Interim Report

Plymouth County Retirement Association

Private Markets Program
June 30, 2018

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The purpose of this document is to offer a review of the Retirement Association's aggregate private market investments.

As of June 30, 2018, the Retirement Association had committed $386.5 million to 45 partnerships. The reported fair value of those 45 partnerships, in aggregate, was $144.7 million at the end of the second quarter.

Aggregate Private Equity Program[1]		Aggregate Real Assets Program[1]		Aggregate Real Estate Program[1]	
Number of Partnerships	24	**Number of Partnerships**	6	**Number of Partnerships**	15
Committed Capital[2]	$143.1 million	**Committed Capital[2]**	$60.4 million	**Committed Capital**	$183.0 million
Capital Called	$94.3 million	**Capital Called**	$26.5 million	**Capital Called**	$128.9 million
Distributions	$82.3 million	**Distributions**	$2.1 million	**Distributions**	$99.3 million
Reported Value	$33.3 million	**Reported Value**	$22.1 million	**Reported Value**	$89.2 million
Total Value Multiple	1.2x	**Total Value Multiple**	0.9x	**Total Value Multiple**	1.5x
Net IRR	4.3%	**Net IRR**	-2.7%	**Net IRR**	5.5%
Q2 2018 IRR[3]	1.7%	**Q2 2018 IRR[3]**	0.4%	**Q2 2018 IRR[3]**	1.7%
Trailing Year IRR[3]	8.6%	**Trailing Year IRR[3]**	-0.9%	**Trailing Year IRR[3]**	4.5%

[1] Throughout this report, numbers may not sum due to rounding.
[2] Some partnership commitments were made in foreign currency. This total reflects committed capital in U.S. dollars, adjusted for foreign currency exchange rates, as of the report date.
[3] IRR is net of Meketa Investment Group fees, but gross of prior advisory fees.

The Retirement Association made one new commitment of $12.0 million during the quarter to Trilantic Capital Partners VI (North America), a middle-market buyout fund targeting growth-oriented North American companies across the business services, consumer, and energy sectors.

In aggregate, approximately $2.9 million was called by the underlying managers from the Retirement Association during the second quarter.

- Summit Partners Growth Equity Fund IX called $1.6 million primarily to fund two new investments in Harvey Performance Company, a leading manufacturer of cutting tools, and Congo Holdings, a provider of software to third-party merchants.
- Wellspring Capital Partners VI called $0.6 million from the Association to fund a new investment in SupplyOne, a distributor and converter of packaging products serving the food and beverage, manufacturing, consumer products, and healthcare end markets.
- Audax Mezzanine Fund IV called $0.4 million from the Association primarily to fund a new investment in Adobe Healthcare, a U.S. provider of hospice and home health services across 35 locations in 10 states.

Distributions received by the Retirement Association from underlying partnerships during the second quarter totaled approximately $3.4 million.

- Globespan Capital Partners V distributed $1.3 million to the Association during the quarter in proceeds received from the partial realizations of Redfin and Roku.
- Leeds Equity Partners IV distributed $0.9 million to the Association primarily in proceeds received from various underlying portfolio investments.
- Audax Mezzanine Fund IV distributed $0.3 million to the Association primarily in realized gains received from various underlying fund investments.

During the second quarter of 2018, the Retirement Association did not make any new commitments.

In aggregate, $1.6 million was called by the underlying managers from the Retirement Association during the second quarter.

- Global Infrastructure Partners III called $1.6 million primarily to fund an investment in Italo Nuovo Trasport Viaggiatori, an operator of high-speed trains in Europe.

Distributions received by the Retirement Association from underlying partnerships during the second quarter totaled $0.3 million.

- Domain Timbervest Partners III distributed proceeds of $0.3 million to the Association during the quarter, in proceeds received from various existing timberland assets.

The Retirement Association did not make any new commitments during the quarter.

In aggregate, $0.7 million was called by the underlying managers from the Retirement Association during the second quarter.

- AEW Partners Real Estate Fund VIII called $0.7 million primarily to fund the acquisitions of Miami River Walk Development, Dalfen Industrial Portfolio, and Karis Industrial Venture.

Distributions received by the Retirement Association from underlying partnerships during the second quarter totaled approximately $16.0 million.

- Multi-Employer Property Trust returned $15.9 million to the Association during the quarter as part of a redemption request.
- DSF Capital Partners IV distributed $0.1 million to the Association during the quarter in operating income received from various existing portfolio investments.
- DSF Multi-Family Real Estate Fund III distributed $0.1 million to the Association during the quarter in operating income received from various existing portfolio investments.

Investment Roadmap

As of November 15, 2018

Buyout

- Leeds Equity IV — $5.0mm — 2004
- Mesirow Capital IX — $4.0mm — 2005
- DN Partners II — $5.0mm — 2007
- Leeds Equity V — $2.5mm — 2010
- LLR Equity V — $12.0mm — 2017
- Wellspring VI — $12.0mm — 2017
- Trilantic VI — $12.0mm — 2018
- HarborVest Co-Invest V — $12.0mm — 2018
- Ironsides Direct V — $12.0mm — 2018
- Ridgemont III — $12.0mm — 2018

Funds of Funds

- Euro Choice II — €4.1mm — 2004
- Singular Guff III — $6.0mm — 2008
- Euro Choice V — €5.0mm — 2012

Growth Equity

- TRG Growth II — $7.5mm — 2007
- Summit Growth IX — $10.0mm — 2016

Other

- Senior Tour Players — $2.6mm — 1998
- RIMCO — $2.0mm — 2001

Private Debt

- Audax Mezzanine IV — $10.0mm — 2016

Secondary

- Landmark Equity XIV — $6.0mm — 2008
- Lexington Capital VII — $10.0mm — 2010

Special Situations

- Levine Leichtman D.V. — $3.0mm — 2005

Venture Capital

- Charles River X — $5.0mm — 1999
- Charles River XI — $1.8mm — 2000
- Ascent Venture IV — $2.5mm — 2004
- Ascend Ventures II — $2.5mm — 2005
- Globespan Capital V — $5.0mm — 2006
- Ascent Venture V — $5.0mm — 2011

- White box: Current investment.
- Green box: Investment made subsequent to quarter end and, as such, is not included in any other section of this report.
- Gray box: Liquidated Investment.

Investment Roadmap

As of November 15, 2018

Natural Resources	Opportunistic	Value-Added	Core
Timbervest Partners III $5 mm 2010	JPM Global Maritime $10 mm 2010	Global Partners III $10 mm 2016	IFM Global (U.S.) $20 mm Open-end
BTG Global Timberland €4.3 mm 2011			Basalt II $10 mm 2017

- White box: Current investment.
- Green box: Investment made subsequent to quarter end and, as such, is not included in any other section of this report.

Investment Roadmap

As of November 15, 2018

Core	Funds of Funds	Opportunistic	Value-Added
Invesco REIT $22 mm Open-End	Real Estate Int'l I $15 mm 2007	1921 Realty $5 mm 2008	Intercontinental III $4 mm 2001
JP Morgan Strat. Property $27 mm Open-End		AEW Partners VIII $25 mm 2017	Hunt Redevelopment $10 mm 2003
Multi-Employer Trust $5 mm Open-End		Carlyle VIII $18 mm 2017	Intercontinental IV $4 mm 2004
PRISA I $15 mm Open-End			Berkshire Multifamily II $10 mm 2007
TA Realty Core $25 mm Open-End			New Boston VII $5 mm 2007
			DSF Capital IV $5 mm 2011
			DSF Real Estate III $15 mm 2016

- White box: Current Investment.
- Green box: Investment made subsequent to quarter end and, as such, is not included in any other section of this report.
- Gray box: Liquidated Investment.

Aggregate Private Equity Program Partnership Roster

	Vintage Year	Commitment ($ mm)	Committed (%)	Reported Fair Value ($ mm)	Reported Fair Value (%)
Total Program		**143.1**	**100**	**33.3**	**100**
Fund of Funds		**17.6**	**12**	**6.7**	**20**
Euro Choice II, L.P.[1]	2004	5.5	4	0.0	0
Siguler Guff Distressed Opportunities Fund III, L.P.	2008	6.0	4	1.1	3
Euro Choice V, L.P.[2]	2012	6.1	4	5.6	17
Secondary		**16.0**	**11**	**4.8**	**14**
Landmark Equity Partners XIV, L.P.	2008	6.0	4	1.5	5
Lexington Capital Partners VII, L.P.	2009	10.0	7	3.3	10
Buyout		**52.5**	**37**	**5.1**	**15**
Leeds Equity Partners IV, L.P.	2004	5.0	3	0.1	< 1
Mesirow Financial Capital Partners IX, L.P.	2005	4.0	3	0.3	1
DN Partners II, L.P.	2007	5.0	3	0.9	3
Leeds Equity Partners V, L.P.	2010	2.5	2	2.4	7
LLR Equity Partners V, L.P.	2017	12.0	8	1.1	3
Wellspring Capital Partners VI, L.P.	2017	12.0	8	0.4	1
Trilantic Capital Partners VI (North America), L.P.	2018	12.0	8	0.0	0
Special Situations		**3.0**	**2**	**0.0**	**0**
Levine Leichtman Capital Partners Deep Value Fund, L.P.	2005	3.0	2	0.0	0
Private Debt		**10.0**	**7**	**2.1**	**6**
Audax Mezzanine Fund IV, L.P.	2016	10.0	7	2.1	6
Venture Capital		**21.8**	**15**	**8.8**	**27**
Charles River Partnership X, L.P.	1999	5.0	3	0.0	0
Charles River Partnership XI, L.P.	2000	1.8	1	0.1	< 1

[1] In 2004, €4.1 million was committed to the Partnership. The $5.5 million is an estimated amount based on the contributed capital and unfunded commitment as of 6/30/2018.
[2] In 2013, €5.0 million was committed to the Partnership. The $6.1 million is an estimated amount based on the contributed capital and unfunded commitment as of 6/30/2018.

Aggregate Private Equity Program Partnership Roster

	Vintage Year	Commitment ($ mm)	Committed (%)	Reported Fair Value ($ mm)	Reported Fair Value (%)
Ascent Venture Partners IV, L.P.	2004	2.5	2	0.2	1
Ascend Ventures II, L.P.	2005	2.5	2	0.1	< 1
Globespan Capital Partners V, L.P.	2006	5.0	3	4.2	13
Ascent Venture Partners V, L.P.	2011	5.0	3	4.3	13
Growth Equity		**17.5**	**12**	**5.8**	**17**
TRG Growth Partnership II, L.P.	2007	7.5	5	2.1	6
Summit Partners Growth Equity Fund IX, L.P.	2016	10.0	7	3.7	11
Other		**4.6**	**3**	**0.0**	**0**
Senior Tour Players, L.P. [3]	1998	2.6	2	0.0	0
Rimco Production Company, Inc[4]	2001	2.0	1	0.0	0

[3] Partnership was liquidated in January 2018.
[4] Partnership was liquidated in January 2018.

Aggregate Real Assets Program Partnership Roster

	Vintage Year	Commitment ($ mm)	Committed (%)	Reported Fair Value ($ mm)	Reported Fair Value (%)
Total Program		**60.4**	**100**	**22.1**	**100**
Core		**30.0**	**50**	**1.3**	**6**
IFM Global Infrastructure (U.S.), L.P.	Open-End	20.0	33	0.0	0
Basalt Infrastructure Partners II	2017	10.0	17	1.3	6
Natural Resources		**10.4**	**17**	**8.5**	**39**
Domain Timbervest Partners III, L.P.	2010	5.0	8	5.4	24
BTG Pactual Global Timberland Resources Fund, LLC[1]	2011	5.4	9	3.1	14
Opportunistic		**10.0**	**17**	**6.8**	**31**
JPMorgan Global Maritime Investment	2010	10.0	17	6.8	31
Value-Added		**10.0**	**17**	**5.6**	**25**
Global Infrastructure Partners III, L.P.	2016	10.0	17	5.6	25

[1] In 2010, €4.3 million was committed to the Partnership. The $5.4 million is an estimated amount based on the contributed capital and unfunded commitment as of 6/30/18.

Aggregate Real Estate Program Partnership Roster

	Vintage Year	Commitment ($ mm)	Committed (%)	Reported Fair Value ($ mm)	Reported Fair Value (%)
Total Program		**183.0**	**100**	**89.2**	**100**
Core		**67.0**	**37**	**70.7**	**79**
PRISA I	Open-End	15.0	8	39.7	44
Multi-Employer Property Trust	Open-End	5.0	3	0.0	0
Invesco Equity Real Estate Securities Trust	Open-End	22.0	12	16.3	18
TA Realty Core Property Fund, L.P.	Open-End	25.0	14	14.7	16
Opportunistic		**48.0**	**26**	**5.0**	**6**
1921 Realty, Inc.	2008	5.0	3	0.9	1
AEW Partners Real Estate Fund VIII, L.P.	2017	25.0	14	4.0	4
Carlyle Realty Partners VIII, L.P.	2017	18.0	10	0.0	< 1
Value-Added		**53.0**	**29**	**10.3**	**12**
Intercontinental Real Estate Investment Fund III, LLC	2001	4.0	2	0.0	0
Hunt Redevelopment and Renovation Fund, LLC	2003	10.0	5	0.2	< 1
Intercontinental Real Estate Investment Fund IV, LLC	2004	4.0	2	0.0	0
Berkshire Multifamily Value Fund II, L.P.	2007	10.0	5	0.1	< 1
New Boston Institutional Fund VII, L.P.	2007	5.0	3	0.3	< 1
DSF Capital Partners IV, L.P.	2011	5.0	3	2.2	2
DSF Multi-Family Real Estate Fund III, L.P.	2016	15.0	8	7.5	8
Fund of Funds		**15.0**	**8**	**3.3**	**4**
Real Estate International Partnership Fund I, L.P.	2007	15.0	8	3.3	4

Aggregate Program Performance Summary

	Investment Strategy	Capital Committed ($ mm)	Total Contributions Paid to Date[1] ($ mm)	Unfunded Commitment[2] ($ mm)	Total Distributions Received to Date ($ mm)	Reported Fair Value ($ mm)	Reported Fair Value Plus Distributions ($ mm)	Net IRR[3] (%)	Inv. Multiple[4] (x)
Total Program		**143.1**	**94.3**	**53.5**	**82.3**	**33.3**	**115.7**	**4.3**	**1.2**
Vintage Year 1998		**2.6**	**2.7**	**0.0**	**0.1**	**0.0**	**0.1**	**-25.5**	**0.0**
Senior Tour Players, L.P.	Other	2.6	2.7	0.0	0.1	0.0	0.1	-25.5	0.0
Vintage Year 1999		**5.0**	**4.4**	**0.6**	**2.2**	**0.0**	**2.2**	**-14.9**	**0.5**
Charles River Partnership X, L.P.	Venture Capital	5.0	4.4	0.6	2.2	0.0	2.2	-14.9	0.5
Vintage Year 2000		**1.8**	**1.8**	**0.0**	**2.0**	**0.1**	**2.1**	**3.1**	**1.1**
Charles River Partnership XI, L.P.	Venture Capital	1.8	1.8	0.0	2.0	0.1	2.1	3.1	1.1
Vintage Year 2001		**2.0**	**2.0**	**0.0**	**7.5**	**0.0**	**7.5**	**29.1**	**3.7**
Rimco Production Company, Inc	Other	2.0	2.0	0.0	7.5	0.0	7.5	29.1	3.7
Vintage Year 2004		**13.0**	**13.1**	**0.4**	**14.2**	**0.2**	**14.5**	**1.8**	**1.1**
Ascent Venture Partners IV, L.P.	Venture Capital	2.5	2.5	0.0	0.4	0.2	0.6	-21.1	0.2
Euro Choice II, L.P.	Fund of Funds	5.5	5.5	0.4	7.7	0.0	7.7	6.4	1.4
Leeds Equity Partners IV, L.P.	Buyout	5.0	5.0	0.0	6.2	0.1	6.2	3.3	1.2
Vintage Year 2005		**9.5**	**11.0**	**0.3**	**7.9**	**0.3**	**8.2**	**-5.3**	**0.7**
Ascend Ventures II, L.P.	Venture Capital	2.5	2.3	0.2	0.9	0.1	1.0	-8.7	0.4
Levine Leichtman Capital Partners Deep Value Fund, L.P.	Special Situations	3.0	4.9	0.0	5.1	0.0	5.1	1.3	1.0
Mesirow Financial Capital Partners IX, L.P.	Buyout	4.0	3.8	0.2	1.9	0.3	2.1	-7.2	0.6
Vintage Year 2006		**5.0**	**4.9**	**0.1**	**6.0**	**4.2**	**10.2**	**12.8**	**2.1**
Globespan Capital Partners V, L.P.	Venture Capital	5.0	4.9	0.1	6.0	4.2	10.2	12.8	2.1

[1] In certain instances, Total Contributions Paid to Date may exceed Capital Committed as certain partnerships may call fees outside of commitment and most partnerships reserve a limited right to recycle capital and/or recall distributions.
[2] Unfunded Commitment amounts are an approximation due to the inclusion of recallable distributions.
[3] The Net IRR calculations were performed by Meketa Investment Group. Total Program IRR is net of fees, expenses, and carried interest for each partnership and net of Meketa Investment Group fees. Partnership and Vintage Year IRRs are net of partnership fees but gross of Meketa Investment Group fees.
[4] The Inv. Multiple calculations were performed by Meketa Investment Group. Total Program Inv. Multiple is net of fees, expenses, and carried interest for each partnership and net of Meketa Investment Group fees. Partnership and Vintage Year Inv. Multiples are net of partnership fees but gross of Meketa Investment Group fees.

