



INVESTMENT ADVISORY SERVICES

Los Angeles • New York

Alternative Investment Performance  
Merced County Employees' Retirement Association

March 22, 2018

# MCERA Private Equity Capital Budget & Proposed Implementation Plan

## 9% fund level target

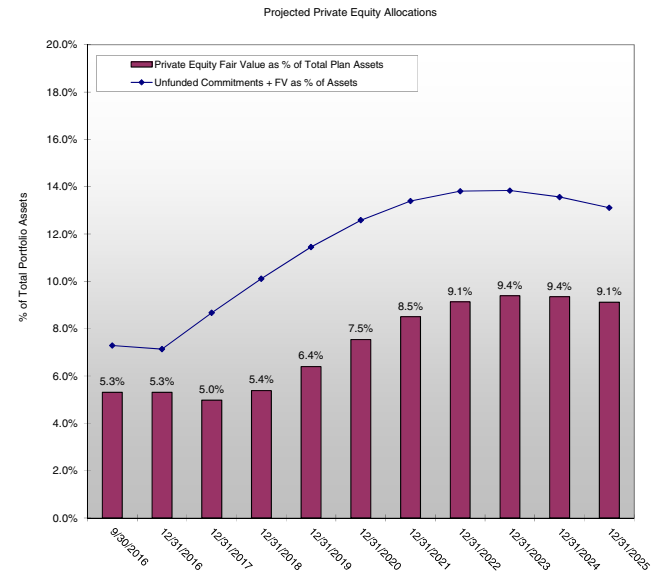
- Annual capital budget target of \$20 million, range of \$10-\$30 million
- Target 3-6 investments, range of \$3-\$10 million per inv; average size of \$5 million per

## Performance comparisons:

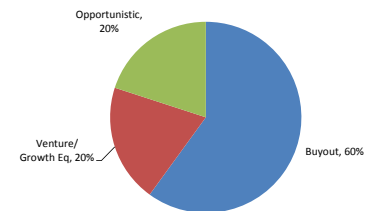
- *Long term investment objective:* Earn a return premium over public equity (Russell 3000 + 3%)
- *Recommended primary asset class benchmark:* Cambridge Associates Global Private Equity & VC Index
- *Recommended fund benchmarks:* Each fund will be compared to the Cambridge Associates strategy universe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

## MCERA CY 2017 commitments (\$5 mm each):

- DK Long Term Opps IV – a distressed credit fund (VY 2018)
- GTCR XII – a mid-market buyout fund (VY 2017)
- Carrick III – a mid-market buyout fund (VY 2018)



## 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 (9% fund target; 4.4% invested as of Dec 2017):

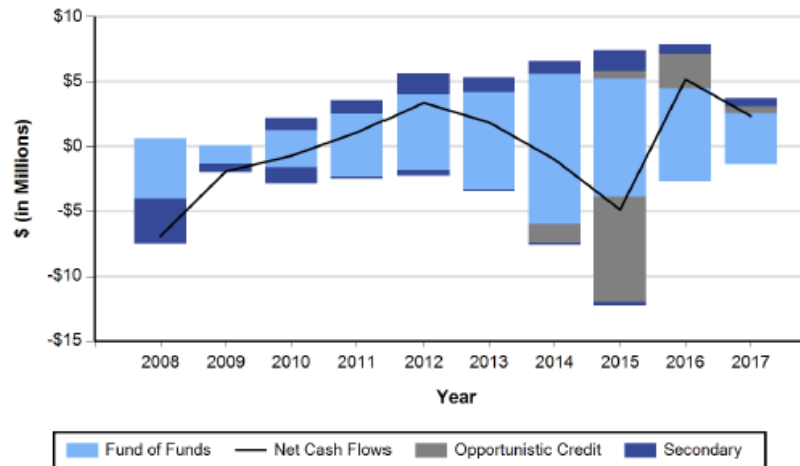
- Current portfolio is barbelled with half of commitments in 2007 & earlier FoFs and half in 2011 & later FoFs
  - Overall portfolio has not met performance expectations; 2011 & later portfolio is still in development
  - Quarterly performance improvement due to VY 2011 & 2013 FoFs
  - Portfolio is diversified by strategy but overall it is in a negative cash flow situation

