.19%	0.05%	0.03%	N/A	0.03%	
<b>NCREIF ODCE Index (Gross) (AWA)</b>	<b>3.52%</b>	<b>12.65%</b>	<b>18.27%</b>	<b>-6.40%</b>	<b>0.00%</b>	<b>5.91%</b>	<b>0.00%</b>	<b>10/31/2006</b>
NCREIF ODCE Index (Net) (AWA)	3.31%	11.92%	17.18%	-7.22%	-0.89%	4.94%	-0.90%	
Difference	0.21%	0.73%	1.09%	0.81%	0.89%	0.97%	0.90%	

**Comparative Performance Chart**



**Total Portfolio**  
**Historical Cash Flows**  
As of September 30, 2011

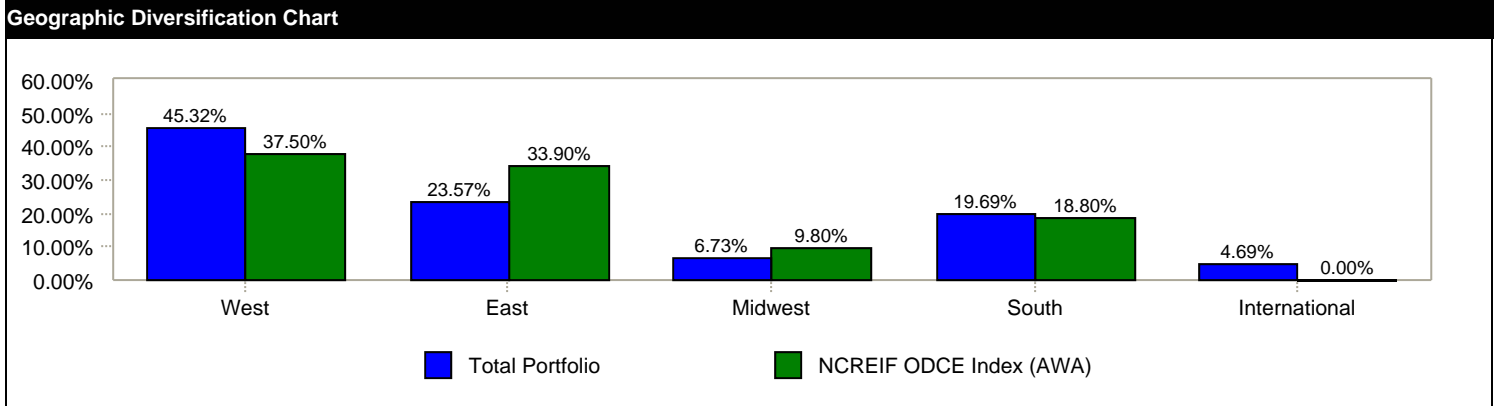
<b>Statement of Cash Flows</b>						
<b>Time Period</b>	<b>Beginning MV</b>	<b>Total Income</b>	<b>Total Appreciation</b>	<b>Net Contributions</b>	<b>Net Distributions</b>	<b>Ending MV</b>
12/31/2006	\$0	\$213,723	\$830,324	\$28,298,654	\$548,654	\$28,794,048
03/31/2007	\$28,794,048	\$380,226	\$2,340,577	\$28,286,375	\$536,375	\$59,264,851
06/30/2007	\$59,264,851	\$983,291	\$5,924,399	\$66,919,171	\$932,978	\$132,158,734
09/30/2007	\$132,158,734	\$1,485,764	\$3,088,955	\$31,423,812	\$941,789	\$167,215,476
12/31/2007	\$167,215,476	\$2,014,225	\$2,455,106	\$26,916,860	\$1,004,548	\$197,677,108
03/31/2008	\$197,677,108	\$1,703,108	\$2,190,325	\$1,034,824	\$1,034,824	\$201,570,542
06/30/2008	\$201,570,542	\$1,667,847	(\$2,150,720)	\$1,065,596	\$1,065,596	\$201,087,669
09/30/2008	\$201,087,669	\$1,692,266	(\$3,191,979)	\$1,041,744	\$1,041,744	\$199,587,955
12/31/2008	\$199,587,955	\$1,731,327	(\$16,928,845)	\$1,059,160	\$1,059,160	\$184,390,436
03/31/2009	\$184,390,436	\$1,861,138	(\$27,705,399)	\$2,089,842	\$1,397,800	\$159,010,619
06/30/2009	\$159,010,619	\$1,903,521	(\$17,361,486)	\$214,555	\$1,314,986	\$142,237,668
09/30/2009	\$142,237,668	\$1,677,606	(\$12,471,145)	\$2,075,500	\$1,334,334	\$132,001,589
12/31/2009	\$132,001,589	\$1,591,681	(\$4,299,125)	\$2,575,317	\$6,912,356	\$124,786,278
03/31/2010	\$124,786,278	\$1,575,050	(\$485,624)	\$18,025,171	\$4,369,764	\$139,181,423
06/30/2010	\$139,181,423	\$1,423,673	\$2,699,320	\$4,293,419	\$11,527,369	\$135,973,945
09/30/2010	\$135,973,945	\$674,731	\$4,005,906	\$1,853,925	\$1,943,593	\$140,435,114
12/31/2010	\$140,435,114	\$873,588	\$16,696,279	\$3,615,981	\$3,632,540	\$157,820,465
03/31/2011	\$157,820,465	\$2,041,421	\$2,950,993	\$4,728,371	\$951,188	\$166,514,006
06/30/2011	\$166,514,006	\$1,667,119	\$6,007,631	\$2,879,241	\$3,159,882	\$173,907,788
09/30/2011	\$173,907,788	\$959,045	\$3,700,781	\$7,568,535	\$1,232,215	\$184,832,874
<b>Since Inception</b>	<b>\$0</b>	<b>\$28,120,350</b>	<b>(\$31,703,727)</b>	<b>\$235,966,053</b>	<b>\$45,941,694</b>	<b>\$184,832,874</b>

# Total Portfolio

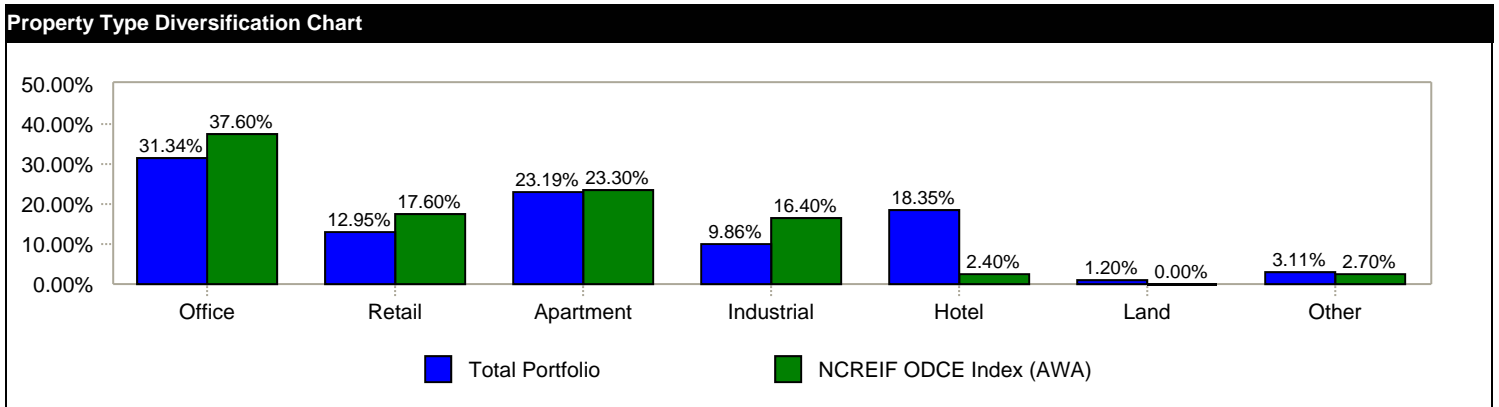
## Diversification

As of September 30, 2011

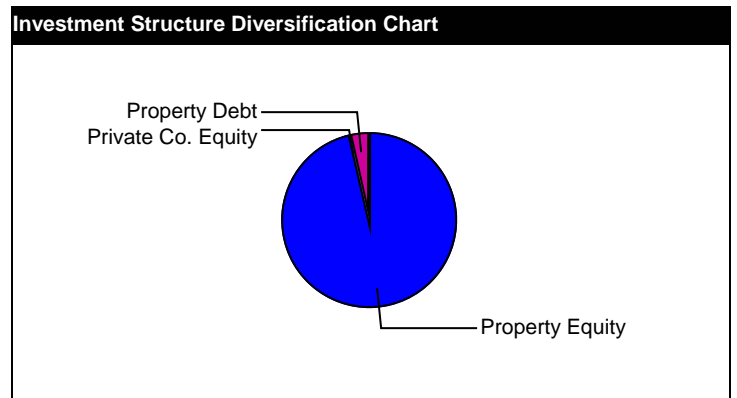
Geographic Diversification					
	West	East	Midwest	South	International
<b>Total Portfolio</b>	<b>45.32%</b>	<b>23.57%</b>	<b>6.73%</b>	<b>19.69%</b>	<b>4.69%</b>
NCREIF ODCE Index (AWA)	37.50%	33.90%	9.80%	18.80%	0.00%
Difference	7.82%	-10.33%	-3.07%	0.89%	4.69%



Property Type Diversification							
	Office	Retail	Apartment	Industrial	Hotel	Land	Other
<b>Total Portfolio</b>	<b>31.34%</b>	<b>12.95%</b>	<b>23.19%</b>	<b>9.86%</b>	<b>18.35%</b>	<b>1.20%</b>	<b>3.11%</b>
NCREIF ODCE Index (AWA)	37.60%	17.60%	23.30%	16.40%	2.40%	0.00%	2.70%
Difference	-6.26%	-4.65%	-0.11%	-6.54%	15.95%	1.20%	0.41%



Investment Structure Diversification	
<b>Total Equity</b>	<b>96.50%</b>
Property Equity	96.37%
Private Co. Equity	0.13%
Public Co. Equity	0.00%
<b>Total Debt</b>	<b>3.50%</b>
Property Debt	3.50%
Private Co. Debt	0.00%
Public Co. Debt	0.00%



For composition of "Other" please see individual manager diversification.

# Total Portfolio

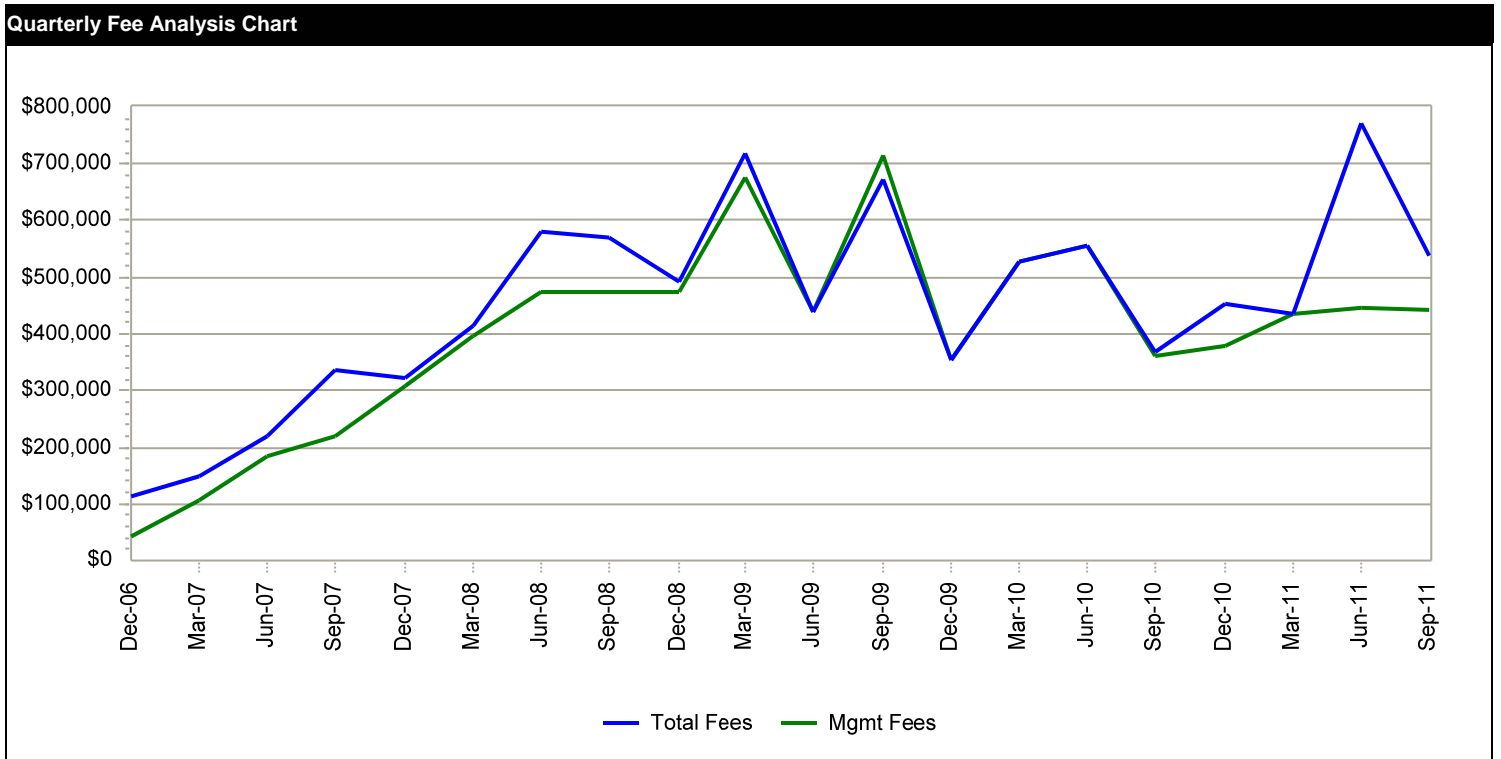
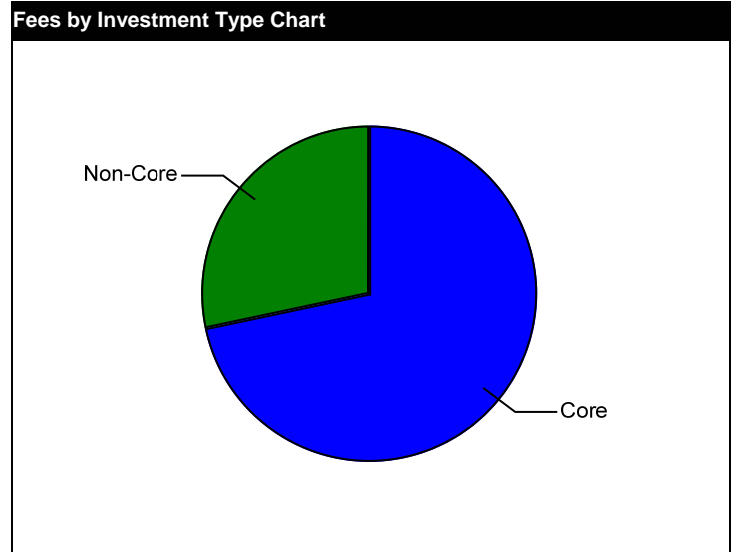
## Fee Analysis

As of September 30, 2011

Current Quarter Fee Analysis		
	Fees (\$)	Fees (bps)
Management Fees	\$442,156	25
Incentive Fees	\$95,012	5
Acquisition Fees	\$0	0
Disposition Fees	\$0	0
Other Fees	\$0	0
<b>Fees Paid for Quarter</b>	<b>\$537,168</b>	<b>31</b>