Aggregate Program Performance Summary

	Investment Strategy	Capital Committed ($ mm)	Total Contributions Paid to Date[1] ($ mm)	Unfunded Commitment[2] ($ mm)	Total Distributions Received to Date ($ mm)	Reported Fair Value ($ mm)	Reported Fair Value Plus Distributions ($ mm)	Net IRR[3] (%)	Inv. Multiple[4] (x)
Vintage Year 2007		**12.5**	**9.7**	**2.8**	**6.8**	**3.0**	**9.9**	**0.2**	**1.0**
DN Partners II, L.P.	Buyout	5.0	2.3	2.7	0.0	0.9	0.9	-12.6	0.4
TRG Growth Partnership II, L.P.	Growth Equity	7.5	7.4	0.1	6.8	2.1	9.0	4.1	1.2
Vintage Year 2008		**12.0**	**12.1**	**0.2**	**14.1**	**2.6**	**16.7**	**9.0**	**1.4**
Landmark Equity Partners XIV, L.P.	Secondary	6.0	6.3	0.0	6.1	1.5	7.6	6.7	1.2
Siguler Guff Distressed Opportunities Fund III, L.P.	Fund of Funds	6.0	5.8	0.2	8.0	1.1	9.1	10.2	1.6
Vintage Year 2009		**10.0**	**10.5**	**0.0**	**12.0**	**3.3**	**15.3**	**14.7**	**1.5**
Lexington Capital Partners VII, L.P.	Secondary	10.0	10.5	0.0	12.0	3.3	15.3	14.7	1.5
Vintage Year 2010		**2.5**	**3.6**	**0.0**	**3.0**	**2.4**	**5.4**	**13.1**	**1.5**
Leeds Equity Partners V, L.P.	Buyout	2.5	3.6	0.0	3.0	2.4	5.4	13.1	1.5
Vintage Year 2011		**5.0**	**4.8**	**0.4**	**3.4**	**4.3**	**7.7**	**10.5**	**1.6**
Ascent Venture Partners V, L.P.	Venture Capital	5.0	4.8	0.4	3.4	4.3	7.7	10.5	1.6
Vintage Year 2012		**6.1**	**5.4**	**0.9**	**1.5**	**5.6**	**7.1**	**10.5**	**1.3**
Euro Choice V, L.P.	Fund of Funds	6.1	5.4	0.9	1.5	5.6	7.1	10.5	1.3
Vintage Year 2016		**20.0**	**6.5**	**13.5**	**1.6**	**5.8**	**7.4**	**NM**	**1.1**
Audax Mezzanine Fund IV, L.P.	Private Debt	10.0	2.6	7.4	0.6	2.1	2.7	NM	1.1
Summit Partners Growth Equity Fund IX, L.P.	Growth Equity	10.0	3.9	6.1	1.0	3.7	4.7	NM	1.2
Vintage Year 2017		**24.0**	**1.8**	**22.2**	**0.0**	**1.5**	**1.5**	**NM**	**0.8**
LLR Equity Partners V, L.P.	Buyout	12.0	1.2	10.8	0.0	1.1	1.1	NM	0.9
Wellspring Capital Partners VI, L.P.	Buyout	12.0	0.6	11.4	0.0	0.4	0.4	NM	0.7
Vintage Year 2018		**12.0**	**0.0**	**12.0**	**0.0**	**NA**	**NA**	**NA**	**NA**
Trilantic Capital Partners VI (North America), L.P.	Buyout	12.0	0.0	12.0	0.0	NA	NA	NA	NA

Aggregate Program Performance Summary

	Investment Strategy	Capital Committed ($ mm)	Total Contributions Paid to Date[1] ($ mm)	Unfunded Commitment[2] ($ mm)	Total Distributions Received to Date ($ mm)	Reported Fair Value ($ mm)	Reported Fair Value Plus Distributions ($ mm)	Net IRR[3] (%)	Inv. Multiple[4] (x)
Total Program		**60.4**	**26.5**	**34.3**	**2.1**	**22.1**	**24.3**	**-2.7**	**0.9**
Total Closed-end		**40.4**	**26.5**	**14.3**	**2.1**	**22.1**	**24.3**	**-2.7**	**0.9**
Vintage Year 2010		**15.0**	**14.2**	**1.1**	**1.6**	**12.2**	**13.8**	**-0.6**	**1.0**
Domain Timbervest Partners III, L.P.	Natural Resources	5.0	5.0	0.0	0.8	5.4	6.2	4.1	1.2
JPMorgan Global Maritime Investment	Opportunistic	10.0	9.2	1.1	0.8	6.8	7.6	-5.4	0.8
Vintage Year 2011		**5.4**	**5.0**	**0.4**	**0.1**	**3.1**	**3.2**	**-8.6**	**0.6**
BTG Pactual Global Timberland Resources Fund, LLC	Natural Resources	5.4	5.0	0.4	0.1	3.1	3.2	-8.6	0.6
Vintage Year 2016		**10.0**	**5.7**	**4.4**	**0.3**	**5.6**	**5.9**	**NM**	**1.0**
Global Infrastructure Partners III, L.P.	Value-Added	10.0	5.7	4.4	0.3	5.6	5.9	NM	1.0
Vintage Year 2017		**10.0**	**1.6**	**8.4**	**0.0**	**1.3**	**1.3**	**NM**	**0.8**
Basalt Infrastructure Partners II	Core	10.0	1.6	8.4	0.0	1.3	1.3	NM	0.8
Total Open-end		**20.0**	**0.0**	**20.0**	**0.0**	**NA**	**NA**	**NA**	**NA**
IFM Global Infrastructure (U.S.), L.P.	Core	20.0	0.0	20.0	0.0	NA	NA	NA	NA

[1] In certain instances, Total Contributions Paid to Date may exceed Capital Committed as certain partnerships may call fees outside of commitment and most partnerships reserve a limited right to recycle capital and/or recall distributions.
[2] Unfunded Commitment amounts are an approximation due to the inclusion of recallable distributions.
[3] The Net IRR calculations were performed by Meketa Investment Group. Total Program IRR is net of fees, expenses, and carried interest for each partnership and net of Meketa Investment Group fees. Partnership and Vintage Year IRRs are net of partnership fees but gross of Meketa Investment Group fees.
[4] The Inv. Multiple calculations were performed by Meketa Investment Group. Total Program Inv. Multiple is net of fees, expenses, and carried interest for each partnership and net of Meketa Investment Group fees. Partnership and Vintage Year Inv. Multiples are net of partnership fees but gross of Meketa Investment Group fees.

Aggregate Program Performance Summary

	Investment Strategy	Capital Committed ($ mm)	Total Contributions Paid to Date[1] ($ mm)	Unfunded Commitment[2] ($ mm)	Total Distributions Received to Date ($ mm)	Reported Fair Value ($ mm)	Reported Fair Value Plus Distributions ($ mm)	Net IRR[3] (%)	Inv. Multiple[4] (x)
Total Program		**183.0**	**128.9**	**62.3**	**99.3**	**89.2**	**188.5**	**5.5**	**1.5**
Total Closed-end		**116.0**	**69.2**	**50.8**	**56.4**	**18.5**	**74.9**	**1.7**	**1.1**
Vintage Year 2001		**4.0**	**4.6**	**0.0**	**5.7**	**0.0**	**5.7**	**2.4**	**1.2**
Intercontinental Real Estate Investment Fund III, LLC	Value-Added	4.0	4.6	0.0	5.7	0.0	5.7	2.4	1.2
Vintage Year 2003		**10.0**	**9.0**	**1.9**	**11.6**	**0.2**	**11.7**	**5.1**	**1.3**
Hunt Redevelopment and Renovation Fund, LLC	Value-Added	10.0	9.0	1.9	11.6	0.2	11.7	5.1	1.3
Vintage Year 2004		**4.0**	**4.6**	**0.0**	**2.4**	**0.0**	**2.4**	**-8.0**	**0.5**
Intercontinental Real Estate Investment Fund IV, LLC	Value-Added	4.0	4.6	0.0	2.4	0.0	2.4	-8.0	0.5
Vintage Year 2007		**30.0**	**26.9**	**4.3**	**30.8**	**3.7**	**34.5**	**5.1**	**1.3**
Berkshire Multifamily Value Fund II, L.P.	Value-Added	10.0	11.3	0.0	17.8	0.1	17.9	11.0	1.6
New Boston Institutional Fund VII, L.P.	Value-Added	5.0	3.0	2.0	3.7	0.3	4.1	6.0	1.4
Real Estate International Partnership Fund I, L.P.	Fund of Funds	15.0	12.7	2.3	9.2	3.3	12.5	-0.3	1.0
Vintage Year 2008		**5.0**	**5.4**	**0.0**	**0.0**	**0.9**	**0.9**	**-16.1**	**0.2**
1921 Realty, Inc.	Opportunistic	5.0	5.4	0.0	0.0	0.9	0.9	-16.1	0.2
Vintage Year 2011		**5.0**	**5.0**	**0.0**	**3.9**	**2.2**	**6.0**	**5.1**	**1.2**
DSF Capital Partners IV, L.P.	Value-Added	5.0	5.0	0.0	3.9	2.2	6.0	5.1	1.2
Vintage Year 2016		**15.0**	**7.7**	**7.7**	**0.7**	**7.5**	**8.2**	**NM**	**1.1**
DSF Multi-Family Real Estate Fund III, L.P.	Value-Added	15.0	7.7	7.7	0.7	7.5	8.2	NM	1.1

1 In certain instances, Total Contributions Paid to Date may exceed Capital Committed as certain partnerships may call fees outside of commitment and most partnerships reserve a limited right to recycle capital and/or recall distributions.
2 Unfunded Commitment amounts are an approximation due to the inclusion of recallable distributions.
3 The Net IRR calculations were performed by Meketa Investment Group. Total Program IRR is net of fees, expenses, and carried interest for each partnership and net of Meketa Investment Group fees. Partnership and Vintage Year IRRs are net of partnership fees but gross of Meketa Investment Group fees.
4 The Inv. Multiple calculations were performed by Meketa Investment Group. Total Program Inv. Multiple is net of fees, expenses, and carried interest for each partnership and net of Meketa Investment Group fees. Partnership and Vintage Year Inv. Multiples are net of partnership fees but gross of Meketa Investment Group fees.

Aggregate Program Performance Summary

	Investment Strategy	Capital Committed ($ mm)	Total Contributions Paid to Date[1] ($ mm)	Unfunded Commitment[2] ($ mm)	Total Distributions Received to Date ($ mm)	Reported Fair Value ($ mm)	Reported Fair Value Plus Distributions ($ mm)	Net IRR[3] (%)	Inv. Multiple[4] (x)
Vintage Year 2017		**43.0**	**6.1**	**36.9**	**1.4**	**4.0**	**5.4**	**NM**	**0.9**
AEW Partners Real Estate Fund VIII, L.P.	Opportunistic	25.0	5.8	19.2	1.4	4.0	5.4	NM	0.9
Carlyle Realty Partners VIII, L.P.	Opportunistic	18.0	0.2	17.8	0.0	0.0	0.0	NM	0.1
Total Open-End		**67.0**	**59.7**	**11.5**	**42.9**	**70.7**	**113.6**	**7.2**	**1.9**
Invesco Equity Real Estate Securities Trust	Core	22.0	23.9	0.0	27.0	16.3	43.3	8.2	1.8
Multi-Employer Property Trust	Core	5.0	5.0	0.0	15.9	0.0	15.9	6.5	3.2
PRISA I	Core	15.0	17.2	0.0	0.0	39.7	39.7	6.7	2.3
TA Realty Core Property Fund, L.P.	Core	25.0	13.5	11.5	0.0	14.7	14.7	34.3	1.1

Open-end Real Estate Time-Weighted Performance

	2Q18 (%)	1 YR (%)	3 YR (%)	5 YR (%)	Since Inception (%)	Inception Date
Private Real Estate	**2.8**	**6.4**	**8.2**	**9.3**	**6.8**	**12/30/1999**
Invesco REIT	7.0	3.9	7.4	7.6	9.6	11/20/2002
MSCI US REIT	*9.7*	*2.2*	*6.6*	*6.9*	*9.6*	
PRISA I	1.6	7.6	8.8	10.5	6.9	6/30/2004
NCREIF ODCE Equal Weighted (net)	*1.9*	*7.7*	*8.7*	*10.2*	*7.1*	
TA Realty Core Property Fund	2.4	NA	NA	NA	57.6	3/21/2018
NCREIF ODCE Equal Weighted (net)	1.9	NA	NA	NA	1.9	

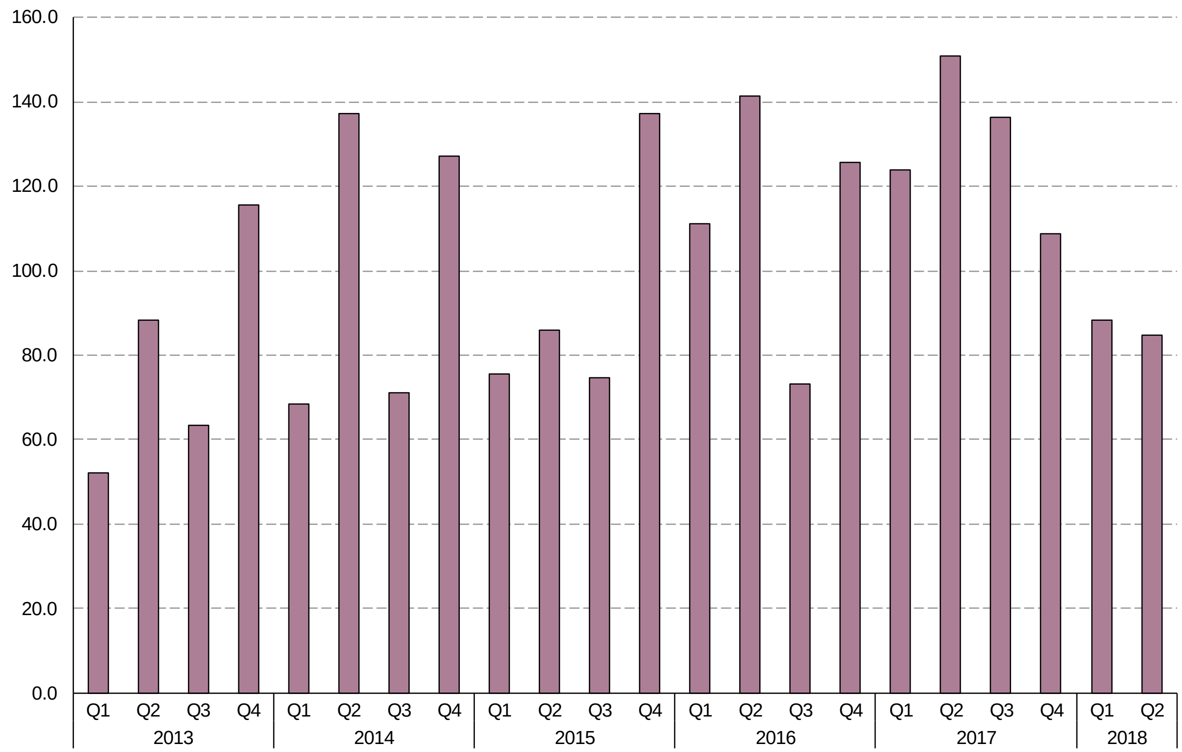
The IRR (internal rate of return) and investment multiple are the most meaningful measures of performance for a private equity fund. IRR measures how assets are performing in relation to time. Investment multiple shows the cash on cash return generated on the invested capital by the underlying assets.

