



INVESTMENT ADVISORY SERVICES

Los Angeles • New York

Alternative Investment Performance  
Merced County Employees' Retirement Association

September 24, 2020

# MCERA Private Equity Capital Budget & Implementation Plan

## 15% fund level target

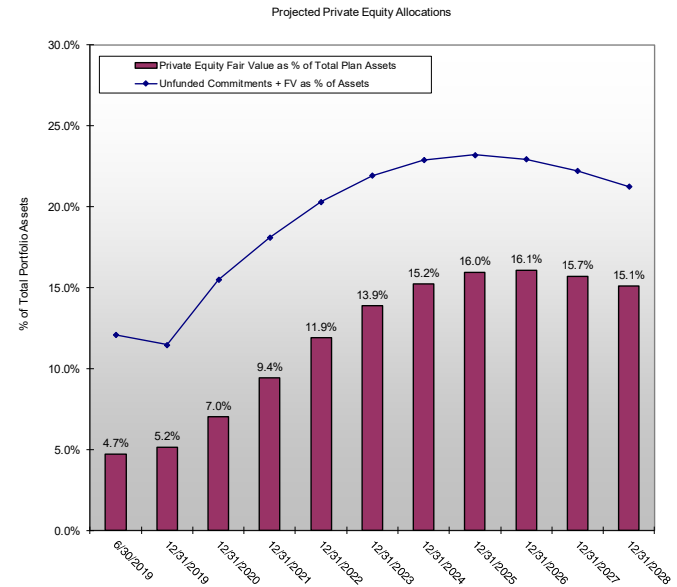
- Annual capital budget target of \$40 million, range of \$30-\$50 million
- Target 4-7 investments, range of \$5-\$15 million per inv; average size of \$8 million per

## Performance comparisons:

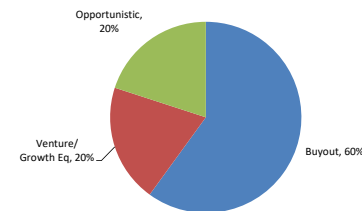
- *Long term investment objective:* Earn a return premium over public equity (Russell 3000 + 3%)
- *Recommended primary asset class benchmark:* Cambridge Associates Global Private Equity & VC Index
- *Recommended fund benchmarks:* Each fund will be compared to the Cambridge Associates strategy universe for the respective vintage years and each vintage year will be compared to Cambridge Associates Global Private Equity & VC Index

## MCERA CY 2020 commitments:

- Summit Ventures V – venture capital (VY 2020), \$6 mm
- Silver Point Spec Credit II – corporate debt (VY 2019), \$8 mm
- Thoma Bravo Discover III – tech buyout (VY 2020), \$8 mm
- Marlin Heritage Europe II – European control buyout (VY 2020), €7 mm
- Taconic Mkt Dislocation II– distressed (VY 2020), \$8 mm



## Target Strategy Diversification



	Target	Ranges
Buyout	60%	40-80%
Venture/Growth Eq	20%	10-30%
Opportunistic	20%	10-30%
	100%	

Note: MCERA’s existing private equity portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical category averages. Total fund growth of 5.5%.

# MCERA Private Equity Investment Structure & Portfolio Assessment

## Investment structure (15% fund target; 5.8% invested as of Mar 2020):

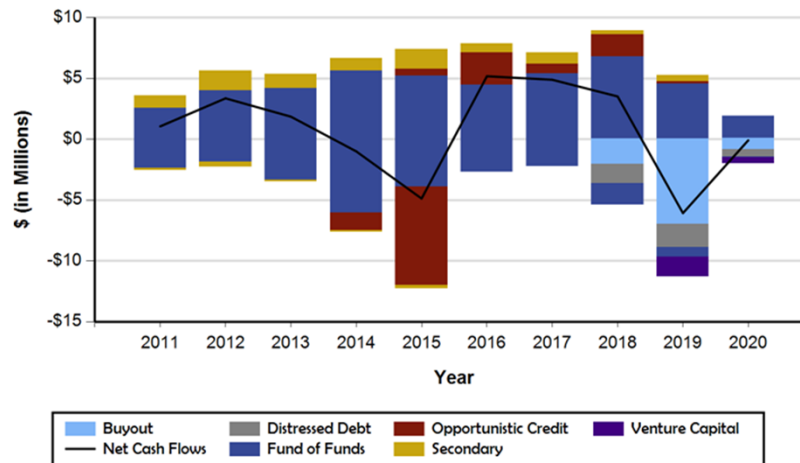
- Current portfolio is barbelled with half of commitments in 2007 & earlier FoFs and half in 2011 & later FoFs
  - Overall portfolio has not met performance expectations; 2011 & later portfolio is still in development with the funds in VY 2017-2020 in their investment period
  - Modest quarterly performance declines in valuation across older funds; contributions exceed distributions by \$5 million as the newer portfolios are being built
  - Portfolio is diversified by strategy but overall it is in a negative cash flow situation

### Annual Summary

(in thousands)

	Total Partnerships	Total Commitments	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain/ Loss	Net IRR	Benchmark
March 31, 2019	29	\$122,938	\$66,559	\$57,936	\$39,203	\$97,139	\$30,581	8.48%	10.88%
March 31, 2020	31	\$140,878	\$77,933	\$63,643	\$45,603	\$109,246	\$31,313	8.03%	10.75%
Annual Change	2	\$17,940	\$11,374	\$5,707	\$6,400	\$12,107	\$732		

Annual Cash Flow



Note: Net cash flow is the for the respective calendar year.

