

Scott C. Evans  
Chief Investment Officer

THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
BUREAU OF ASSET MANAGEMENT  
1 CENTRE STREET ROOM 736  
NEW YORK, N.Y. 10007-2341

TELEPHONE: (212) 669-8318  
FAX NUMBER: (212) 815-8503  
WWW.COMPTROLLER.NYC.GOV

EMAIL: SEVANS@COMPTROLLER.NYC.GOV

---

SCOTT M. STRINGER  
COMPTROLLER

## MEMORANDUM

**TO:** Trustees  
New York City Fire Department Pension Fund

**FROM:** Scott C. Evans

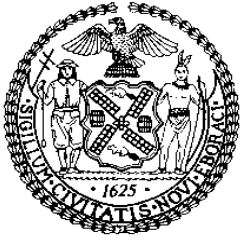
**DATE:** September 9, 2015

**RE:** New York City Fire Department Pension Fund Investment Meeting –  
September 16, 2015

Enclosed is a copy of the **public agenda** for the Wednesday, September 16, 2015 Investment Meeting. *The meeting will be held at our location, NYC Comptroller's Office, 5th Floor, Rm. 530 - Executive Boardroom, NYC (beginning @ 9:30am).*

Please bring all **(3) Quarterly Performance Overview books** with you to the meeting, they will be delivered to you.

If you have questions about any agenda item, please contact me at 212-669-8318.



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
1 CENTRE STREET  
NEW YORK, N.Y. 10007-2341

---

Scott M. Stringer  
COMPTROLLER

## NEW YORK CITY FIRE DEPARTMENT PENSION FUND

### INVESTMENT MEETING

SEPTEMBER 16, 2015

#### LOCATION:

One Centre Street,  
Executive Boardroom, 5th Floor, Rm. 530  
Manhattan, NY 10007

## INVESTMENT MEETING

SEPTEMBER 16, 2015

## PUBLIC AGENDA

	<u>Page</u>
I. Performance Reviews: (30 Minutes)	
• Quarterly Review/Annual Review – June 30, 2015 <b>(To be distributed)</b>	---
• ETI Quarterly Report – June 30, 2015	7
• Private Equity Quarterly Report – March 31, 2015	13
• Real Assets Quarterly Report – March 31, 2015	42
II. July Monthly Performance Review: (30 Minutes)	69
III. Trustee Education (Corporate Governance & Responsible Investing Overview): (30 Minutes)	127
IV. Asset Allocation Update: (15 Minutes)	---

NEW YORK CITY VARIABLE SUPPLEMENTS FUND  
PUBLIC AGENDA

FFVSE:

- |   |     |
|---|-----|
| I. Performance Review: (5 Minutes)                            |     |
| • Quarterly Report – June 30, 2015 <b>(To be distributed)</b> | --- |

FOVSE:

- |   |     |
|---|-----|
| I. Performance Review: (5 Minutes)                            |     |
| • Quarterly Report – June 30, 2015 <b>(To be distributed)</b> | --- |

APPENDICES:

- |                      |     |
|----------------------|-----|
| • Basket Clause      | 138 |
| • Liquidity Analysis | 140 |

## PUBLIC AGENDA



## I. Performance Reviews:

## QUARTERLY REPORTS

Quarterly Review/Annual Review  
(To be distributed)