As of June 30, 2018, the Retirement Association's Private Equity Program generated a 4.3% net IRR and a 1.2x net TVM. After adjusting for capital calls and distributions that occurred during the quarter, the reported fair value of the Program increased by approximately $0.6 million or 1.7%, which was primarily driven by increases in the valuations of Globespan Capital Partners V ($0.4 million or 9.4%), LLR Equity Partners V ($0.2 million or 22.0%), and Summit Partners Growth Equity Fund IX ($0.1 million or 3.1%).

As of June 30, 2018, the Retirement Association's Real Assets Program generated a -2.7% net IRR and a 0.9x net TVM. After adjusting for capital calls and distributions that occurred during the quarter, the reported fair value of the Program increased by approximately $0.1 million or 0.4%. Performance was primarily driven by an increase in the valuations of Global Infrastructure Partners III ($0.4 million or 8.9%) and JPMorgan Global Maritime Investment ($0.2 million or 2.8%). These gains were offset by a decrease in the valuation of BTG Pactual Global Timberland Resources Fund ($0.5 million or 13.4%).

As of June 30, 2018, the Retirement Association's Real Estate Program generated a 5.5% net IRR and a 1.5x net investment multiple. After adjusting for capital calls and distributions that occurred during the quarter, the reported fair value of the Program increased by approximately $1.5 million, or 1.6%. Performance was primarily driven by increases in the valuations of Invesco Equity Real Estate Securities Trust ($1.1 million or 7.0%), PRISA I ($0.6 million or 1.6%), and TA Realty Core Property Fund ($0.3 million or 2.4%).

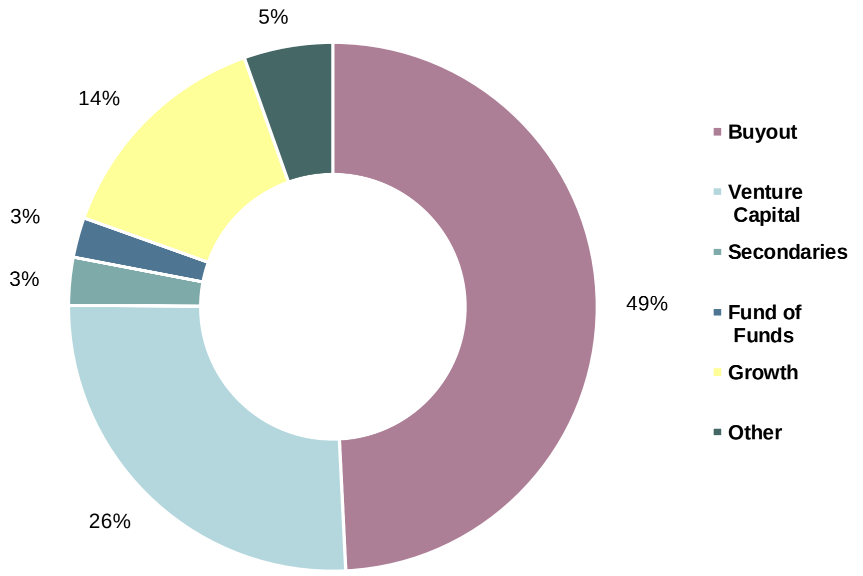
Private Equity
Global Fundraising[1]



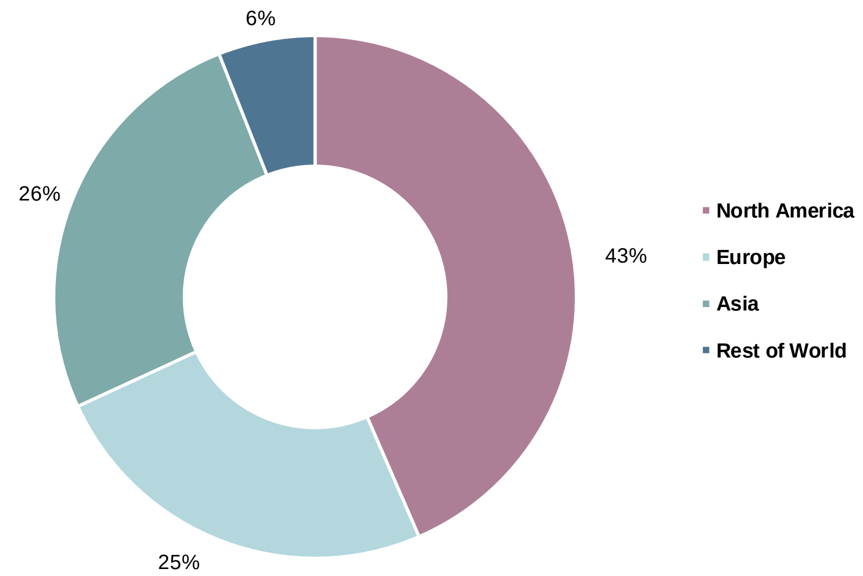
The fundraising market for private equity in Q2 2018 continued to experience a slowdown, with $85 billion of commitments raised during the quarter compared to $151.0 billion raised in Q2 of 2017 and $88.4 billion raised in Q1 of 2018. This marks the lowest amount of capital raised in the second quarter in six years. While a significant decrease over the same period in 2017, this could be a reflection of the prodigious amount of capital that has been raised in recent years, and the slowdown could indicate a healthy return to more stable fundraising levels. Out of the 2,575 private equity funds included in Q2's fundraising, the top ten largest raised a total of 40% of the total capital which represented a considerable difference from 63% in the previous second quarter.

[1] Preqin

Capital Raised by Strategy[1]



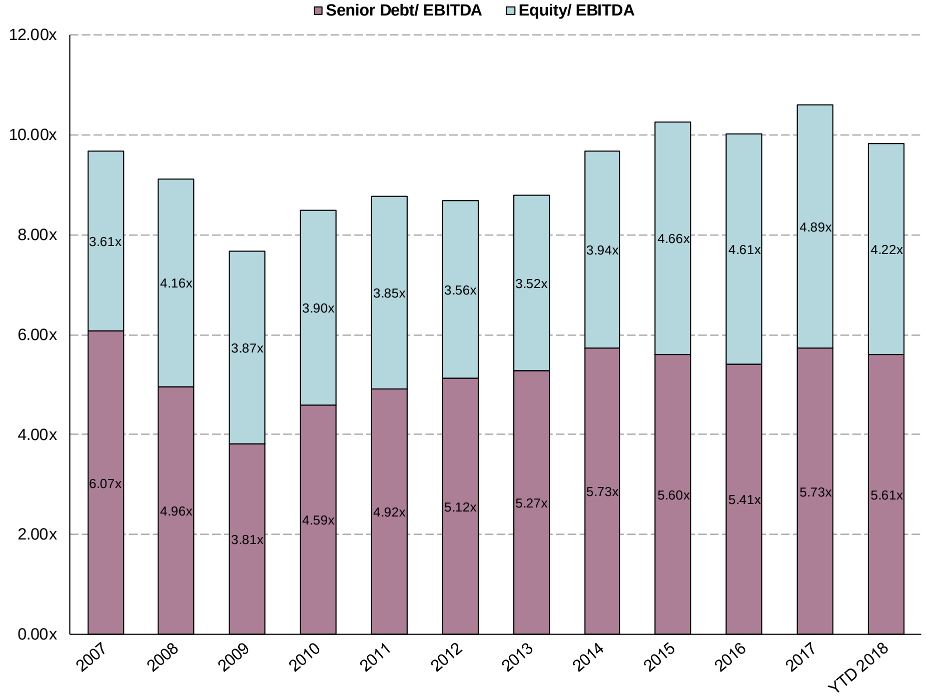
Capital Raised by Geography[2]



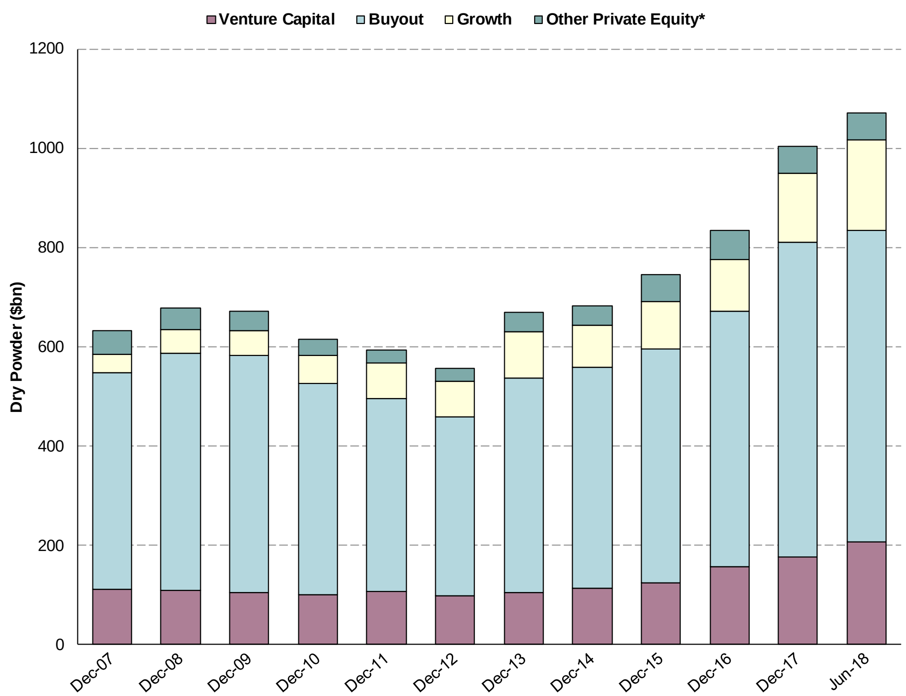
Buyout funds continued to be the most popular private equity strategy with almost 50% of all capital raised dedicated to Buyout funds during the second quarter. The $42 billion raised for buyouts represented a significant reduction compared to the average of $67 billion raised in the second quarter over the prior five years, while Venture Capital strategies saw a slight increase at $22 billion, compared to $19 billion. North America represented a majority of all funds raised at $36.9 billion but this number represented a 46% decrease compared to the prior year period. Meanwhile, Asian funds raised 20% more capital while European-focused funds raised 36% less, year-over-year. In conclusion, North American and Buyout funds remained dominant in the market, but they were impacted the most severely while Venture Capital and Asian funds gained market share.

[1] Preqin
[2] Preqin

Purchase Price Breakdown, All LBOs[1]



Dry Powder by Fund Type[2]



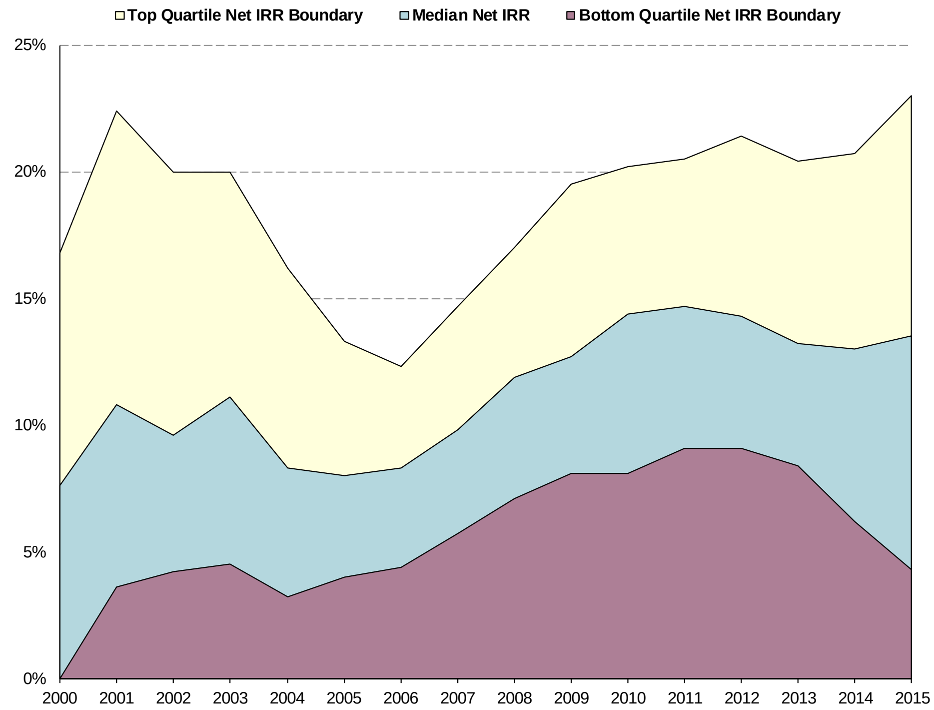
Private Equity purchase price multiples ticked down slightly but remained near all-time highs, and equity (43%) contribution relative to total purchase price also declined in Q2. One explanation for high purchase prices is the record level of dry powder outstanding in private equity, as dry powder levels increased by 7% to $1.07 trillion from the end of 2017. This amount is only expected to increase as long as more capital is being raised then is being deployed, and investors should expect to continue to see high purchase prices as a result of the high levels of capital competing for deals. Technology (23.3%), Healthcare (14.5%), and Food (10.9%) were the three largest sectors targeted for LBOs, making up almost half of all LBO deals.[3]

[1] S&P
[2] Preqin
[3] S&P

Private Equity Performance by Horizon[1]

Horizon Return	All Private Equity	Buyout	Venture Capital
1 Year	16.3%	18.1%	9.9%
3 Years	13.9	15.8	10.9
5 Years	14.8	16.1	11.3
10 Years	6.3	6.6	3.0

Private Equity Performance by Vintage Year[2]

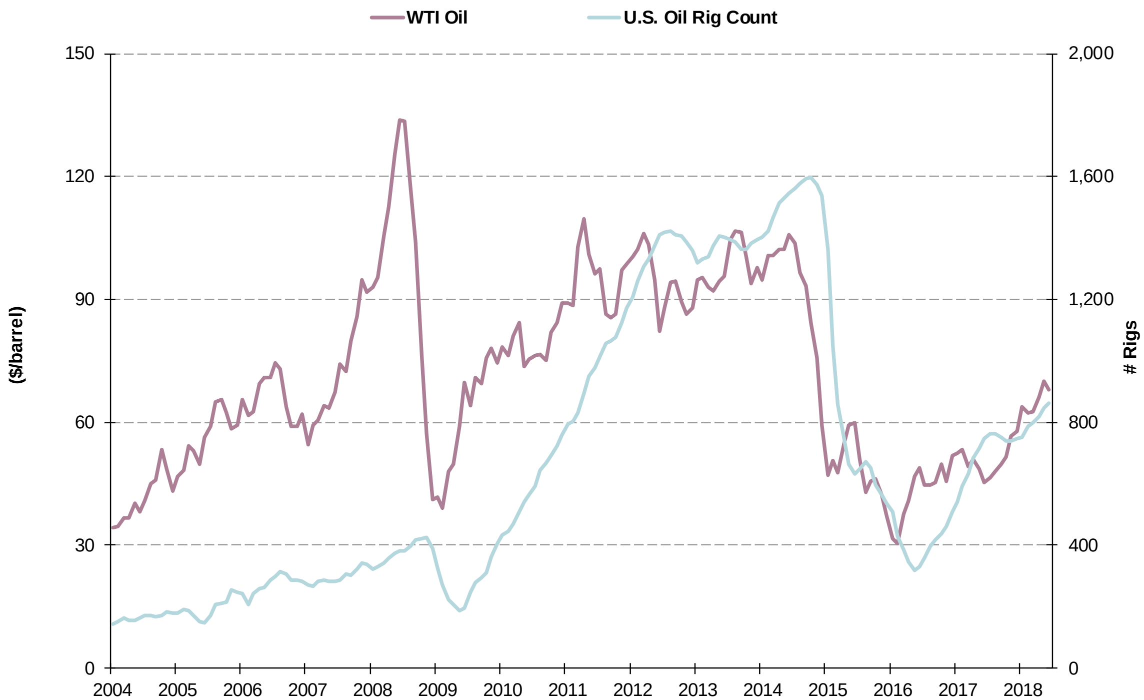


Recent aggregate private equity returns remained strong at 16.3% over one-year, 13.9% over three-years, and 14.8% over five-years. The impact of the Global Financial Crisis can still be seen in the ten-year performance figure of 6.3%. Buyout funds were the top performing private equity strategy across all four time horizons, while venture capital funds tended to underperform the other strategies. The gap between top and bottom performers in private equity has grown consistently since the Global Financial Crisis, 2007 vintage funds reported a 9% spread while 2015 vintage funds reported a 19% spread