### Quarterly 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
June 30, 2017	19	\$68,985	\$57,771	\$42,806	\$36,387	\$79,193	\$21,421	7.64%	10.24%
September 30, 2017	21	\$79,081	\$58,141	\$44,106	\$36,927	\$81,033	\$22,891	7.83%	10.40%
Quarterly Change	2	\$10,096	\$370	\$1,300	\$540	\$1,840	\$1,470		

Annual Cash Flow



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

# MCERA Private Equity Performance – as of Sep 30, 2017

Partnership Name (\$000)	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/ Loss	Net IRR	IRR Bench.	TVPI	TVPI Bench.
<b>Vintage Year 2004</b>													
Invesco Partnership Fund IV, L.P.	Fund of Funds	10,000	2,417	7,898	76%	13,217	2,438	15,655	7,757	11.51%	7.32%	1.98	1.53
<b>Vintage Year 2004 Total</b>		<b>10,000</b>	<b>2,417</b>	<b>7,898</b>	<b>76%</b>	<b>13,217</b>	<b>2,438</b>	<b>15,655</b>	<b>7,757</b>	<b>11.51%</b>	<b>7.86%</b>	<b>1.98</b>	<b>1.48</b>
<b>Vintage Year 2005</b>													
ASP 2005 Non-US Fund	Fund of Funds	1,500	74	1,426	95%	1,470	471	1,940	515	5.01%	5.47%	1.36	1.38
ASP 2005 US Fund	Fund of Funds	3,500	177	3,323	95%	3,767	1,218	4,985	1,662	6.79%	7.78%	1.50	1.58
Pantheon Ventures Euro Fund IV	Fund of Funds	1,182	56	1,126	95%	1,320	266	1,586	460	4.73%	5.47%	1.41	1.38
Pantheon Ventures USA Fund VI	Fund of Funds	3,750	206	3,544	95%	4,048	1,392	5,440	1,896	6.99%	7.78%	1.54	1.58
<b>Vintage Year 2005 Total</b>		<b>9,932</b>	<b>514</b>	<b>9,418</b>	<b>95%</b>	<b>10,605</b>	<b>3,347</b>	<b>13,952</b>	<b>4,533</b>	<b>6.54%</b>	<b>7.37%</b>	<b>1.48</b>	<b>1.46</b>
<b>Vintage Year 2006</b>													
Pantheon Global Secondary Fund III "B"	Secondary	10,000	540	9,460	95%	8,830	1,674	10,504	1,044	1.98%	8.40%	1.11	1.40
<b>Vintage Year 2006 Total</b>		<b>10,000</b>	<b>540</b>	<b>9,460</b>	<b>95%</b>	<b>8,830</b>	<b>1,674</b>	<b>10,504</b>	<b>1,044</b>	<b>1.98%</b>	<b>7.21%</b>	<b>1.11</b>	<b>1.47</b>
<b>Vintage Year 2007</b>													
ASP 2007 Direct Fund	Fund of Funds	450	16	434	97%	602	295	897	462	11.23%	11.04%	2.06	1.72
ASP 2007 Non-US Fund	Fund of Funds	1,575	78	1,497	95%	1,182	1,002	2,184	687	7.64%	6.98%	1.46	1.42
ASP 2007 US Fund	Fund of Funds	2,475	115	2,360	95%	2,415	1,602	4,017	1,657	11.61%	11.04%	1.70	1.72
<b>Vintage Year 2007 Total</b>		<b>4,500</b>	<b>209</b>	<b>4,291</b>	<b>95%</b>	<b>4,200</b>	<b>2,898</b>	<b>7,098</b>	<b>2,807</b>	<b>10.28%</b>	<b>9.07%</b>	<b>1.65</b>	<b>1.54</b>