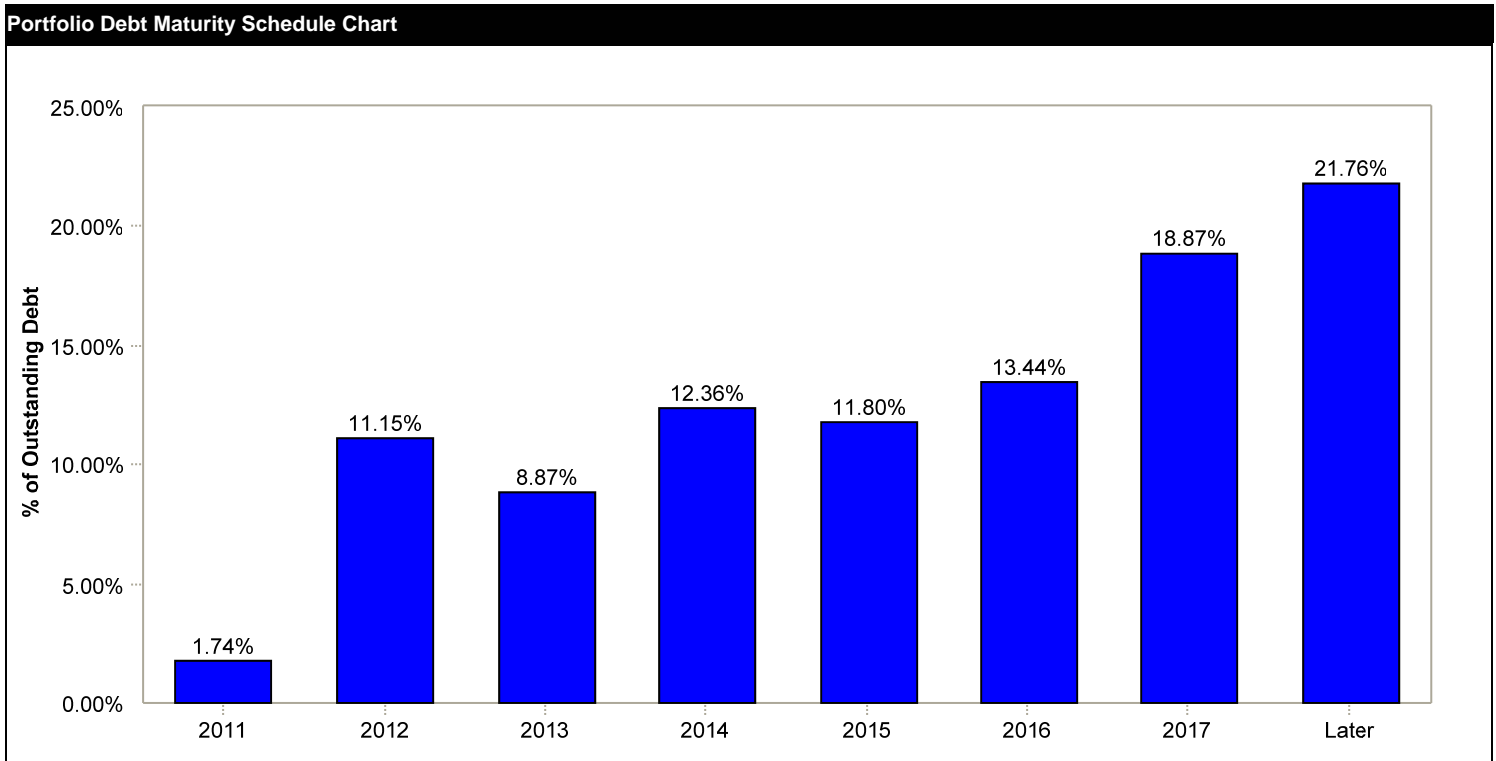
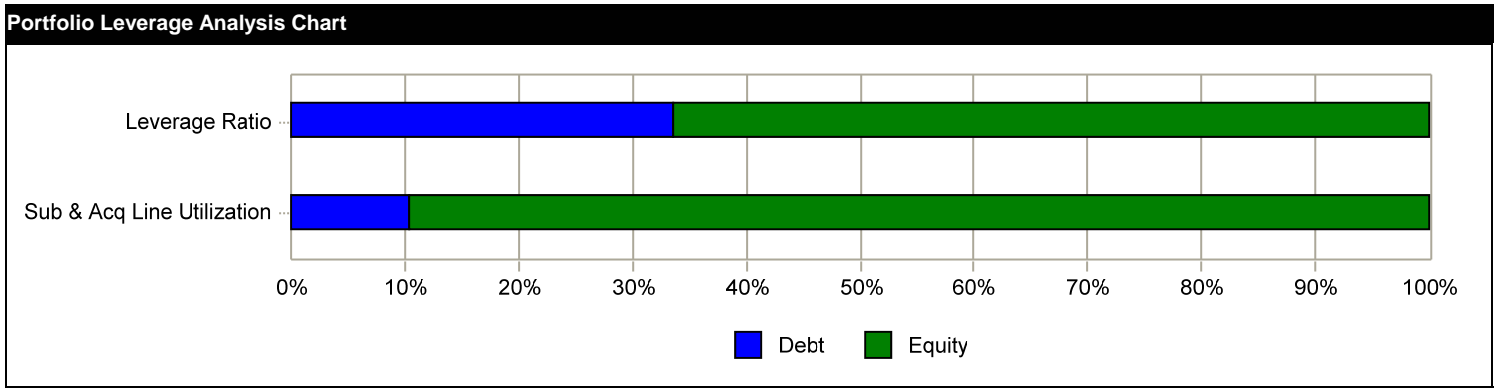
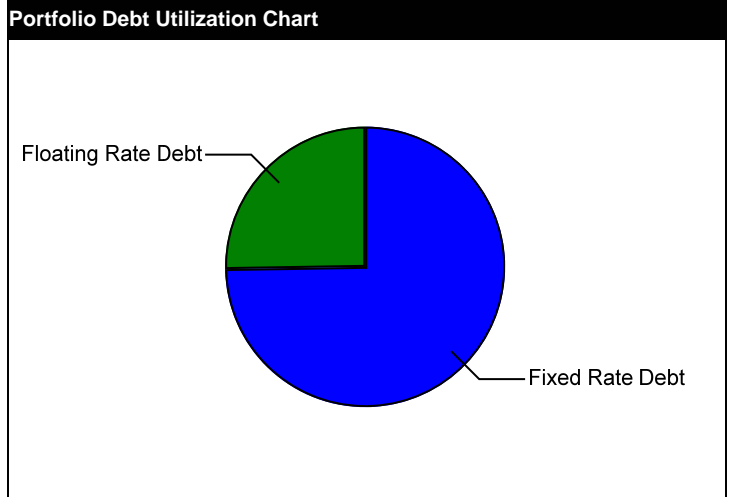
Cumulative Fees Paid	
	Fees (\$)
Management Fees	\$8,013,800
Incentive Fees	\$1,010,310
Acquisition Fees	\$0
Disposition Fees	\$0
Other Fees	\$0
<b>Cumulative Fees Paid</b>	<b>\$9,024,110</b>

Fees by Investment Type			
	Fees (\$)	Fees (bps)	% of Total Fees
Core	\$385,067	22	71.68%
Non-Core	\$152,101	9	28.32%
<b>Total Fees Paid</b>	<b>\$537,168</b>	<b>31</b>	<b>100.00%</b>



## Total Portfolio Leverage Analysis As of September 30, 2011

Portfolio Leverage and Debt Analysis	
<b>Fixed and Floating Rate Debt</b>	
Fixed Rate Debt Utilization	74.74%
Average Interest Rate	5.09%
Floating Rate Debt Utilization	25.26%
Average Interest Rate	2.54%
<b>Portfolio Leverage</b>	
Leverage Ratio	33.58%
Subscription & Acquisition Line Utilization	10.32%



# JPMorgan SPF

## Fund Profile

As of September 30, 2011

### Investment Strategy

The Fund is a core return, fully specified, open-end commingled equity real estate fund diversified by property type and location to provide a stable, income-driven rate of return over the long term with potential for growth of net investment income and appreciation of value.

### Significant Events

During Q3 2011, the Fund acquired nine (9) properties as well as bought out a partner's interest in the Crescent Portfolio. Two (2) office buildings were acquired in Seattle, WA and the Fund recapitalized an existing partnership in New York City. Disposition activity yielded proceeds of \$223.0 million; including an office complex in Plano, TX, an industrial asset in Irving, TX, and an apartment complex in Ashburn, VA.

### Fund Information

Fund Inception	January 1998
Fund Size	N/A
Gross Real Estate Assets	\$20,005,771,650
Net Real Estate Assets	\$14,230,808,737
Legal Structure	LLC
Fund Structure Type	Open-Ended
Investment Period Expiration	N/A
Current Entry Queue	\$2,171,300,000
Current Exit Queue	\$0

### Fund Information, continued

Subscription Line Capacity	\$270,000,000
Subscription Line Drawn	\$0
Acquisition Line Capacity	\$0
Acquisition Line Drawn	\$0
Asset Level Debt	\$5,774,962,913
Portfolio Level Debt	\$0
Cash Reserve Ratio	3.82%
Number of Investments	161
Number of Limited Partners	307

### Fee Description

#### Management Fees

100 basis points of the account's pro-rata share of the NAV.

#### Incentive Fees

None.

#### Other Fees

None.

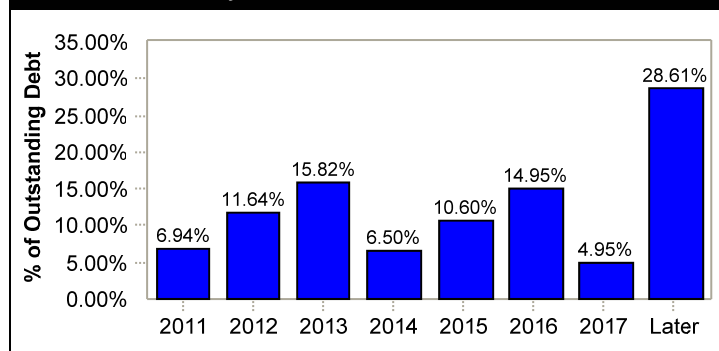
### Fee Summary

	Quarterly Fees (\$)	Quarterly Fees (bps)	Cumulative Fees (\$)
Management Fees	\$134,388	24	\$2,693,241
Incentive Fees	\$0	0	\$0
Acquisition Fees	\$0	0	\$0
Disposition Fees	\$0	0	\$0
Other Fees	\$0	0	\$0
<b>Total Fees</b>	<b>\$134,388</b>	<b>24</b>	<b>\$2,693,241</b>

### Fixed and Floating Rate Debt

<b>Fixed Rate Debt Utilization</b>	<b>84.65%</b>
Weighted Average Interest Rate	5.24%
Debt Outstanding	\$4,791,551,612
<b>Floating Rate Debt Utilization</b>	<b>15.35%</b>
Weighted Average Interest Rate	2.09%
Debt Outstanding	\$869,073,217
<b>Total Fixed and Floating Rate Debt</b>	<b>\$5,660,624,829</b>

### Portfolio Debt Maturity Schedule Chart



### Client Information

Commitment	N/A
Commitment Funded	\$87,380,529
Market Value	\$58,440,080
IRR	-3.97%
Equity Multiple	0.88
Ownership Percentage	0.39%
Client Investment	April 2007

### Investor Contact

Name	Anne Pfeiffer
Title	Managing Director/PM
Company	JPMorgan Asset Management
Address	270 Park Avenue, Second Floor
City, State, Zip Code	New York, NY, 10017
E-mail	anne.pfeiffer@jpmorgan.com
Phone	212-648-2176
Fax	212-648-2261

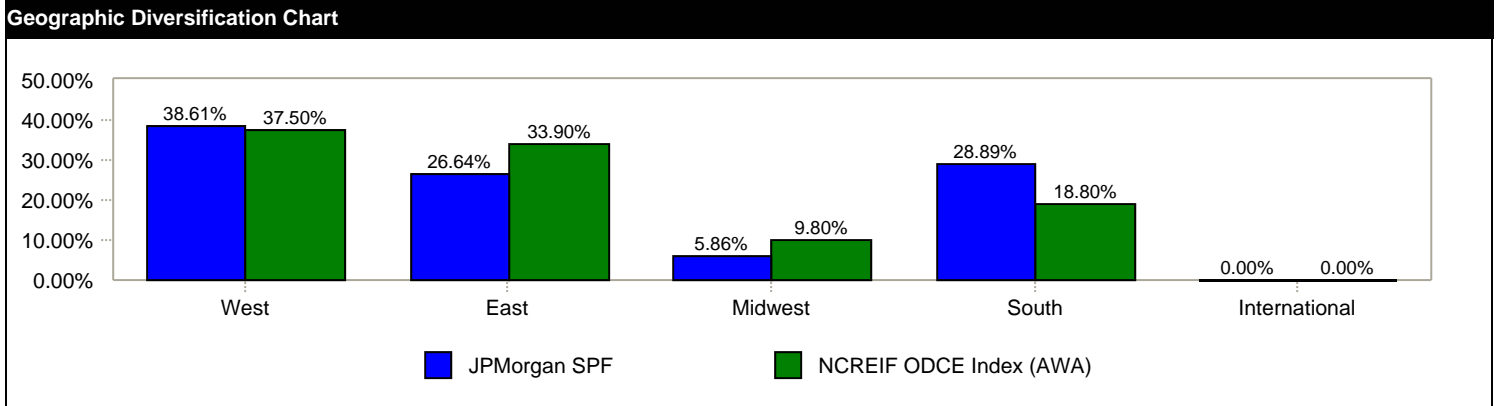
Management fees are billed at a two quarter lag; therefore, quarterly fees (bps) may not accurately represent the fee structure. The market value shown does not include cash. Values for the total fixed and floating rate debt are reported at par value, whereas the asset level debt is reported at fair value.

# JPMorgan SPF

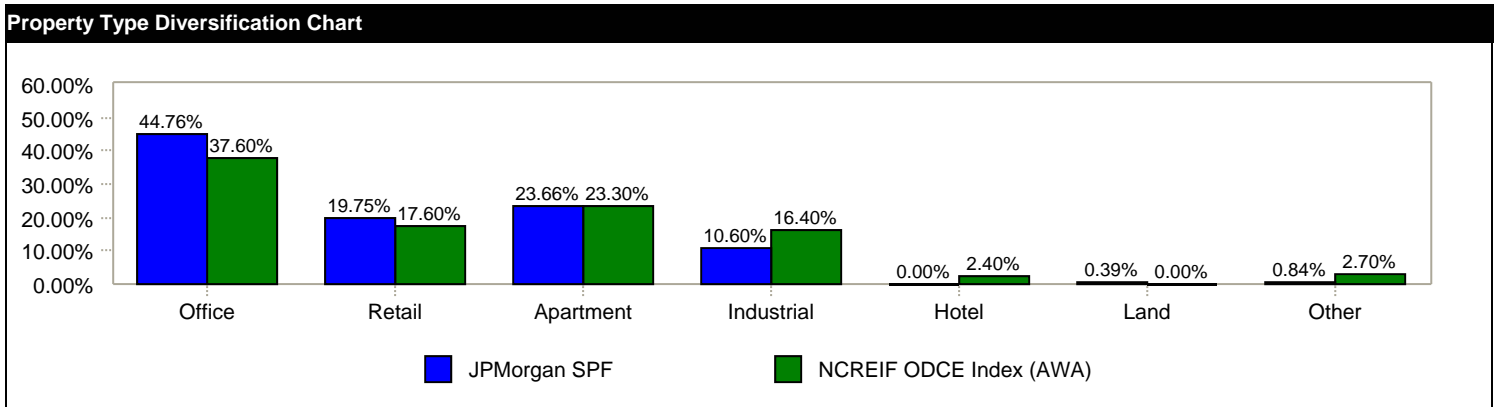
## Diversification

As of September 30, 2011

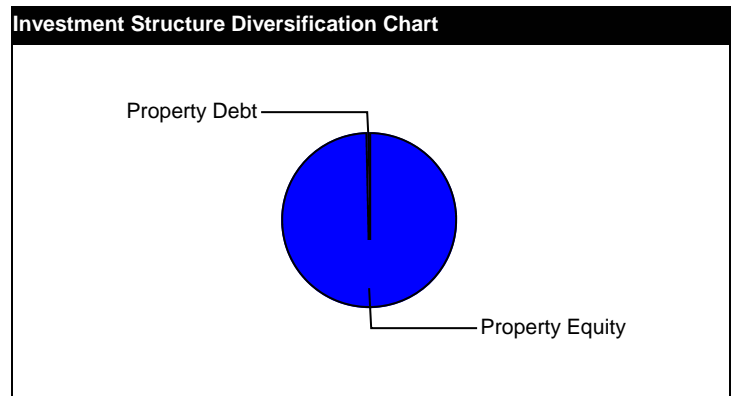
Geographic Diversification					
	West	East	Midwest	South	International
JPMorgan SPF	38.61%	26.64%	5.86%	28.89%	0.00%
NCREIF ODCE Index (AWA)	37.50%	33.90%	9.80%	18.80%	0.00%
Difference	1.11%	-7.26%	-3.94%	10.09%	0.00%



Property Type Diversification							
	Office	Retail	Apartment	Industrial	Hotel	Land	Other
JPMorgan SPF	44.76%	19.75%	23.66%	10.60%	0.00%	0.39%	0.84%
NCREIF ODCE Index (AWA)	37.60%	17.60%	23.30%	16.40%	2.40%	0.00%	2.70%
Difference	7.16%	2.15%	0.36%	-5.80%	-2.40%	0.39%	-1.86%