[1] Preqin
[2] Preqin

Extracted Resources

Crude Oil Price vs. Active U.S. Rigs[1]



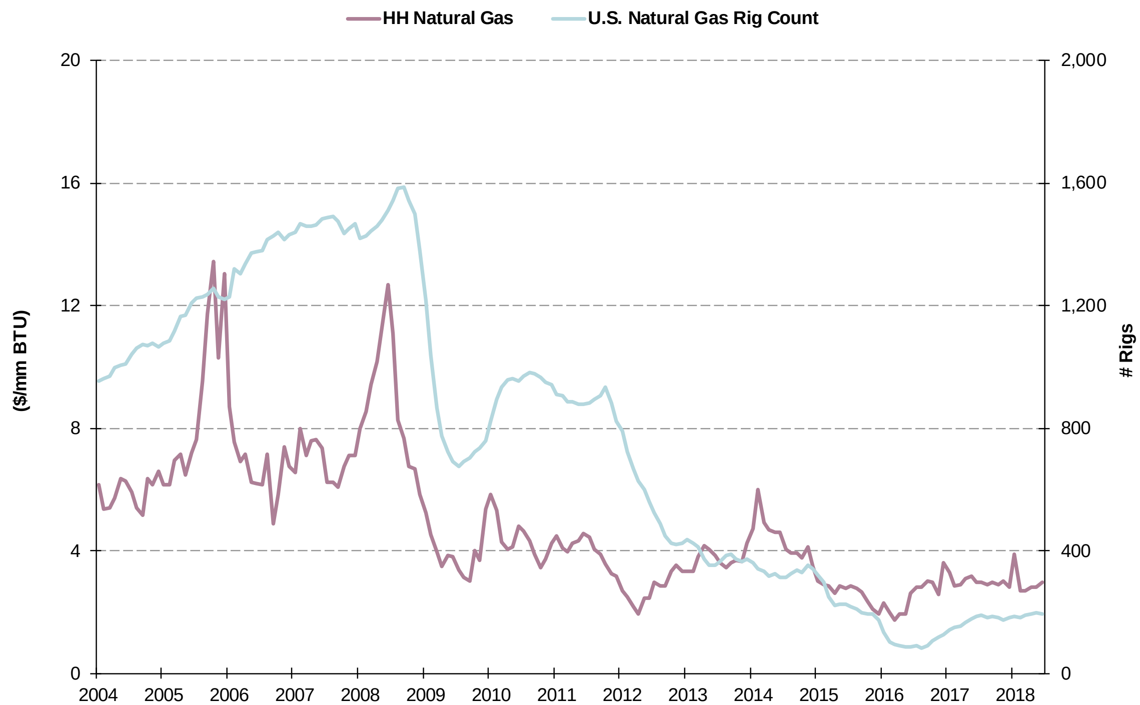
The U.S., UK, and France coordinated military strikes in Syria after a suspected chemical attack in the country. The attack raised concerns of potential oil supply disruptions in neighboring Iran. Additionally, President Trump announced the U.S. will impose sanctions on Iranian oil production with an effective date of November 2018. While Saudi Arabia pledged additional capacity, OPEC has limited spare capacity to increase production meaningfully.

Prices for West Texas Intermediate ("WTI") oil increased to $68 per barrel representing an 8% quarterly increase and a 50% increase from one year prior. During the quarter, an additional 62 oil rigs were added which brought the total count to 861. U.S. gasoline prices for regular blend increased to $3.08 per gallon during the second quarter, representing a 10% increase from the previous quarter and a 21% increase from one year prior. The U.S. produced an average of 10.5 million barrels of oil equivalent per day in the second quarter of 2018. The availability of water and midstream energy infrastructure, as well as disposal and treatment of produced water, continue to present challenges to the industry. As a result, regional pricing between local terminals and WTI has been widening to more than $15 in certain areas.

[1] Source: EIA and Baker Hughes.

Extracted Resources

Natural Gas Price vs. Active U.S. Rigs[1]

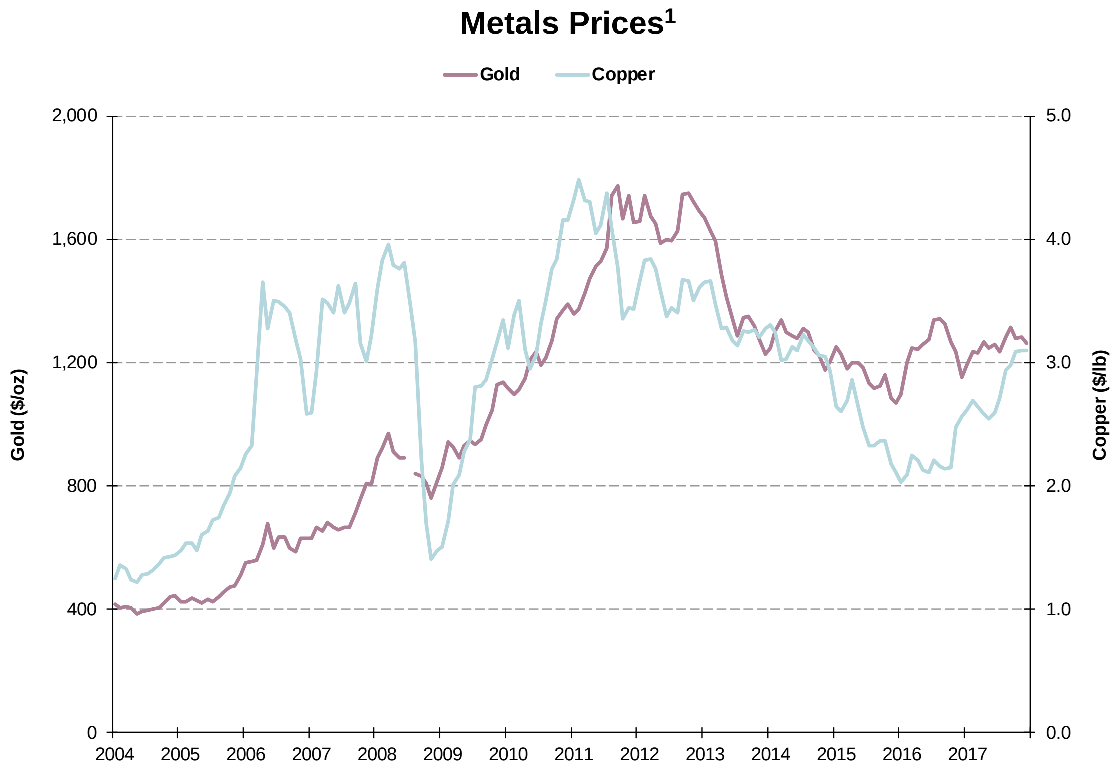


Henry Hub natural gas spot price was $2.97/MM BTU, as of June 30, 2018, representing a 10% increase from the prior quarter. Relative to one year prior, natural gas prices are flat. Natural gas production from the Marcellus and Utica and significant amounts of associated gas production from oil production in the Permian and Eagle Ford are contributing to record levels of U.S. production. During the second quarter of 2018, the U.S. produced an average of 87.5 billion cubic feet of natural gas per day.

There is a significant buildout of refineries, petrochemical, and liquefied natural gas ("LNG") facilities along the Gulf Coast that is seeking to take advantage the abundant supplies of natural gas and natural gas liquids ("NGL") being produced in the U.S. Once these facilities become operational, they should help absorb excess supply and transform the U.S. into a major energy exporter.

[1] Source: EIA and Baker Hughes.

Extracted Resources

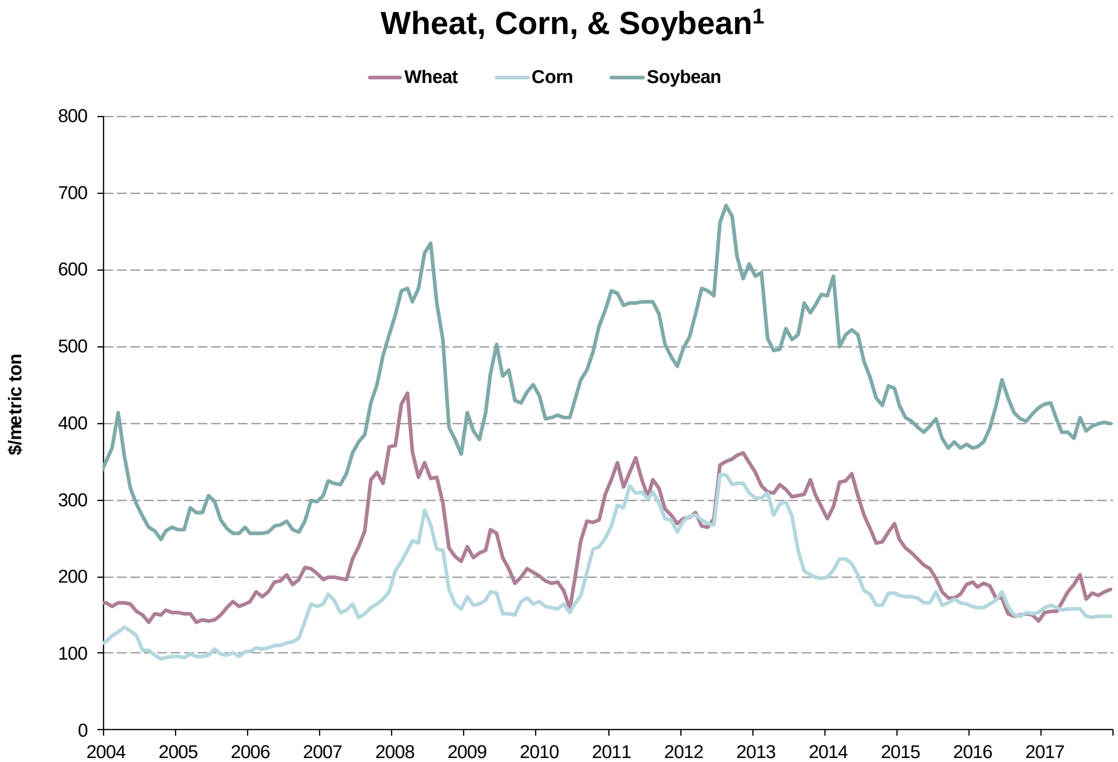


During the quarter, gold traded between $1,250 and $1,350 and finished the quarter at $1,282 per ounce representing a 3% decrease from the prior quarter. Relative to one year prior, gold prices were slightly up by 2%. Further rate increases in the U.S. are expected to contribute to a stronger U.S. dollar which will likely limit positive momentum in gold prices.

Copper prices increased slightly during the quarter to just over $3 per pound, representing a 2% increase from the previous quarter. Relative to one year prior, copper prices were up by approximately 22%. Copper tends to perform well on global growth and optimism and underperform in weakening economic periods.

[1] Source: World Bank

Harvested Resources



Concerns of tariffs and the impact of trade wars between the U.S. and the rest of the world increased during the second quarter, notably with China. China imposed a round of retaliatory tariffs targeted at the U.S. agricultural sector with an emphasis on soybeans since it imports approximately 60% of U.S. production. China will end up importing more of its soybeans from Brazil; however, Brazil may not be able to supply China while also meeting its domestic demand. As a result, Brazil may import soybeans from the U.S., and new trade routes for U.S. agricultural products will be established over time.

During the quarter, wheat prices were up 4% while corn and soybeans were down by 4% and 7%, respectively. Relative to one year prior, wheat, corn, and soybeans were up by 12%, 5%, and 9%, respectively.

[1] Source: World Bank

Harvested Resources

Trailing Period Returns[1]

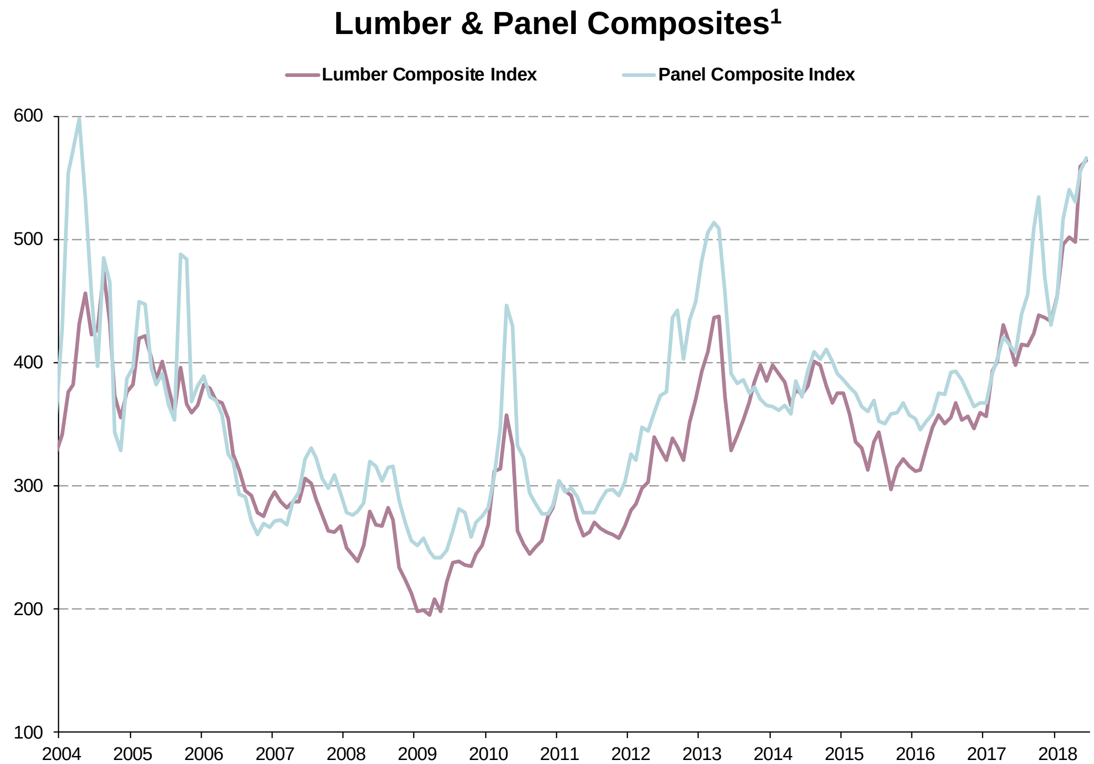
As of June 30, 2018	Q2 18	1 Year	5 Years	10 Years
NCREIF Farmland	**1.1%**	**6.5%**	**11.7%**	**14.6%**
NCREIF Timberland	**0.5%**	**3.6%**	**6.0%**	**4.0%**
S&P 500	***3.4%***	***14.4%***	***13.4%***	***10.1%***
Barclays Aggregate	***-0.2%***	***-0.4%***	***2.3%***	***3.7%***

The NCREIF Farmland index experienced a 1.1% increase during the quarter within income accounting for 0.6% and appreciation generating 0.5%. Permanent crops returned 0.4% and row crops generated 1.7%. For the year, the NCREIF Farmland index increased by 6.5% driven by 4.7% from income and modest appreciation gains of 1.8%.

The NCREIF Timberland index increased 0.5% during the quarter as a result of income returns of 0.8% and a decrease of land values of 0.3%. For its one year returns, the index generated 3.6% largely from income returns of 3.1%. The Pacific Northwest region generated the strongest regional returns of 2.4%.

[1] Source: National Council of Real Estate Investment Fiduciaries (NCREIF).