# MCERA Private Equity Performance – as of Mar 31, 2020

Partnership Name (\$'000)	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat.		(C)	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/ Loss	Net IRR	IRR Bench.	TVPI
				Cont.	% Drawn	Cumulat. Dist.						
<b>Vintage Year 2004</b>												
Invesco Partnership Fund IV, L.P.	Fund of Funds	10,000	2,417	7,898	76%	16,195	45	16,240	8,342	11.75%	7.36%	2.06
<b>Vintage Year 2004 Total</b>		<b>10,000</b>	<b>2,417</b>	<b>7,898</b>	<b>76%</b>	<b>16,195</b>	<b>45</b>	<b>16,240</b>	<b>8,342</b>	<b>11.75%</b>	<b>7.74%</b>	<b>2.06</b>
<b>Vintage Year 2005</b>												
ASP 2005 Non-US Fund	Fund of Funds	1,500	74	1,426	95%	1,670	260	1,930	504	4.66%	7.42%	1.35
ASP 2005 US Fund	Fund of Funds	3,500	177	3,323	95%	4,457	659	5,116	1,793	6.76%	7.42%	1.54
Pantheon Ventures Euro Fund IV	Fund of Funds	1,097	47	1,283	96%	1,584	78	1,663	379	4.58%	7.42%	1.30
Pantheon Ventures USA Fund VI	Fund of Funds	3,750	206	3,544	95%	4,946	436	5,382	1,838	6.53%	7.42%	1.52
<b>Vintage Year 2005 Total</b>		<b>9,847</b>	<b>504</b>	<b>9,576</b>	<b>95%</b>	<b>12,658</b>	<b>1,433</b>	<b>14,091</b>	<b>4,515</b>	<b>6.11%</b>	<b>7.43%</b>	<b>1.47</b>
<b>Vintage Year 2006</b>												
Pantheon Global Secondary Fund III "B"	Secondary	10,000	540	9,460	95%	9,860	671	10,531	1,071	1.93%	8.58%	1.11
<b>Vintage Year 2006 Total</b>		<b>10,000</b>	<b>540</b>	<b>9,460</b>	<b>95%</b>	<b>9,860</b>	<b>671</b>	<b>10,531</b>	<b>1,071</b>	<b>1.93%</b>	<b>6.82%</b>	<b>1.11</b>
<b>Vintage Year 2007</b>												
ASP 2007 Direct Fund	Fund of Funds	450	12	438	97%	778	237	1,015	577	11.75%	11.31%	2.32
ASP 2007 Non-US Fund	Fund of Funds	1,575	78	1,497	95%	1,663	605	2,268	771	7.25%	11.31%	1.51
ASP 2007 US Fund	Fund of Funds	2,475	115	2,360	95%	3,414	906	4,320	1,960	11.47%	11.31%	1.83
<b>Vintage Year 2007 Total</b>		<b>4,500</b>	<b>205</b>	<b>4,295</b>	<b>95%</b>	<b>5,856</b>	<b>1,747</b>	<b>7,603</b>	<b>3,308</b>	<b>10.17%</b>	<b>8.59%</b>	<b>1.77</b>
<b>Vintage Year 2011</b>												
ASP 2011 Direct Fund	Fund of Funds	500	43	457	91%	492	335	827	370	13.87%	15.21%	1.81
ASP 2011 Emerging Markets Fund	Fund of Funds	500	64	436	87%	178	586	764	328	11.88%	15.21%	1.75
ASP 2011 Non-US Developed Fund	Fund of Funds	1,500	322	1,178	79%	929	945	1,874	695	11.56%	15.21%	1.59
ASP 2011 US Fund	Fund of Funds	2,500	326	2,175	87%	1,707	1,943	3,649	1,475	12.91%	15.21%	1.68
Pantheon Asia Fund VI	Fund of Funds	1,000	104	897	90%	440	911	1,351	454	9.40%	15.21%	1.51
Pantheon Euro Fund VII	Fund of Funds	1,530	210	1,487	86%	1,101	1,075	2,176	690	8.87%	15.21%	1.46
Pantheon Ventures USA Fund IX	Fund of Funds	2,000	212	1,788	89%	1,490	1,555	3,045	1,257	12.52%	15.21%	1.70
<b>Vintage Year 2011 Total</b>		<b>9,530</b>	<b>1,281</b>	<b>8,417</b>	<b>87%</b>	<b>6,337</b>	<b>7,349</b>	<b>13,686</b>	<b>5,268</b>	<b>11.57%</b>	<b>11.73%</b>	<b>1.63</b>
<b>Vintage Year 2013</b>												
Invesco Partnership Fund VI, L.P.	Fund of Funds	5,000	1,548	3,958	69%	1,182	6,304	7,486	3,528	14.78%	15.73%	1.89
<b>Vintage Year 2013 Total</b>		<b>5,000</b>	<b>1,548</b>	<b>3,958</b>	<b>69%</b>	<b>1,182</b>	<b>6,304</b>	<b>7,486</b>	<b>3,528</b>	<b>14.78%</b>	<b>11.08%</b>	<b>1.89</b>
<b>Vintage Year 2014</b>												
Ocean Avenue Fund II	Fund of Funds	10,000	1,300	8,700	87%	5,347	9,224	14,571	5,871	15.16%	13.67%	1.67
Raven Asset-Based Opportunity Fund II	Opportunistic Credit	10,000	474	9,526	95%	6,017	3,181	9,198	-328	-1.12%	4.86%	0.97
<b>Vintage Year 2014 Total</b>		<b>20,000</b>	<b>1,774</b>	<b>18,226</b>	<b>91%</b>	<b>11,364</b>	<b>12,406</b>	<b>23,769</b>	<b>5,543</b>	<b>7.95%</b>	<b>12.77%</b>	<b>1.30</b>

Note: The benchmark represents the Cambridge Associates LLC median for the respective strategy and vintage year. At the vintage year level, the Cambridge Associates LLC Global Private Equity & VC<sup>®</sup> median is used for the respective vintage year.