<b>Vintage Year 2011</b>													
ASP 2011 Direct Fund	Fund of Funds	500	50	450	90%	345	467	812	362	17.56%	14.31%	1.81	1.47
ASP 2011 Emerging Markets Fund	Fund of Funds	500	109	391	78%	78	480	559	167	11.45%	11.33%	1.43	1.43
ASP 2011 Non-US Developed Fund	Fund of Funds	1,500	350	1,151	77%	455	1,112	1,567	417	11.58%	11.33%	1.36	1.43
ASP 2011 US Fund	Fund of Funds	2,500	510	1,991	80%	695	2,133	2,828	838	13.16%	14.31%	1.42	1.47
Pantheon Asia Fund VI	Fund of Funds	1,000	293	708	71%	124	935	1,059	350	12.08%	11.33%	1.49	1.43
Pantheon Euro Fund VII	Fund of Funds	1,649	440	1,209	73%	338	1,356	1,695	486	8.53%	11.33%	1.40	1.43
Pantheon Ventures USA Fund IX	Fund of Funds	2,000	526	1,474	74%	280	1,825	2,105	631	11.21%	14.31%	1.43	1.47
<b>Vintage Year 2011 Total</b>		<b>9,649</b>	<b>2,278</b>	<b>7,373</b>	<b>76%</b>	<b>2,316</b>	<b>8,309</b>	<b>10,624</b>	<b>3,251</b>	<b>12.32%</b>	<b>12.49%</b>	<b>1.44</b>	<b>1.47</b>
<b>Vintage Year 2013</b>													
Invesco Partnership Fund VI, L.P.	Fund of Funds	5,000	1,833	3,674	63%	526	5,539	6,065	2,391	20.42%	11.29%	1.65	1.23
<b>Vintage Year 2013 Total</b>		<b>5,000</b>	<b>1,833</b>	<b>3,674</b>	<b>63%</b>	<b>526</b>	<b>5,539</b>	<b>6,065</b>	<b>2,391</b>	<b>20.42%</b>	<b>11.19%</b>	<b>1.65</b>	<b>1.28</b>
<b>Vintage Year 2014</b>													
Ocean Avenue Fund II	Fund of Funds	10,000	3,500	6,500	65%	697	7,875	8,572	2,072	12.49%	8.43%	1.32	1.15
Raven Asset-Based Opportunity Fund II	Opportunistic Cr	10,000	474	9,526	95%	3,716	4,846	8,563	-963	-5.32%	8.50%	0.90	1.14
<b>Vintage Year 2014 Total</b>		<b>20,000</b>	<b>3,974</b>	<b>16,026</b>	<b>80%</b>	<b>4,413</b>	<b>12,721</b>	<b>17,134</b>	<b>1,108</b>	<b>3.18%</b>	<b>12.11%</b>	<b>1.07</b>	<b>1.24</b>
<b>Vintage Year 2017</b>													
GTCR XII	Buyout	5,000	5,000	0	0%	0	0	0	0	N/M	N/M	N/A	N/A
Davidson Kempner Long-Term Distressed Opportunit Distressed Debt		5,000	5,000	0	0%	0	0	0	0	N/M	N/M	N/A	N/A
<b>Vintage Year 2017 Total</b>		<b>10,000</b>	<b>10,000</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/M</b>	<b>N/M</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Portfolio:</b>		<b>79,081</b>	<b>21,764</b>	<b>58,141</b>	<b>72%</b>	<b>44,106</b>	<b>36,927</b>	<b>81,033</b>	<b>22,891</b>	<b>7.83%</b>	<b>10.40%</b>	<b>1.39</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 & Proposed Implementation Plan