## ETI Quarterly Report

# FIRE Pension Fund - Economically Targeted Investments Quarterly Report

8

## Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	BOA		CCD		CFSB		CPC		JPM		LIIF		NCBCI		NHS		Wells Fargo		LISC	
Contractual Commitment	\$11.00 MM		\$6.00 MM		\$1.00 MM		\$6.00 MM		\$10.00 MM		\$6.00 MM		\$1.00 MM		\$1.00 MM		\$3.00 MM		\$7.00 MM	
Current Market Value	\$1.82 MM		\$2.25 MM		\$0.39 MM		\$1.31 MM		\$1.40 MM		\$1.08 MM		\$0.28 MM		\$0.00 MM		\$0.00 MM		\$0.00 MM	
	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units
<u>Commitments 2Q 15</u> (included in total)																				
Bronx	\$0	0	\$310,413	66	\$0	0	\$184,740	343	\$859,404	448	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	0	0	130,200	50	0	0	32,072	41	0	0	0	0	0	0	0	0	0	0	0	0
Manhattan	0	0	0	0	0	0	166,665	325	82,550	54	0	0	0	0	0	0	582,160	103	0	0
Queens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$0</b>	<b>0</b>	<b>\$440,613</b>	<b>116</b>	<b>\$0</b>	<b>0</b>	<b>\$383,477</b>	<b>709</b>	<b>\$941,954</b>	<b>502</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$582,160</b>	<b>103</b>	<b>\$0</b>	<b>0</b>
<u>Delivered 2Q 15</u> (included in total)																				
Bronx	\$0	0	\$404,220	86	\$0	0	\$0	0	\$284,000	185	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	0	0	0	0	0	0	23,910	35	0	0	0	0	0	0	0	0	0	0	0	0
Manhattan	0	0	0	0	0	0	62,080	133	0	0	0	0	0	0	0	0	0	0	0	0
Queens	0	0	0	0	0	0	0	0	90,000	96	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	22,760	21	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$0</b>	<b>0</b>	<b>\$404,220</b>	<b>86</b>	<b>\$0</b>	<b>0</b>	<b>\$108,750</b>	<b>189</b>	<b>\$374,000</b>	<b>281</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>
<u>Total Commitments</u>																				
Bronx	\$612,500	60	\$733,224	193	\$0	0	\$518,812	989	\$3,394,829	1,176	\$239,200	74	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	884,415	112	130,200	50	0	0	612,786	1,179	274,830	151	1,014,397	251	0	0	0	0	0	0	0	0
Manhattan	784,000	100	0	0	0	0	735,368	1,268	531,555	286	1,391,567	338	0	0	0	0	582,160	103	1,325,195	90
Queens	210,000	54	0	0	0	0	265,380	406	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	54,000	67	0	0
Outside of NYC	208,250	39	0	0	0	0	197,490	186	385,339	122	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$2,699,165</b>	<b>365</b>	<b>\$863,424</b>	<b>243</b>	<b>\$0</b>	<b>0</b>	<b>\$2,329,837</b>	<b>4,028</b>	<b>\$4,586,553</b>	<b>1,735</b>	<b>\$2,645,164</b>	<b>663</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$636,160</b>	<b>170</b>	<b>\$1,325,195</b>	<b>90</b>
<u>Historical Investments</u>																				
Bronx	\$0	0	\$918,720	452	\$0	0	\$211,588	558	\$1,208,870	537	\$127,758	43	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	0	0	594,348	252	0	0	533,421	715	204,000	66	450,673	245	0	0	0	0	0	0	0	0
Manhattan	0	0	555,249	283	483,542	197	376,882	897	13,500	47	527,881	122	271,566	123	0	0	0	0	0	0
Queens	1,756,888	239	120,000	54	0	0	15,350	16	90,000	96	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	180,130	238	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$1,756,888</b>	<b>239</b>	<b>\$2,188,317</b>	<b>1,041</b>	<b>\$483,542</b>	<b>197</b>	<b>\$1,317,371</b>	<b>2,424</b>	<b>\$1,516,370</b>	<b>746</b>	<b>\$1,106,312</b>	<b>410</b>	<b>\$271,566</b>	<b>123</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>

*Lenders :	Bank of America	Citibank Community Development	Carver Federal Savings Bank	The Community Preservation Corp	JP Morgan Chase	Low Income Investment Fund	NCB Capital Impact	Neighborhood Housing Serv	Wells Fargo	Local Initiatives Support Corp
------------	-----------------	--------------------------------	-----------------------------	---------------------------------	-----------------	----------------------------	--------------------	---------------------------	-------------	--------------------------------

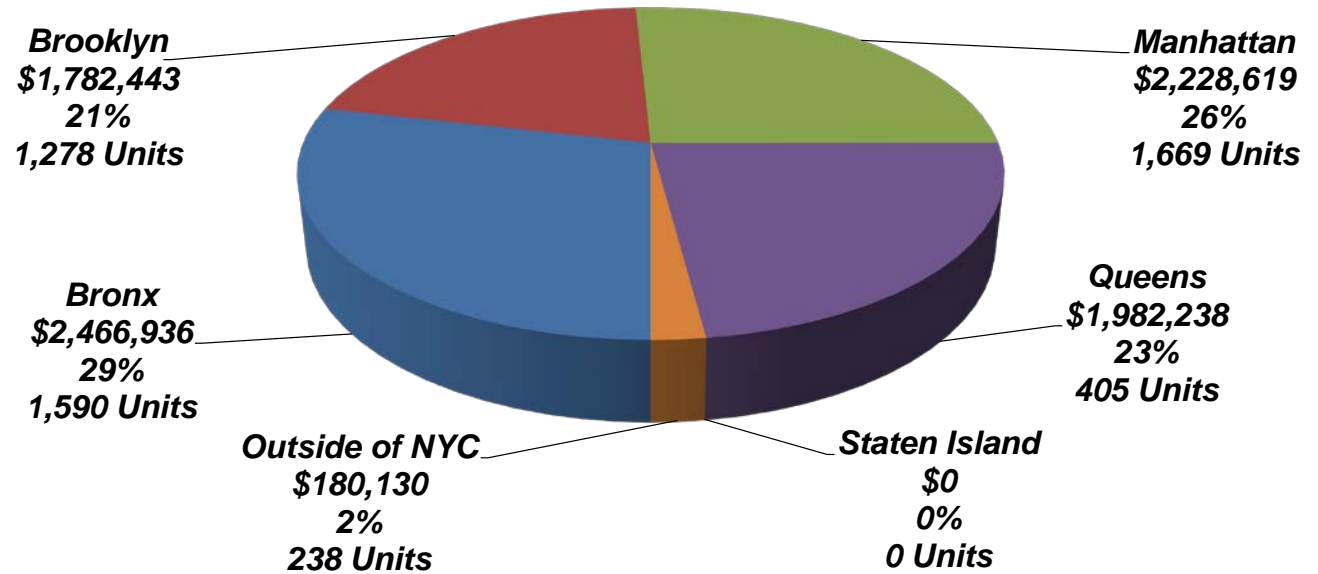
# FIRE Pension Fund - Economically Targeted Investments Quarterly Report