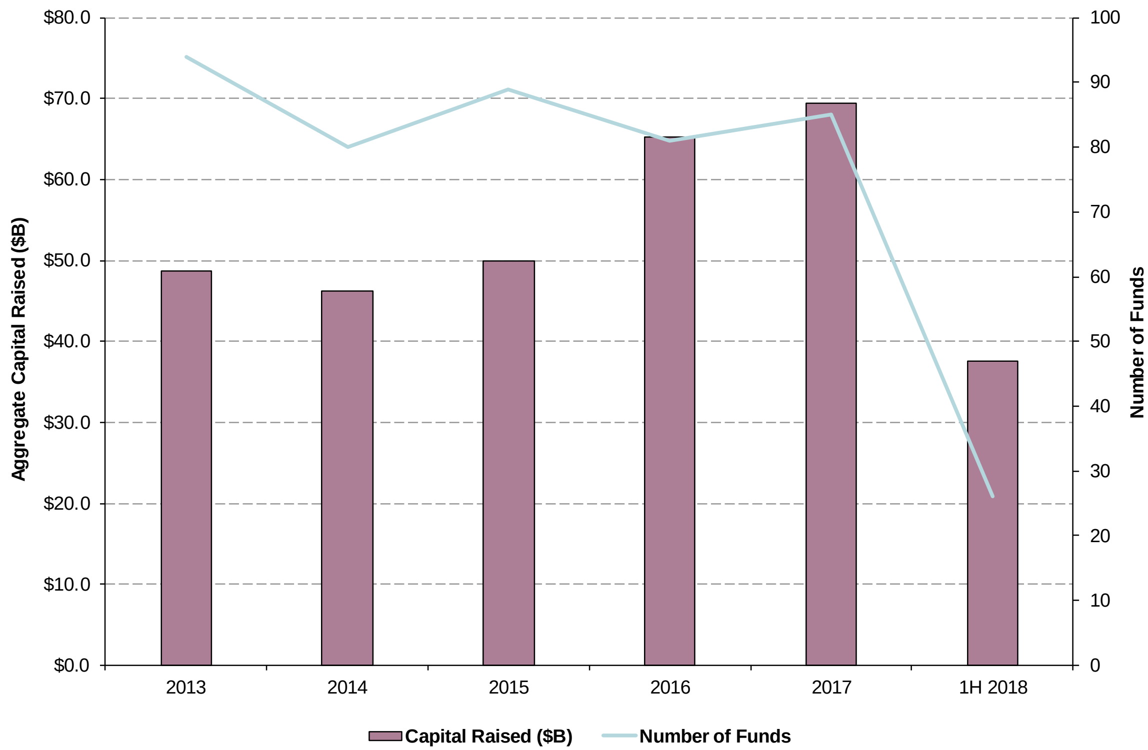
Harvested Resources



The housing sector continues to be the driving factor for the U.S. timberland and wood products sectors. New residential housing starts in the U.S. remained stable at approximately 1.35 million. Prices for timber products such as lumber and panel increased during the quarter from strong demand, limited inventories, and weather issues, in general. During the quarter, lumber and panel prices increased by 12% and 5%, respectively. Relative to one year prior, prices were up 42% and 39%, respectively.

[1] Source: Random Lengths

Global Quarterly Unlisted Infrastructure Fundraising[1]



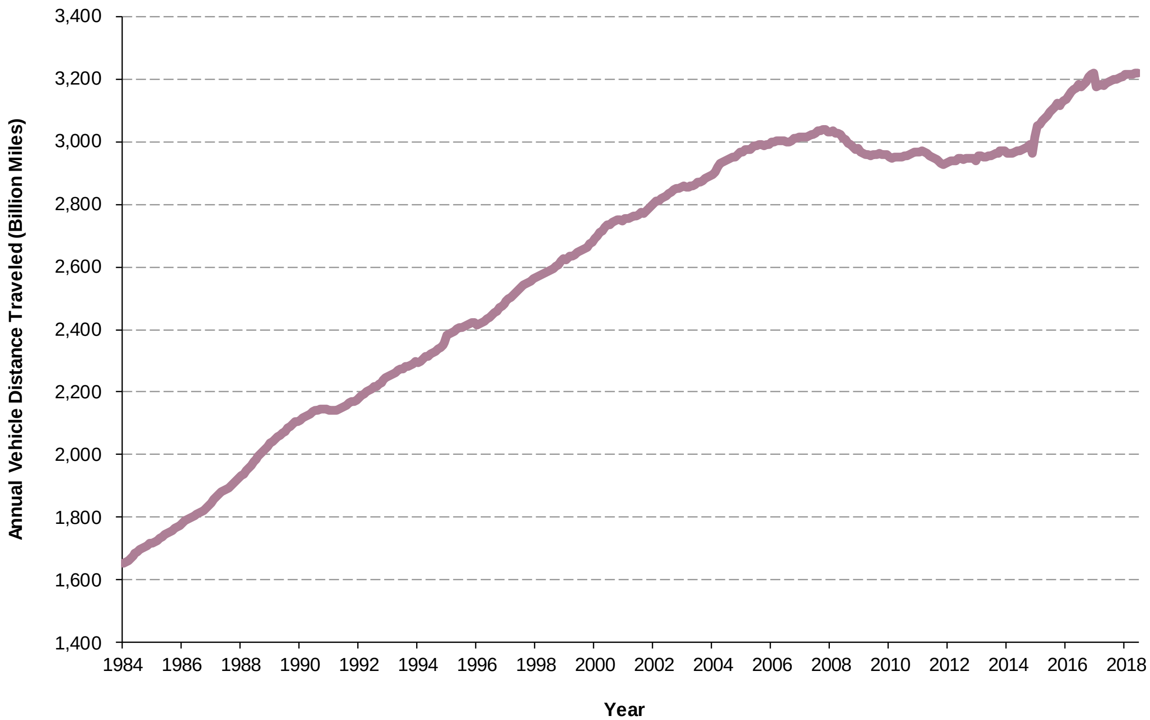
Capital raised in the first half of 2018 is on pace with the previous two years in terms of dollars raised, but the market continues to trend toward fewer funds at higher target sizes. In both the first and second quarter, the average fund size raised has exceeded $1 billion. As of June 30, 2018, a total of 180 unlisted infrastructure funds were in market, according to Preqin, with a combined fundraising target of approximately $127 billion.

The majority of infrastructure capital continues to focus on the developed markets of North America and Europe, accounting for nearly 85% of the capital raised in Q2 and 15 of the 17 funds closed this quarter. Only two funds collectively raising $3.6 billion of capital were secured by Asia-focused funds in Q2, while there were no funds closed that focused on the rest of the world.

Notable final closes held in Q2 2018 included ISQ Global Infrastructure Fund II's fundraise of $6.5 billion, Macquarie Asia Infrastructure Fund II's fundraise of $3.3 billion, Infracapital Partners III's fundraise of £1.85 billion, and DIF Infrastructure V's fundraise of €1.9 billion.

[1] Source: Preqin Quarterly Update: Infrastructure, Q2 2018.

Moving 12-month Total on All U.S. Roads[1]

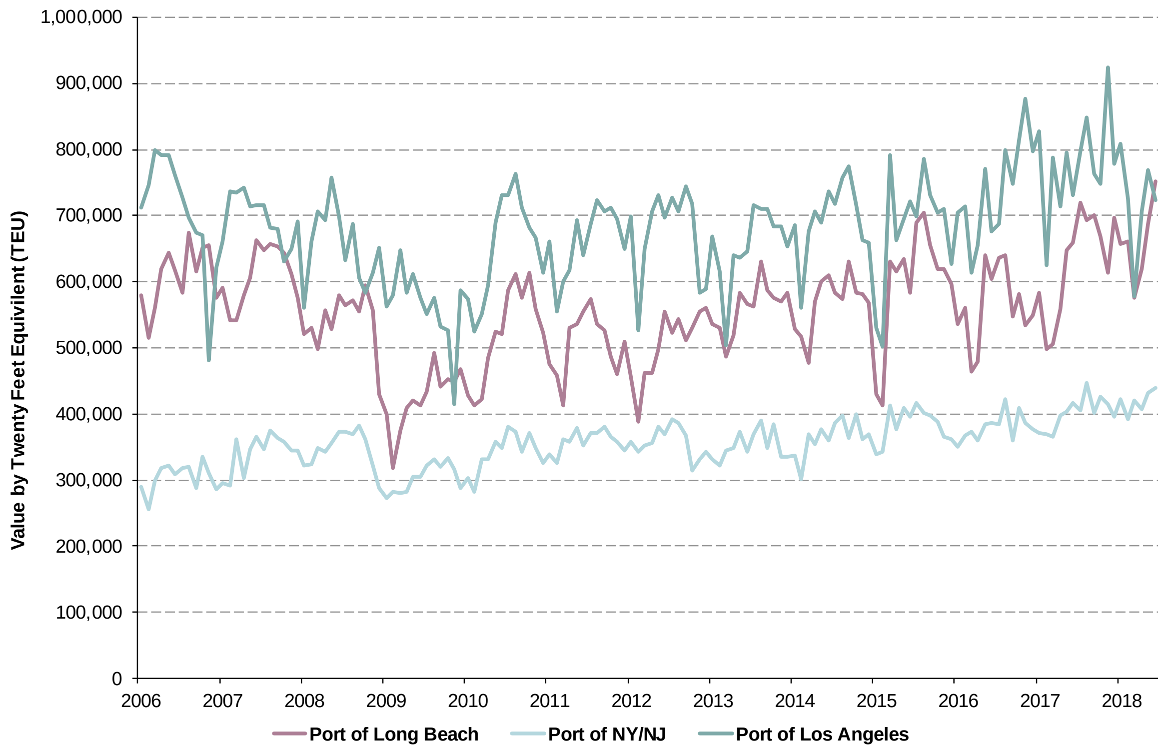


During the second quarter of 2018, travel on U.S. roads totaled approximately 840 billion miles. This represented an increase of 0.7% over the same period in 2017. For the 12 months ending June 30, 2018, Federal Highway Administration data showed vehicle miles traveled increased by 459 billion miles, up 0.03% over the prior 12 month period.

In Q2 2018, the average U.S. price of a gallon of gas came down to a monthly average of $2.94 per gallon, with a peak of $2.99. This compares to $2.50 and $2.53 seen in 2017. According to INRIX, Los Angeles, New York City, and San Francisco rank as the top three cities in the U.S. in which drivers spend the most hours in traffic.

[1] Source: U.S. Department of Transportation, Federal Highway Administration: Office of Highway Policy Information.

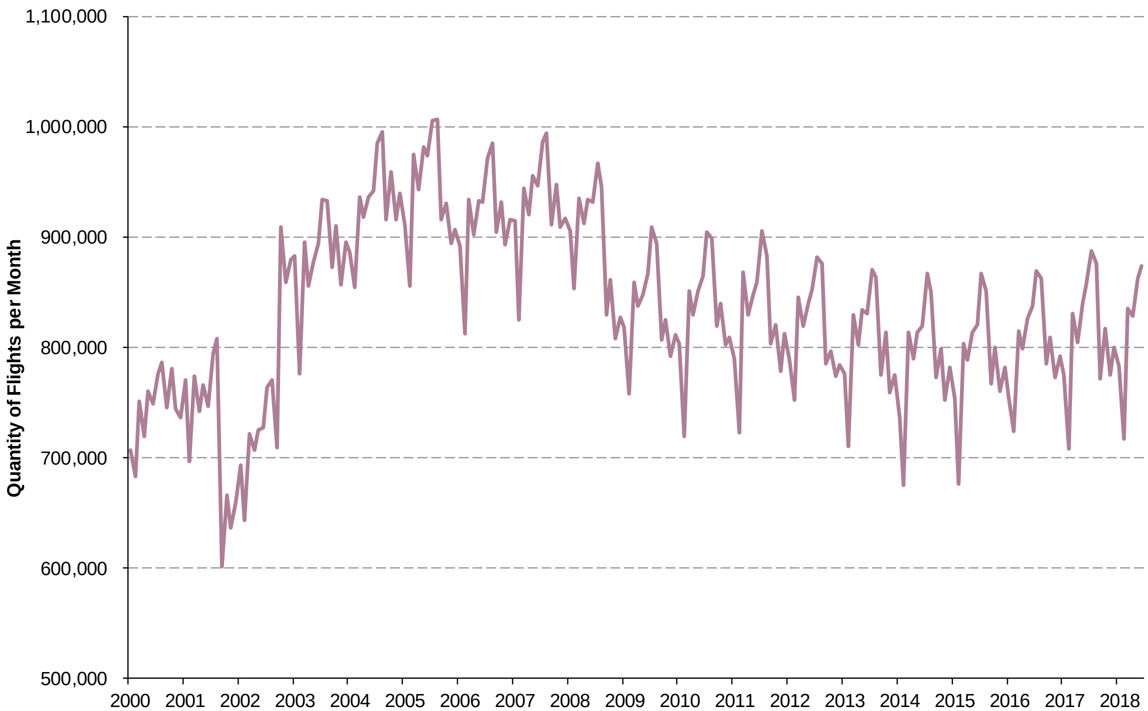
U.S. Port Activity – Container Trade in TEUs



The chart represents the top three U.S. ports by container volume, as measured by twenty-foot equivalent units (TEU). Activity at the three ports provides a high-level representation of the volume of imports received into the U.S. more broadly.

During the second quarter of 2018, volumes at the three ports increased by approximately 210,000 TEU, or 4.0% over same period in 2017. On a year-over-year basis, the combined port volumes increased by 1,409,000 TEU, or 6.8%, over the prior 12 month period. The Port of Long Beach and the Port of NY/NJ both saw an increase in year-over-year activity, while the Port of Los Angeles saw a slight decrease. The Port of Long Beach and NY/NJ recorded increases of 15.9% (1,105,000 TEU) and 7.3% (340,000 TEU), respectively, from the prior 12 months. The Port of Los Angeles recorded a decrease of 0.4% (36,000 TEU).

Total U.S. Domestic and International Flights[1]

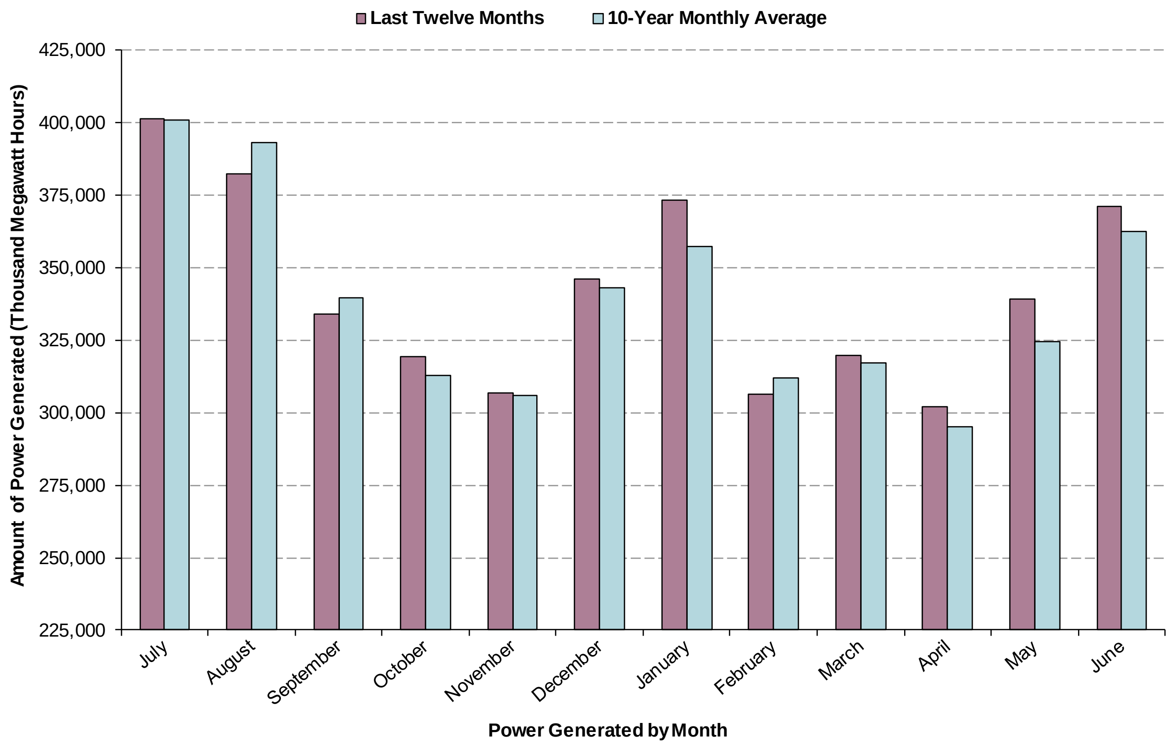


The chart above represents all U.S. domestic and international flights, excluding foreign point-to-point flights by month. Air traffic is cyclical with peaks in the summer months and declines in the winter months.

There were over 61,700 more flights during the second quarter of 2018, representing a 4.0%, increase, compared to the same period in 2017. Air traffic activity also increased by 1.2% for the 12 months ending June 30, 2018 over the previous period. In addition to the number of flights during the second quarter increasing year-over-year, the total number of passengers travelling on U.S. and international airlines increased by 4.3% from 2017 to 2018, which indicates higher capacity factors among airlines compared to the prior period.