# MCERA Private Equity Performance – as of Mar 31, 2020

Partnership Name (\$000)	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C)		(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/ Loss	IRR		
						Cumulat. Dist.	Dist.				Net IRR	Bench.	TVPI
<b>Vintage Year 2017</b>													
GTCR XII	Buyout	5,000	2,822	2,178	44%	98		2,118	2,216	39	1.97%	10.23%	1.02
<b>Vintage Year 2017 Total</b>		<b>5,000</b>	<b>2,822</b>	<b>2,178</b>	<b>44%</b>	<b>98</b>		<b>2,118</b>	<b>2,216</b>	<b>39</b>	<b>1.97%</b>	<b>8.27%</b>	<b>1.02</b>
<b>Vintage Year 2018</b>													
Carrick Capital Partners III, L.P.	Buyout	5,000	3,745	1,255	25%	0		1,302	1,302	46	N/M	N/M	1.04
Cressey & Company Fund VI LP	Buyout	5,000	3,750	1,250	25%	0		1,325	1,325	75	N/M	N/M	1.06
Davidson Kempner Long-Term Distressed Opportuni Distressed Debt		5,000	950	4,050	81%	0		3,912	3,912	-138	-3.08%	N/A	0.97
<b>Vintage Year 2018 Total</b>		<b>15,000</b>	<b>8,445</b>	<b>6,555</b>	<b>44%</b>	<b>0</b>		<b>6,538</b>	<b>6,538</b>	<b>-17</b>	<b>-0.23%</b>	<b>-1.08%</b>	<b>1.00</b>
<b>Vintage Year 2019</b>													
Accel-KKR Growth Capital Partners III	Buyout	5,000	4,107	893	18%	0		812	812	-81	N/M	N/M	0.91
Cortec Group Fund VII, L.P.	Buyout	10,000	7,711	2,289	23%	0		2,180	2,180	-108	N/M	N/M	0.95
Genstar Capital Partners IX, L.P.	Buyout	7,000	5,373	1,723	23%	96		1,574	1,670	-53	N/M	N/M	0.97
Summit Partners Growth Equity Fund X-A, L.P.	Buyout	8,000	7,740	260	3%	0		344	344	84	N/M	N/M	1.32
TCV X, L.P.	Venture Capital	5,000	3,186	1,815	36%	0		1,690	1,690	-124	N/M	N/M	0.93
<b>Vintage Year 2019 Total</b>		<b>35,000</b>	<b>28,117</b>	<b>6,979</b>	<b>20%</b>	<b>96</b>		<b>6,600</b>	<b>6,696</b>	<b>-283</b>	<b>N/M</b>	<b>N/M</b>	<b>N/A</b>
<b>Vintage Year 2020</b>													
Accel-KKR Capital Partners VI, LP	Buyout	8,000	8,000	0	0%	0		0	0	0	N/M	N/M	N/A
Spark Capital Growth Fund III, L.P.	Venture Capital	6,000	5,730	270	5%	0		270	270	0	N/M	N/M	N/A
Spark Capital VI, L.P.	Venture Capital	3,000	2,880	120	4%	0		120	120	0	N/M	N/M	N/A
<b>Vintage Year 2020 Total</b>		<b>17,000</b>	<b>16,610</b>	<b>390</b>	<b>2%</b>	<b>0</b>		<b>390</b>	<b>390</b>	<b>0</b>	<b>N/M</b>	<b>N/M</b>	<b>N/A</b>
<b>Total Portfolio:</b>		<b>140,878</b>	<b>64,264</b>	<b>77,933</b>	<b>54%</b>	<b>63,643</b>		<b>45,603</b>	<b>109,247</b>	<b>31,314</b>	<b>8.03%</b>	<b>10.75%</b>	<b>1.40</b>
<b>Portfolio Strategy Totals</b>													
Buyout		53,000	43,248	9,847	18%	193		9,655	9,849	1	0.02%		1.00
Distressed Debt		5,000	950	4,050	81%	0		3,912	3,912	-138	-3.08%		0.97
Fund of Funds		40,175	6,357	34,641	84%	40,007		21,644	61,652	27,011	10.98%		1.78
Non-US		8,703	899	8,204	90%	7,566		4,459	12,025	3,821	7.12%		1.47
Opportunistic Credit		10,000	474	9,526	95%	6,017		3,181	9,198	-328	-1.12%		0.97
Secondary		10,000	540	9,460	95%	9,860		671	10,531	1,071	1.93%		1.11
Venture Capital		0	11,796	2,205	#DIV/0!	0		2,080	2,080	-124	N/M		N/A
<b>Total Portfolio:</b>		<b>126,878</b>	<b>64,264</b>	<b>77,933</b>	<b>49%</b>	<b>63,643</b>		<b>45,603</b>	<b>109,247</b>	<b>31,314</b>	<b>8.03%</b>	<b>10.75%</b>	<b>1.40</b>

Note: The benchmark represents the Cambridge Associates LLC median for the respective strategy and vintage year. At the vintage year level, the Cambridge Associates LLC Global Private Equity & VC<sup>®</sup> median is used for the respective vintage year.