## 8% fund level target

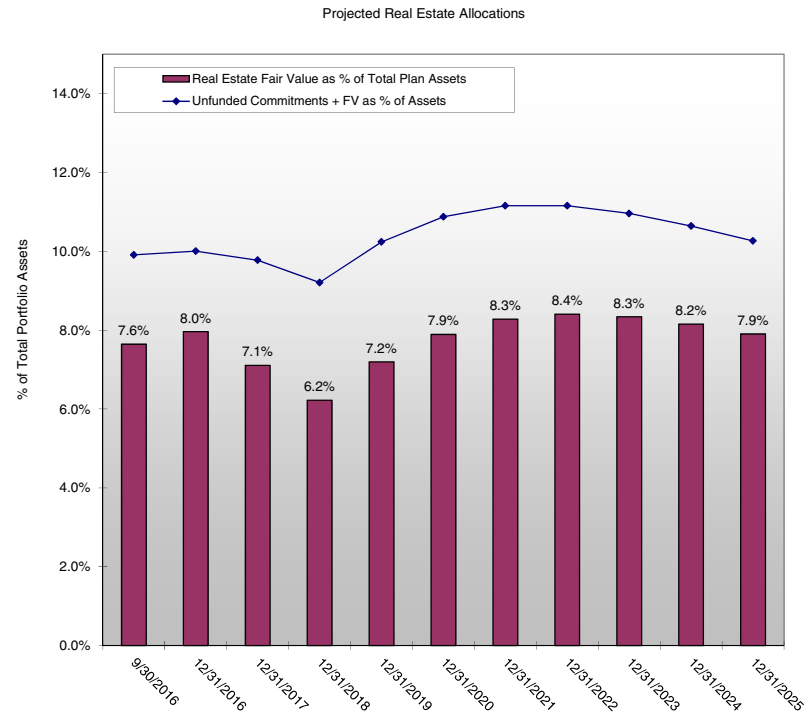
- Annual capital budget target of \$15 million, range of \$5-\$25 million
- Target 2-4 investments, range of \$4-\$7 million per inv
  - Average investment size of \$5 million
  - If an average of 2-4 GP partnership commitments per year, expect a total of 8-16 GP relationships over a 4 year fund raising cycle
- Retain core real estate exposure but lower it to 25% of the portfolio due to current valuations; use it as a source of funding and substitute for private real estate investments (long term target of 75%)

## 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:* 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 Real Estate Index

## MCERA CY 2017 commitments (\$5 mm):

- *Carlyle RE VIII* – an opportunistic RE fund (VY 2017)



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, 7.0% actual as of Dec 2017)

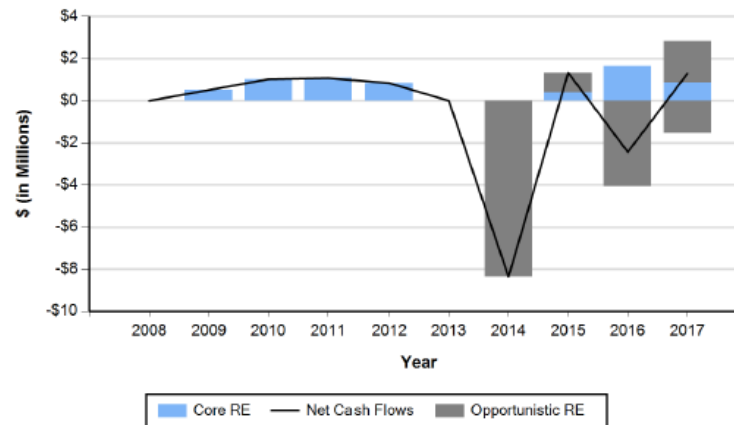
- MCERA invested in 1999 in a private core real estate fund; gains have been re-invested in the fund
- REITs were introduced in 2014 as were direct investment in opportunistic real estate funds; liquidated in 2017 with assets transferred to a SSgA real assets fund