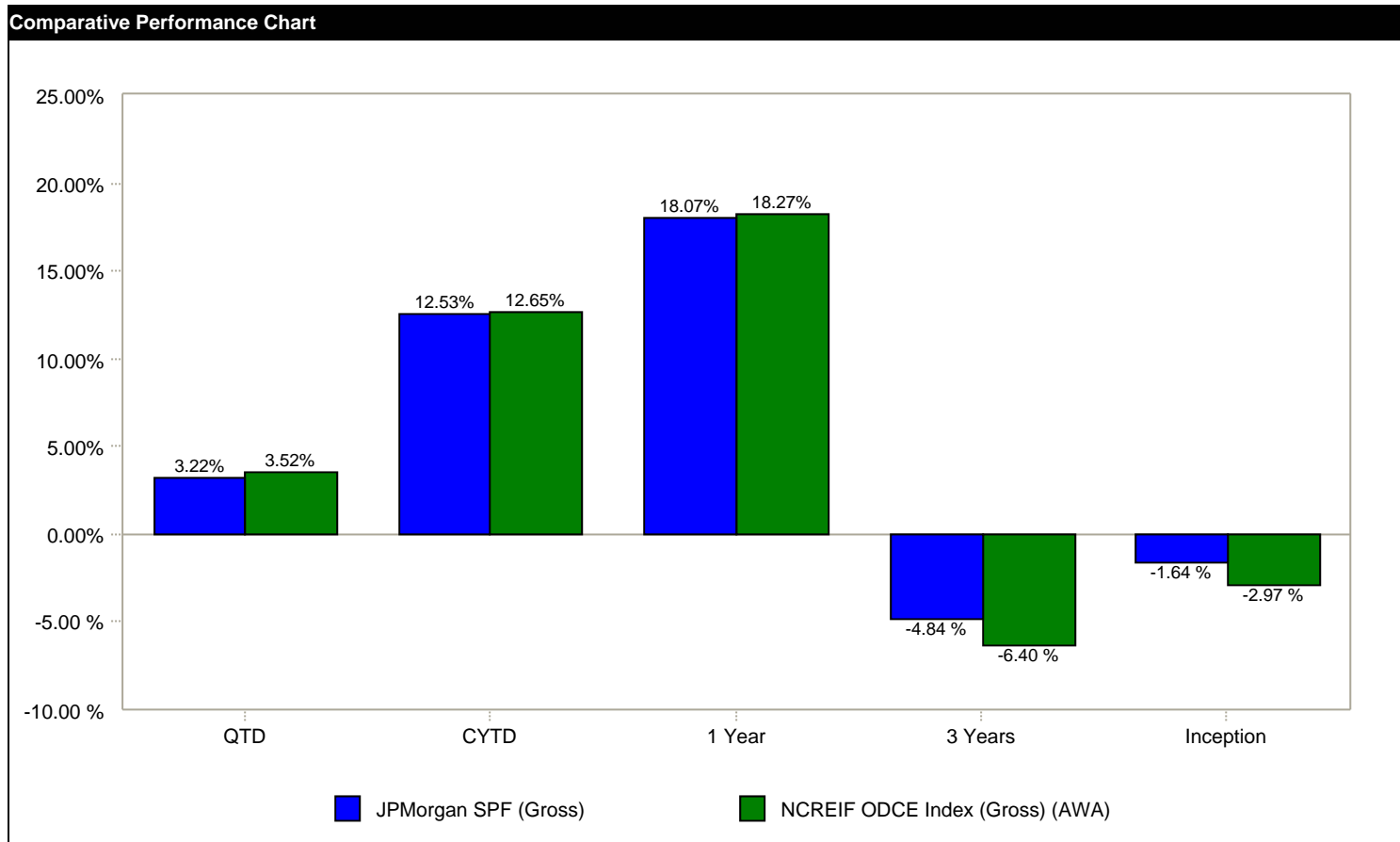
Investment Structure Diversification	
<b>Total Equity</b>	<b>99.67%</b>
Property Equity	99.67%
Private Co. Equity	0.00%
Public Co. Equity	0.00%
<b>Total Debt</b>	<b>0.33%</b>
Property Debt	0.33%
Private Co. Debt	0.00%
Public Co. Debt	0.00%



Allocation to "Other" consists of mortgage loans, a parking garage, and two development sites.

**JPMorgan SPF**  
**Performance Summary**  
 As of September 30, 2011

Comparative Performance								
	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>JPMorgan SPF (Gross)</b>	<b>3.22%</b>	<b>12.53%</b>	<b>18.07%</b>	<b>-4.84%</b>	<b>N/A</b>	<b>N/A</b>	<b>-1.64%</b>	<b>7/1/2007</b>
JPMorgan SPF (Net)	2.98%	11.76%	16.99%	-5.87%	N/A	N/A	-2.57%	
Difference	0.24%	0.77%	1.08%	1.04%	N/A	N/A	0.93%	
<b>JPMorgan SPF Inc. (Gross)</b>	<b>1.20%</b>	<b>4.17%</b>	<b>5.81%</b>	<b>6.02%</b>	<b>N/A</b>	<b>N/A</b>	<b>5.75%</b>	<b>7/1/2007</b>
JPMorgan SPF Inc. (Net)	1.20%	4.17%	5.81%	5.93%	N/A	N/A	5.50%	
Difference	0.00%	0.00%	0.00%	0.09%	N/A	N/A	0.25%	
<b>JPMorgan SPF Apprec. (Gross)</b>	<b>2.02%</b>	<b>8.14%</b>	<b>11.76%</b>	<b>-10.38%</b>	<b>N/A</b>	<b>N/A</b>	<b>-7.09%</b>	<b>7/1/2007</b>
JPMorgan SPF Apprec. (Net)	2.02%	8.14%	11.76%	-10.38%	N/A	N/A	-7.09%	
Difference	0.00%	0.00%	0.00%	0.00%	N/A	N/A	0.00%	
<b>NCREIF ODCE Index (Gross) (AWA)</b>	<b>3.52%</b>	<b>12.65%</b>	<b>18.27%</b>	<b>-6.40%</b>	<b>0.00%</b>	<b>5.91%</b>	<b>-2.97%</b>	<b>7/1/2007</b>
NCREIF ODCE Index (Net) (AWA)	3.31%	11.92%	17.18%	-7.22%	-0.89%	4.94%	-3.83%	
Difference	0.21%	0.73%	1.09%	0.81%	0.89%	0.97%	0.87%	



Beginning 1Q2009, COPERS pays management fees via invoice; therefore, the spread between gross and net income returns is zero. Historical income returns reflect management fees deducted from revenue.

**JPMorgan SPF**  
**Historical Cash Flows**  
As of September 30, 2011

<b>Statement of Cash Flows</b>						
<b>Time Period</b>	<b>Beginning MV</b>	<b>Total Income</b>	<b>Total Appreciation</b>	<b>Net Contributions</b>	<b>Net Distributions</b>	<b>Ending MV</b>
06/30/2007	\$0	\$411,810	\$1,041,857	\$30,986,193	\$0	\$32,439,860
09/30/2007	\$32,439,860	\$822,321	\$1,998,469	\$30,482,023	\$0	\$65,742,673
12/31/2007	\$65,742,673	\$1,093,111	\$1,413,775	\$25,912,312	\$0	\$94,241,860
03/31/2008	\$94,241,860	\$989,347	(\$219,710)	\$0	\$0	\$95,011,498
06/30/2008	\$95,011,498	\$929,719	(\$352,575)	\$0	\$0	\$95,588,642
09/30/2008	\$95,588,642	\$918,797	(\$2,299,551)	\$0	\$0	\$94,207,887
12/31/2008	\$94,207,887	\$883,232	(\$9,269,229)	\$0	\$0	\$85,821,891
03/31/2009	\$85,821,891	\$1,056,274	(\$12,488,203)	\$227,597	\$908,556	\$73,481,405
06/30/2009	\$73,481,405	\$1,081,751	(\$5,318,366)	\$214,555	\$896,647	\$68,348,143
09/30/2009	\$68,348,143	\$1,006,215	(\$5,932,503)	\$183,704	\$873,638	\$62,548,213
12/31/2009	\$62,548,213	\$977,351	(\$2,578,004)	\$170,870	\$4,824,468	\$56,123,136
03/31/2010	\$56,123,136	\$861,946	(\$552,075)	\$156,371	\$4,050,692	\$52,382,314
06/30/2010	\$52,382,314	\$782,116	\$1,085,258	\$140,308	\$6,052,856	\$48,196,832
09/30/2010	\$48,196,832	\$733,703	\$1,151,324	\$129,762	\$587,487	\$49,494,332
12/31/2010	\$49,494,332	\$778,910	\$1,660,075	\$120,278	\$0	\$51,933,317
03/31/2011	\$51,933,317	\$776,880	\$1,044,850	\$123,736	\$0	\$53,755,047
06/30/2011	\$53,755,047	\$762,767	\$2,099,022	\$128,123	\$0	\$56,617,245
09/30/2011	\$56,617,245	\$679,669	\$1,143,575	\$134,388	\$0	\$58,440,080
<b>Since Inception</b>	<b>\$0</b>	<b>\$15,545,919</b>	<b>(\$26,372,011)</b>	<b>\$89,110,221</b>	<b>\$18,194,344</b>	<b>\$58,440,080</b>

Net contributions may exceed invested capital due to reinvestment of dividends and/or management fees invoiced outside the fund.

# Morgan Stanley Prime Property

## Fund Profile

As of September 30, 2011

### Investment Strategy

The Fund is a core return, fully specified, open-end commingled equity real estate fund diversified by property type and location to provide a stable, income-driven rate of return over the long term with potential for growth of net investment income and appreciation of value.

### Significant Events

During Q3 2011, the Fund acquired two (2) apartment assets, three (3) industrial assets, and one (1) office asset totaling \$501.2 million in invested equity. The Fund also disposed of four (4) apartment assets and one (1) land parcel during the quarter, resulting in proceeds of \$151.2 million.

### Fund Information

Fund Inception	August 1973
Fund Size	N/A
Gross Real Estate Assets	\$8,918,095,949
Net Real Estate Assets	\$5,945,218,515
Legal Structure	LLC
Fund Structure Type	Open-Ended
Investment Period Expiration	N/A
Current Entry Queue	\$149,500,000
Current Exit Queue	\$0

### Fund Information, continued

Subscription Line Capacity	\$500,000,000
Subscription Line Drawn	\$0
Acquisition Line Capacity	\$0
Acquisition Line Drawn	\$0
Asset Level Debt	\$1,704,901,563
Portfolio Level Debt	\$1,267,975,871
Cash Reserve Ratio	6.80%
Number of Investments	232
Number of Limited Partners	175

### Fee Description

#### Management Fees

90 bps per annum of the NAV (as of the beginning of each calendar quarter) payable quarterly in arrears.

#### Incentive Fees

Incentive fee accrual equals the product of 5.0% \* NAV (beginning of that month) \* Comparable Property NOI Growth for that month \* (1/12). Incentive fee for each calendar year is capped at 45 bps per annum.

#### Other Fees

None.

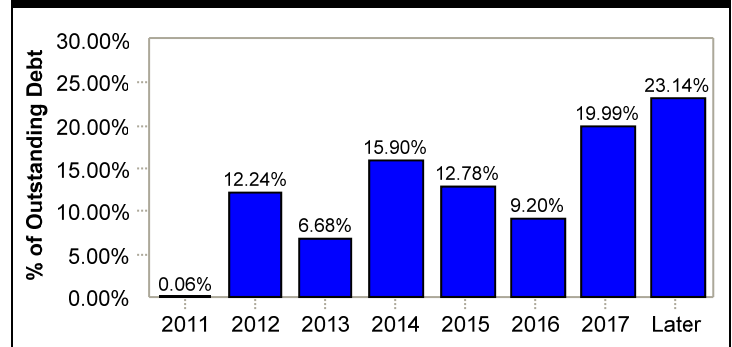
### Fee Summary

	Quarterly Fees (\$)	Quarterly Fees (bps)	Cumulative Fees (\$)
Management Fees	\$155,667	22	\$3,476,840
Incentive Fees	\$95,012	14	\$732,323
Acquisition Fees	\$0	0	\$0
Disposition Fees	\$0	0	\$0
Other Fees	\$0	0	\$0
<b>Total Fees</b>	<b>\$250,679</b>	<b>36</b>	<b>\$4,209,163</b>

### Fixed and Floating Rate Debt

<b>Fixed Rate Debt Utilization</b>	<b>89.95%</b>
Weighted Average Interest Rate	5.30%
Debt Outstanding	\$2,630,024,654
<b>Floating Rate Debt Utilization</b>	<b>10.05%</b>
Weighted Average Interest Rate	3.00%
Debt Outstanding	\$293,908,122
<b>Total Fixed and Floating Rate Debt</b>	<b>\$2,923,932,776</b>

### Portfolio Debt Maturity Schedule Chart



### Client Information

Commitment	N/A
Commitment Funded	\$90,500,000
Market Value	\$73,154,252
IRR	-1.71%
Equity Multiple	0.93
Ownership Percentage	1.16%
Client Investment	October 2006

### Investor Contact

Name	Stefanie Bertcher
Title	Manager
Company	Morgan Stanley Real Estate
Address	3424 Peachtree Road, Suite 900
City, State, Zip Code	Atlanta, GA 30306
E-mail	stefanie.bertcher@morganstanley.com
Phone	404-846-1439
Fax	N/A

Values for the total fixed and floating rate debt are reported at par value, whereas the asset and portfolio level debt are reported at fair value.

# Morgan Stanley Prime Property

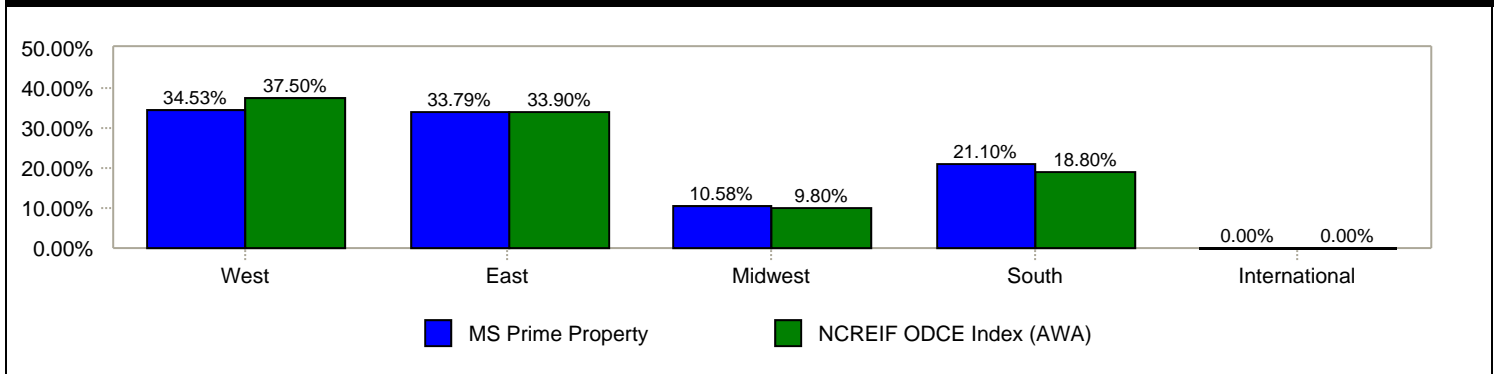
## Diversification

As of September 30, 2011

### Geographic Diversification

	West	East	Midwest	South	International
<b>MS Prime Property</b>	<b>34.53%</b>	<b>33.79%</b>	<b>10.58%</b>	<b>21.10%</b>	<b>0.00%</b>
NCREIF ODCE Index (AWA)	37.50%	33.90%	9.80%	18.80%	0.00%
Difference	-2.97%	-0.11%	0.78%	2.30%	0.00%

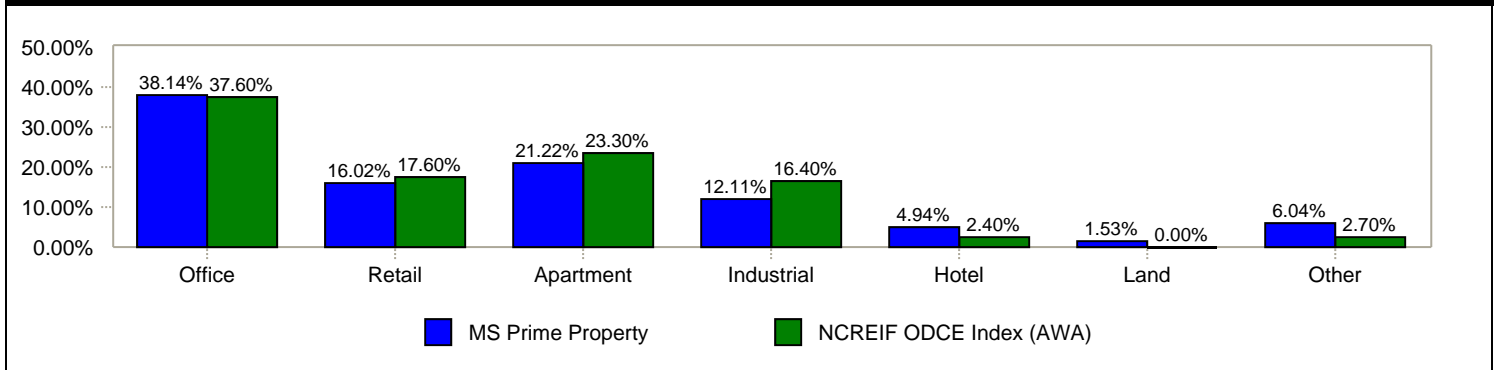
### Geographic Diversification Chart



### Property Type Diversification

	Office	Retail	Apartment	Industrial	Hotel	Land	Other
<b>MS Prime Property</b>	<b>38.14%</b>	<b>16.02%</b>	<b>21.22%</b>	<b>12.11%</b>	<b>4.94%</b>	<b>1.53%</b>	<b>6.04%</b>
NCREIF ODCE Index (AWA)	37.60%	17.60%	23.30%	16.40%	2.40%	0.00%	2.70%
Difference	0.54%	-1.58%	-2.08%	-4.29%	2.54%	1.53%	3.34%

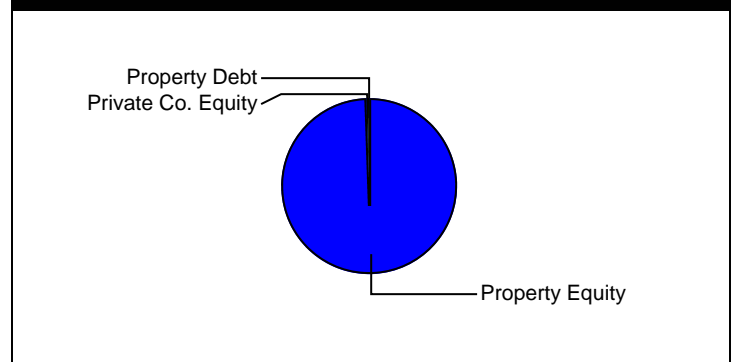
### Property Type Diversification Chart



### Investment Structure Diversification

<b>Total Equity</b>	<b>99.79%</b>
Property Equity	99.47%
Private Co. Equity	0.32%
Public Co. Equity	0.00%
<b>Total Debt</b>	<b>0.21%</b>
Property Debt	0.21%
Private Co. Debt	0.00%
Public Co. Debt	0.00%

### Investment Structure Diversification Chart



Diversification reflects net real estate value excluding unsecured fund level debt, which is not tied to specific assets. Allocation to "Other" consists of the Fund's self storage assets.