# MCERA Real Estate Capital Budget & Implementation Plan

## 8% fund level target

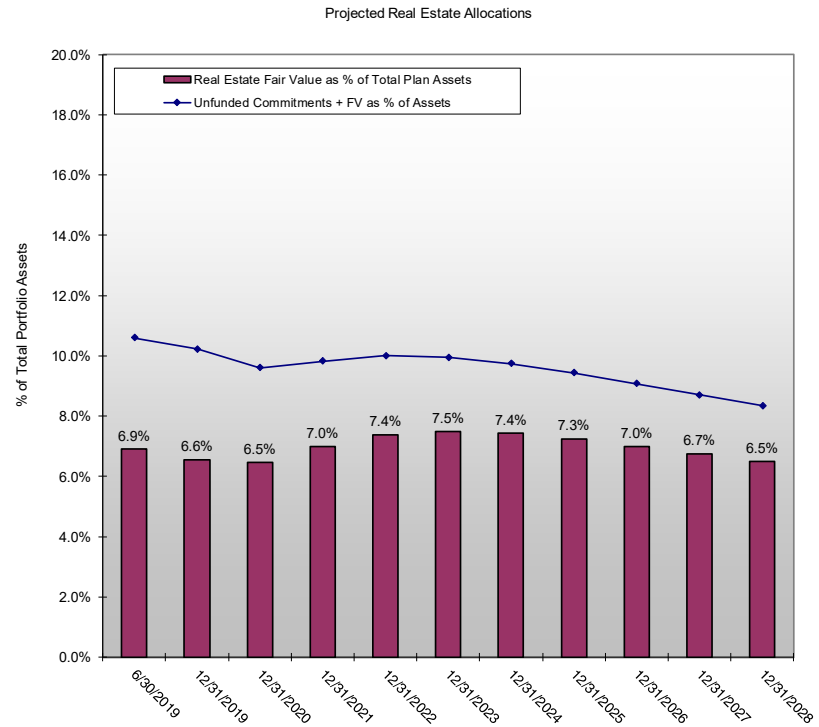
- Annual capital budget target of \$15 million, range of \$10-\$25 million
- Target 2-4 investments, range of \$4-\$7 million per inv
  - Average investment size of \$5 million
  - If an average of 2-4 GP partnership commitments per year, expect a total of 8-16 GP relationships over a 4 year fund raising cycle
- Retain core real estate exposure but lower it to 25% of the portfolio due to current valuations; use REITS as a substitute until funding private real estate investments is needed

## Performance comparisons:

- *Long term investment objective:* Earn a return premium over inflation (CPI-U + 5%)
- *Recommended primary asset class benchmark:* NCREIF NFI-ODCE; revisit over time as the structure of the portfolio changes
- *Recommended fund benchmarks:* Cambridge Associates strategy universe for the respective vintage years and each vintage year will be compared to Cambridge Associates Global Real Estate Index

## MCERA CY 2020 commitments (\$7 mm):

- Cerberus RE Debt – commercial RE debt (VY 2020)



Note: MCERA’s existing real estate portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical averages. Total fund growth rate of 5.5%.

# MCERA Real Estate Investment Structure & Portfolio Assessment

## Real estate investment structure (8% target, 6.9% actual as of Mar 2020)

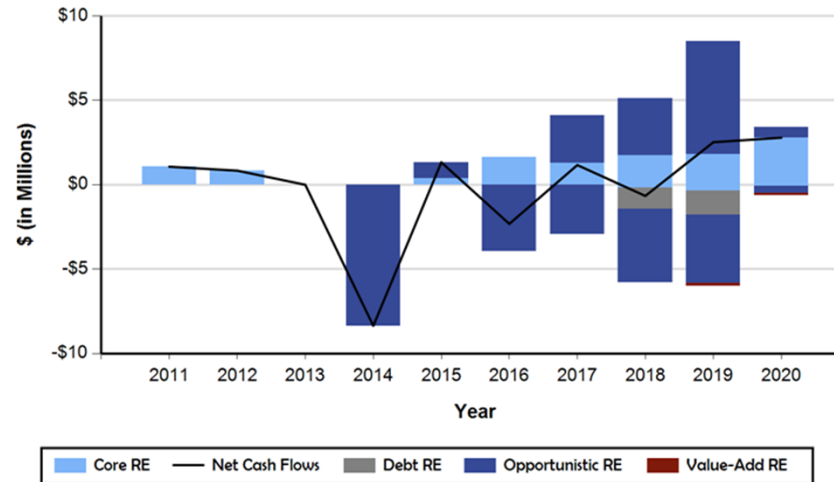
- MCERA invested in 1999 in a private core real estate fund; direct program began in 2014
- Distributions exceed contributions by \$4 million over the past year as overall RE activity has declined

### Annual Summary

(in thousands)

	Total Partnerships	Total Commitments	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain/ Loss	Net IRR	Benchmark
March 31, 2019	8	\$68,354	\$38,110	\$30,018	\$62,085	\$92,103	\$54,001	9.23%	8.95%
March 31, 2020	8	\$68,055	\$43,814	\$39,693	\$57,595	\$97,288	\$53,473	8.81%	8.78%
Annual Change	0	-\$299	\$5,704	\$9,675	-\$4,490	\$5,185	-\$528		

Annual Cash Flow



Note: Net cash flow is the for the respective calendar year.