[1] Source: Bureau of Transportation Statistics: Flights, All U.S., and Foreign Carriers.

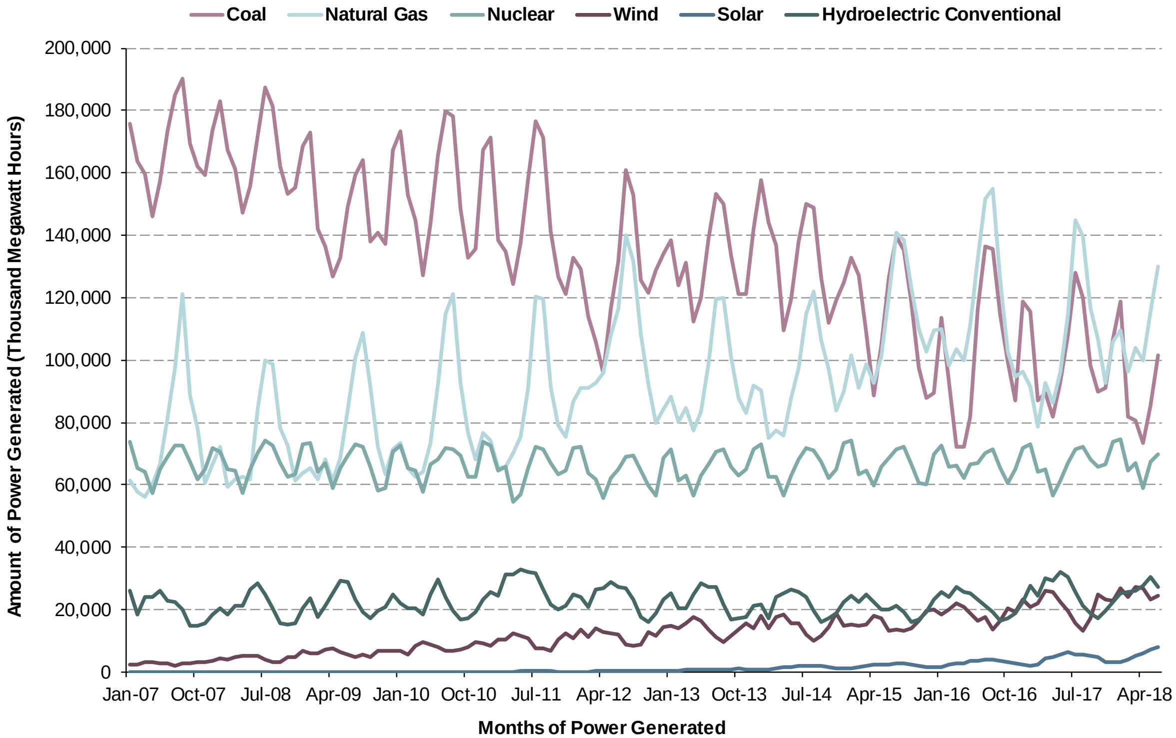
Total U.S. Power Generation[1]



The graph above represents the total net generation for the past 12 months compared to the 10 year average for each month. Over the past year, power generation exceeded the 10-year average in nine out of the 12 months. Net energy generation in the U.S. increased by 4.3% during the second quarter, compared to the same period in 2017. For the 12 months ended June 30, 2018, net energy generation increased by 1.3% over the previous 12 months.

[1] Source: U.S. Energy Information Administration: Electric Power Monthly, September 2018.

U.S. Power Generation by Source[1]



When comparing individual generation sources in the U.S., natural gas, nuclear, wind, and solar increased 16.5%, 6.0%, 9.5%, and 25.2%, respectively in the second quarter of 2018 as compared to the same period in the previous year, while generation from coal and hydroelectric conventional dropped by 8.0% and 7.3%, respectively, during the same period. Wind and utility scale solar continue to make up a small portion of total net energy generation in the U.S., accounting for only 7.4% and 2.1% of energy generation in the second quarter, while coal and natural gas accounted for 25.7% and 34.1%, respectively. However, the growth of wind and solar as sources of energy generation continues to increase at a faster rate than coal and natural gas, especially over the last couple of years.

[1] Source: U.S. Energy Information Administration: Electric Power Monthly, September 2018.

Real Estate Fundamentals

Vacancy by Property Type[1]

In the second quarter of 2018, vacancy rates across office and industrial properties continued to decrease, while vacancy rates in multifamily and retail increased slightly. Compared to the same period one year ago, vacancy rates in multifamily properties increased by 85 basis points, office decreased by 57 basis points, industrial decreased by 85 basis points, and retail decreased by 22 basis points. Overall, total vacancy rates across all property types decreased 53 basis points from Q2 2017. Industrial properties continue to exhibit the lowest vacancy rate at nearly 4%, while office properties have the highest vacancy rate of the major property types at almost 11%.

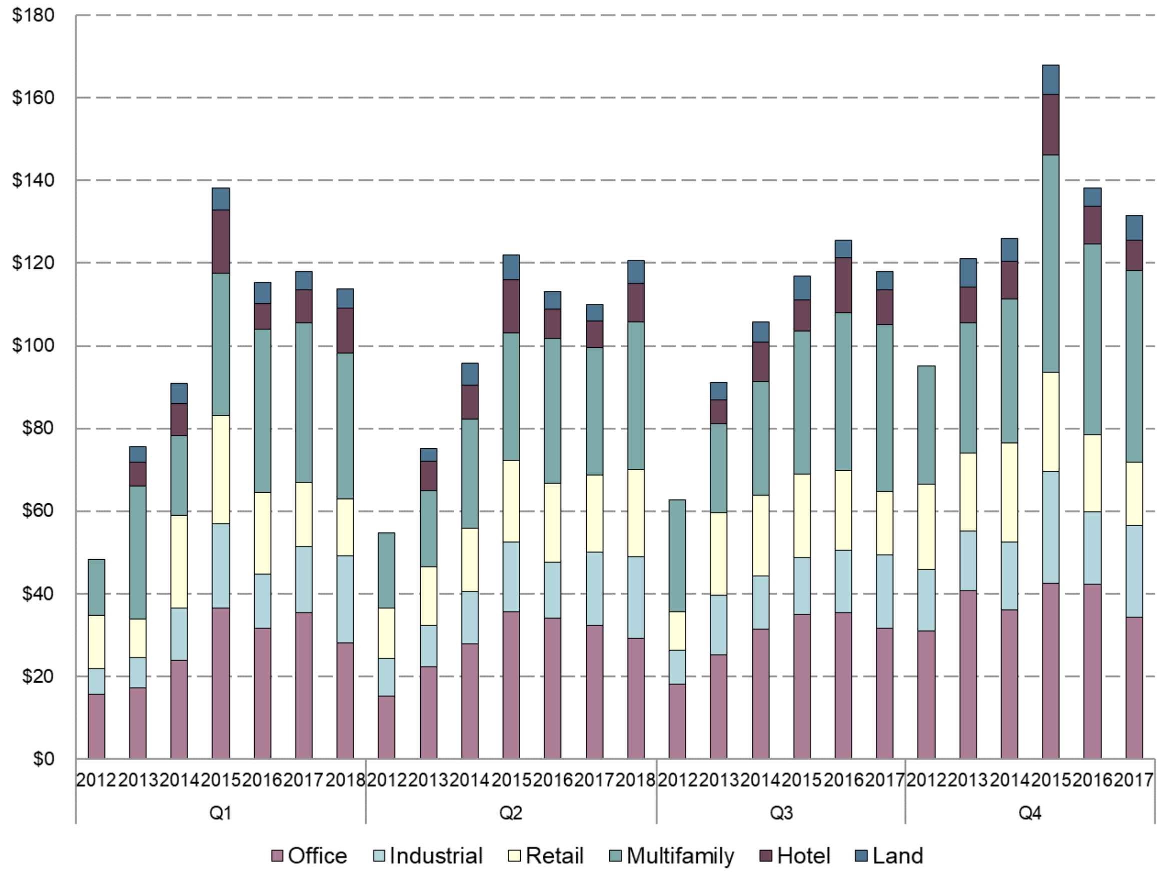
[1] Source: NCREIF

NOI Growth[1]

The trailing twelve month rate of NOI growth partially rebounded from a slight recent drop, trending back up towards 5% in the second quarter of 2018. This is largely due to the continued growth of the U.S. economy coupled with only moderate new construction, allowing property owners to increase rents and lease vacant space. The strongest NOI growth during the quarter was for industrial properties, which grew at 8.3% year-over-year ending Q2 2018. Previously, office properties were experiencing the highest NOI growth as of the end of 2017. Retail property NOI growth recovered slightly to 1.4% after a sharp drop-off in Q1 2018.

[1] Source: NCREIF

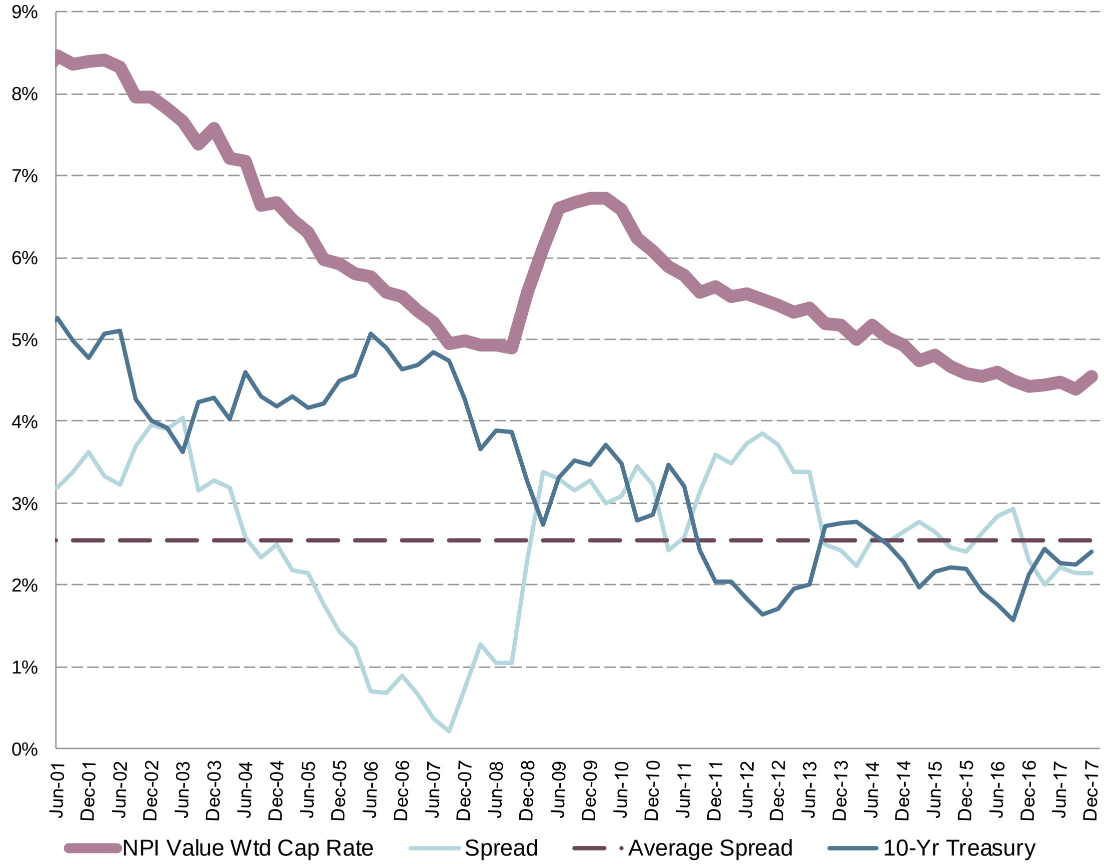
Transaction Volume ($bn)[1]



Private real estate transaction volume for properties valued over $2.5 million increased 9.5% in Q2 2018 when compared to Q2 2017. Retail volumes were up 50% compared to last quarter, while hotel and industrial volumes were down 11% and 8%, respectively. Office and multifamily volumes were relatively flat. Multifamily and office properties made up the largest percentages of total transaction volume, at 30% and 24%, respectively.

[1] Source: PREA

Real Estate Capital Markets
Cap Rates vs. 10-Year Treasury[1]



The NPI Value Weighted Cap Rate has flattened over the last two years following a declining trend post-GFC. 10-year Treasury yields continued to trend up in 2018 after a slight pullback in 2017. The spread between cap rates and the 10-year Treasury remained flat between Q1 2018 and Q2 2018, ending the quarter at 1.6%, 90 basis points below the long term average.

[1] Source: NCREIF and U.S. Department of the Treasury

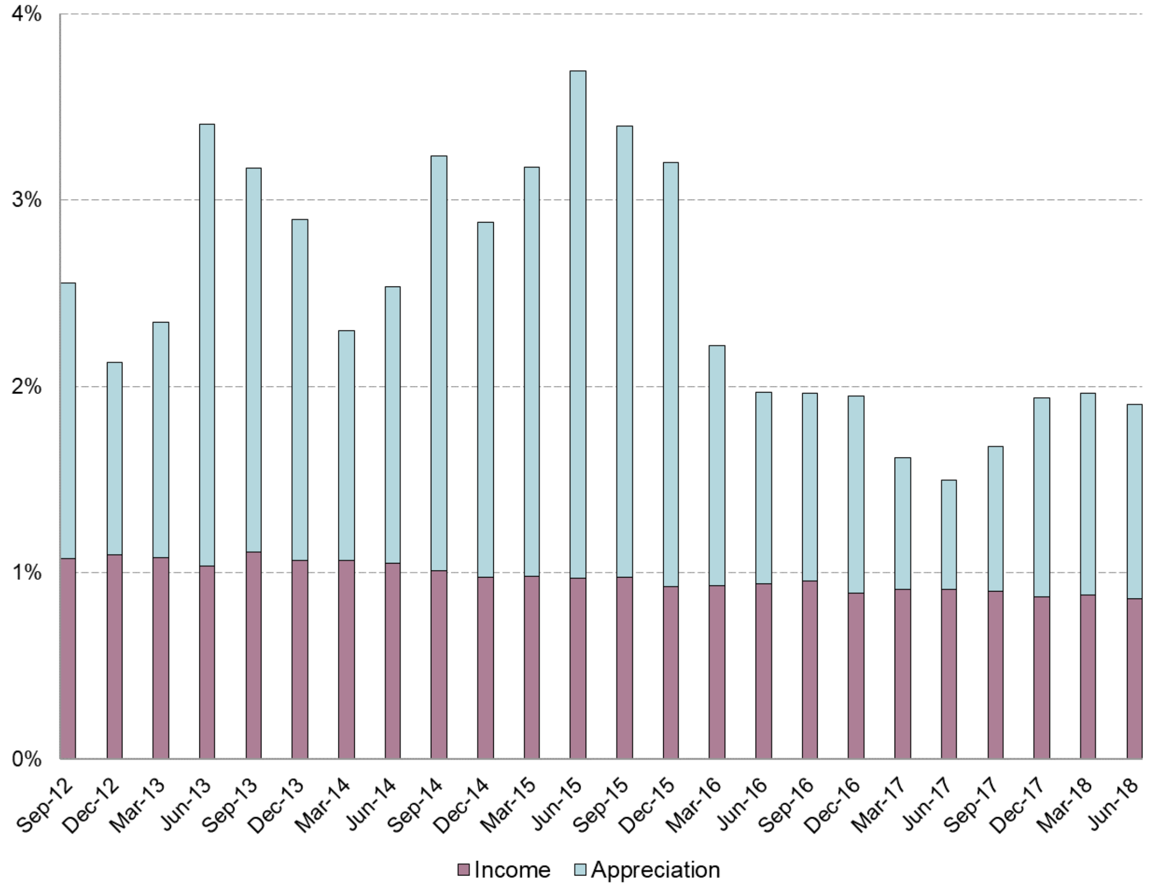
Trailing Period Returns[1]

As of June 30, 2018	1 Year	3 Years	5 Years	10 Years
NFI-ODCE (EW, net)	**7.7%**	**8.7%**	**10.2%**	**4.2%**
NCREIF Property Index	**7.2**	**8.3**	**9.8**	**6.2**
NFI-CEVA (EW, net)	**9.6**	**10.5**	**12.3**	**4.6**
NAREIT Index	**4.9**	**9.1**	**8.9**	**8.3**

Public and private real estate indices have continued to post positive returns, driven by strong property-level fundamentals and a low interest rate environment. The NFI-CEVA (Closed-End Value Add) Index has outperformed over recent time periods, although the funds included in the index utilize higher leverage and have vacancy risk than the comparable indices, which generally include stabilized properties.