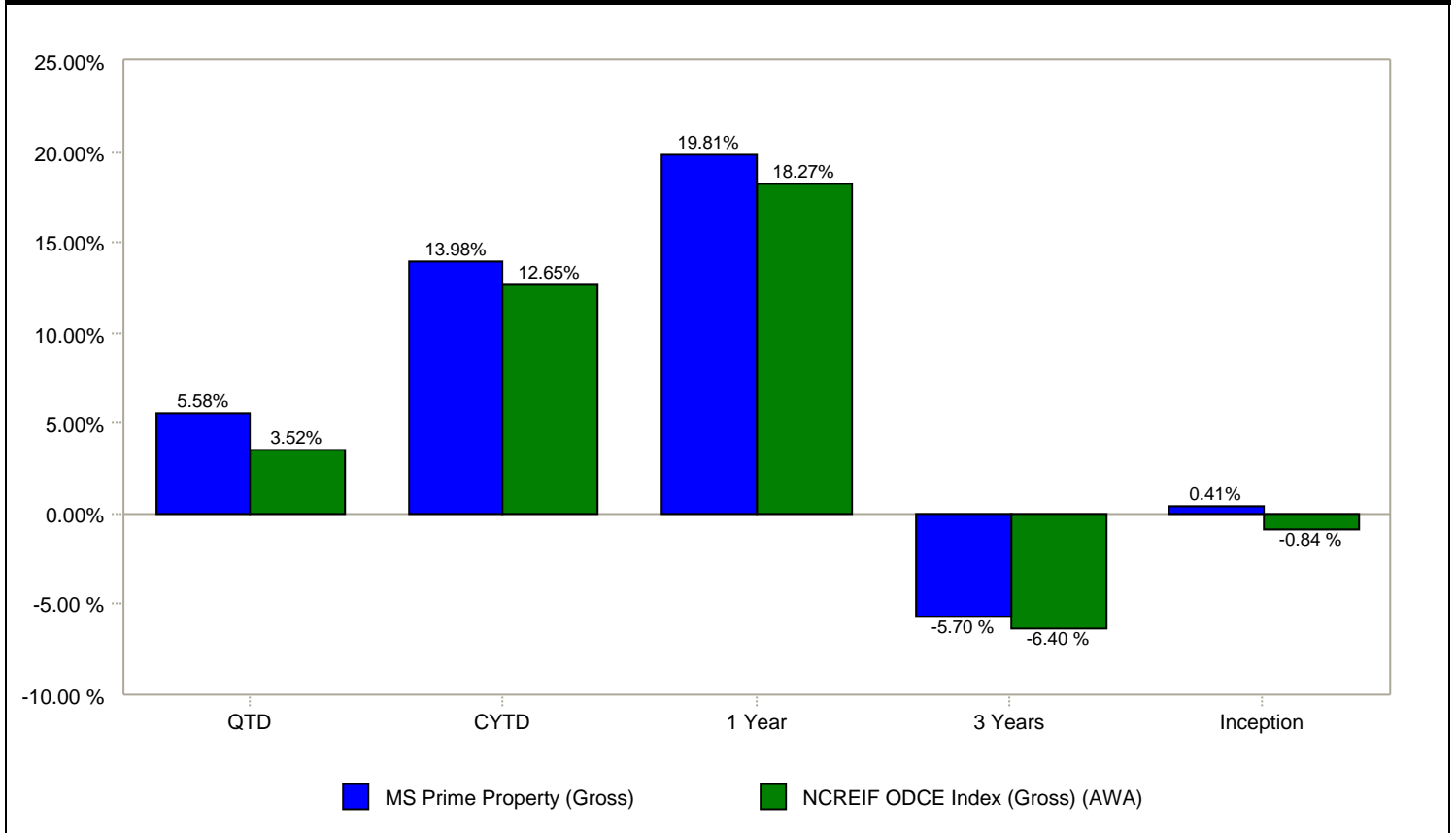
# Morgan Stanley Prime Property

## Performance Summary

As of September 30, 2011

Comparative Performance								
	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>MS Prime Property (Gross)</b>	<b>5.58%</b>	<b>13.98%</b>	<b>19.81%</b>	<b>-5.70%</b>	<b>N/A</b>	<b>N/A</b>	<b>0.41%</b>	<b>1/1/2007</b>
MS Prime Property (Net)	5.22%	13.02%	18.43%	-6.65%	N/A	N/A	-0.65%	
Difference	0.36%	0.96%	1.39%	0.95%	N/A	N/A	1.06%	
<b>MS Prime Property Inc. (Gross)</b>	<b>1.27%</b>	<b>3.72%</b>	<b>5.09%</b>	<b>5.02%</b>	<b>N/A</b>	<b>N/A</b>	<b>4.71%</b>	<b>1/1/2007</b>
MS Prime Property Inc. (Net)	0.91%	2.82%	3.83%	3.98%	N/A	N/A	3.62%	
Difference	0.36%	0.90%	1.26%	1.04%	N/A	N/A	1.10%	
<b>MS Prime Property Apprec. (Gross)</b>	<b>4.31%</b>	<b>10.01%</b>	<b>14.20%</b>	<b>-10.31%</b>	<b>N/A</b>	<b>N/A</b>	<b>-4.16%</b>	<b>1/1/2007</b>
MS Prime Property Apprec. (Net)	4.31%	10.01%	14.20%	-10.31%	N/A	N/A	-4.16%	
Difference	0.00%	0.00%	0.00%	0.00%	N/A	N/A	0.00%	
<b>NCREIF ODCE Index (Gross) (AWA)</b>	<b>3.52%</b>	<b>12.65%</b>	<b>18.27%</b>	<b>-6.40%</b>	<b>0.00%</b>	<b>5.91%</b>	<b>-0.84%</b>	<b>1/1/2007</b>
NCREIF ODCE Index (Net) (AWA)	3.31%	11.92%	17.18%	-7.22%	-0.89%	4.94%	-1.72%	
Difference	0.21%	0.73%	1.09%	0.81%	0.89%	0.97%	0.89%	

### Comparative Performance Chart



# Morgan Stanley Prime Property

## Historical Cash Flows

As of September 30, 2011

Statement of Cash Flows						
Time Period	Beginning MV	Total Income	Total Appreciation	Net Contributions	Net Distributions	Ending MV
12/31/2006	\$0	\$213,723	\$830,324	\$28,298,654	\$548,654	\$28,794,048
03/31/2007	\$28,794,048	\$380,226	\$2,340,577	\$28,286,375	\$536,375	\$59,264,851
06/30/2007	\$59,264,851	\$571,481	\$4,882,542	\$35,932,978	\$932,978	\$99,718,874
09/30/2007	\$99,718,874	\$663,443	\$1,090,486	\$941,789	\$941,789	\$101,472,803
12/31/2007	\$101,472,803	\$921,114	\$1,041,331	\$1,004,548	\$1,004,548	\$103,435,248
03/31/2008	\$103,435,248	\$713,761	\$2,410,035	\$1,034,824	\$1,034,824	\$106,559,044
06/30/2008	\$106,559,044	\$738,128	(\$1,798,145)	\$1,065,596	\$1,065,596	\$105,499,027
09/30/2008	\$105,499,027	\$773,469	(\$892,428)	\$1,041,744	\$1,041,744	\$105,380,068
12/31/2008	\$105,380,068	\$848,095	(\$7,659,616)	\$1,059,160	\$1,059,160	\$98,568,545
03/31/2009	\$98,568,545	\$755,604	(\$14,730,538)	\$0	\$489,244	\$84,104,367
06/30/2009	\$84,104,367	\$817,803	(\$11,792,466)	\$0	\$418,339	\$72,711,365
09/30/2009	\$72,711,365	\$695,630	(\$6,918,034)	\$0	\$361,615	\$66,127,346
12/31/2009	\$66,127,346	\$684,919	(\$2,054,590)	\$0	\$326,163	\$64,431,514
03/31/2010	\$64,431,514	\$754,263	\$158,071	\$0	\$319,072	\$65,024,775
06/30/2010	\$65,024,775	\$739,523	\$1,268,509	\$0	\$5,430,729	\$61,602,078
09/30/2010	\$61,602,078	\$700,801	\$2,446,695	\$0	\$592,018	\$64,157,556
12/31/2010	\$64,157,556	\$629,839	\$2,440,825	\$0	\$631,486	\$66,596,735
03/31/2011	\$66,596,735	\$607,627	\$1,934,234	\$0	\$657,798	\$68,480,798
06/30/2011	\$68,480,798	\$663,407	\$1,706,045	\$0	\$677,531	\$70,172,719
09/30/2011	\$70,172,719	\$641,828	\$3,023,814	\$0	\$684,109	\$73,154,252
Since Inception	\$0	\$13,514,684	(\$20,272,329)	\$98,665,668	\$18,753,771	\$73,154,252

Net contributions may exceed invested capital due to reinvestment of dividends and/or management fees invoiced outside the fund.

# JDM Partners Opportunity Fund I

## Fund Profile

As of September 30, 2011

### Investment Strategy

The Fund focuses on opportunistic acquisition of Class A real estate assets with focus on the southwest United States.

### Significant Events

During Q3 2011, the Fund acquired a note secured by La Costa Apartment complex in Mesa, AZ for \$13.1 million.

### Fund Information

Fund Inception	November 2009
Fund Size	\$75,400,000
Gross Real Estate Assets	\$112,856,057
Net Real Estate Assets	\$112,856,057
Legal Structure	LLC
Fund Structure Type	Closed-Ended
Investment Period Expiration	11/6/2012
Current Entry Queue	N/A
Current Exit Queue	N/A

### Fund Information, continued

Subscription Line Capacity	\$0
Subscription Line Drawn	\$0
Acquisition Line Capacity	\$0
Acquisition Line Drawn	\$0
Asset Level Debt	\$0
Portfolio Level Debt	\$0
Cash Reserve Ratio	0.00%
Number of Investments	4
Number of Limited Partners	19

### Fee Description

#### Management Fees

1.5% on capital committed during the investment period and 1.5% on invested but unreturned capital thereafter. Management fees charged annually.

#### Incentive Fees

After return of capital and 10% return, 80/20 LP/GP split. After 2.0x equity multiple and 20% return, 50/50 LP/GP split.

#### Other Fees

None.

### Fee Summary

	Quarterly Fees (\$)	Quarterly Fees (bps)	Cumulative Fees (\$)
Management Fees	\$65,065	24	\$398,150
Incentive Fees	\$0	0	\$0
Acquisition Fees	\$0	0	\$0
Disposition Fees	\$0	0	\$0
Other Fees	\$0	0	\$0
<b>Total Fees</b>	<b>\$65,065</b>	<b>24</b>	<b>\$398,150</b>

### Fixed and Floating Rate Debt

<b>Fixed Rate Debt Utilization</b>	<b>N/A</b>
Weighted Average Interest Rate	0.00%
Debt Outstanding	\$0
<b>Floating Rate Debt Utilization</b>	<b>N/A</b>
Weighted Average Interest Rate	0.00%
Debt Outstanding	\$0
<b>Total Fixed and Floating Rate Debt</b>	<b>\$0</b>

### Portfolio Debt Maturity Schedule Chart

No Debt Maturity Data

### Client Information

Commitment	\$20,000,000
Commitment Funded	\$19,448,276
Market Value	\$30,099,405
IRR	35.19%
Equity Multiple	1.54
Ownership Percentage	26.53%
Client Investment	January 2010

### Investor Contact

Name	Mel L. Shultz
Title	Managing Member
Company	JDM Partners LLC
Address	P O Box 10129
City, State, Zip Code	Phoenix, AZ 85064
E-mail	mls@jdmaz.com
Phone	602-224-2307
Fax	602-955-3441

JDM Partners charges management fees annually and amortizes them quarterly.

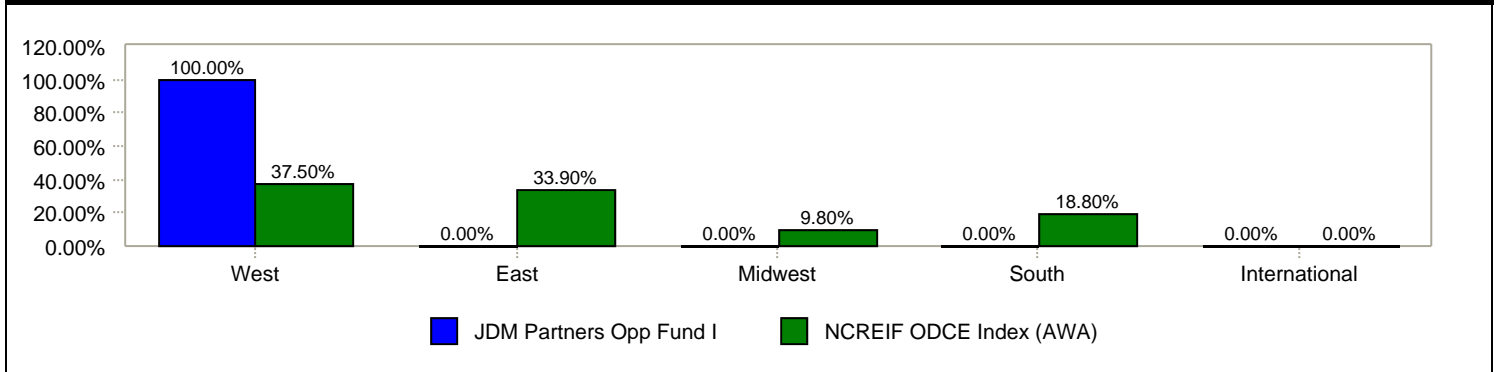
# JDM Partners Opportunity Fund I

## Diversification

As of September 30, 2011

Geographic Diversification	West	East	Midwest	South	International
<b>JDM Partners Opp Fund I</b>	<b>100.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>
NCREIF ODCE Index (AWA)	37.50%	33.90%	9.80%	18.80%	0.00%
Difference	62.50%	-33.90%	-9.80%	-18.80%	0.00%

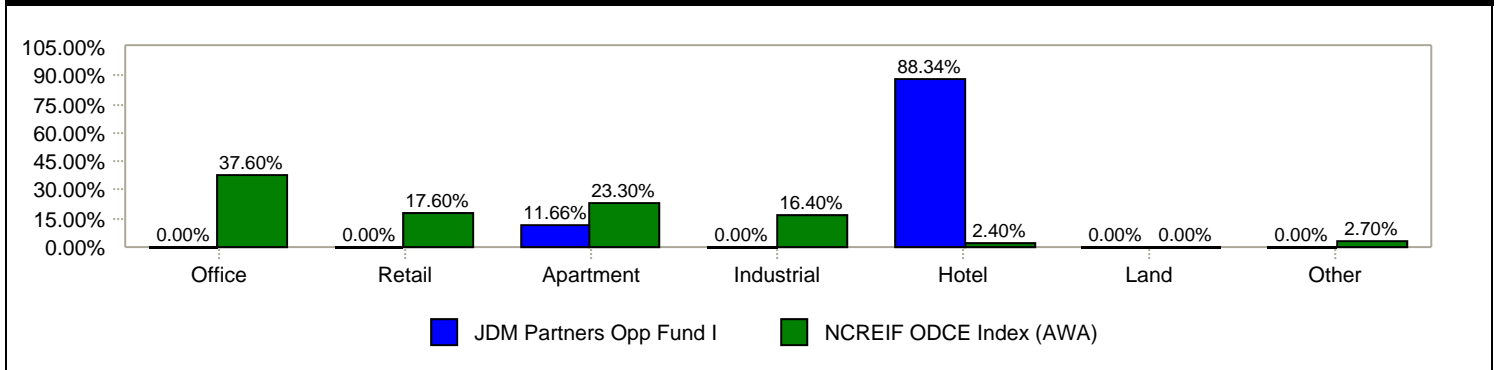
### Geographic Diversification Chart



### Property Type Diversification

Property Type Diversification	Office	Retail	Apartment	Industrial	Hotel	Land	Other
<b>JDM Partners Opp Fund I</b>	<b>0.00%</b>	<b>0.00%</b>	<b>11.66%</b>	<b>0.00%</b>	<b>88.34%</b>	<b>0.00%</b>	<b>0.00%</b>
NCREIF ODCE Index (AWA)	37.60%	17.60%	23.30%	16.40%	2.40%	0.00%	2.70%
Difference	-37.60%	-17.60%	-11.64%	-16.40%	85.94%	0.00%	-2.70%