## MCERA Real Estate Performance – as of Mar 31, 2020

### Real Estate Portfolio

- MCERA began investing in the UBS Trumbull core real estate fund in 1999 and this represents the bulk of the real estate portfolio
  - Opportunistic funds began being added in 2014 and they are in the early stages of development with the VY 2016 fund now out of its “j-curve”
  - Modest losses across older funds offset by gains in Carlyle and Taconic
- Overall performance has met objectives, driven by the core RE fund; opportunistic fund performance is not meaningful

Partnership Name (\$000)	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C)		(C+D) Total Value	(C+D-B) Gain/ Loss	Net IRR	IRR Bench.	TVPI
						Cumulat. Dist.	(D) Fair Value					
<b>Vintage Year 1999</b>												
UBS Trumbull Property Fund	Core RE	17,000	0	17,634	100%	26,047	37,999	64,046	46,412	8.71%	10.20%	3.63
<b>Vintage Year 1999 Total</b>		<b>17,000</b>	<b>0</b>	<b>17,634</b>	<b>100%</b>	<b>26,047</b>	<b>37,999</b>	<b>64,046</b>	<b>46,412</b>	<b>8.71%</b>	<b>12.95%</b>	<b>3.63</b>
<b>Vintage Year 2014</b>												
Greenfield Acquisition Partners VII, L.P.	Opportunistic RE	13,000	1,876	12,662	86%	10,341	8,845	19,187	6,525	12.51%	12.00%	1.52
<b>Vintage Year 2014 Total</b>		<b>13,000</b>	<b>1,876</b>	<b>12,662</b>	<b>86%</b>	<b>10,341</b>	<b>8,845</b>	<b>19,187</b>	<b>6,525</b>	<b>12.51%</b>	<b>10.98%</b>	<b>1.52</b>
<b>Vintage Year 2016</b>												
Patron Capital Fund V	Opportunistic RE	13,055	5,210	8,220	60%	3,221	5,178	8,399	179	1.40%	8.81%	1.02
<b>Vintage Year 2016 Total</b>		<b>13,055</b>	<b>5,210</b>	<b>8,220</b>	<b>60%</b>	<b>3,221</b>	<b>5,178</b>	<b>8,399</b>	<b>179</b>	<b>1.40%</b>	<b>8.97%</b>	<b>1.02</b>
<b>Vintage Year 2017</b>												
Carlyle Realty Partners VIII, L.P.	Opportunistic RE	5,000	3,800	1,283	24%	83	1,401	1,484	201	17.04%	2.97%	1.16
<b>Vintage Year 2017 Total</b>		<b>5,000</b>	<b>3,800</b>	<b>1,283</b>	<b>24%</b>	<b>83</b>	<b>1,401</b>	<b>1,484</b>	<b>201</b>	<b>17.04%</b>	<b>7.78%</b>	<b>1.16</b>
<b>Vintage Year 2018</b>												
Taconic CRE Dislocation Fund II	Debt RE	5,000	2,350	2,665	53%	0	3,007	3,007	342	N/M	N/M	1.13
AG Realty Value Fund X, L.P.	Opportunistic RE	5,000	3,950	1,037	21%	0	959	959	-77	N/M	N/M	0.93
<b>Vintage Year 2018 Total</b>		<b>10,000</b>	<b>6,300</b>	<b>3,702</b>	<b>37%</b>	<b>0</b>	<b>3,966</b>	<b>3,966</b>	<b>264</b>	<b>N/M</b>	<b>N/M</b>	<b>1.07</b>
<b>Vintage Year 2019</b>												
Rockpoint Real Estate Fund VI, L.P.	Opportunistic RE	5,000	5,000	0	0%	0	-7	-7	-7	N/M	N/M	0.00
Carmel Partners Investment Fund VII, L.P Value-Add RE		5,000	4,687	313	6%	0	212	212	-101	N/M	N/M	0.68
<b>Vintage Year 2019 Total</b>		<b>10,000</b>	<b>9,687</b>	<b>313</b>	<b>3%</b>	<b>0</b>	<b>206</b>	<b>206</b>	<b>-107</b>	<b>N/M</b>	<b>N/M</b>	<b>0.66</b>
<b>Total Portfolio:</b>		<b>68,055</b>	<b>26,873</b>	<b>43,814</b>	<b>61%</b>	<b>39,693</b>	<b>57,595</b>	<b>97,288</b>	<b>53,473</b>	<b>8.81%</b>	<b>8.78%</b>	<b>2.22</b>

Note: The benchmark at the total portfolio level is NCREIF NFI-ODCE . Private real estate benchmark at the fund level is the Cambridge Value Add or Opportunistic RE Indices while the Cambridge Global Real Estate Index at the vintage year level.