### Quarterly 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
June 30, 2017	3	\$43,592	\$28,653	\$19,940	\$55,426	\$75,366	\$46,713	9.40%	8.58%
September 30, 2017	4	\$49,066	\$30,121	\$21,364	\$55,651	\$77,015	\$46,894	9.30%	8.56%
Quarterly Change	1	\$5,475	\$1,468	\$1,424	\$226	\$1,649	\$181		

Annual Cash Flow



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

## MCERA Real Estate Performance – as of Jun 30, 2017

### 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
- Overall performance has met objectives, driven by the core RE fund; opportunistic fund performance is not meaningful

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/ Loss	Net IRR	IRR Bench.	TVPI
(in thousands)												
<b>Vintage Year 1999</b>												
UBS Trumbull Property Fund	Core RE	17,000	0	17,000	100%	19,283	41,724	61,008	44,008	9.26%	10.20%	3.59
<b>Vintage Year 1999 Total</b>		<b>17,000</b>	<b>0</b>	<b>17,000</b>	<b>100%</b>	<b>19,283</b>	<b>41,724</b>	<b>61,008</b>	<b>44,008</b>	<b>9.26%</b>	<b>12.76%</b>	<b>3.59</b>
<b>Vintage Year 2014</b>												
Greenfield Acquisition Partners VII, L.P.	Opportunistic RE	13,000	5,294	9,789	59%	1,949	11,168	13,117	3,328	12.90%	11.87%	1.34
<b>Vintage Year 2014 Total</b>		<b>13,000</b>	<b>5,294</b>	<b>9,789</b>	<b>59%</b>	<b>1,949</b>	<b>11,168</b>	<b>13,117</b>	<b>3,328</b>	<b>12.90%</b>	<b>9.33%</b>	<b>1.34</b>
<b>Vintage Year 2016</b>												
Patron Capital Fund V	Opportunistic RE	14,066	10,740	3,332	24%	132	2,759	2,891	-441	N/M	N/M	0.87
<b>Vintage Year 2016 Total</b>		<b>14,066</b>	<b>10,740</b>	<b>3,332</b>	<b>24%</b>	<b>132</b>	<b>2,759</b>	<b>2,891</b>	<b>-441</b>	<b>N/M</b>	<b>N/M</b>	<b>0.87</b>
<b>Vintage Year 2017</b>												
Carlyle Realty Partners VIII, L.P.	Opportunistic RE	5,000	5,000	0	0%	0	0	0	0	N/M	N/M	0.00
<b>Vintage Year 2017 Total</b>		<b>5,000</b>	<b>5,000</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/M</b>	<b>N/M</b>	<b>0.00</b>
<b>Total Portfolio:</b>		<b>49,066</b>	<b>21,034</b>	<b>30,121</b>	<b>57%</b>	<b>21,364</b>	<b>55,651</b>	<b>77,015</b>	<b>46,894</b>	<b>9.30%</b>	<b>8.56%</b>	<b>2.56</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 & Proposed Implementation Plan