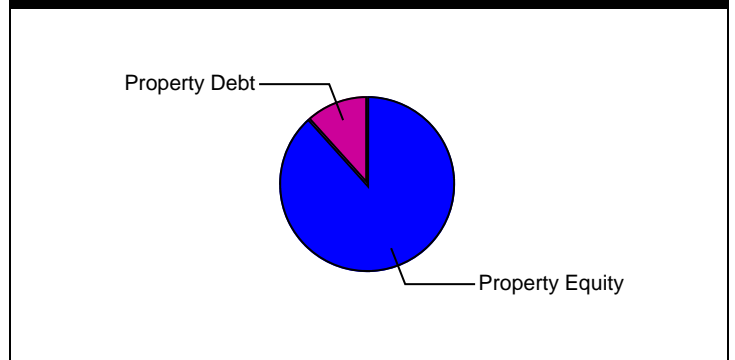
### Property Type Diversification Chart



### Investment Structure Diversification

<b>Total Equity</b>	<b>88.34%</b>
Property Equity	88.34%
Private Co. Equity	0.00%
Public Co. Equity	0.00%
<b>Total Debt</b>	<b>11.66%</b>
Property Debt	11.66%
Private Co. Debt	0.00%
Public Co. Debt	0.00%

### Investment Structure Diversification Chart



# JDM Partners Opportunity Fund I

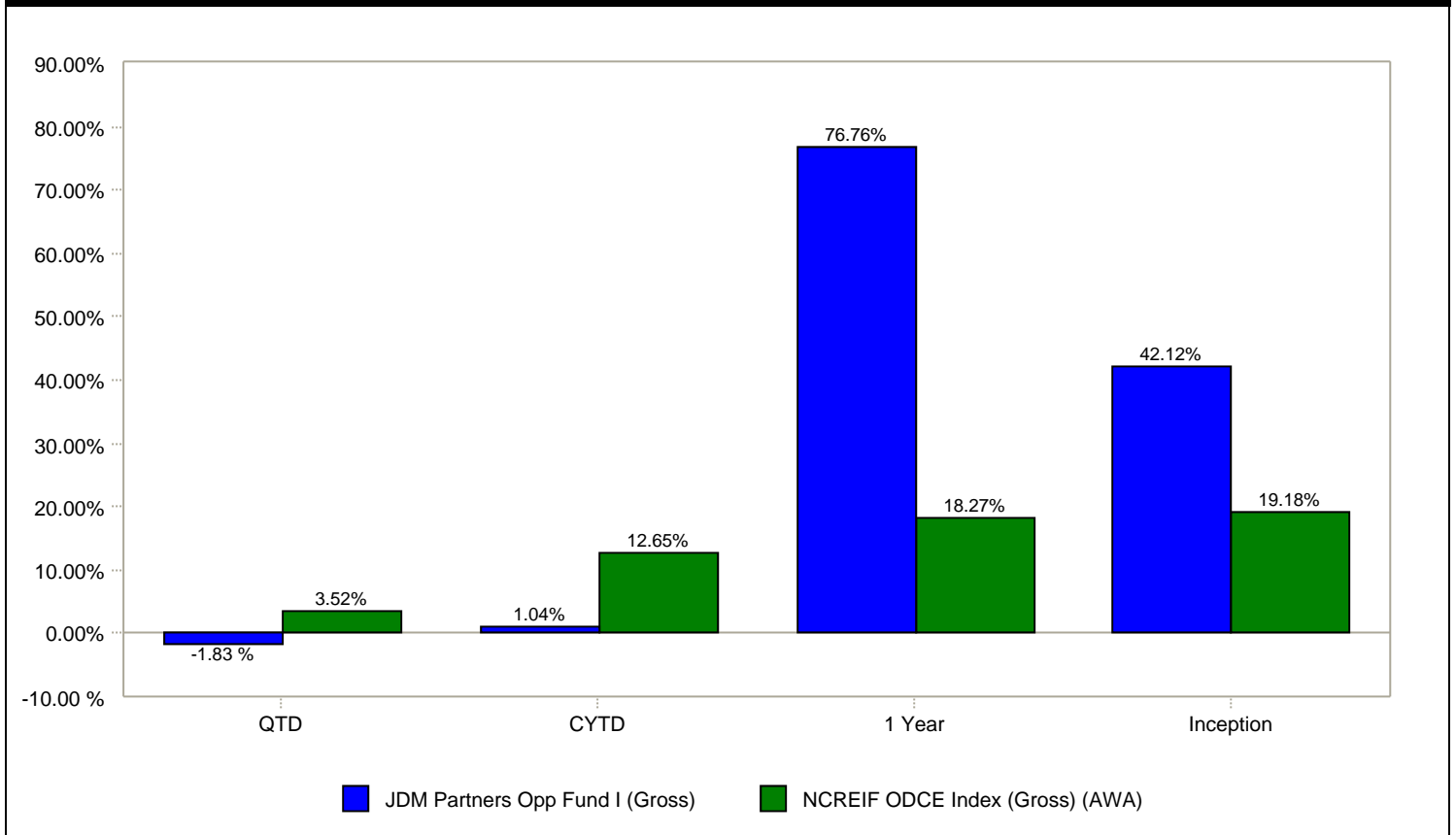
## Performance Summary

As of September 30, 2011

### Comparative Performance

	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>JDM Partners Opp Fund I (Gross)</b>	<b>-1.83%</b>	<b>1.04%</b>	<b>76.76%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>42.12%</b>	<b>4/1/2010</b>
JDM Partners Opp Fund I (Net)	-2.04%	0.33%	75.41%	N/A	N/A	N/A	40.90%	
Difference	0.22%	0.71%	1.35%	N/A	N/A	N/A	1.22%	
<b>JDM Partners Opp Fund I Inc. (Gross)</b>	<b>-1.83%</b>	<b>1.03%</b>	<b>-2.82%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-4.62%</b>	<b>4/1/2010</b>
JDM Partners Opp Fund I Inc. (Net)	-2.04%	0.32%	-3.61%	N/A	N/A	N/A	-5.47%	
Difference	0.22%	0.71%	0.79%	N/A	N/A	N/A	0.85%	
<b>JDM Partners Opp Fund I Apprec. (Gross)</b>	<b>0.00%</b>	<b>-0.03%</b>	<b>78.68%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>47.25%</b>	<b>4/1/2010</b>
JDM Partners Opp Fund I Apprec. (Net)	0.00%	-0.03%	78.68%	N/A	N/A	N/A	47.25%	
Difference	0.00%	0.00%	0.00%	N/A	N/A	N/A	0.00%	
<b>NCREIF ODCE Index (Gross) (AWA)</b>	<b>3.52%</b>	<b>12.65%</b>	<b>18.27%</b>	<b>-6.40%</b>	<b>0.00%</b>	<b>5.91%</b>	<b>19.18%</b>	<b>4/1/2010</b>
NCREIF ODCE Index (Net) (AWA)	3.31%	11.92%	17.18%	-7.22%	-0.89%	4.94%	18.10%	
Difference	0.21%	0.73%	1.09%	0.81%	0.89%	0.97%	1.08%	

### Comparative Performance Chart



# JDM Partners Opportunity Fund I

## Historical Cash Flows

As of September 30, 2011

Statement of Cash Flows						
Time Period	Beginning MV	Total Income	Total Appreciation	Net Contributions	Net Distributions	Ending MV
03/31/2010	\$0	(\$29,033)	\$0	\$16,193,315	\$0	\$15,970,967
06/30/2010	\$15,970,967	\$28,278	\$0	\$0	\$43,784	\$15,999,245
09/30/2010	\$15,999,245	(\$770,881)	\$0	\$0	\$0	\$15,228,364
12/31/2010	\$15,228,364	(\$596,794)	\$11,991,496	\$125,282	\$0	\$26,748,348
03/31/2011	\$26,748,348	\$540,242	(\$699,536)	\$0	\$125,282	\$26,463,773
06/30/2011	\$26,463,773	\$102,262	\$699,536	\$0	\$127,388	\$27,265,571
09/30/2011	\$27,265,571	(\$614,442)	\$0	\$3,448,276	\$63,738	\$30,099,405
Since Inception	\$0	(\$1,340,368)	\$11,991,496	\$19,766,873	\$360,192	\$30,099,405

Net contributions may exceed invested capital due to reinvestment of dividends, closing true-ups, and/or management fees invoiced outside the fund. Total appreciation during Q2 2011 represents an accounting adjustment. The Q4 2010 contribution represents catch-up interest which was retained by the Fund and allocated to COPERS' capital account. The retained interest was subsequently reversed during Q1 2011 and distributed to COPERS during Q2 and Q3 2011.

# Real Estate Capital Asia Partners II

## Fund Profile

As of September 30, 2011

### Investment Strategy

The Fund focuses on acquisition, redevelopment and operation of real estate and real estate-related assets in the Asia-Pacific region.

### Significant Events

During Q3 2011, the Fund completed the acquisition of Tsubokawa, a hotel in Okinawa, Japan. Following the acquisition, the Fund reviewed proposals to operate the hotel on a management contract basis. The Fund selected Accor to manage the hotel; planning and design are underway with a target completion and hotel opening in April 2012.

### Fund Information

Fund Inception	February 2008
Fund Size	\$190,300,000
Gross Real Estate Assets	\$202,856,245
Net Real Estate Assets	\$67,392,152
Legal Structure	LP
Fund Structure Type	Closed-Ended
Investment Period Expiration	8/8/2011
Current Entry Queue	N/A
Current Exit Queue	N/A

### Fund Information, continued

Subscription Line Capacity	\$0
Subscription Line Drawn	\$0
Acquisition Line Capacity	\$0
Acquisition Line Drawn	\$0
Asset Level Debt	\$135,464,093
Portfolio Level Debt	\$0
Cash Reserve Ratio	0.05%
Number of Investments	12
Number of Limited Partners	16

### Fee Description

#### Management Fees

2% on capital commitments during the investment period and 2% on invested but unreturned capital thereafter.

#### Incentive Fees

After return of capital and 9% preferred return, 80/20 LP/GP split with 50/50 LP/GP catch-up.

#### Other Fees

None.

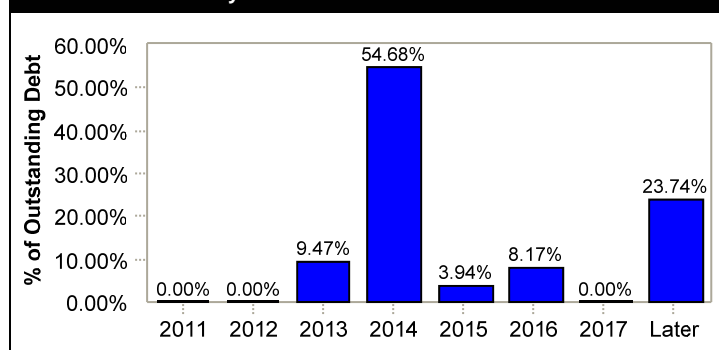
### Fee Summary

	Quarterly Fees (\$)	Quarterly Fees (bps)	Cumulative Fees (\$)
Management Fees	\$39,411	46	\$689,575
Incentive Fees	\$0	0	\$277,987
Acquisition Fees	\$0	0	\$0
Disposition Fees	\$0	0	\$0
Other Fees	\$0	0	\$0
<b>Total Fees</b>	<b>\$39,411</b>	<b>46</b>	<b>\$967,562</b>

### Fixed and Floating Rate Debt

<b>Fixed Rate Debt Utilization</b>	<b>0.00%</b>
Weighted Average Interest Rate	0.00%
Debt Outstanding	\$0
<b>Floating Rate Debt Utilization</b>	<b>100.00%</b>
Weighted Average Interest Rate	2.75%
Debt Outstanding	\$135,464,093
<b>Total Fixed and Floating Rate Debt</b>	<b>\$135,464,093</b>

### Portfolio Debt Maturity Schedule Chart



### Client Information

Commitment	\$9,000,000
Commitment Funded	\$6,923,705
Market Value	\$8,660,956
IRR	30.42%
Equity Multiple	1.21
Ownership Percentage	4.73%
Client Investment	August 2009

### Investor Contact

Name	Ms. Rachel Choo
Title	Sr. Fund Accountant
Company	State Street Fund Services (S) PL
Address	168 Robinson Road, #33-01 Capital Tower
City, State, Zip Code	Singapore, 068912
E-mail	recap@ais.statestreet.com
Phone	(65) 6826 7458
Fax	(65) 6826 7493

The Fund's investment period expired 08/08/2011; however, the Fund may continue to call capital for management fees, operating expenses, and committed investments.

# Real Estate Capital Asia Partners II

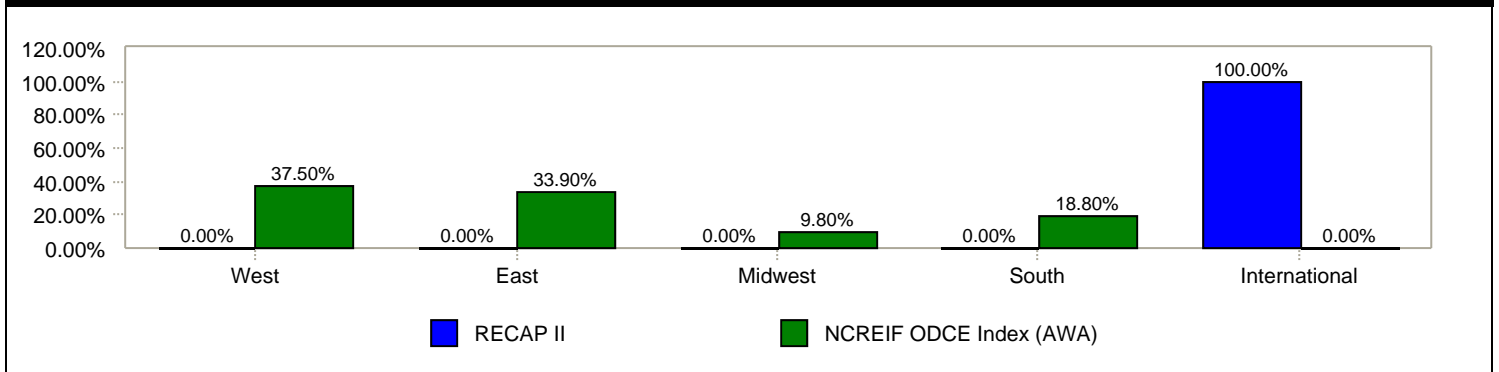
## Diversification

As of September 30, 2011

### Geographic Diversification

	West	East	Midwest	South	International
<b>RECAP II</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>100.00%</b>
NCREIF ODCE Index (AWA)	37.50%	33.90%	9.80%	18.80%	0.00%
Difference	-37.50%	-33.90%	-9.80%	-18.80%	100.00%

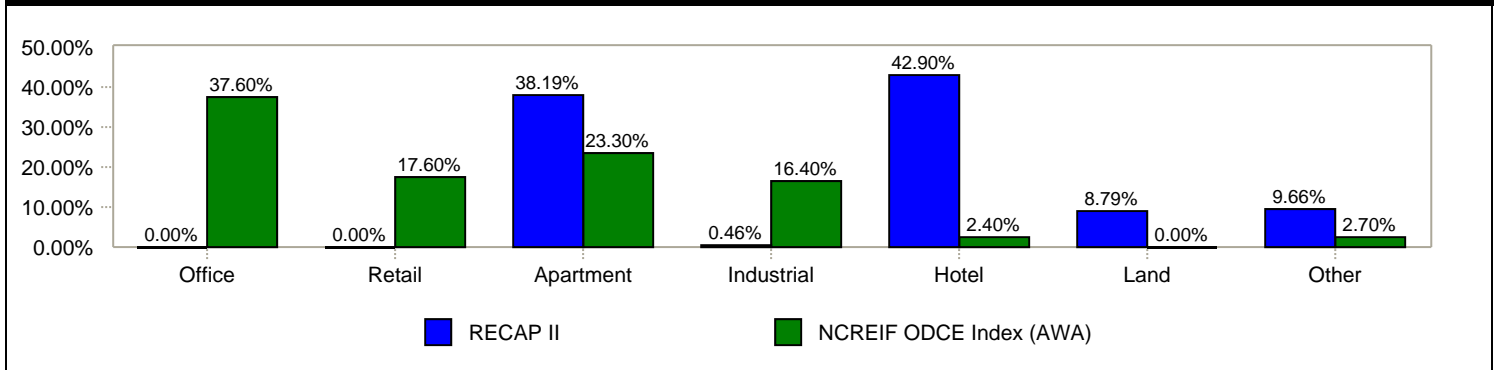
### Geographic Diversification Chart



### Property Type Diversification

	Office	Retail	Apartment	Industrial	Hotel	Land	Other
<b>RECAP II</b>	<b>0.00%</b>	<b>0.00%</b>	<b>38.19%</b>	<b>0.46%</b>	<b>42.90%</b>	<b>8.79%</b>	<b>9.66%</b>
NCREIF ODCE Index (AWA)	37.60%	17.60%	23.30%	16.40%	2.40%	0.00%	2.70%
Difference	-37.60%	-17.60%	14.89%	-15.94%	40.50%	8.79%	6.96%