# MCERA Real Asset Capital Budget & Implementation Plan

## 5% fund level target

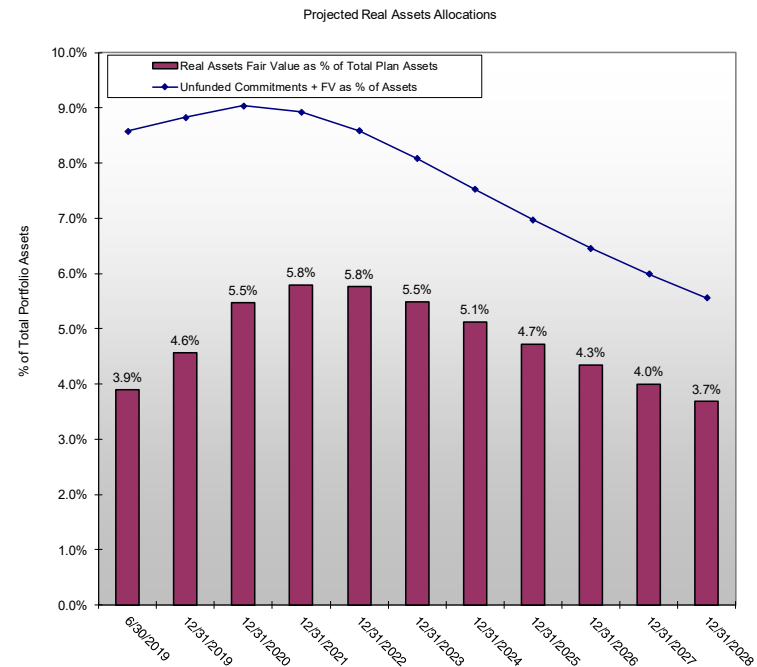
- Annual capital budget target of \$10 million, range of \$5-\$15 million
- Target 2-4 investments, range of \$3-\$7 million per inv
  - Average investment size of \$5 million
  - If an average of 2-4 GP partnership commitments per year, expect a total of 8-16 GP relationships over a 4 year fund raising cycle
- Portfolio targeted to be equally split between infrastructure and energy/natural resource funds

## Performance comparisons:

- *Long term investment objective:* Earn a return premium over inflation (CPI-U + 5%)
- *Recommended primary asset class benchmark:* 50/50 Cambridge Global Infrastructure/Cambridge Energy Upstream & Royalties and Private Energy Index
- *Recommended fund benchmarks:* Each fund will be compared to the Cambridge Associates strategy universe for the respective vintage years and each vintage year will be compared to the 50/50 index

## MCERA CY 2020 commitments (\$5 mm):

- None



Note: MCERA’s existing real asset portfolio was modeled using vintage year drawdown/return of capital assumptions patterned after historical category averages. Total fund growth rate of 5.5%.

# MCERA Real Assets Investment Structure & Portfolio Assessment

## Real assets investment structure (5% target, 6.3% actual as of Mar 2020)

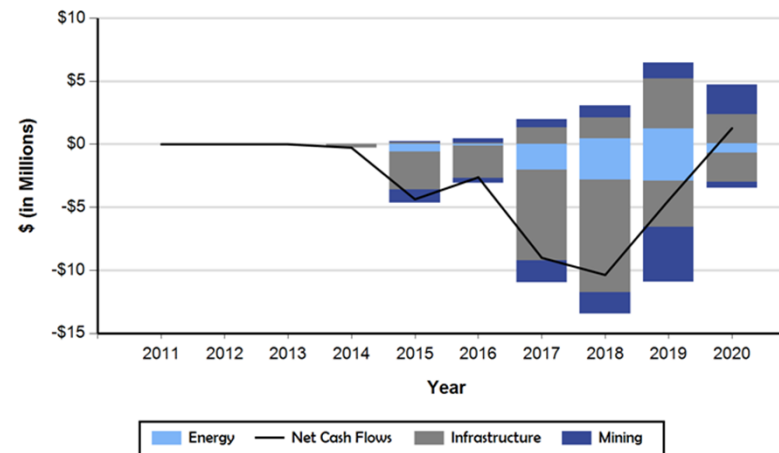
- Program is designed to be equally divided between private infrastructure and natural resource funds along with a public real asset component
- Private fund commitments began in 2014 to infrastructure and 2015 to natural resources
- The overall portfolio is immature with the funds in the early stage of development
  - Contributions exceed distributions by \$2 mm as the newer funds are being built out

### Annual Summary

(in thousands)

	Total Partnerships	Total Commitments	(A) Contributions	(B) Distributions	(C) Fair Value	(B+C) Total Value	(B+C-A) Gain/ Loss	Net IRR	Benchmark
March 31, 2019	12	\$65,500	\$33,931	\$6,359	\$33,928	\$40,288	\$6,357	12.77%	0.65%
March 31, 2020	12	\$70,316	\$46,737	\$16,958	\$37,582	\$54,541	\$7,804	9.55%	-6.69%
Annual Change	0	\$4,816	\$12,806	\$10,599	\$3,654	\$14,253	\$1,447		

Annual Cash Flow



Note: Net cash flow is the for the respective calendar year.