## Public/Private Apartment Rehabilitation Program (PPAR)

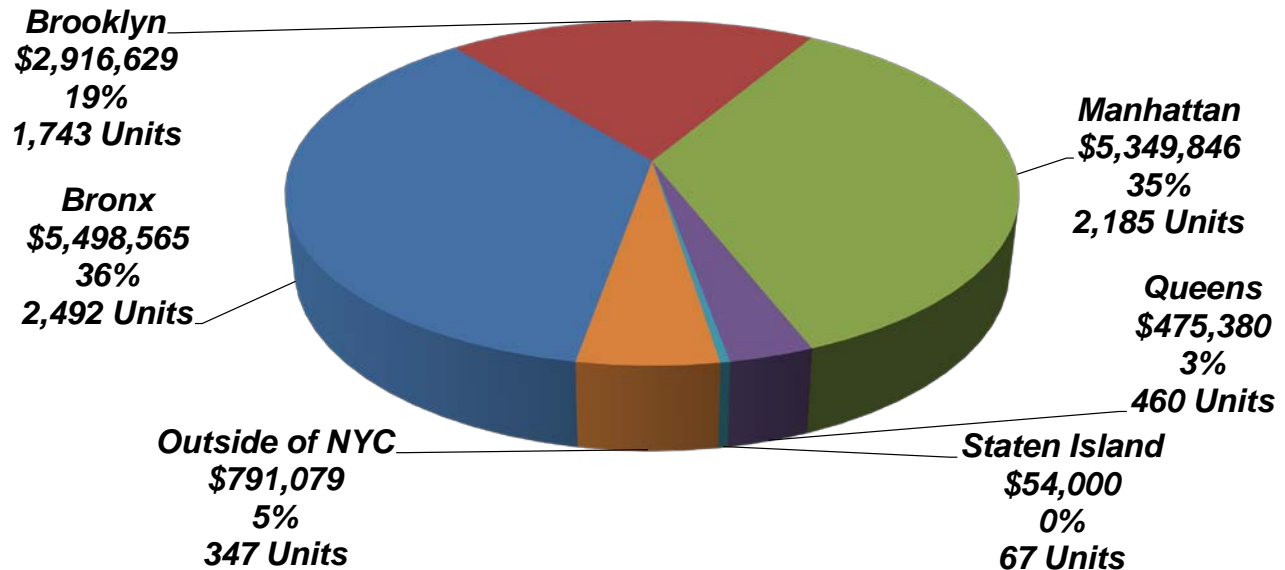
9

Lenders*	All Lender Totals	
Contractual Commitment	\$52.00 MM	
Current Market Value	\$8.53 MM	
	Dollars	Units
<b>Commitments 2Q 15</b> (included in total)		
Bronx	\$1,354,557	857
Brooklyn	162,272	91
Manhattan	831,375	482
Queens	0	0
Staten Island	0	0
Outside of NYC	0	0
<b>Total</b>	<b>\$2,348,203</b>	<b>1,430</b>
<b>Delivered 2Q 15</b> (included in total)		
Bronx	\$688,220	271
Brooklyn	\$23,910	35
Manhattan	\$62,080	133
Queens	\$90,000	96
Staten Island	\$0	0
Outside of NYC	\$22,760	21
<b>Total</b>	<b>\$886,970</b>	<b>556</b>
<b>Total Commitments</b>		
Bronx	\$5,498,565	2,492
Brooklyn	2,916,629	1,743
Manhattan	5,349,846	2,185
Queens	475,380	460
Staten Island	54,000	67
Outside of NYC	791,079	347
<b>Total</b>	<b>\$15,085,499</b>	<b>7,294</b>
<b>Historical Investments</b>		
Bronx	\$2,466,936	1,590
Brooklyn	1,782,443	1,278
Manhattan	2,228,619	1,669
Queens	1,982,238	405
Staten Island	0	0
Outside of NYC	180,130	238
<b>Total</b>	<b>\$8,640,366</b>	<b>5,180</b>

### Historical Investments Since Inception All PPAR Lenders



### Current Commitments All PPAR Lenders



# FIRE Pension Fund - Economically Targeted Investments Quarterly Report

10

AFL-CIO Housing Investment Trust (HIT)  
Market Value \$42.47 million\*  
NYC Community Investment Initiative (NYCCII)

## NYCCII Phase II 2006-2013 Multifamily Investments Detail

<u>Borough</u>	<u>2Q Investments</u>	<u>Investments Since Inception</u>	<u>2Q Housing Units</u>	<u>Housing Units Since Inception</u>
Bronx	\$0	\$52,827,900	0	802
Brooklyn	0	103,890,446	0	5,616
Manhattan	0	174,075,200	0	926
Queens	0	17,760,000	0	1,260
Staten Island	0	6,414,554	0	693
Outside NYC	0	100,000,000	0	137
<b>Total</b>	<b>\$0</b>	<b>\$454,968,100</b>	<b>0</b>	<b>9,434</b>