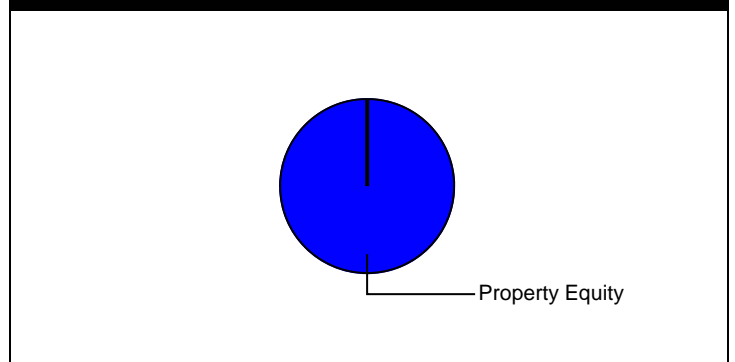
### Property Type Diversification Chart



### Investment Structure Diversification

<b>Total Equity</b>	<b>100.00%</b>
Property Equity	100.00%
Private Co. Equity	0.00%
Public Co. Equity	0.00%
<b>Total Debt</b>	<b>0.00%</b>
Property Debt	0.00%
Private Co. Debt	0.00%
Public Co. Debt	0.00%

### Investment Structure Diversification Chart



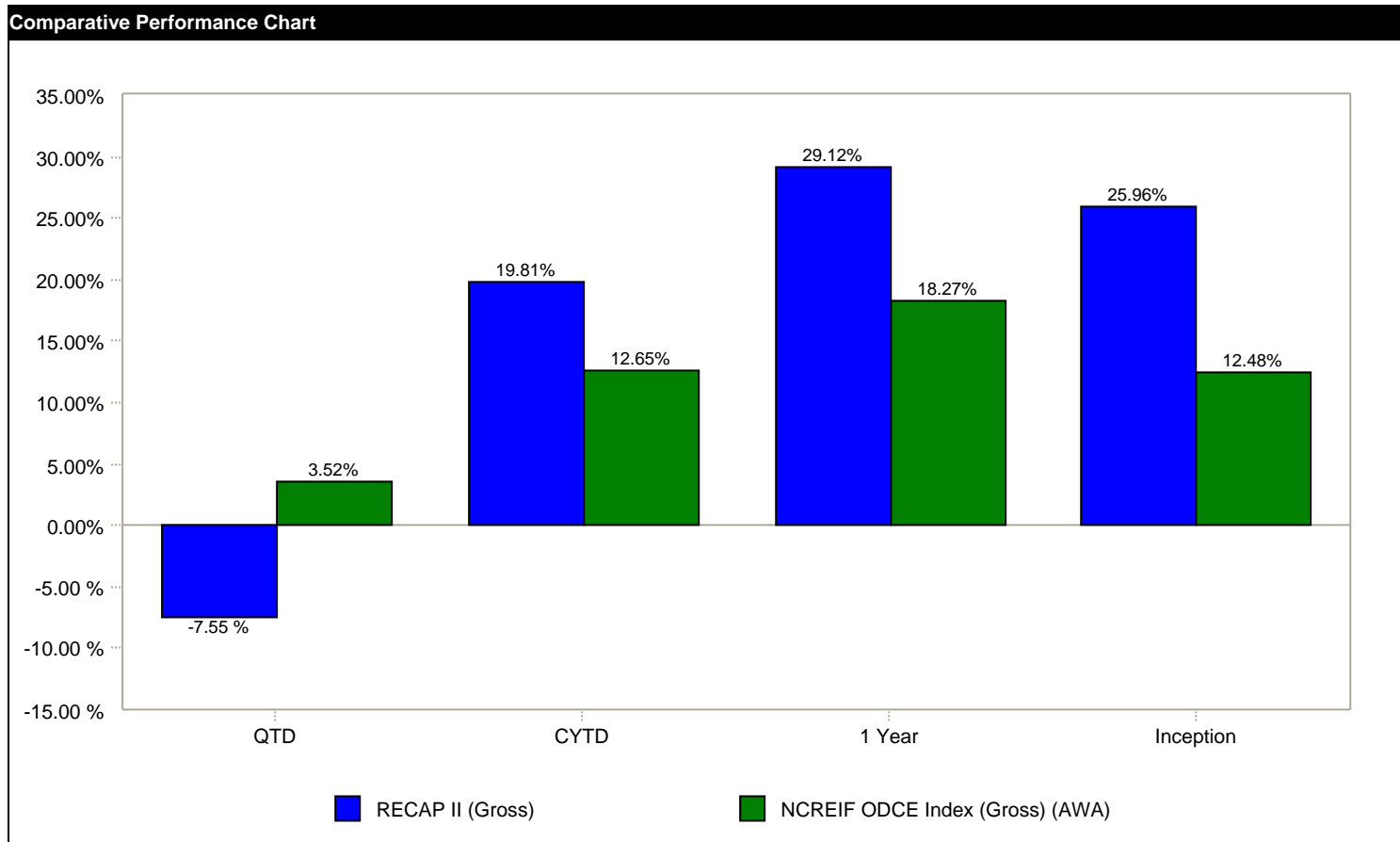
Allocation to "Other" consists of an investment in mixed-use retail and residential assets.

# Real Estate Capital Asia Partners II

## Performance Summary

As of September 30, 2011

Comparative Performance								
	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>RECAP II (Gross)</b>	<b>-7.55%</b>	<b>19.81%</b>	<b>29.12%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>25.96%</b>	<b>10/1/2009</b>
RECAP II (Net)	-7.99%	14.26%	22.03%	N/A	N/A	N/A	20.02%	
Difference	0.44%	5.54%	7.09%	N/A	N/A	N/A	5.94%	
<b>RECAP II Inc. (Gross)</b>	<b>0.00%</b>	<b>0.00%</b>	<b>-0.02%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.06%</b>	<b>10/1/2009</b>
RECAP II Inc. (Net)	0.00%	0.00%	-0.02%	N/A	N/A	N/A	-0.06%	
Difference	0.00%	0.00%	0.00%	N/A	N/A	N/A	0.00%	
<b>RECAP II Apprec. (Gross)</b>	<b>-7.55%</b>	<b>19.81%</b>	<b>29.15%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>26.03%</b>	<b>10/1/2009</b>
RECAP II Apprec. (Net)	-7.55%	16.18%	25.23%	N/A	N/A	N/A	24.10%	
Difference	0.00%	3.63%	3.92%	N/A	N/A	N/A	1.93%	
<b>NCREIF ODCE Index (Gross) (AWA)</b>	<b>3.52%</b>	<b>12.65%</b>	<b>18.27%</b>	<b>-6.40%</b>	<b>0.00%</b>	<b>5.91%</b>	<b>12.48%</b>	<b>10/1/2009</b>
NCREIF ODCE Index (Net) (AWA)	3.31%	11.92%	17.18%	-7.22%	-0.89%	4.94%	11.46%	
Difference	0.21%	0.73%	1.09%	0.81%	0.89%	0.97%	1.02%	



# Real Estate Capital Asia Partners II

## Historical Cash Flows

As of September 30, 2011

Statement of Cash Flows						
Time Period	Beginning MV	Total Income	Total Appreciation	Net Contributions	Net Distributions	Ending MV
09/30/2009	\$0	(\$12,174)	\$444,892	\$1,721,459	\$0	\$2,154,178
12/31/2009	\$2,154,178	(\$2,924)	\$355,672	\$2,404,447	\$1,761,726	\$3,149,645
03/31/2010	\$3,149,645	(\$99)	(\$100,088)	\$1,675,485	\$0	\$4,724,943
06/30/2010	\$4,724,943	(\$92)	\$345,609	\$442,024	\$0	\$5,512,484
09/30/2010	\$5,512,484	(\$171)	\$385,466	\$374,163	\$761,430	\$5,510,513
12/31/2010	\$5,510,513	(\$877)	\$359,495	\$1,407,847	\$2,261,474	\$4,967,824
03/31/2011	\$4,967,824	(\$104)	\$618,654	\$3,254,635	\$165,528	\$8,723,160
06/30/2011	\$8,723,160	(\$198)	\$1,095,317	\$1,030,821	\$2,197,566	\$8,651,533
09/30/2011	\$8,651,533	(\$56)	(\$679,434)	\$763,793	\$74,880	\$8,660,956
Since Inception	\$0	(\$16,695)	\$2,825,583	\$13,074,673	\$7,222,604	\$8,660,956

Net contributions may exceed invested capital due to reinvestment of dividends and/or management fees invoiced outside the fund.

# TA Realty IX

## Fund Profile

As of September 30, 2011

### Investment Strategy

The Fund was organized for the purpose of investing in a diversified portfolio of income-producing properties, with focus on office and industrial property types.

### Significant Events

During Q3 2011, the Fund made 14 additional investments for an aggregate purchase price of \$408 million. Subsequent to quarter end (and expiration of the investment period), the Fund closed on eight (8) additional pre-specified assets totaling \$158 million. The Fund is also under contract for an additional \$190 million of assets.

### Fund Information

Fund Inception	August 2008
Fund Size	\$1,492,558,158
Gross Real Estate Assets	\$1,918,894,403
Net Real Estate Assets	\$1,393,165,084
Legal Structure	LP
Fund Structure Type	Closed-Ended
Investment Period Expiration	8/27/2011
Current Entry Queue	N/A
Current Exit Queue	N/A

### Fund Information, continued

Subscription Line Capacity	\$360,000,000
Subscription Line Drawn	\$155,000,000
Acquisition Line Capacity	\$0
Acquisition Line Drawn	\$0
Asset Level Debt	\$183,569,514
Portfolio Level Debt	\$187,159,805
Cash Reserve Ratio	6.20%
Number of Investments	74
Number of Limited Partners	169

### Fee Description

#### Management Fees

During the investment period, based on total committed capital: 0.50% in year 1, 0.80% in year 2, 1.10% in year 3, thereafter: 1.20% in year 4, 1.20% in year 5, 1.125% in year 6, 1.0% in year 7, and 0.60% thereafter.

#### Incentive Fees

100% to all investors until they have received a return of capital and an annual compounded preferred return representing inflation as measured by the CPI. Thereafter, the LP/GP split is tiered based on real return.

#### Other Fees

None.

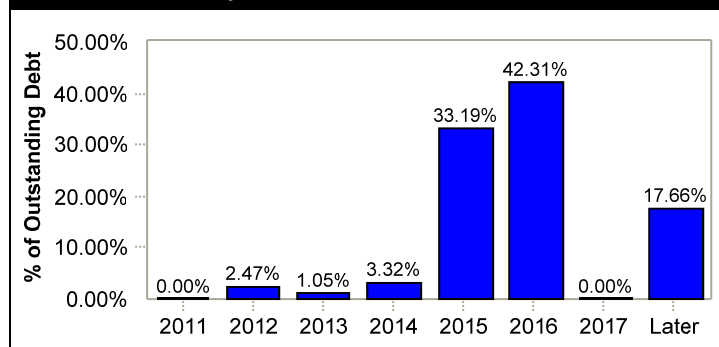
### Fee Summary

	Quarterly Fees (\$)	Quarterly Fees (bps)	Cumulative Fees (\$)
Management Fees	\$22,619	27	\$213,592
Incentive Fees	\$0	0	\$0
Acquisition Fees	\$0	0	\$0
Disposition Fees	\$0	0	\$0
Other Fees	\$0	0	\$0
<b>Total Fees</b>	<b>\$22,619</b>	<b>27</b>	<b>\$213,592</b>

### Fixed and Floating Rate Debt

<b>Fixed Rate Debt Utilization</b>	<b>51.81%</b>
Weighted Average Interest Rate	4.41%
Debt Outstanding	\$272,364,982
<b>Floating Rate Debt Utilization</b>	<b>48.19%</b>
Weighted Average Interest Rate	2.08%
Debt Outstanding	\$253,364,337
<b>Total Fixed and Floating Rate Debt</b>	<b>\$525,729,319</b>

### Portfolio Debt Maturity Schedule Chart



### Client Information

Commitment	\$9,000,000
Commitment Funded	\$8,280,000
Market Value	\$9,022,865
IRR	11.48%
Equity Multiple	1.11
Ownership Percentage	0.60%
Client Investment	December 2009

### Investor Contact

Name	Tom Landry
Title	Partner
Company	TA Realty
Address	28 State Street, 10th Floor
City, State, Zip Code	Boston, MA 02109
E-mail	landry@tarealty.com
Phone	617-476-2743
Fax	617-476-2799

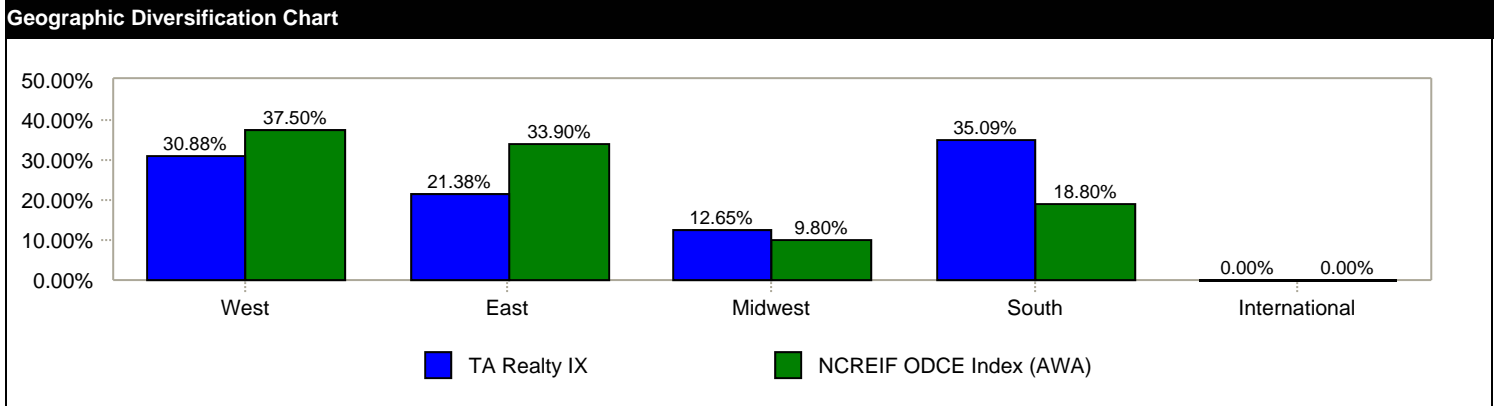
The Fund's investment period expired 08/27/2011; however, the Fund may continue to call capital for management fees, operating expenses, and committed/pre-specified investments.