## MCERA Real Assets Performance – as of Mar 31, 2020

### Real Asset Portfolio

- MCERA began allocating to real assets in 2014 via direct fund commitments
- Portfolio is in its early stages of development so performance is not meaningful; the quarterly gains in infrastructure funds offset many of the losses in the energy funds; the VY 2017-19 funds are being built out

Partnership Name (\$000)	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C)		(C+D) Total Value	(C+D-B) Gain/ Loss	Net IRR	IRR Bench.	TVPI
						Cumulat. Dist.	(D) Fair Value					
<b>Vintage Year 2014</b>												
KKR Global Infrastructure II	Infrastructure	10,000	448	10,789	96%	2,950	12,666	15,617	4,828	15.56%	7.63%	1.45
<b>Vintage Year 2014 Total</b>		<b>10,000</b>	<b>448</b>	<b>10,789</b>	<b>96%</b>	<b>2,950</b>	<b>12,666</b>	<b>15,617</b>	<b>4,828</b>	<b>15.56%</b>		<b>1.45</b>
<b>Vintage Year 2015</b>												
GSO Energy Select Opportunities Fund	Energy	7,500	3,486	4,470	54%	1,638	2,535	4,172	-298	-3.08%	0.42%	0.93
North Haven Infrastructure Partners II LP	Infrastructure	10,000	1,423	11,095	86%	6,085	7,591	13,676	2,581	11.10%	6.60%	1.23
Taurus Mining Finance Fund	Mining	5,000	701	5,176	86%	3,112	2,713	5,824	648	8.78%	N/A	1.13
<b>Vintage Year 2015 Total</b>		<b>22,500</b>	<b>5,610</b>	<b>20,741</b>	<b>75%</b>	<b>10,835</b>	<b>12,838</b>	<b>23,673</b>	<b>2,932</b>	<b>7.29%</b>		<b>1.14</b>
<b>Vintage Year 2016</b>												
Taurus Mining Finance Annex Fund	Mining	5,000	1,157	4,450	77%	2,614	2,811	5,426	976	23.02%	N/A	1.22
<b>Vintage Year 2016 Total</b>		<b>5,000</b>	<b>1,157</b>	<b>4,450</b>	<b>77%</b>	<b>2,614</b>	<b>2,811</b>	<b>5,426</b>	<b>976</b>	<b>23.02%</b>		<b>1.22</b>
<b>Vintage Year 2017</b>												
EnCap Energy Capital Fund XI, L.P.	Energy	5,000	3,522	1,478	30%	0	879	879	-598	-40.63%	-13.97%	0.60
ISQ Global Infrastructure Fund II	Infrastructure	5,000	2,002	3,368	60%	371	3,298	3,669	301	13.44%	N/A	1.09
<b>Vintage Year 2017 Total</b>		<b>10,000</b>	<b>5,524</b>	<b>4,846</b>	<b>45%</b>	<b>371</b>	<b>4,177</b>	<b>4,548</b>	<b>-297</b>	<b>-7.84%</b>		<b>0.94</b>
<b>Vintage Year 2018</b>												
Ardian Infrastructure Fund V	Infrastructure	4,816	3,858	943	20%	14	879	893	-49	N/M	N/M	N/A
EnCap Flatrock Midstream IV, L.P.	Energy	3,000	1,982	1,096	34%	78	1,071	1,150	54	3.71%	-3.84%	1.05
KKR Global Infrastructure Investors III	Infrastructure	5,000	3,178	1,843	36%	37	1,692	1,729	-115	N/M	N/M	N/A
<b>Vintage Year 2018 Total</b>		<b>12,816</b>	<b>9,018</b>	<b>3,882</b>	<b>30%</b>	<b>130</b>	<b>3,642</b>	<b>3,772</b>	<b>-110</b>	<b>-4.11%</b>		<b>0.97</b>
<b>Vintage Year 2019</b>												
Global Energy & Power Infrastructure Fund III	Energy	5,000	3,889	1,110	22%	58	874	932	-177	N/M	N/M	0.84
Tailwater Energy Fund IV, LP	Energy	5,000	4,078	921	18%	0	573	573	-348	N/M	N/M	0.62
<b>Vintage Year 2019 Total</b>		<b>10,000</b>	<b>7,967</b>	<b>2,030</b>	<b>20%</b>	<b>58</b>	<b>1,447</b>	<b>1,506</b>	<b>-525</b>	<b>N/M</b>		<b>0.74</b>
<b>Total Portfolio:</b>		<b>70,316</b>	<b>29,723</b>	<b>46,737</b>	<b>58%</b>	<b>16,958</b>	<b>37,582</b>	<b>54,541</b>	<b>7,804</b>	<b>9.55%</b>	<b>-6.69%</b>	<b>1.17</b>
<b>Portfolio Strategy Totals</b>												
Energy		20,500	13,068	7,964	36%	1,716	5,059	6,774	-1,189	-9.58%		0.85
Infrastructure		25,000	5,049	23,727	80%	9,073	21,949	31,021	7,294	13.22%		1.31
Non-US		24,816	11,606	15,046	53%	6,170	10,575	16,745	1,699	11.73%		1.11
<b>Total Portfolio:</b>		<b>70,316</b>	<b>29,723</b>	<b>46,737</b>	<b>58%</b>	<b>16,958</b>	<b>37,582</b>	<b>54,541</b>	<b>7,804</b>	<b>9.55%</b>	<b>-6.69%</b>	<b>1.17</b>

Note: Benchmark is 50% S&P Natural Resources and 50% S&P Infrastructure. Benchmarks for individual funds are the respective Cambridge strategy benchmark.