**Grand Total NYCCII Phase II** **\$454,968,100** **9,434**

## NYCCII Phase I 2002-2005

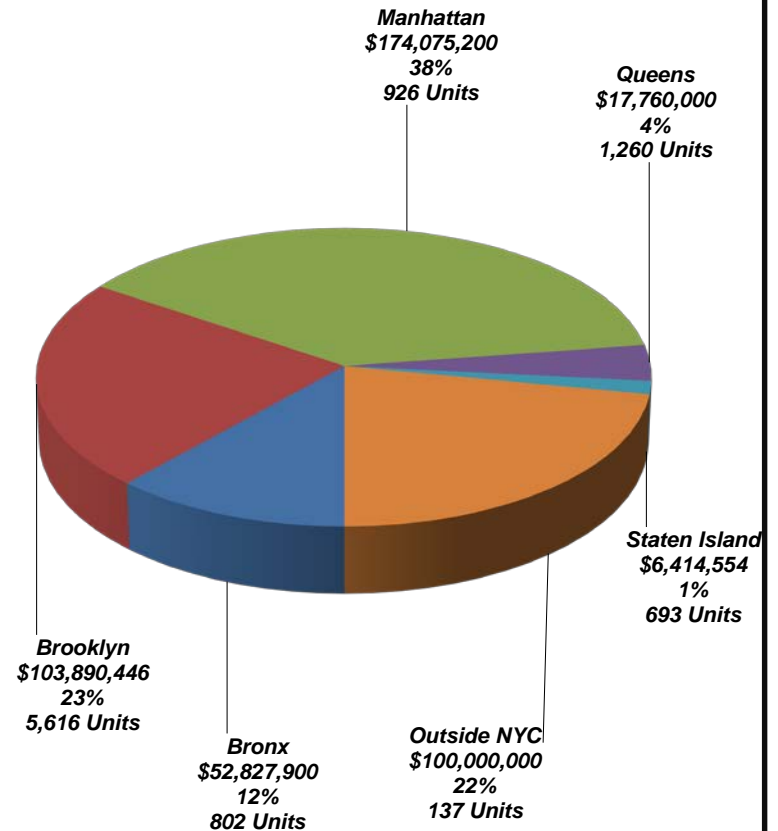
	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$249,123,500	12,337	n/a	n/a
HIT Home Investments	348,300,563	n/a	131	446
<b>Total NYCCII Phase I</b>	<b>\$597,424,063</b>	<b>12,337</b>	<b>131</b>	<b>446</b>

## NYCCII Phases I & II

	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$704,091,600	21,771	n/a	n/a
HIT Home Investments	2,899,899,500	n/a	131	446
<b>Grand Total NYCCII Phases I &amp; II</b>	<b>\$3,603,991,100</b>	<b>21,771</b>	<b>131</b>	<b>446</b>

\*Interest is reinvested

## HIT Multifamily Investments



# FIRE Pension Fund - Economically Targeted Investments Quarterly Report

11

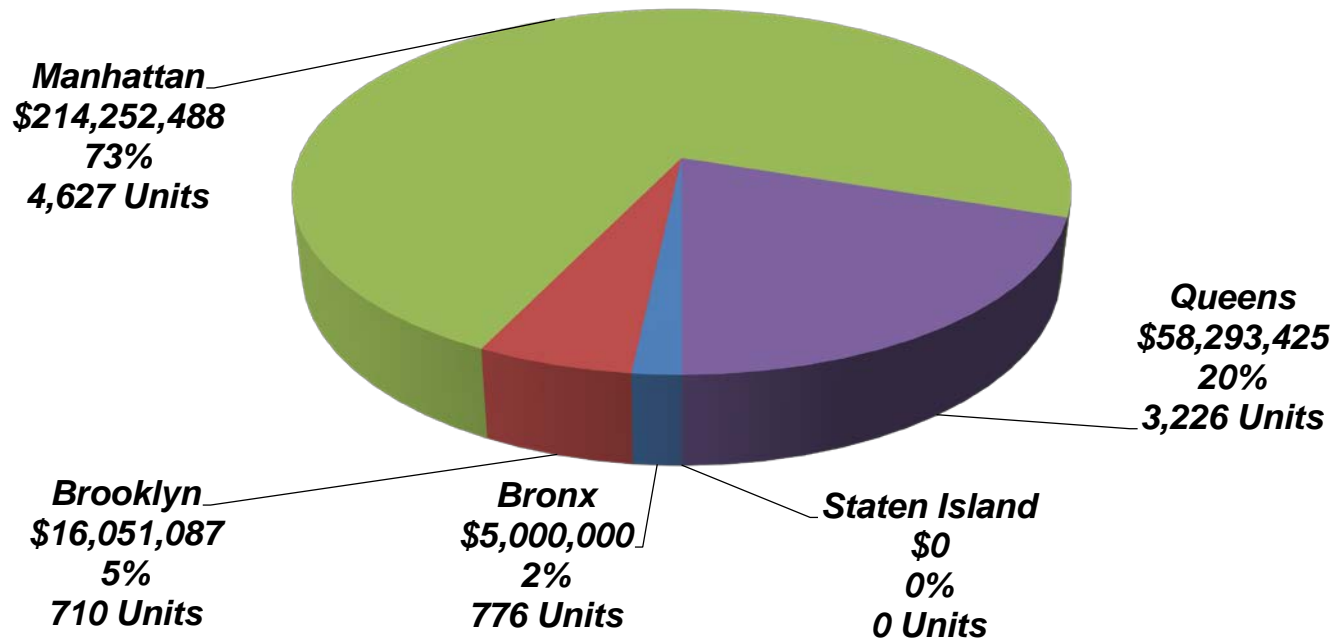
AFL-CIO Housing Investment Trust (HIT)  
NYC Workforce Housing Initiative