## 6% fund level target

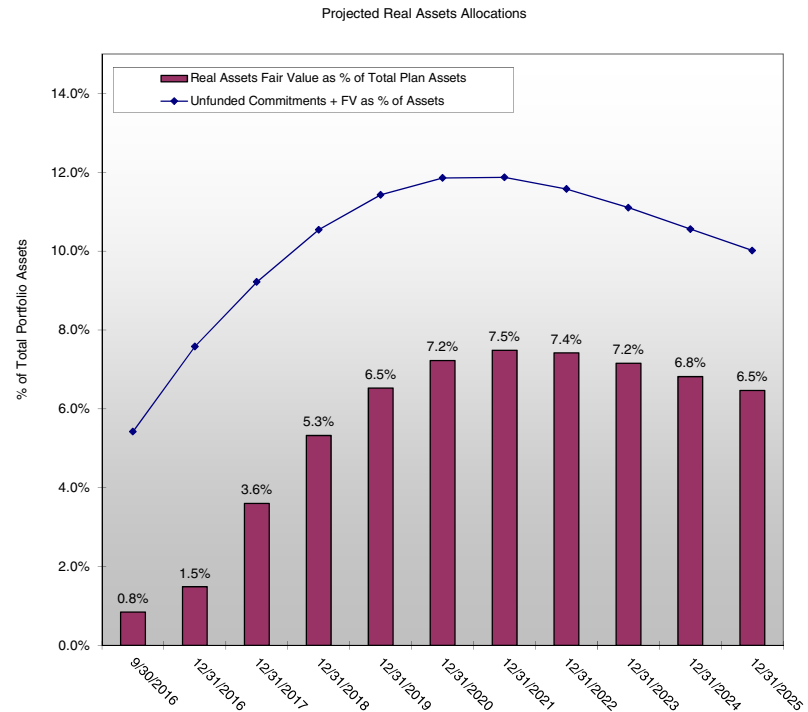
- Annual capital budget target of \$15 million, range of \$5-\$25 million
- Target 2-4 investments, range of \$4-\$7 million per inv
  - Average investment size of \$5 million
  - If an average of 2-4 GP partnership commitments per year, expect a total of 8-16 GP relationships over a 4 year fund raising cycle
- 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 2017 commitments:

- *EnCap Energy Capital Fund XI* – an upstream energy fund (\$5 mm) (VY 2017)
- *EnCap Flatrock IV* – a midstream energy fund (\$3 mm) (VY 2018)



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 (6% target, 2.3% actual as of Dec 2017)

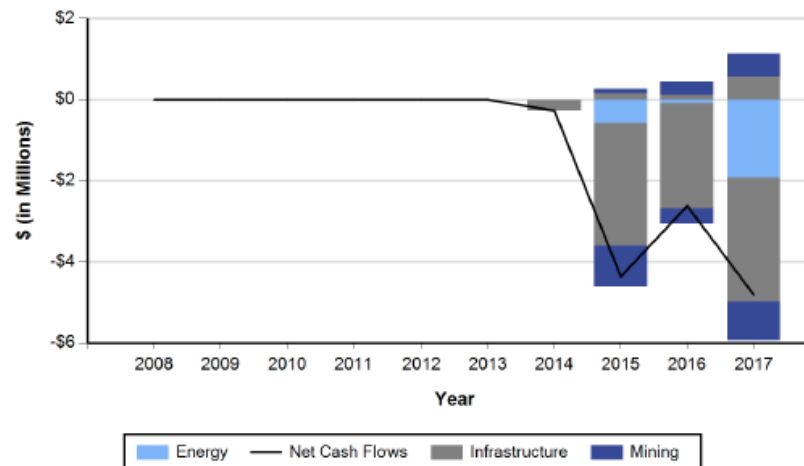
- Program is designed to be equally divided between private infrastructure and natural resource funds
- Private fund commitments began in 2014 to infrastructure and 2015 to natural resources
- The overall portfolio is immature with the funds in the early stage of development
  - Quarterly gains in the infrastructure funds

### Quarterly 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
June 30, 2017	6	\$42,500	\$12,716	\$1,755	\$12,217	\$13,972	\$1,256	10.17%	2.26%
September 30, 2017	6	\$42,500	\$13,881	\$1,821	\$14,425	\$16,247	\$2,366	15.04%	4.41%
Quarterly Change	0	\$0	\$1,164	\$66	\$2,208	\$2,275	\$1,110		

### Annual Cash Flow



Note: As of Mar 31, 2017. Net cash flow is the for the respective calendar year.