# TA Realty IX

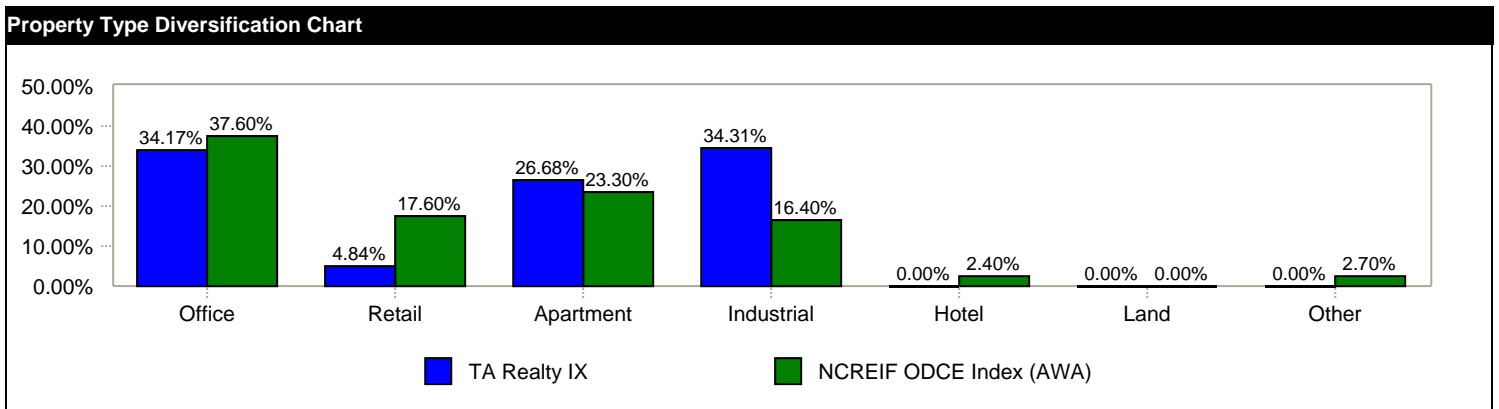
## Diversification

As of September 30, 2011

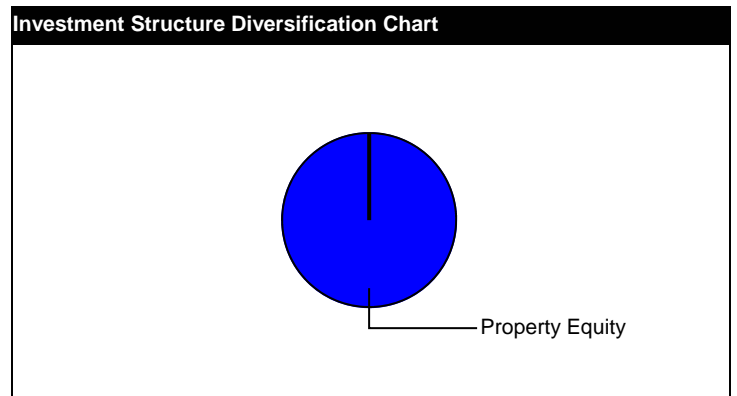
Geographic Diversification					
	West	East	Midwest	South	International
TA Realty IX	30.88%	21.38%	12.65%	35.09%	0.00%
NCREIF ODCE Index (AWA)	37.50%	33.90%	9.80%	18.80%	0.00%
Difference	-6.62%	-12.52%	2.85%	16.29%	0.00%



Property Type Diversification							
	Office	Retail	Apartment	Industrial	Hotel	Land	Other
TA Realty IX	34.17%	4.84%	26.68%	34.31%	0.00%	0.00%	0.00%
NCREIF ODCE Index (AWA)	37.60%	17.60%	23.30%	16.40%	2.40%	0.00%	2.70%
Difference	-3.43%	-12.76%	3.38%	17.91%	-2.40%	0.00%	-2.70%

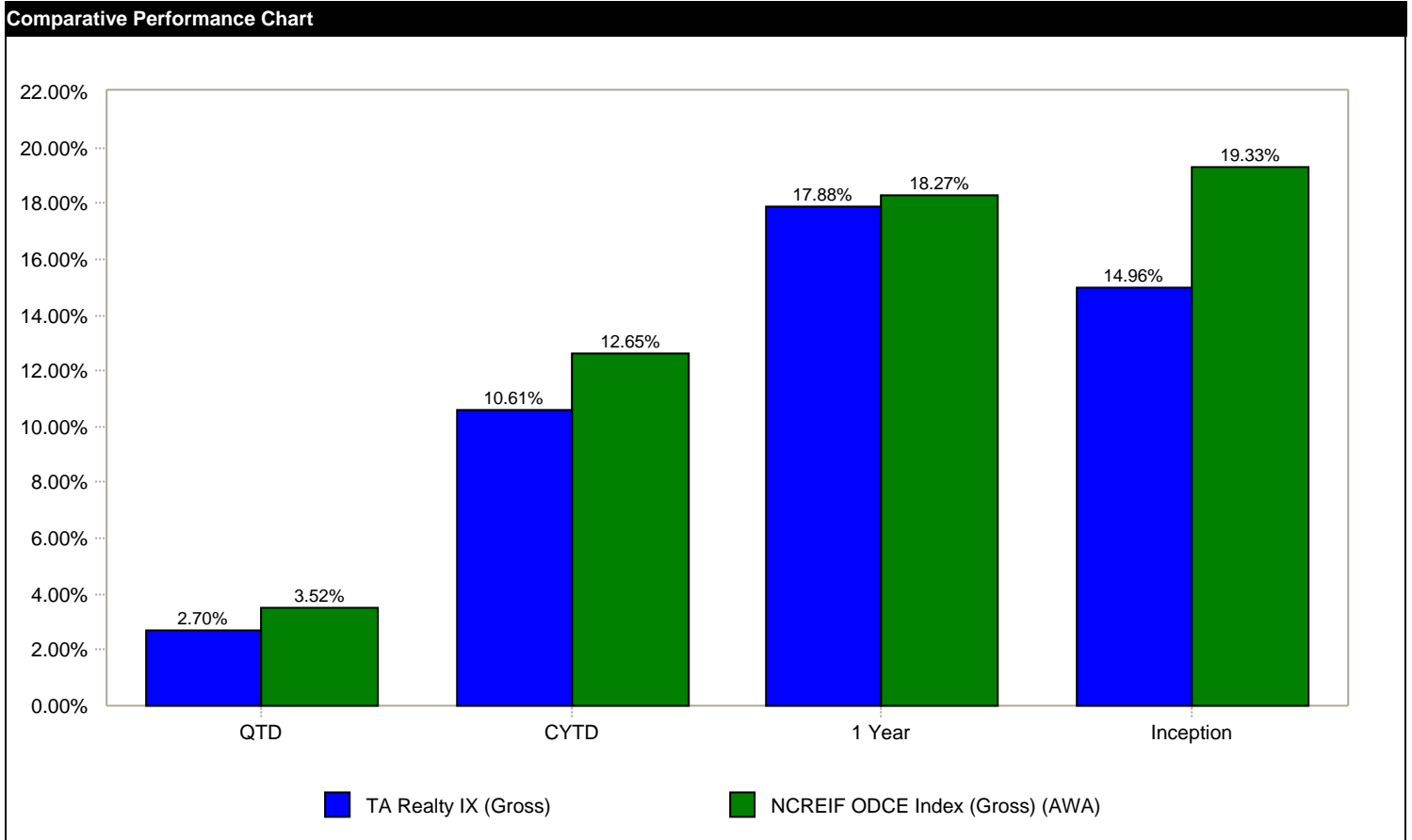


Investment Structure Diversification	
<b>Total Equity</b>	<b>100.00%</b>
Property Equity	100.00%
Private Co. Equity	0.00%
Public Co. Equity	0.00%
<b>Total Debt</b>	<b>0.00%</b>
Property Debt	0.00%
Private Co. Debt	0.00%
Public Co. Debt	0.00%



**TA Realty IX**  
**Performance Summary**  
 As of September 30, 2011

Comparative Performance								
	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>TA Realty IX (Gross)</b>	<b>2.70%</b>	<b>10.61%</b>	<b>17.88%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>14.96%</b>	<b>7/1/2010</b>
TA Realty IX (Net)	2.44%	9.72%	16.47%	N/A	N/A	N/A	13.39%	
Difference	0.26%	0.89%	1.41%	N/A	N/A	N/A	1.58%	
<b>TA Realty IX Inc. (Gross)</b>	<b>1.35%</b>	<b>4.16%</b>	<b>5.17%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>4.93%</b>	<b>7/1/2010</b>
TA Realty IX Inc. (Net)	1.09%	3.30%	3.87%	N/A	N/A	N/A	3.46%	
Difference	0.26%	0.86%	1.30%	N/A	N/A	N/A	1.47%	
<b>TA Realty IX Apprec. (Gross)</b>	<b>1.35%</b>	<b>6.27%</b>	<b>12.24%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>9.68%</b>	<b>7/1/2010</b>
TA Realty IX Apprec. (Net)	1.35%	6.27%	12.24%	N/A	N/A	N/A	9.68%	
Difference	0.00%	0.00%	0.00%	N/A	N/A	N/A	0.00%	
<b>NCREIF ODCE Index (Gross) (AWA)</b>	<b>3.52%</b>	<b>12.65%</b>	<b>18.27%</b>	<b>-6.40%</b>	<b>0.00%</b>	<b>5.91%</b>	<b>19.33%</b>	<b>7/1/2010</b>
NCREIF ODCE Index (Net) (AWA)	3.31%	11.92%	17.18%	-7.22%	-0.89%	4.94%	18.24%	
Difference	0.21%	0.73%	1.09%	0.81%	0.89%	0.97%	1.09%	



**TA Realty IX**  
**Historical Cash Flows**  
As of September 30, 2011

<b>Statement of Cash Flows</b>						
<b>Time Period</b>	<b>Beginning MV</b>	<b>Total Income</b>	<b>Total Appreciation</b>	<b>Net Contributions</b>	<b>Net Distributions</b>	<b>Ending MV</b>
<b>06/30/2010</b>	\$0	(\$114,732)	(\$43,625)	\$3,600,000	\$0	\$3,441,643
<b>09/30/2010</b>	\$3,441,643	\$17,136	\$0	\$1,350,000	\$2,658	\$4,806,121
<b>12/31/2010</b>	\$4,806,121	\$26,175	\$269,514	\$0	\$2,884	\$5,098,926
<b>03/31/2011</b>	\$5,098,926	\$69,857	\$39,231	\$1,350,000	\$2,580	\$6,555,434
<b>06/30/2011</b>	\$6,555,434	\$82,106	\$321,014	\$1,350,000	\$69,036	\$8,239,518
<b>09/30/2011</b>	\$8,239,518	\$95,458	\$118,174	\$630,000	\$60,285	\$9,022,865
<b>Since Inception</b>	<b>\$0</b>	<b>\$176,000</b>	<b>\$704,308</b>	<b>\$8,280,000</b>	<b>\$137,443</b>	<b>\$9,022,865</b>

Net contributions may exceed invested capital due to reinvestment of dividends and/or management fees invoiced outside the fund.

# Wrightwood High Yield Partners II

## Fund Profile

As of September 30, 2011

### Investment Strategy

The Fund serves as a provider of transitional capital in the form of mezzanine debt, preferred equity, and JV capital to middle market real estate operators focused on value-add assets.

### Significant Events

During Q3 2011, the Fund closed on a \$7.0 million preferred equity investment in a Houston, TX apartment complex. The Fund's investment is subordinate to a five-year Freddie Mac mortgage loan. The Fund realized three (3) assets during the quarter, resulting in a \$9.5 million distribution to investors. Subsequent to quarter end, Fund investors approved an extension of the investment period through 12/31/2012.

### Fund Information

Fund Inception	August 2007
Fund Size	\$243,048,222
Gross Real Estate Assets	\$883,801,038
Net Real Estate Assets	\$93,092,955
Legal Structure	LP
Fund Structure Type	Closed-Ended
Investment Period Expiration	12/31/2011
Current Entry Queue	N/A
Current Exit Queue	N/A

### Fund Information, continued

Subscription Line Capacity	\$0
Subscription Line Drawn	\$0
Acquisition Line Capacity	\$0
Acquisition Line Drawn	\$0
Asset Level Debt	\$635,019,416
Portfolio Level Debt	\$0
Cash Reserve Ratio	19.80%
Number of Investments	19
Number of Limited Partners	74

### Fee Description

#### Management Fees

1.5% of commitments until the end of the Investment Period. 1.5% thereafter on invested but unreturned capital.

#### Incentive Fees

After return of capital and 9% preferred return, 80/20 LP/GP split until LPs achieve a 12% IRR, then 50/50 LP/GP split until GP receives 20% of total profits, 80/20 LP/GP split thereafter.

#### Other Fees

None.

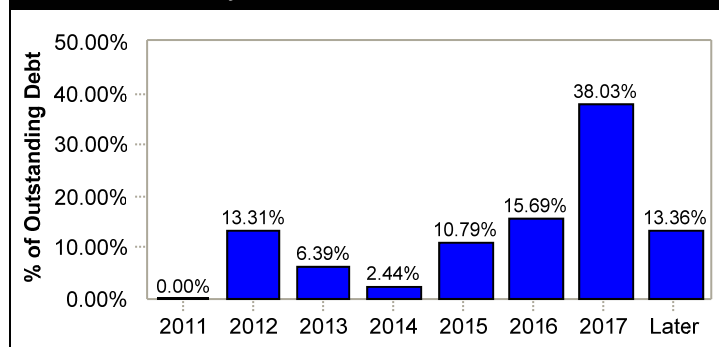
### Fee Summary

	Quarterly Fees (\$)	Quarterly Fees (bps)	Cumulative Fees (\$)
Management Fees	\$25,006	84	\$542,403
Incentive Fees	\$0	0	\$0
Acquisition Fees	\$0	0	\$0
Disposition Fees	\$0	0	\$0
Other Fees	\$0	0	\$0
<b>Total Fees</b>	<b>\$25,006</b>	<b>84</b>	<b>\$542,403</b>

### Fixed and Floating Rate Debt

<b>Fixed Rate Debt Utilization</b>	<b>66.96%</b>
Weighted Average Interest Rate	4.58%
Debt Outstanding	\$425,178,750
<b>Floating Rate Debt Utilization</b>	<b>33.04%</b>
Weighted Average Interest Rate	2.44%
Debt Outstanding	\$209,840,666
<b>Total Fixed and Floating Rate Debt</b>	<b>\$635,019,416</b>

### Portfolio Debt Maturity Schedule Chart



### Client Information

Commitment	\$9,000,000
Commitment Funded	\$5,919,750
Market Value	\$5,455,317
IRR	-5.17%
Equity Multiple	0.95
Ownership Percentage	3.70%
Client Investment	January 2009

### Investor Contact

Name	Rena Pulido
Title	Investor Relations
Company	Ares Commercial Real Estate Manager LLC
Address	Two North LaSalle, 9th Floor
City, State, Zip Code	Chicago, IL, 60602
E-mail	investorrelations-wvc@aresmgmt.com
Phone	312-324-5912
Fax	312-324-5900

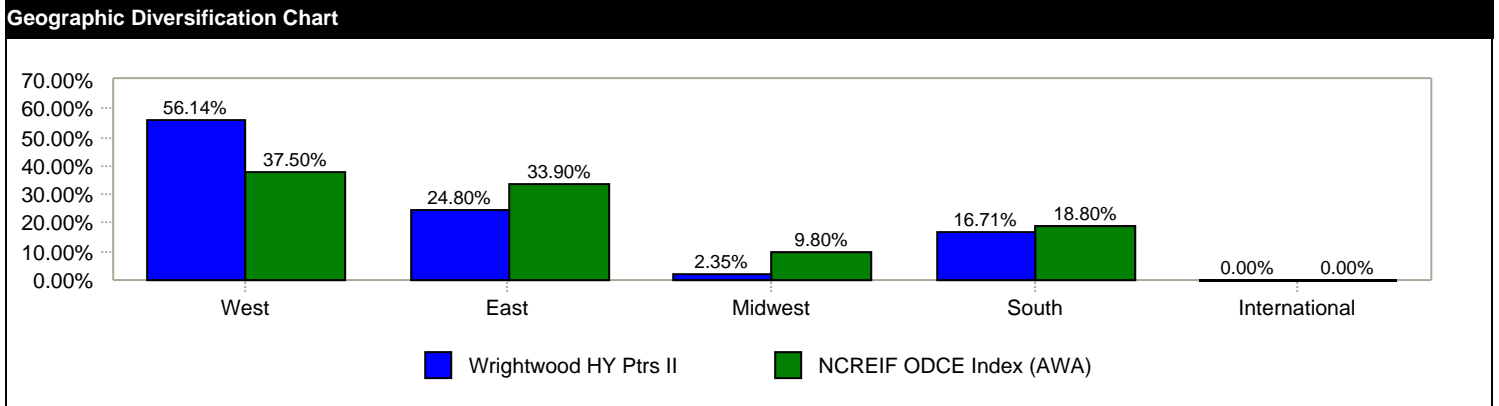
Gross Real Estate Assets represent the total project capitalization, reflecting the fair value adjustment of the Fund's position. Net Real Estate Assets represent fair market value of the Fund's position in investments as of September 30, 2011. Portfolio Debt Maturity Schedule represents maturity of debt capital senior to Fund's position.