Investments From 2009 Through Q2 2015

Workforce Investments Detail

<u>Borough</u>	<u>2Q Investments</u>	<u>Investments</u>	<u>2Q Housing Units</u>	<u>Housing Units</u>
		<u>Since Inception</u>		<u>Since Inception</u>
Bronx	\$0	\$5,000,000	0	776
Brooklyn	0	16,051,087	0	710
Manhattan	0	214,252,488	0	4,627
Queens	0	58,293,425	0	3,226
Staten Island	0	0	0	0
<b>Total</b>	<b>\$0</b>	<b>\$293,597,000</b>	<b>0</b>	<b>9,339</b>

***HIT Workforce Housing Initiative***





# FIRE Pension Fund - Economically Targeted Investments Quarterly Report

12

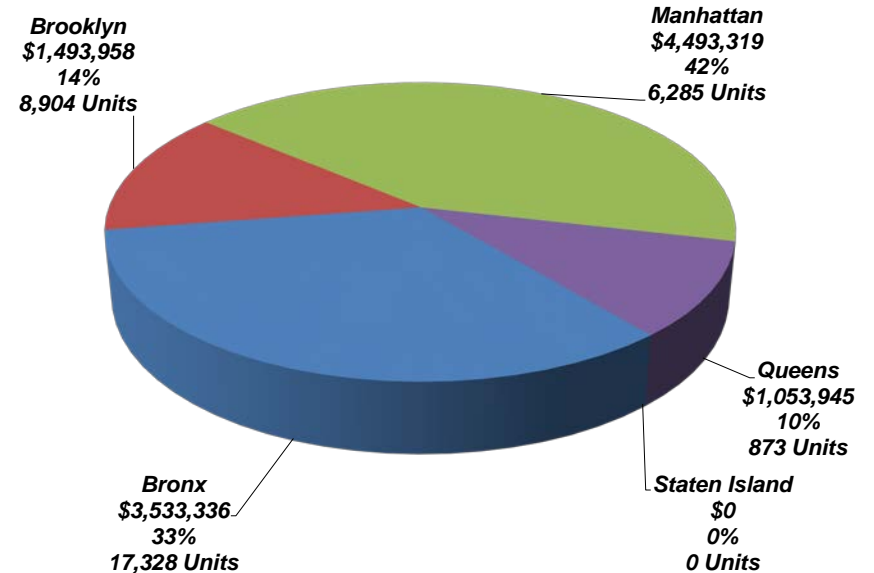
ACCESS CAPITAL STRATEGIES (Since Inception 2/1/07)

\$19 million Allocated (6.33% of total account) Market Value \$20.01 million					
Multifamily Investments Detail	\$ Invested <sup>1</sup>		Units <sup>2</sup>		
	2Q	Total	2Q	Total	
Bronx	\$0	\$3,533,336	0	17,328	
Brooklyn	0	\$1,493,958	0	8,904	
Manhattan	0	\$4,493,319	0	6,285	
Queens	0	\$1,053,945	0	873	
Staten Island	0	\$0	0	0	
Total FIRE Multifamily Investments	0	\$10,574,557	0	33,390	
Multifamily Total All Systems	0	\$167,054,619	0	33,390	
Single Family Investments Detail	\$ Invested		Units		
	2Q	Total	2Q	Total	
Bronx	0	\$2,171,706	0	200	
Brooklyn	0	\$6,188,199	0	501	
Manhattan	0	\$540,532	0	39	
Queens	0	\$8,919,574	0	656	
Staten Island	0	\$4,987,366	0	371	
Total FIRE Single Family Investments	0	\$22,807,377	0	1,767	
Single Family Total All Systems	0	\$360,306,111	0	1,767	
Other Investments Detail	\$ Invested		Units		
	2Q	Total	2Q	Total	
Bronx	0	\$42,728	0	1	
Brooklyn	0	\$341,212	0	8	
Manhattan	0	\$154,003	0	5	
Queens	0	\$34,399	0	3	
Staten Island	0	\$0	0	0	
Total FIRE Other Investments	0	\$572,342	0	17	
Other Investments Total All Systems	0	\$9,041,740	0	17	
Grand Total Police	\$0	\$33,954,276			
Grand Total All Systems	\$0	\$536,402,470			