## MCERA Real Assets Performance – as of Jun 30, 2017

### Real Asset Portfolio

- MCERA began allocating to real assets in 2014 via direct fund commitments
  - Portfolio is approximately equally divided between infrastructure & energy/mining
- Portfolio is in its early stages of development so performance is not meaningful; both the infrastructure funds have come out of the “j-curve” and there was a large quarterly improvement in KKR and North Haven

Partnership Name	Strategy	(A) Commit. Amount	Unfund. Amount	(B) Cumulat. Cont.	% Drawn	(C) Cumulat. Dist.	(D) Fair Value	(C+D) Total Value	(C+D-B) Gain/ Loss	Net IRR	IRR Bench.	TVPI
(in thousands)												
<b>Vintage Year 2014</b>												
KKR Global Infrastructure II	Infrastructure	10,000	5,931	4,928	41%	762	4,959	5,721	793	13.62%	6.16%	1.16
<b>Vintage Year 2014 Total</b>		<b>10,000</b>	<b>5,931</b>	<b>4,928</b>	<b>41%</b>	<b>762</b>	<b>4,959</b>	<b>5,721</b>	<b>793</b>	<b>13.62%</b>		<b>1.16</b>
<b>Vintage Year 2015</b>												
GSO Energy Select Opportunities Fund	Energy	7,500	4,986	2,514	34%	0	2,962	2,962	448	N/M	N/M	1.18
North Haven Infrastructure Partners II LP	Infrastructure	10,000	5,997	4,029	40%	36	4,676	4,712	683	12.08%	5.02%	1.17
Taurus Mining Finance Fund	Mining	5,000	3,633	1,815	27%	808	1,348	2,156	341	16.84%	N/A	1.19
<b>Vintage Year 2015 Total</b>		<b>22,500</b>	<b>14,616</b>	<b>8,358</b>	<b>35%</b>	<b>843</b>	<b>8,986</b>	<b>9,830</b>	<b>1,472</b>	<b>8.52%</b>		<b>1.18</b>
<b>Vintage Year 2016</b>												
Taurus Mining Finance Annex Fund	Mining	5,000	4,637	511	7%	217	421	638	127	N/M	N/M	1.25
<b>Vintage Year 2016 Total</b>		<b>5,000</b>	<b>4,637</b>	<b>511</b>	<b>7%</b>	<b>217</b>	<b>421</b>	<b>638</b>	<b>127</b>	<b>N/M</b>		<b>1.25</b>
<b>Vintage Year 2017</b>												
EnCap Energy Capital Fund XI, L.P.	Energy	5,000	4,916	85	2%	0	58	58	-26	N/M	N/M	0.69
<b>Vintage Year 2017 Total</b>		<b>5,000</b>	<b>4,916</b>	<b>85</b>	<b>2%</b>	<b>0</b>	<b>58</b>	<b>58</b>	<b>-26</b>	<b>N/M</b>		<b>0.69</b>
<b>Total Portfolio:</b>		<b>42,500</b>	<b>30,100</b>	<b>13,881</b>	<b>29%</b>	<b>1,821</b>	<b>14,425</b>	<b>16,247</b>	<b>2,366</b>	<b>15.04%</b>	<b>4.41%</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 Feb 28, 2018

Three additional managers were added in 4Q

Macro environment changed in January/February with rising US interest rates and increased market volatility

– Global macro managers performed well as did equity l/s; OZ performed well over the past year