# Wrightwood High Yield Partners II

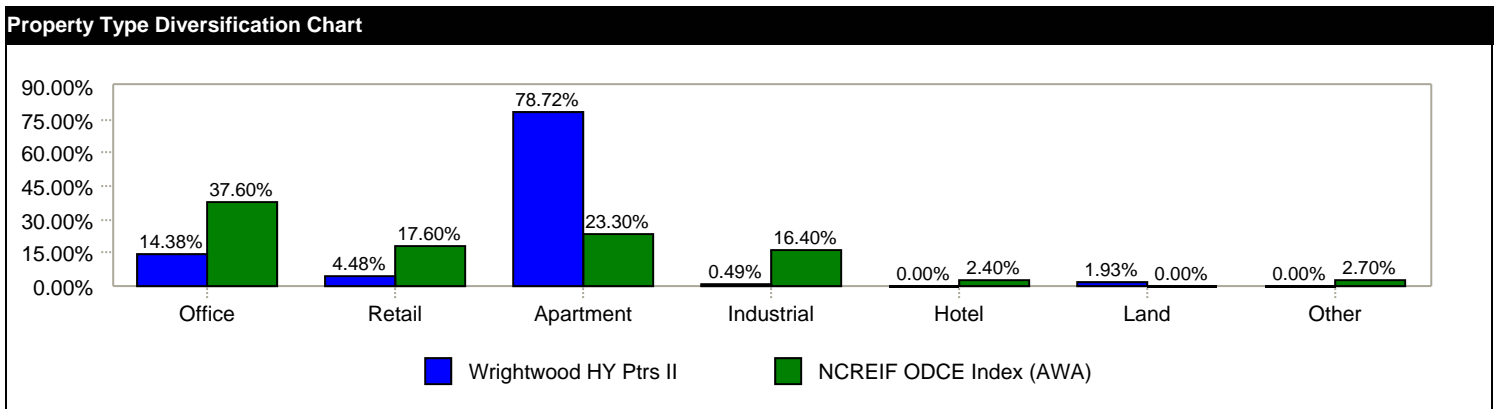
## Diversification

As of September 30, 2011

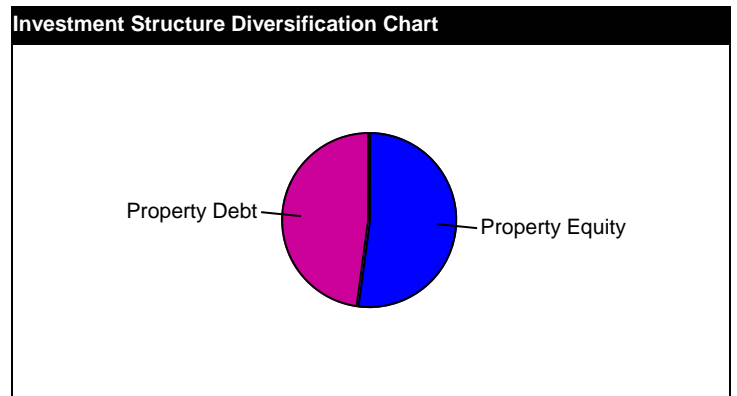
Geographic Diversification					
	West	East	Midwest	South	International
Wrightwood HY Ptrs II	56.14%	24.80%	2.35%	16.71%	0.00%
NCREIF ODCE Index (AWA)	37.50%	33.90%	9.80%	18.80%	0.00%
Difference	18.64%	-9.10%	-7.45%	-2.09%	0.00%



Property Type Diversification							
	Office	Retail	Apartment	Industrial	Hotel	Land	Other
Wrightwood HY Ptrs II	14.38%	4.48%	78.72%	0.49%	0.00%	1.93%	0.00%
NCREIF ODCE Index (AWA)	37.60%	17.60%	23.30%	16.40%	2.40%	0.00%	2.70%
Difference	-23.22%	-13.12%	55.42%	-15.91%	-2.40%	1.93%	-2.70%



Investment Structure Diversification	
<b>Total Equity</b>	<b>52.12%</b>
Property Equity	52.12%
Private Co. Equity	0.00%
Public Co. Equity	0.00%
<b>Total Debt</b>	<b>47.88%</b>
Property Debt	47.88%
Private Co. Debt	0.00%
Public Co. Debt	0.00%



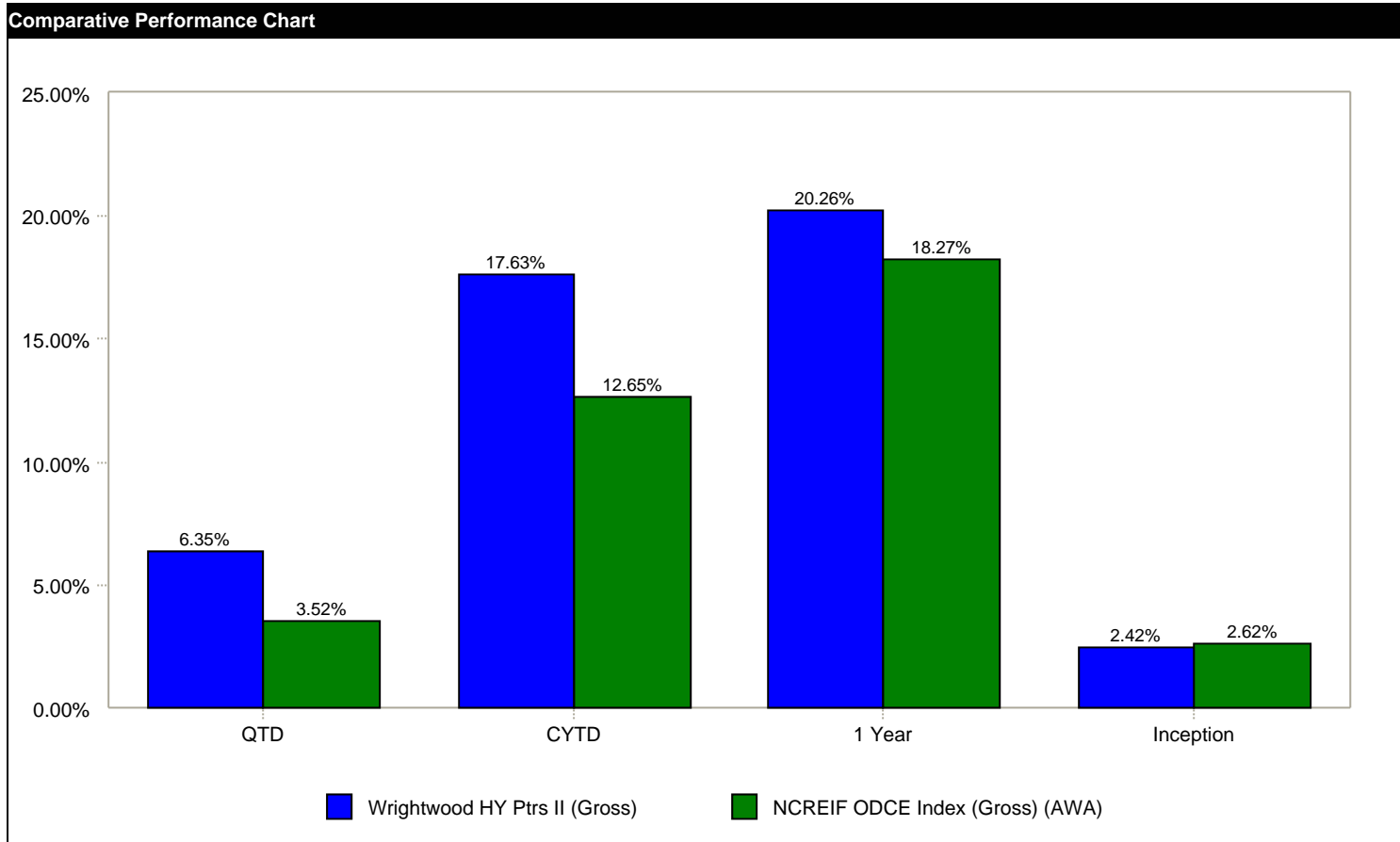
Diversification shown is based on the net equity value of the Fund's investments.

# Wrightwood High Yield Partners II

## Performance Summary

As of September 30, 2011

Comparative Performance								
	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Wrightwood HY Ptrs II (Gross)</b>	<b>6.35%</b>	<b>17.63%</b>	<b>20.26%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>2.42%</b>	<b>4/1/2009</b>
Wrightwood HY Ptrs II (Net)	5.77%	14.19%	14.84%	N/A	N/A	N/A	-6.14%	
Difference	0.57%	3.43%	5.42%	N/A	N/A	N/A	8.56%	
<b>Wrightwood HY Ptrs II Inc. (Gross)</b>	<b>4.17%</b>	<b>11.11%</b>	<b>15.02%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>8.95%</b>	<b>4/1/2009</b>
Wrightwood HY Ptrs II Inc. (Net)	3.60%	7.81%	9.80%	N/A	N/A	N/A	0.04%	
Difference	0.57%	3.30%	5.22%	N/A	N/A	N/A	8.91%	
<b>Wrightwood HY Ptrs II Apprec. (Gross)</b>	<b>2.17%</b>	<b>6.08%</b>	<b>4.73%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>-6.11%</b>	<b>4/1/2009</b>
Wrightwood HY Ptrs II Apprec. (Net)	2.17%	6.08%	4.73%	N/A	N/A	N/A	-6.11%	
Difference	0.00%	0.00%	0.00%	N/A	N/A	N/A	0.00%	
<b>NCREIF ODCE Index (Gross) (AWA)</b>	<b>3.52%</b>	<b>12.65%</b>	<b>18.27%</b>	<b>-6.40%</b>	<b>0.00%</b>	<b>5.91%</b>	<b>2.62%</b>	<b>4/1/2009</b>
NCREIF ODCE Index (Net) (AWA)	3.31%	11.92%	17.18%	-7.22%	-0.89%	4.94%	1.69%	
Difference	0.21%	0.73%	1.09%	0.81%	0.89%	0.97%	0.93%	



## Wrightwood High Yield Partners II

### Historical Cash Flows

As of September 30, 2011

Statement of Cash Flows						
Time Period	Beginning MV	Total Income	Total Appreciation	Net Contributions	Net Distributions	Ending MV
03/31/2009	\$0	\$49,260	(\$486,658)	\$1,862,245	\$0	\$1,424,847
06/30/2009	\$1,424,847	\$3,967	(\$250,654)	\$0	\$0	\$1,178,160
09/30/2009	\$1,178,160	(\$12,065)	(\$65,500)	\$170,337	\$99,081	\$1,171,851
12/31/2009	\$1,171,851	(\$67,665)	(\$22,203)	\$0	\$0	\$1,081,983
03/31/2010	\$1,081,983	(\$12,027)	\$8,468	\$0	\$0	\$1,078,424
06/30/2010	\$1,078,424	(\$11,420)	\$43,569	\$111,087	\$0	\$1,221,663
09/30/2010	\$1,221,663	(\$5,857)	\$22,421	\$0	\$0	\$1,238,228
12/31/2010	\$1,238,228	\$36,335	(\$25,126)	\$1,962,574	\$736,696	\$2,475,315
03/31/2011	\$2,475,315	\$46,919	\$13,560	\$0	\$0	\$2,535,794
06/30/2011	\$2,535,794	\$56,775	\$86,697	\$370,297	\$88,361	\$2,961,202
09/30/2011	\$2,961,202	\$156,588	\$94,652	\$2,592,078	\$349,203	\$5,455,317
Since Inception	\$0	\$240,810	(\$580,774)	\$7,068,618	\$1,273,341	\$5,455,317

Net contributions may exceed invested capital due to reinvestment of dividends and/or management fees invoiced outside the fund.

# Total Portfolio Addendum and Glossary As of June 30, 2011

## Comments

### **Performance-Related Comments:**

- Performance is annualized for periods greater than one year.
- IRR calculation requires 12 months of cash flow history beginning with the initial capital call, while time-weighted performance requires four full quarters of data to calculate. Time-weighted performance for funds with less than four full quarters of data does not provide a basis for a meaningful comparison; however, all fund performance data is reflected in time-weighted performance at the portfolio level.
- Performance is only shown for investments with at least 12 months of cash flow history.

### **Inception Date Comments:**

- Total Portfolio inception dates shown reflect the client's first cash flow.
- Fund inception dates shown reflect the first full quarter following the client's initial cash flow.
- Inception dates shown for indices reflect the Total Portfolio or Fund inception date for comparison.

### **Miscellaneous Comments:**

- Commitment Funded reflects all capital contributions less any return of capital during the investment period.
- Fees in basis points (bps) are calculated based on the previous period ending market value.

## Definition of Terms

**Acquisition Line** – A reserve or line of credit, made available by a bank for acquisition activity, secured by a specific asset/intended purchase. Once repaid, funds made available through an acquisition line of credit cannot be re-borrowed.

**Asset Level Debt** – Debt financing secured by individual fund assets.

**Cash Reserve Ratio** - The ratio of cash-to-assets in a real estate portfolio.

**Closed End Fund** – A closed-end fund has a targeted finite life of investment activity and cannot accept new investment capital after expiration of the fundraising period. Committed capital is called from the investors periodically over the investment period and returned by the end of the fund term.

**Commitment** – An investor's contractual agreement to contribute a specified amount of capital to a fund over the fund's investment period.

**Commitment Funded** - Amount of the investor's commitment that has been called to date.

**Core Real Estate** – A real estate strategy to invest in markets that are well developed, in top tier locations (coastal cities, major metropolitan areas, etc.), with well-leased properties (80%), and do not require significant enhancement, renovation, or re-development. Core real estate funds strive to provide consistent income and lower volatility. Target returns are generally 8-10% per annum and derive the majority of total return from income rather than capital appreciation.

**Debt Maturity** – The expiration date of the fund's outstanding debt.

**Entry Queue (\$)** – The dollar value of capital pledged by investors that has not been called by the manager in an open-ended fund structure. An entry queue exists when the manager does not have sufficient acquisition opportunities available to put all investor capital to work in the market at a given time.

# Total Portfolio Addendum and Glossary As of June 30, 2011

**Equity Multiple** – The sum of cumulative distributions and remaining investment value divided by total paid-in-capital. The equity multiple is a performance metric calculated since an investment's (or client's) inception and reflects the current value in the fund for each dollar invested.

**Exit Queue (\$)** – The dollar value of capital requested to be withdrawn by current investors in an open-ended fund structure. An exit queue exists for open-end core funds when the manager does not have suitable disposition activity or available cash to meet investor redemption requests.

## **Fees:**

- **Management Fee** – Fees tied to the level of commitment or invested capital; management fees cover the expenses of running/operating a fund.
- **Incentive Fee** – Fees charged to limited partners that are tied to the performance of the assets under management. Incentive fees compensate the investment manager for achieving performance hurdles.
- **Acquisition Fee** – Fees charged based on the acquisition of assets to cover due diligence and other acquisition expenses.
- **Disposition Fee** – Fees charged based on the sale or transfer of property to cover disposition expenses
- **Other Fees** – Tangible fees not covered by any of the fee types above (cash management, etc.).

**Fund Size** – The fund size is the total value of equity commitments from all investors in a fund, including the general partner.

**Gross Real Estate Assets** – The current or fair market value of real estate assets, inclusive of all debt financing.

**Indices** – All indices and related information are considered intellectual property and are licensed by each index provider. The indices may not be copied, used, or distributed without the index provider's prior written approval. Index providers make no warranties with respect to the quality, accuracy, suitability and/or completeness of each index.

**Internal Rate of Return (IRR)** – A fund's IRR is the implied discount rate equating the present value of an investment's cash outflows to the present value of the investment's cash inflows. In other words, IRR is the discount rate at which the net present value of an investment opportunity equals zero.

**Investment Period Expiration** – The date when a closed-end fund ceases acquisition activity. The investment period expiration is typically 3-5 years following the expiration of the fundraising period (the final closing). Typically this period may be extended and acquisition activity may continue following this date if approved by a majority of the limited partners.

**Leverage** – The use of credit to finance purchases or development.

- **Fixed-Rate Debt** – Loans with a static interest rate over the life of the loan.
- **Floating-Rate Debt** – Loans with a variable interest rate over the life of the loan.

**Leverage Ratio** – Outstanding debt divided by the fair value of invested capital.

**Mezzanine Debt** – Mezzanine debt takes a subordinate position to senior debt in the capital. Due to subordination, mezzanine debt carries a higher repayment risk and generally requires a higher interest rate than senior debt.

**NCREIF ODCE Index, Geographic Regions, and Divisions Map** - The index reports the time-weighted quarterly investment returns of approximately 30 open-end core commingled funds. The index is capitalization-weighted and is reported gross of fees. Specific regions include West, East, South, and Midwest.

# Total Portfolio

## Addendum and Glossary

As of June 30, 2011

**Net Real Estate Assets** – The current or fair market value of the fund’s real estate assets less all liabilities (debt).

**Non-Core Real Estate** – All real estate investment strategies that do not have core real estate characteristics are considered non-core real estate. Significant capital expenditures, leasing, renovation, development, and/or re-development are common in non-core real estate investing. Due to the increased risk of these strategies, non-core real estate has a higher expected return profile than core real estate. Non-core real estate returns may have little or no income component.

- **Value Added** – In general, these strategies focus on capital appreciation through physical property enhancement (i.e., renovation, leasing, repositioning). Value-added strategies usually include an income return and moderate use of leverage.
- **Opportunistic** – These strategies rely mostly on future appreciation through significant property enhancement or market recovery. Opportunistic activities include ground-up development, re-development, and raw land investments. Higher use of leverage is common in opportunistic strategies. Investments are usually illiquid, difficult to price, and can often take multiple years to execute.

**Open-End Fund** – A fund that has no targeted finite life. As capital is available, open-ended funds continually make new investments, accept capital from investors, and allow capital withdrawals from investors.

**Portfolio Level Debt** – The leverage utilized by a fund that is not secured individually by specific assets, but rather by multiple assets and/or investor capital commitments. Portfolio level debt also may be unsecured.

**Real Estate Investment Trust (REIT)** – An investment vehicle in which investors purchase certificates of ownership in the trust, which in turn invests in real property. REITs are required to comply with certain rules. For example, REITs must distribute 90% of taxable income to shareholders each year and hold investments for a period of not less than two years.

**Real Estate Securities Fund** – A fund that invests in publicly-traded REITs and REOCs (real estate operating companies).

**Senior Debt** – Senior debt has the highest priority claim in the capital structure. That is, senior debt must be repaid at disposition before repayment of any other subordinate debt financing and/or equity is paid out.

**Subscription Line** – A reserve or line of credit made available by a bank to a fund for acquisition activity, secured by the equity commitments of the investors of the fund.

**Time-Weighted Return** – The yield on an investment portfolio over a specified period of time. Returns are calculated on a quarterly basis and are geometrically linked to calculate multi-period returns. Time-weighted returns are calculated on a pre-fee (gross of fees) and after-fee (net of fees) basis. The calculation methodology for each is provided below:

- **Gross of Fees:**  $(\text{Gross Income} + \text{Gross Appreciation}) / \text{Weighted Average Equity}$
- **Net of Fees:**  $(\text{Net Income} + \text{Net Appreciation}) / \text{Weighted Average Equity}$
- **Weighted Average Equity (WAE):**  $\text{Beginning Market Value} + \text{Weighted Net Cash Flow}$

**Uncalled Capital** – The difference between Commitment Funded and the Commitment amount.

**Weighted-Average Interest Rate** – The asset-weighted average interest rate payable across all outstanding debt. Weighted-average interest rate is shown for the total fixed rate debt and floating rate debt utilized by a fund.