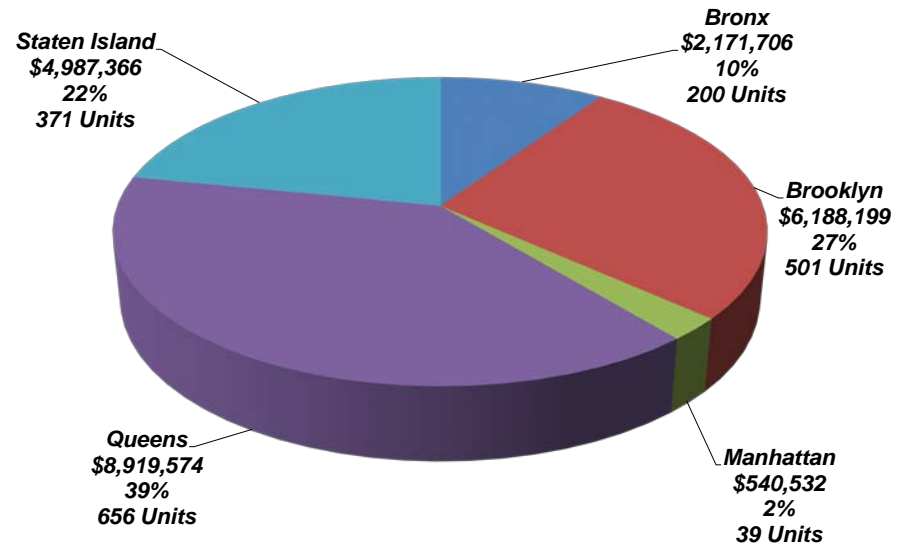
<sup>1</sup> Certain bond investment amounts are allocated pro rata across boroughs based upon unit count.

<sup>2</sup> If not indicated otherwise, superintendent units are allocated based on building size.

Access Multifamily Investments Since Inception Police



Access Single Family Investment Since Inception Police



## Private Equity Quarterly Report



## Private Equity Monitoring Report

For the period ended March 31, 2015

Report Prepared For:

New York City Fire Department Pension Fund, Subchapter 2



## Table of Contents

I. Executive Summary .....	1
Performance Summary .....	1
Portfolio Performance vs. Benchmarks.....	2
Portfolio Diversification .....	2
By Strategy.....	2
By Fund Geographic Focus .....	2
II. Market Overview .....	3
Executive Summary .....	3
Capital Markets Overview .....	4
Public Equity Markets.....	4
Debt Markets .....	5
Private Equity Market Overview .....	6
All Private Equity .....	6
Fundraising .....	6
Investment Activity.....	7
Deal Environment.....	8
III. Portfolio Review.....	9
Quarterly Highlights .....	9
Investment Performance .....	10
Since Inception Performance .....	10
Performance by Vintage Year .....	11
Portfolio Periodic Returns vs. Russell 3000® Index .....	12
Performance by Strategy / Sub-Strategy .....	12
Performance by Strategy .....	13
Performance by Sub-Strategy.....	13
Portfolio Diversification .....	14
By Strategy/Sub-Strategy .....	14
By Fund Geographic Focus .....	14
By Investment Manager .....	15
Portfolio Cash Flow Analysis .....	16
Quarterly Cash Flow Activity .....	16
Yearly Cash Flow Activity .....	17
Invested Capital by Vintage Year .....	18
Portfolio Company-Level Analysis.....	19
Geographic Exposure.....	19
Industry Exposure.....	20
Public Market Exposure.....	20
IV. Appendix .....	21
Private Equity Portfolio .....	22
Subsequent Commitments.....	25

## Important Information

This document is meant only to provide a broad overview for discussion purposes. All information provided here is subject to change. This document is for informational purposes only and does not constitute an offer to sell, a solicitation to buy, or a recommendation for any security, or as an offer to provide advisory or other services by StepStone Group LP, its subsidiaries or affiliates (collectively, “StepStone”) in any jurisdiction in which such offer, solicitation, purchase or sale would be unlawful under the securities laws of such jurisdiction. The information contained in this document should not be construed as financial or investment advice on any subject matter. StepStone expressly disclaims all liability in respect to actions taken based on any or all of the information in this document.

This document is confidential and solely for the use of StepStone and the existing and potential clients of StepStone to whom it has been delivered, where permitted. By accepting delivery of this presentation, each recipient undertakes not to reproduce or distribute this presentation in whole or in part, nor to disclose any of its contents (except to its professional advisors), without the prior written consent of StepStone. While some information used in the presentation has been obtained from various published and unpublished third-party sources considered to be reliable, StepStone does not guarantee its accuracy or completeness and accepts no liability for any direct or consequential losses arising from its use. Thus, all such information is subject to independent verification by prospective investors.

The presentation is being made based on the understanding that each recipient has sufficient knowledge and experience to evaluate the merits and risks of investing in private equity products. All expressions of opinion are intended solely as general market commentary and do not constitute investment advice or a guarantee of returns. All expressions of opinion are as of the date of this document, are subject to change without notice and may differ from views held by other businesses of StepStone.

All valuations are based on current values provided by the general partners of the Underlying Funds and may include both realized and unrealized investments. Due to the inherent uncertainty of valuation, the stated value may differ significantly from the value that would have been used had a ready market existed for all of the portfolio investments, and the difference could be material. The long-term value of these investments may be lesser or greater than the valuations provided.

StepStone is not in the business of providing tax or legal advice. These materials and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any taxpayer for the purpose of avoiding tax penalties. Tax-related statements, if any, may have been written in connection with the “promotion or marketing” of the transaction(s) or matter(s) addressed by these materials, to the extent allowed by applicable law. Any taxpayer should seek advice based on the taxpayer’s particular circumstances from an independent tax advisor.