Fund	Market Value	Actual %	Feb	QTD	YTD	Returns 1 Year	3 Year	5 Year	Incep	Std Dev	Sharpe Ratio	Incep Date
<b>Market Neutral</b>												
KLS Diversified Fund LP	3,057,321	8.2%	-0.05%	1.27%	1.27%	-	-	-	1.91%	1.90%	-	Oct-17
Market Neutral - HF Total	3,057,321	8.2%	-0.05%	1.27%	1.27%	-	-	-	1.91%	1.90%	-	Oct-17
HFRI Relative Value (Total) Index			-0.63%	0.51%	0.51%	-	-	-	1.60%	2.42%	-	Oct-17
<b>Credit/Distressed</b>												
Silver Point Capital Fund, L.P.	4,114,573	11.0%	0.70%	2.28%	2.28%	-	-	-	2.86%	1.89%	-	Dec-17
Credit/Distressed - HF Total	4,114,573	11.0%	0.70%	2.28%	2.28%	-	-	-	2.86%	1.89%	-	Dec-17
HFRI ED: Distressed/Restructuring Index			0.19%	1.50%	1.50%	-	-	-	2.92%	2.33%	-	Dec-17
<b>Equity Long/Short</b>												
Archipelago Partners, L.P.	3,131,281	8.4%	-0.28%	2.66%	2.66%	-	-	-	4.38%	4.21%	-	Sep-17
MW Eureka Fund Class B2	3,118,260	8.3%	-0.55%	3.22%	3.22%	-	-	-	3.94%	7.74%	-	Dec-17
Equity Long/Short - HF Total	6,249,541	16.7%	-0.42%	2.94%	2.94%	-	-	-	5.11%	4.66%	-	Sep-17
HFRI Equity Hedge (Total) Index			-1.51%	1.39%	1.39%	-	-	-	6.26%	4.98%	-	Sep-17
<b>Global Macro-Discretionary</b>												
Graham Absolute Return Trading Ltd. - Class A	3,135,266	8.4%	-0.92%	5.59%	5.59%	-	-	-	4.60%	9.92%	-	Sep-17
Global Macro-Discretionary - HF Total	3,135,266	8.4%	-0.92%	5.59%	5.59%	-	-	-	4.60%	9.92%	-	Sep-17
HFRI Macro (Total) Index			-3.93%	-1.27%	-1.27%	-	-	-	0.23%	8.21%	-	Sep-17
<b>Global Macro-Systematic</b>												
Winton Futures Fund Limited - Class B	3,051,131	8.2%	-5.04%	-0.87%	-0.87%	-	-	-	1.70%	14.23%	-	Nov-17
Global Macro-Systematic - HF Total	3,051,131	8.2%	-5.04%	-0.87%	-0.87%	-	-	-	1.70%	14.23%	-	Nov-17
HFRI Macro (Total) Index			-3.93%	-1.27%	-1.27%	-	-	-	-0.84%	9.67%	-	Nov-17
<b>Multi-Strategy</b>												
OZ Domestic Partners II, LP	17,779,626	47.6%	0.15%	3.78%	3.78%	13.27%	6.64%	-	6.74%	4.86%	1.22	Jul-14
Multi-Strategy - HF Total	17,779,626	47.6%	0.15%	3.78%	3.78%	13.27%	6.64%	-	6.74%	4.86%	1.22	Jul-14
HFRI Relative Value (Total) Index			-0.63%	0.51%	0.51%	3.72%	3.80%	-	3.30%	2.73%	0.93	Jul-14
MCERA Hedge Fund Portfolio	37,387,458	100.0%	-0.44%	3.02%	3.02%	12.01%	4.47%	-	4.56%	4.27%	0.90	Jul-14
<b>Benchmarks</b>												
HFRI Fund of Funds Composite Index			-1.60%	0.74%	0.74%	6.54%	2.25%	-	2.68%	3.44%	0.57	Jul-14
<b>Market Indices</b>												
Libor3Month			0.15%	0.30%	0.30%	1.43%	0.88%	-	0.76%	0.14%	-	Jul-14
Bloomberg Barclays US Aggregate Bond Index			-0.95%	-2.09%	-2.09%	0.51%	1.15%	-	1.79%	2.84%	0.37	Jul-14
Bloomberg Barclays US High Yield Bond Index			-0.85%	-0.26%	-0.26%	4.18%	5.20%	-	4.28%	5.57%	0.65	Jul-14
S&P 500 TR			-3.69%	1.83%	1.83%	17.10%	11.14%	-	11.58%	10.12%	1.06	Jul-14
MSCI EAFE - Net			-4.51%	0.28%	0.28%	20.13%	5.65%	-	3.64%	11.95%	0.29	Jul-14
MSCI EMF (Emerging Markets Free) - Net			-4.61%	3.34%	3.34%	30.51%	8.97%	-	5.97%	15.80%	0.40	Jul-14

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