[1] Source: NCREIF

ODCE Return Components[1]
(Equal Weight, Net)



The NFI-ODCE Equal Weight return for Q2 2018 was 1.9%, consistent with the previous two quarters. The appreciation component of the return has reached 2016 levels at just over 1.0%. Appreciation return is expected to be moderate in the near term due to the stabilization of cap rates. Income return has been on a slow downward trend, dipping below 0.9% for the quarter.

[1] Source: NCREIF

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Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.

If we manage your assets on a discretionary basis, please contact us if there are any changes in your financial situation or investment objectives, or if you want to impose any reasonable restrictions on our management of your account or reasonably modify existing restrictions.

In general, the valuation numbers presented in this report are prepared by the custodian bank for listed securities, and by the fund manager or appropriate General Partner in the case of unlisted securities. The data used in the market comparison sections of this report are sourced from various databases. These data are continuously updated and are subject to change.

This report does not contain all the information necessary to fully evaluate the potential risks of any of the investments described herein. Because of inherent uncertainties involved in the valuations of investments that are not publicly traded, any estimated fair values shown in this report may differ significantly from the values that would have been used had a ready market for the underlying securities existed, and the differences could be material. Note that for unlisted securities the valuations may be lagged by one or more calendar quarters, or may reflect original cost.

This document may contain certain forward-looking statements, forecasts, estimates, projections, and opinions ("Forward Statements"). No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. A number of factors, in addition to any risk factors stated in this material, could cause actual future results to vary materially from the Forward Statements. No representation is given that the assumptions disclosed in this document upon which Forward Statements may be based are reasonable. There can be no assurance that the investment strategy or objective of any fund or investment will be achieved, or that the client will receive a return of the amount invested.

In some cases Meketa Investment Group assists the client in handling capital calls or asset transfers among investment managers. In these cases we do not make any representations as to the managers' use of the funds, but do confirm that the capital called or transferred is within the amounts authorized by the client.

Valuation Policies

The values of companies and partnerships in this review are based on unaudited reports for June 30, 2018, provided by the General Partners, unless otherwise noted.

Because there is no readily accessible market for private markets assets (companies and partnerships), the values placed on private markets assets are calculated by General Partners using conservative and industry standard pricing procedures. Annually, an independent auditor reviews the pricing procedures employed by the General Partner of each partnership.

While all private markets partnerships are audited by an independent entity, there is some discretion as to the method employed to price private companies and, therefore, private markets partnerships. At all times, Meketa Investment Group expects General Partners to utilize conservative and industry standard pricing procedures, and requires the General Partners to disclose those procedures in their reports. However, because of the inherent uncertainty of valuation, these estimated values may differ from the values that would be used if a ready market for the investments existed, and the differences could be significant.

Private markets investors have developed a number of unique terms to describe their investment work. The following glossary of private markets terms is intended to help make sense of these terms. Where the term “private equity” is used, the definition will generally also apply to private debt funds that are structured in similar manner.

Absorption: The amount of inventory or units of a specific commercial property type that become occupied during a specified time period (usually a year) in a given market, typically reported as the absorption rate.

Advisory Board: Partnerships often establish an advisory board comprised of representatives of the Limited Partners to oversee the on-going work of the General Partners. Advisory boards typically meet once each year to review the partnership’s investments. It is important to note that unlike the Board of Directors of a public company, the advisory board has very little power to control the activities of the General Partners.

Angel Investor: Angel investors are individuals who invest their own capital directly in small, early stage companies. Angels are an alternative source of funding for entrepreneurs. Such investments are characterized by high levels of risk and potentially a large return on investment.

Appraisal: An estimate of a property's fair market value that is typically based on replacement cost, discounted cash flow analysis and/or comparable sales price.

Appreciation: An increase in the value or price of a real estate asset.

Appreciation Return: The portion of the total return generated by the change in the value of the real estate assets during the current quarter, as measured by both appraisals and sales of assets.

Asset Management: The various disciplines involved with managing real property assets from the time of investment through the time of disposition, including acquisition, management, leasing, operational/financial reporting, appraisals, audits, market review and asset disposition plans.

Asset Management Fee: A fee charged to investors based on the amount invested into real estate assets for the fund or account.

Barrel: 42 U.S. gallons of oil.

Base Metals: Non-precious, non-ferrous metals that include copper, aluminum, lead, nickel, tin, and zinc.

Base Rent: A set amount used as a minimum rent with provisions for increasing the rent over the term of the lease.

Biofuels: Biofuels are combustible fuels, such as bio-ethanol, that are made and processed from vegetation sources such as corn, sugar cane, barley, or wheat.

Blind Pool: Most Limited Partnerships are organized as blind pools, meaning that Limited Partners commit capital to the partnership before any actual investments are made. At the point of commitment, the Limited Partners do not know specifically how their money will be used (hence the term blind pool), and must therefore rely entirely upon the track record and experience of the General Partner.

BOE/day: A daily production metric equivalent to the energy content of a barrel of oil equivalent often related to natural gas, natural liquids, and condensates.

Broker: A person who acts as an intermediary between two or more parties in connection with a transaction.

Brownfield: A project with an operating history. The initial outlay is entirely to the public entity. Brownfield can be considered an easier starting point for investors, given the shorter J-curve and lower level of risk. Meketa Investment Group categorizes a Fund as brownfield if the Fund’s investment strategy calls for over 65% of its underlying investments to be in brownfield (operating) assets.

Buyout Fund: A buyout partnership uses the partners' capital to purchase existing, established businesses. The acquired firms may be family owned prior to purchase, or may be operating divisions of larger companies seeking to restructure their businesses. In a few cases, the buyout partners may purchase all of the outstanding shares of a publicly traded company, effectively taking it private. Buyout funds are not involved in venture capital or startups.

Buyout partnerships own the acquired companies outright, or in combination with other buyout partnerships. In some cases the buyout partners will replace the existing management with a new team, or the acquired firm will be left autonomous. The buyout partners frequently take one or more board seats in order to ensure control of the business.

Capital Appreciation: The change in market value of a property or portfolio adjusted for capital improvements and partial sales.

Capital Call (Contribution): Once a partnership has declared its first close, the General Partners will begin to make portfolio investments. As each investment is made, the capital necessary to fund the investment is "called" from the Limited Partners.

Capitalization Rate: A percentage that relates the value of an income-producing property to its future income, expressed as net operating income divided by purchase price. This is also referred to as cap rate.

Carried Interest: The share of profits that the fund manager is due once it has returned the cost of investment to investors. Carried interest is normally expressed as a percentage of the total profits of the fund. The industry norm is 20%. The fund manager will normally therefore receive 20% of the profits generated by the fund and distribute the remaining 80% of the profits to investors.

Carrying Value: The General Partner must list on the partnership's balance sheet a value for every investment held. These valuations are called carrying values, and in most cases are simply the original cost of the investment. Note that carrying values in most cases are not audited and do not represent actual market values.

Cash Flow Positive: When a company generates more free cash than it consumes in normal operations, it is deemed to be cash flow positive. Such companies may not need extra financing or debt in order to grow.

Cash Leasing Farmland: A low risk/return strategy that shifts the operational risk of farming to a local operator. Farmland investors receive stable lease payments from the local operators who are allowed to farm the land. Cash leasing is typically used for row croplands.

Cash on Cash Return: The simple gross total return earned by the Limited Partners, calculated as the total distributions received divided by the total contributions made. Thus, if an investor supplied a total of $100 in cash calls and contributions, and received over the life of the partnership $200 in distributions, the cash on cash return would be 100%. The cash on cash return is typically reported as a multiple. In the example above, the investment returned 2x (two times).

Chip-N-Saw: Produced from mid-sized trees that are cut and chipped to pulpwood chips or small dimension lumber. Chip-N-Saw is typically derived from trees measuring 10-13" DBH.

Claw-Back Provision: A claw-back provision ensures that a General Partner does not receive more than its agreed percentage of carried interest over the life of the fund. So, for example, if a General Partner receives 21% of the partnership's profits instead of the agreed 20%, Limited Partners can claw back the extra one percent.

Cleantech: A broad term used to classify products or services that improve energy productivity, performance, or efficiency while reducing input costs, consumption, waste, or pollution. Common products associated with cleantech are wind farms, photovoltaics, fuel cells, biofuels, and smart grid technologies.

Closed-end Fund: A commingled fund that has a targeted range of investor capital and a finite life.

Closings and Closing Dates: Every partnership must specify the date upon which the General Partners will cease fundraising and begin making actual investments with the Limited Partners' committed capital. That date is called the closing date, and defines the vintage year of the partnership. Most partnerships, however, have several closing dates, and all partnerships must eventually have a final closing. In most cases, the final closing lags six to nine months after the first closing. If a majority of the original Limited Partners consent, a partnership can remain open to new investors after the final closing and while early investments are being made, in order to have time to attract additional investors.

Co-Investment: In some cases, Limited Partners want the right to make additional direct investments in one or more of the underlying companies purchased by the General Partner. If the partnership agreement gives co-investment rights to specific Limited Partners, then they may elect to invest additional monies "along side" the General Partner in various deals. In these cases, the co-investing Limited Partners would have two investments in an underlying property: their share of the partnership's investment, and their direct additional co-investment on the side. Note that co-investment rights may be available only to the largest Limited Partners.

Co-investment rights are often negotiated by very large Limited Partners when they have strong convictions about the deal finding skills of the General Partners, because co-investment rights permit them to make even larger investments in the underlying properties than would otherwise be possible, without paying carried interest.

Committed Capital: When a Limited Partnership is formed, each Limited Partner agrees to contribute a specific amount of capital to be invested over the life of the partnership. Once the agreement is signed, the Limited Partners are legally bound and committed to supply the agreed upon capital when it is called for by the General Partner.

Concession: A business operated under a contract or license associated with a degree of exclusivity. In the case of a public service concession, a private company (the concessionaire) enters into an agreement with the government to have the exclusive right to operate, maintain and carry out investment in a public asset (such as a utility) for a given number of years.

Concessions: Cash or cash equivalents expended by the landlord in the form of rental abatement, additional tenant finish allowance, moving expenses or other monies expended to influence or persuade a tenant to sign a lease.

Consolidation (Roll Up): Many industries in America are highly fragmented, as the market space is serviced by a large number of locally owned businesses. By consolidating fragmented industries (i.e., purchasing many local businesses), firms can create a single larger company with greater market control, more attractive financial characteristics, and potentially, better pricing flexibility and lower costs.

Construction Loan: Interim financing during the developmental phase of a property.

Convertible Bonds: Some private equity partnerships, generally those that provide mezzanine financing, may take convertible bonds as part of their compensation for providing investment capital. The convertible bond pays interest like other bonds, but can be exchanged for shares of the company stock at a favorable price if certain conditions are met, hence the term convertible.

Core Properties: The major property types - specifically office, retail, industrial and multifamily. Core assets tend to be built within the past five years or recently renovated. They are substantially leased (90% or better) with higher-credit tenants and well-structured long-term leases with the majority fairly early in the term of the lease. Core assets generate good, stable income that, together with potential appreciation, is expected to generate total returns in the 10% to 12% range.

Crude Oil: An unpurified mixture of liquid hydrocarbons derived from rock formations, containing different levels or impurities such as water or sulfur.

DBH: DBH (Diameter at Breast Height) is the most common measure made by a forester to determine the growth, volume, yield, and potential of a tree. DBH is defined as 4.5 ft. above the ground on the uphill side of a tree.

Development Well: A well drilled in a proven area of an oil or gas reservoir to a depth known to be productive.

Direct Investment: Partnerships that invest in companies are said to make direct investments. The alternative is a partnership that invests in other partnerships, a fund of funds.

Direct Operation Farmland: A strategy typically employed with permanent crops to retain complete control over the assets. Farmland investors use farmland management firms to operate the farm and add value through increased quality and output. The primary risks associated with direct operation are operating, weather, and marketing risks.

Diversification: The process of consummating individual investments in a manner that insulates a portfolio against the risk of reduced yield or capital loss, accomplished by allocating individual investments among a variety of asset types, each with different characteristics.

Downstream: Portion of the energy chain that includes oil refineries, petrochemical plants, power generation, and distribution outlets.

Dry Hole: An oil well that fails to find or produce any oil or gas.

Due Diligence: The process of examining a property, related documents, and procedures conducted by or for the potential lender or purchaser to reduce risk. Applying a consistent standard of inspection and investigation one can determine if the actual conditions do or do not reflect the information as represented.

E&P: Acronym for "Exploration and Production" that relates to the exploration, development, and production of crude oil or natural gas reserves. E&P is also referred to as the upstream sector.

EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization): The “top line” profits of a private company are the monies earned before paying interest and taxes, and adding back depreciation and amortization. Unlike public companies, which are valued as the multiple of bottom line earnings to the stock price (P/E or price to earnings), private companies are valued as the multiple of EBITDA to the price of the stock.

There is no simple conversion factor that will convert an EBITDA multiple to a P/E for all companies, but in general, a factor of 2 is appropriate. Thus, a private company selling for an EBITDA multiple of 6 is priced about as richly as a public company with a P/E of 12.

EBITDA Multiples: The ratio of a private company’s top line earnings to the price of its shares. See EBITDA above.

Enterprise Value: A measure of a company's value, often used as an alternative to straightforward market capitalization. Enterprise Value is calculated as market cap plus debt, minority interest and preferred shares, minus total cash and cash equivalents.

Exploratory Well: A well drilled to find and produce oil or gas in an unproven area or expand production of a previously known reservoir.

Fee Income: The General Partners in a private markets partnership generally receive two types of compensation: fee income as payment for their portfolio management services, and a share of any profits (carried interest) as incentive compensation.

Fuel Cell: A device that captures the electricity generated from a chemical reaction between a fuel and an oxidant. An example is a hydrogen fuel cell, which uses hydrogen as the fuel and oxygen as the oxidant to produce electricity and water.

Fund of Funds: A private markets partnership that consists primarily of investments in other partnerships, as opposed to direct investments in individual companies and deals. The General Partners of a fund of funds thus act as a manager of managers to create a diversified portfolio of partnerships, each of which in turn consists of a portfolio of direct investment deals.

Although a fund of funds is a collection of partnerships, the fund of funds itself is a partnership, and therefore has a vintage year, a commitment period, a distribution phase, and a final end. Thus, fund of funds have finite lifetimes, just like their underlying partnerships.

The advantages of a fund of funds are high diversification and “one stop shopping,” i.e., the client has a single relationship with the fund of funds manager.

The disadvantages of fund of funds are higher costs (another entire layer of management fees and carried interest), an additional loss of liquidity, and an additional loss of control by the Limited Partners. Just as with direct private markets funds, a fund of funds is organized as a blind pool. That is, when a new fund of funds is announced, and a subscription target set, early investors do not know what specific sub-funds will be selected by the manager. Generally, the Private Placement Memorandum gives the General Partner almost unlimited latitude in making subsequent investments.

General Partner: The control partner in private equity partnerships, analogous to the portfolio manager in a public stock portfolio. Under the IRS code, the General Partner must commit some personal capital to the partnership (a minimum of 1% of the partnership’s committed capital), and unlike the Limited Partners, is liable for leverage and other losses generated by the partnership.

Geothermal Energy: Energy extracted from the earth's interior to produce heat and electricity. Applications of geothermal energy include conventional geothermal (use of steam to drive turbines), geothermal heat pumps (pipes sunk beneath the earth's surface to act as a heat exchanger during the warmer and colder seasons), and direct heat (hot water pumped from the earth for use as a heat source).

Greenfield: A project without an operating history. Some of the initial outlay may be to the public entity, but the majority is used for construction. Greenfield opportunities may take an exceptionally long time to come to fruition. Meketa Investment Group categorizes a Fund as Greenfield if the Fund's investment strategy calls for over 65% of its underlying investments to be in greenfield assets.

Growth (Expansion Capital): A strategy that entails providing capital to a private company with the intention that the capital be used to expand operations. Generally, expansion capital strategies result in minority equity positions in companies, but with some degree of control over how the expansion capital is spent.