Prospective investors should inform themselves and take appropriate advice as to any applicable legal requirements and any applicable taxation and exchange control regulations in the countries of their citizenship, residence or domicile which might be relevant to the subscription, purchase, holding, exchange, redemption or disposal of any investments. Each prospective investor is urged to discuss any prospective investment with its legal, tax and regulatory advisors in order to make an independent determination of the suitability and consequences of such an investment.

An investment involves a number of risks and there are conflicts of interest.

StepStone Group LP is an Investment Adviser registered with the Securities and Exchange Commission. StepStone Group Europe LLP is authorized and regulated by the Financial Conduct Authority, firm reference number 551580.

**Past performance is not necessarily indicative of future results. Actual performance may vary.**

## I. Executive Summary

The New York City Fire Department Pension Fund, Subchapter 2 (“NYCFDPF”) established the Alternative Investment Program (the “Program”) on January 1, 1997 on behalf of its beneficiaries to participate in attractive long-term investment opportunities and to provide diversification to its overall pension investment portfolio.

StepStone Group LP (“StepStone”) was engaged by NYCFDPF on February 1, 2012 to provide private equity advisory services for prospective investment opportunities and monitoring and reporting services for existing and new investments.

Since inception through March 31, 2015, the Program has committed US\$1.5 billion to 175 partnership investments (the “Portfolio”). This quarterly monitoring report covers the performance of the Portfolio as of March 31, 2015 as well as significant activity that occurred during the first quarter of 2015.

### Performance Summary

<i>US\$ in millions</i>	March 31, 2015	December 31, 2014	March 31, 2014	Quarterly Change	Yearly Change
Number of Managers	113	112	107	1	6
Number of Investments	175	173	163	2	12
Committed Capital <sup>1</sup>	\$1,509.6	\$1,495.6	\$1,379.2	\$14.0	\$130.4
Contributed Capital	\$1,185.6	\$1,152.3	\$1,027.2	\$33.3	\$158.4
Distributed Capital <sup>2</sup>	\$872.6	\$845.1	\$742.4	\$27.6	\$130.2
Market Value <sup>2</sup>	\$762.8	\$733.3	\$661.4	\$29.5	\$101.3
Total Value	\$1,635.4	\$1,578.3	\$1,403.9	\$57.0	\$231.5
Total Gain/(Loss)	\$449.8	\$426.0	\$376.7	\$23.8	\$73.1
Unfunded Commitment <sup>3</sup>	\$474.4	\$489.9	\$490.3	(\$15.5)	(\$15.9)
Total Exposure <sup>4</sup>	\$1,237.1	\$1,223.2	\$1,151.7	\$14.0	\$85.4
DPI <sup>5</sup>	0.74x	0.73x	0.72x	0.00x	0.01x
TVM <sup>6</sup>	1.38x	1.37x	1.37x	0.01x	0.01x
IRR <sup>7</sup>	11.0%	10.9%	11.0%	+ 7 bps	- 3 bps
TVM Net of StepStone Fees <sup>8</sup>	1.38x	1.37x	1.37x	0.01x	0.01x
IRR Net of StepStone Fees <sup>8</sup>	10.9%	10.9%	11.0%	+ 4 bps	- 4 bps

<sup>1</sup> Committed Capital is presented net of any commitment releases or expirations and reflects foreign currency exchange rate fluctuations.

<sup>2</sup> Please note that the Distributions and Market Value are presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

<sup>3</sup> Unfunded Commitment represents the aggregate remaining commitments to partnership investments. Please note that the Unfunded Commitment is presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

<sup>4</sup> Total Exposure represents the sum of Market Value and Unfunded Commitment.

<sup>5</sup> DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Distributed Capital divided by Contributed Capital.

<sup>6</sup> TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Distributed Capital, divided by Contributed Capital.

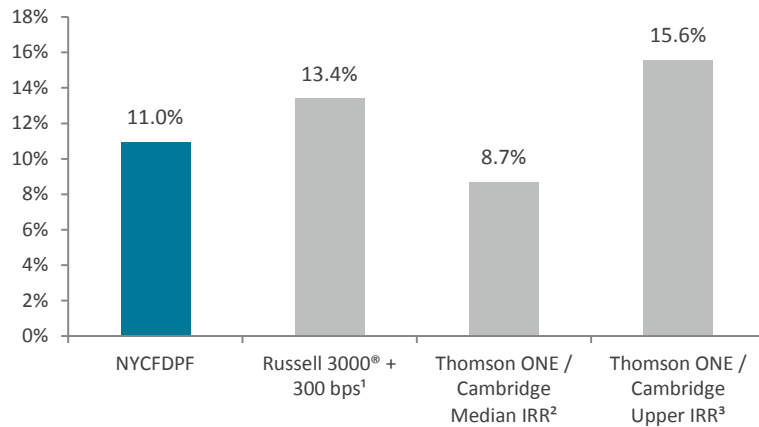
<sup>7</sup> IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio’s daily cash flows and market value as of quarter-end. IRR is net of fund manager’s fees, expenses and carried interest.