# MCERA Hedge Fund Performance – as of Aug 31, 2020

Fund	Market Value	Actual %	Aug	QTD	YTD	Returns 1 Year	3 Year	5 Year	Incep	Std Dev	Sharpe Ratio	Incep Date
<b>Market Neutral</b>												
KLS Diversified Fund LP	7,872,307	8.4%	0.81%	2.02%	-13.40%	-13.79%	-	-	-4.11%	11.81%	-0.45	Oct-17
Laurion Capital, Ltd.	10,860,500	11.5%	-0.78%	-0.22%	23.44%	23.93%	-	-	13.63%	7.85%	1.42	Jul-18
Market Neutral - HF Total	18,732,807	19.9%	-0.12%	0.70%	0.52%	0.38%	-	-	2.41%	5.81%	0.11	Oct-17
HFRI Relative Value (Total) Index			1.49%	3.26%	-1.53%	0.71%	-	-	2.16%	6.87%	0.07	Oct-17
<b>Credit/Distressed</b>												
Silver Point Capital Fund, L.P.	12,679,047	13.5%	3.10%	3.71%	2.72%	5.81%	-	-	2.19%	8.05%	0.07	Dec-17
Credit/Distressed - HF Total	12,679,047	13.5%	3.10%	3.71%	2.72%	5.81%	-	-	2.19%	8.05%	0.07	Dec-17
HFRI ED: Distressed/Restructuring Index			1.04%	1.55%	-1.63%	-1.73%	-	-	0.32%	8.48%	-0.14	Dec-17
<b>Event Driven</b>												
Taconic Opportunity Fund L.P.	12,156,030	12.9%	0.97%	1.31%	-3.54%	-2.56%	-	-	0.36%	7.39%	-0.15	Dec-18
Event Driven - HF Total	12,156,030	12.9%	0.97%	1.31%	-3.54%	-2.56%	-	-	0.36%	7.39%	-0.15	Dec-18
HFRI Event-Driven (Total) Index			2.58%	3.90%	-2.54%	0.42%	-	-	1.32%	11.71%	0.02	Dec-18
<b>Equity Long/Short</b>												
Archipelago Partners, L.P.	12,858,269	13.7%	2.22%	4.86%	3.12%	7.63%	5.80%	-	5.80%	8.50%	0.48	Sep-17
Marshall Wace Funds LP - MW Eureka (US) Fund	3,538,764	3.8%	1.38%	4.79%	4.23%	7.07%	-	-	6.19%	6.31%	0.67	Dec-17
Marshall Wace Funds LP - MW Global Opportunities (US) Fu	9,541,293	10.1%	3.38%	4.76%	-	-	-	-	6.01%	5.33%	-	Apr-20
Equity Long/Short - HF Total	25,938,326	27.6%	2.53%	4.81%	1.85%	5.94%	5.54%	-	5.54%	7.53%	0.50	Sep-17
HFRI Equity Hedge (Total) Index			4.25%	8.32%	4.63%	10.62%	5.01%	-	5.01%	10.85%	0.33	Sep-17
<b>Global Macro-Discretionary</b>												
Graham Absolute Return Trading Ltd.	7,301,977	7.8%	1.86%	5.93%	-4.07%	-3.07%	1.48%	-	1.48%	10.08%	0.01	Sep-17
Global Macro-Discretionary - HF Total	7,301,977	7.8%	1.86%	5.93%	-4.07%	-3.07%	1.48%	-	1.48%	10.08%	0.01	Sep-17
HFRI Macro (Total) Index			0.11%	2.96%	2.28%	0.21%	1.98%	-	1.98%	4.65%	0.04	Sep-17
<b>Global Macro-Systematic</b>												
Winton Fund Limited	5,023,124	5.3%	-3.13%	-3.10%	-19.42%	-22.06%	-	-	-5.76%	8.83%	-0.85	Nov-17
Global Macro-Systematic - HF Total	5,023,124	5.3%	-3.13%	-3.10%	-19.42%	-22.06%	-	-	-5.76%	8.83%	-0.85	Nov-17
HFRI Macro (Total) Index			0.11%	2.96%	2.28%	0.21%	-	-	1.71%	4.62%	-0.02	Nov-17
<b>Multi-Strategy</b>												
Sculptor Domestic Partners II, L.P.	12,199,692	13.0%	4.22%	5.62%	12.15%	17.84%	9.26%	8.22%	7.63%	7.19%	0.89	Jul-14
Multi-Strategy - HF Total	12,199,692	13.0%	4.22%	5.62%	12.15%	17.84%	9.26%	8.22%	7.63%	7.19%	0.89	Jul-14
HFRI Relative Value (Total) Index			1.49%	3.26%	-1.53%	0.71%	2.25%	3.30%	2.72%	5.10%	0.31	Jul-14
MCERA Hedge Fund Portfolio	94,031,004	100.0%	1.71%	3.10%	0.05%	1.95%	3.13%	3.38%	3.50%	5.43%	0.43	Jul-14
<b>Benchmarks</b>												
HFRI Fund of Funds Composite Index			2.06%	4.43%	2.78%	5.48%	3.11%	2.75%	2.57%	5.15%	0.28	Jul-14
<b>Market Indices</b>												
Libor3Month			0.02%	0.04%	0.53%	1.18%	1.89%	1.47%	1.24%	0.25%	-	Jul-14
Bloomberg Barclays US Aggregate Bond Index			-0.81%	0.67%	6.85%	6.48%	5.10%	4.34%	3.90%	3.13%	0.85	Jul-14
Bloomberg Barclays US High Yield Bond Index			0.95%	5.68%	1.67%	4.70%	4.87%	6.45%	4.74%	7.58%	0.49	Jul-14
S&P 500 TR			7.19%	13.23%	9.74%	21.94%	14.52%	14.46%	12.12%	14.11%	0.80	Jul-14
MSCI AC World Index Free - Net			6.12%	11.73%	4.75%	16.52%	8.99%	10.21%	7.24%	13.83%	0.49	Jul-14

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