Hedging: Strategy used to limit or offset exposure to pricing risk of an underlying commodity. A common way to execute this strategy is through the use of futures contracts, a financial derivative that allows for the sale of a commodity at a pre-specified price in the future, whether or not the market price increases or decreases at the time. Counterparties to the futures contracts are speculators who are willing to accept the risk of price fluctuations in exchange for the potential upside.

High-rise: In the central business district, this could mean a building higher than 25 stories above ground level, but in suburban markets, it generally refers to buildings higher than seven or eight stories.

Hurdle Rate: The minimum rate of return that the Limited Partners must receive before the General Partners have a right to a share of any additional profits (carried interest) produced by the partnership's investments. For example, the partnership may specify that once the Limited Partners have received distributions representing an 8% total return on their commitment (the hurdle rate), the General Partner will share in all future distributions until they have been allocated 80% to the Limited Partners, and 20% to the General Partners (their carried interest).

Hydro Energy: Energy derived from the natural movement of falling or flowing water. The most common form of hydro energy comes from dammed water driving a turbine and generator to produce electricity. Once a hydroelectric complex is built, no direct waste is produced.

Hydrocarbon: A hydrogen and carbon compound created from the decomposition of organic material over time. Most hydrocarbons are found naturally in fossil fuels such as crude oil, natural gas, and coal.

Improvements: In the context of leasing, the term typically refers to the improvements made to or inside a building but may include any permanent structure or other development, such as a street, sidewalk, utilities, etc.

Independent Oil Company: A company involved in the exploration, production, and development of oil and natural gas that is not a Major Oil Company.

In-Kind Distribution: Most distributions from private equity partnerships are in cash. However, in some cases, a private deal will be taken public through an initial public offering (IPO), or through a trade sale for stock to a public company. In these cases, the Limited Partners will receive their distributions in the form of publicly traded common stocks and/or rights and warrants.

Investment Period: The period of time after the first closing during which the General Partner will call capital from the Limited Partners and make partnership investments. Legally, the investment period is usually six years. Practically, it is three to four years. Not to be confused with the term of the partnership, generally ten to twelve years.

IPO (Initial Public Offering): When a private company issues publicly traded stock, it becomes known as a public company. The initial sale of publicly available stock is called the initial public offering, or IPO.

IRR (Internal Rate of Return): The annualized rate of return on capital that is generated or capable of being generated within an investment or portfolio over a period of time, assuming all cash flows can be reinvested at the same rate. Mathematically, the IRR of an investment is the discount rate applied to that investment such that the net present value of the investment is zero. IRR is commonly used to measure profitability by applying the calculation to the after-tax cash flows to arrive at an after-tax equity yield rate.

J-Curve: Many private markets partnerships have small negative returns in their first years of operation as capital is invested. The negative returns result because the partnership's investments have not matured and turned a profit, but the partnership has nevertheless experienced various operating costs. When early deals begin to mature and are liquidated at a profit, the partnership's returns should become positive. Thus, the graph of the partnership's returns versus time can resemble the capital letter "J."

Landfill Methane: Landfill methane is generated from the decomposition of waste in landfills. Bacteria break down the organic matter, releasing a gas that is rich in methane. By capturing the methane, greenhouse gases released into the atmosphere are reduced, and the gases can be used as an energy source.

Later Stage Fund: A venture capital partnership that specializes in investing in startup companies that have already achieved at least some actual revenues, or a venture fund that provides subsequent rounds of venture financing after all of the capital provided in the first rounds has been consumed.

Lead Investor: Describes a General Partner who is the “lead” investor in a deal, as opposed to co-investors or follow-on investors. The term implies that the lead investor has taken the lead in sourcing, evaluating, and executing the deal.

Lease: An agreement whereby the owner of real property gives the right of possession to another for a specified period of time and for a specified consideration.

Lease Rate: The period rental payment to a lessor for the use of assets. It may also be considered as the implicit interest rate in minimum lease payments.

Leverage: Many General Partners use both equity capital provided by the Limited Partners and money borrowed from banks or other lenders to finance their investments. Any borrowed money is called leverage. If a deal is successful, leverage can often enhance the returns of the Limited Partners substantially. On the other hand, too much leverage can cripple an investment with interest and financing costs. It is important to note that the Limited Partners are not responsible for the repayment of any borrowed money.

Leveraged Buyouts: The purchase of a private or public company wherein the bulk of the purchase price is paid using borrowed money.

Lifecycle: The various developmental stages of a property: pre-development, development, leasing, operating and redevelopment (or rehab).

Limited Partner: All investors in a Limited Partnership other than the named General Partner are defined under the IRS code as Limited Partners. Limited Partners have only the control rights defined for them in the Private Placement Memorandum, and are generally passive investors in the partnership’s deals.

A very important point is that Limited Partner’s total liability for all deals made by the partnership are limited strictly by law to the Limited Partner’s committed capital. Thus, even if the General Partners borrow a great deal of money (leverage), and lose it all, the lenders have no recourse to the assets of the Limited Partners. In effect, a Limited Partner can lose no more than the amount of money invested.

Look-Back Provision: See Claw-Back Provision above.

Low-rise: A building with fewer than four stories above ground level.

Major Oil Company: One of the original "Seven Sisters" consisting initially of Exxon, British Petroleum, Chevron, Gulf, Mobil, Texaco, and Royal Dutch Shell.

Market Strategy: A course of action defined with respect to a particular real estate market phase. For example, consider the market strategy of avoiding real estate transactions when there is an oversupply of space available in the market.

Market Value: The most probable price that a property would bring in a competitive and open market under fair sale conditions. Market value also refers to an estimate of this price.

Mezzanine Financing: An additional level of financing provided to a private company to expand sales, market share, or develop new products. Most mezzanine financing is structured as a package of high coupon bonds with equity “kickers,” i.e., rights to acquire the company’s stock at a favorable price at a future point. Companies seeking mezzanine financing often have substantial revenues, and if not actual profits, the expectation of imminent profitability.

Midstream: Portion of the energy chain that transports and stores commodities such as oil and natural gas.

MMCF: One million cubic feet.

Multiples and Multiple Expansion: Managers purchasing public common stocks often buy companies with low price to earnings multiples when they believe some factor will induce other investors to bid up the price of the stock without an increase in actual earnings, thus causing the price multiple to expand. In the same fashion, a General Partner may purchase a private company with a low EBITDA multiple, expecting to profit through an expansion of that multiple. A typical example of a multiple expansion plan is consolidation. Many small companies, operating independently, may each be priced at relatively low multiples. But if purchased and combined into a larger, cohesive entity, investors might be willing to pay a higher multiple for the aggregate than for any individual component.

Natural Gas: A gaseous fossil fuel consisting primarily of methane and other heavier hydrocarbons. Natural gas burns cleaner than oil and coal and is a major source of electricity generation through the use of gas and steam turbines.

Net Metering: An arrangement that allows a facility to sell any excess energy it generates back to the electrical grid to offset its consumption.

Net Operating Income (NOI): The potential rental income plus other income, less vacancy, credit losses, and operating expenses.

Oil Sands: Naturally occurring mixtures of a very dense, tar-like form of petroleum called bitumen and sand or clay. Because of the high production and refining costs associated with oil sands, economic feasibility only occurs with high oil prices.

OPEC: OPEC (Organization of Petroleum Exporting Countries) is an oil cartel comprising twelve countries around the world.

Open-end Fund: A commingled fund that does not have a finite life, it continually accepts new investor capital and makes new property investments.

Operator: The party responsible for managing the asset; may be (and usually is) different than the owner/lessee of the asset.

Opportunistic: A phrase generally used by advisers and managers to describe investments in underperforming and/or undermanaged assets that hold the expectation of near-term increases in cash flow and value. Total return objectives for opportunistic strategies tend to be 20% or higher. Opportunistic investments typically involve a high degree of leverage - typically 60% to 100% on an asset basis and 60% to 80% on a portfolio basis.

Permanent Crops: Permanent crops include those grown on a tree or vine such as almonds, wine grapes, apples, and oranges. They are usually directly operated to produce higher income returns from crop sales but can carry a higher level or risk.

PFI: The Private Finance Initiative specifies a method, developed initially by the U.K. government, to provide financial support for Public-Private Partnerships. This has since been adopted as part of a wider reform program for the delivery of public services which is driven by the WTO, IMF & World Bank as a part of their “deregulation” and privatization drive. In return for their services, the private sector receives payment linked to its performance.

Pipeline: A system made of steel piping used to transport oil, gas, and other liquids from one location to another.

Placement Agent: Unlike public stock management companies, most of whom utilize an in-house sales force to market their services, private equity partnerships are generally marketed by third-party placement agents. These outside marketing firms and individuals are paid a commission by the General Partner.

Platform Company: Some private equity buyout funds attempt to add value by merging companies into larger, more cost efficient enterprises. This strategy generally begins with the acquisition of a platform company, often a market leader, to which other companies are added.

Possible Reserves: Reserves of oil or natural gas that have a less likely chance of being recovered than probable reserves. These reserves are often claimed as having a 10% certainty of being produced and are also known as P10 or 3P.

PPM (Private Placement Memorandum): Because Limited Partnership interests are not registered with the SEC, private equity managers must distribute a comprehensive document to prospective investors that describes the broad investment thesis of the partnership, and highlights any risks involved in the partnership. This document is called a Private Placement Memorandum.

PPP: A Public Private Partnership (or P3) is a system in which a government service or private business venture is funded and operated through a partnership of government and one or more private sector companies. Also referred to as Collective Development Agreements or Alternative Finance Procurement.

Precious Metals: Precious metals include gold, silver, palladium, and platinum. These metals have wide industrial uses but are better known for their usage in jewelry, art, and store of value.

Pre-merch (merchantable): Logs that do not meet the minimum size, quality, or usable volume required for the commercial sale of timber.

Privatization: The transfer of property or control of assets used to provide public services from the public sector to the private sector.

Probable Reserves: Probable reserves are those reserves based on median estimates and claim a 50% confidence of recoverability. These reserves are also known as P50 or 2P.

Producing Well: A well the produces oil and gas in sufficient quantities such that the revenue generated exceeds the associated production costs and taxes.

Property Type: The classification of commercial real estate based on its primary use. The four primary property types are: retail, industrial, office, and multi-family residential.

Proved Reserves: Reserves of oil or natural gas that are claimed to have a 90% certainty of being recovered using existing technology. The SEC only allows oil companies to report proved reserves to investors. Proved reserves are also known as P90 or 1P.

Public to Private: If a private partnership (or group of private partnerships) purchases all of the outstanding shares of a publicly traded company, the company's shares may be de-listed from the stock exchange. The company is then said to have been "taken private." For example, in June 1989, the private partnership Wings Holdings acquired the public stock of Northwest Airlines in a $3.65 billion-dollar leveraged buyout. Following this acquisition, Northwest became a privately held corporation for the first time since 1941.

Pulpwood: Wood cut and chipped for the manufacturing of paper and paper related products. Pulpwood is typically too small or of insufficient quality for sawtimber and is classified as 6-9" DBH.

Real Estate Cycles (phases): The regularly repeating sequence of economic downturns and upturns and associated changes in real estate market transactions tied to market dynamics and changing macroeconomic conditions, whose phases include (in order) recession, recovery, expansion, and oversupply.

Real Estate Investment Trust (REIT): An investment vehicle in which investors purchase certificates of ownership in the trust, which in turn invests the money in real property and then distributes any profits to the investors. The trust is not subject to corporate income tax as long as it complies with the tax requirements for a REIT.

Shareholders must include their share of the REIT's income in their personal tax returns. (Barron's Dictionary of Real Estate Terms and Encyclopedia of Real Estate Terms 2nd Edition, Damien Abbott)

Real Estate Trends: Long-term movements or tendencies in the demand for commercial real estate (which can typically last for years or decades), usually tied to macro-economic or business cycles.

Renewable Energy: Energy derived from natural resources such as solar, wind, geothermal, or biofuels. Unlike oil, natural gas, or coal, these sources of energy are naturally replenished, providing a potential source of cleaner and more sustainable energy.

Row Crops: Row crops are those that are planted and harvested annually from the soil, as opposed to trees or vines, and include corn, cotton, rice, soybeans, and vegetables. Row crops are often eligible to receive federal subsidies.

Sawtimber: Timber of sufficient size and quality to be cut and harvested for lumber or other solid wood products. Sawtimber is usually derived from trees measuring 14" + DBH.

Secondary Fund: Occasionally, a Limited Partner will wish to sell his interest in a partnership before the term of the partnership is completed. Any such sale is termed a secondary market sale. A secondary fund creates a portfolio of partnership interests from earlier partnerships purchased in the secondary market. The advantage of a secondary fund is that it gives investors an opportunity to invest in seasoned partnerships from closed funds of prior vintage years.

Shadow Tolls: Payments made by government to the private sector operator of a road based, at least in part, on the number of vehicles using the road. They are currently in operation on some roads in the U.K., and they have also been adopted in other countries.

Solar Energy: Source of energy derived from the sun's light and heat. Common solar technologies include photovoltaics (PV) and solar thermal.

Sponsor: Every private equity opportunity that Meketa Investment Group evaluates is assigned to a sponsor. This individual, who is a member of Meketa Investment Group's Private Equity Investment Committee, is responsible for the collection of information and the evaluation of the opportunity.

Submarket: A segment or portion of a larger geographic market defined and identified on the basis of one or more attributes that distinguish it from other submarkets or locations.

Take Down/Draw Down: A take down or a draw down is the same as a capital call.

Term: The term of a private partnership is its expected lifetime, and is specified in the Private Placement Memorandum. Most partnerships have a term of ten years, with the option to extend the term once or twice by an additional year if the Limited Partners approve.

The term of a partnership consists of several phases. After the final closing, no new commitments are accepted and the partnership enters the commitment phase or investment phase, legally lasting up to six years, but generally lasting three to four years, during which the individual investments are made. A distribution phase follows, during which mature investments are realized and profits distributed to the partners. The final phase is the liquidation phase, during which all remaining properties and assets are sold in order to terminate the partnership.

Trade Sale: The most prevalent exit strategy for many private equity managers involves selling a company in the private markets, usually through an auction process, to other private equity investors or to larger companies. This type of exit is termed a trade sale.

Turnaround: A turnaround strategy involves buying a troubled company, usually for a relatively low price, and making significant managerial or organizational changes to better the company's operations and enhance profitability.

Upstream: Portion of the energy industry engaged in the exploration, production, and development of crude oil and natural gas reserves.

Vacancy: The number of units or space (of a specific commercial type) that are vacant and available for occupancy at a particular point in time within a given market (usually expressed as a vacancy rate).

Vacancy Rate: The percentage of the total supply of units or space of a specific commercial type that is vacant and available for occupancy at a particular point in time within a given market.

Value-added: A phrase generally used by advisers and managers to describe investments in underperforming and/or undermanaged assets. The objective is to generate 13 % to 18% returns.

VCOC (Venture Capital Operating Company): The IRS code defines one category of private partnerships to be venture capital operating companies for tax purposes. The General Partners of VCOCs are not required to register with the SEC as investment advisors. The name venture capital operating company relates only to the partnership's legal and tax structure, and does not imply that the partnership will invest in venture capital deals. For example, a middle market buyout fund, which invests only in mature companies with enterprise values of between $200 million and $1 billion, may be structured as a venture capital operating company.

Veneer: Continuous sheets of thin wood cut from trees measuring at least 16" + DBH. Veneer is commonly used in the manufacture of furniture and plywood.

Venture Capital: Money supplied to entrepreneurs to create new businesses is called venture capital. It is the first stage of financing for any new venture.

Traditionally, the recipient of the venture capital was a small group of entrepreneurs with an idea and a business plan, but no management team, corporate structure, revenues or profits. In the 1990s, however, venture capital was often used to seed established teams of entrepreneurs with well-defined products and in-place corporate structures. Thus, there is great variability in the meaning of venture capital and in the types of deals financed with venture capital money.

Vintage Year: The calendar year in which the first cash flow to a partnership occurred. This cash flow can be intended for management fees or investment capital. Vintage year can be used to differentiate the partnerships established over time by a General Partner, to track portfolio commitment pacing, and to benchmark portfolio performance.

Warrants: Just like publicly traded companies, private companies may issue warrants to their shareholders or to other groups providing some form of financing. A warrant is the right to purchase shares of the company's stock at a future date at a predetermined price, called the exercise price. Warrants become valuable if the exercise price is below the market price of the stock.

Wind Energy: Source of energy derived from wind motion that can be converted to electricity by turning a turbine and generator.