<sup>8</sup> TVM and IRR Net of StepStone fees represent TVM and IRR net of fees paid by NYCFDPF to StepStone.

## Portfolio Performance vs. Benchmarks

The Portfolio's performance is measured against a dollar-weighted public benchmark, which produced the return that would have been earned if NYCFDPF's private equity cash flows were invested in the Russell 3000® Index<sup>1</sup> plus a 300 basis point illiquidity premium (*the Opportunity Cost Benchmark*).

The following graph illustrates Portfolio IRR performance versus benchmarks as of March 31, 2015.



<sup>1</sup>Benchmark is a dollar-weighted Long-Nickels calculation of quarterly changes in the Russell 3000® Index. Russell Investment Group is the source and owner of the trademark, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

<sup>2</sup> Benchmark is for informational purposes only and is NOT part of the Program's Policy Benchmarks. Benchmark is provided by Thomson ONE/Cambridge and reflects U.S. All Private Equity Funds Median Quartile IRR as of March 31, 2015 for funds with vintage years 1998 to 2015. Note: Thomson ONE/Cambridge data is continuously updated and is therefore subject to change.

<sup>3</sup>Benchmark is for informational purposes only and is NOT part of the Program's Policy Benchmarks. Benchmark is provided by Thomson ONE/Cambridge and reflects U.S. All Private Equity Funds Upper Quartile IRR as of March 31, 2015 for funds with vintage years 1998 to 2015. Note: Thomson ONE/Cambridge data is continuously updated and is therefore subject to change.

## Portfolio Diversification

### By Strategy

As of March 31, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
Buyout	448.6	58.8%	274.8	57.9%	723.5	58.5%
Growth Equity	87.2	11.4%	43.5	9.2%	130.6	10.6%
Special Situations	44.1	5.8%	32.5	6.8%	76.6	6.2%
Energy	22.0	2.9%	3.1	0.7%	25.1	2.0%
Secondaries	69.9	9.2%	95.9	20.2%	165.7	13.4%
Co-Investment	12.2	1.6%	19.1	4.0%	31.3	2.5%
Other	78.8	10.3%	5.5	1.2%	84.3	6.8%
<b>Total</b>	<b>762.8</b>	<b>100.0%</b>	<b>474.4</b>	<b>100.0%</b>	<b>1,237.1</b>	<b>100.0%</b>

### By Fund Geographic Focus

As of March 31, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
North America	551.7	72.3%	291.0	61.3%	842.7	68.1%
Global	145.5	19.1%	167.1	35.2%	312.6	25.3%
Western Europe	58.9	7.7%	15.7	3.3%	74.7	6.0%
Rest of World	6.7	0.9%	0.6	0.1%	7.3	0.6%
<b>Total</b>	<b>762.8</b>	<b>100.0%</b>	<b>474.4</b>	<b>100.0%</b>	<b>1,237.1</b>	<b>100.0%</b>

Prior to a fund being 75% drawn, fund geographic focus is based on the GP-stated geographic strategy. Subsequent to a fund being 75% drawn, fund geographic focus is based on actual portfolio company exposure by total invested capital. Funds with less than 75% of total invested capital allocated to one geographic region are classified as Global.

## II. Market Overview

### Executive Summary

Central banks across the globe took center stage in the first quarter, with global divergence remaining the predominant theme of financial markets. The US economy continued to demonstrate modest gains, but stock market volatility spiked, triggered by uncertainty surrounding the timing of Federal Reserve interest rate increases and concerns about corporate earnings due to the continued strength of the US dollar. Despite the S&P 500 Index hitting record highs in February, sentiment soured in March, and the index closed the quarter with a modest 1% return. In this environment, non-US markets rallied. The European Central Bank embarked on its long-anticipated quantitative easing program, involving €60 billion of bond purchases a month until at least September 2016. The size of the package surpassed the market's expectations and buoyed investor optimism, with the MSCI Europe index rising 12% in local currency and 3% in dollar terms. The Japanese stock market rose 10% in the first quarter, largely driven by expectations of further easing by the Bank of Japan. Emerging market performance varied by country, with the MSCI Emerging Markets index increasing 2%. Chinese and Russian equities rallied as both central banks cut interest rates and embarked on measures to boost economic growth. Conversely, Latin American emerging markets suffered due to weaker commodity prices and ongoing corruption scandals.

In private markets, leveraged buyout loan activity remained robust. US LBO debt volume totaled US\$20.3 billion in the first quarter, a 27% increase from the prior quarter, and above the 10-year quarterly average of US\$18.2 billion. According to data from S&P, purchase price multiples for US LBOs rose to 9.9x EBITDA in the first quarter, compared to the fourth quarter's multiple of 9.5x and the annual weighted multiple of 9.7x throughout 2014. Average debt multiples of large corporate US LBO loans remained flat quarter-over-quarter at 5.6x EBITDA. Equity contributions for US LBOs also remained relatively flat, from 39.6% in the fourth quarter of 2014 to 39.4% in the first quarter of 2015. Private equity fundraising activity fell 11% quarter-over-quarter, while private equity investment activity fell 25%. The widening capital overhang and availability of cheap debt has created a highly competitive environment characterized by increasing difficulty in closing deals.

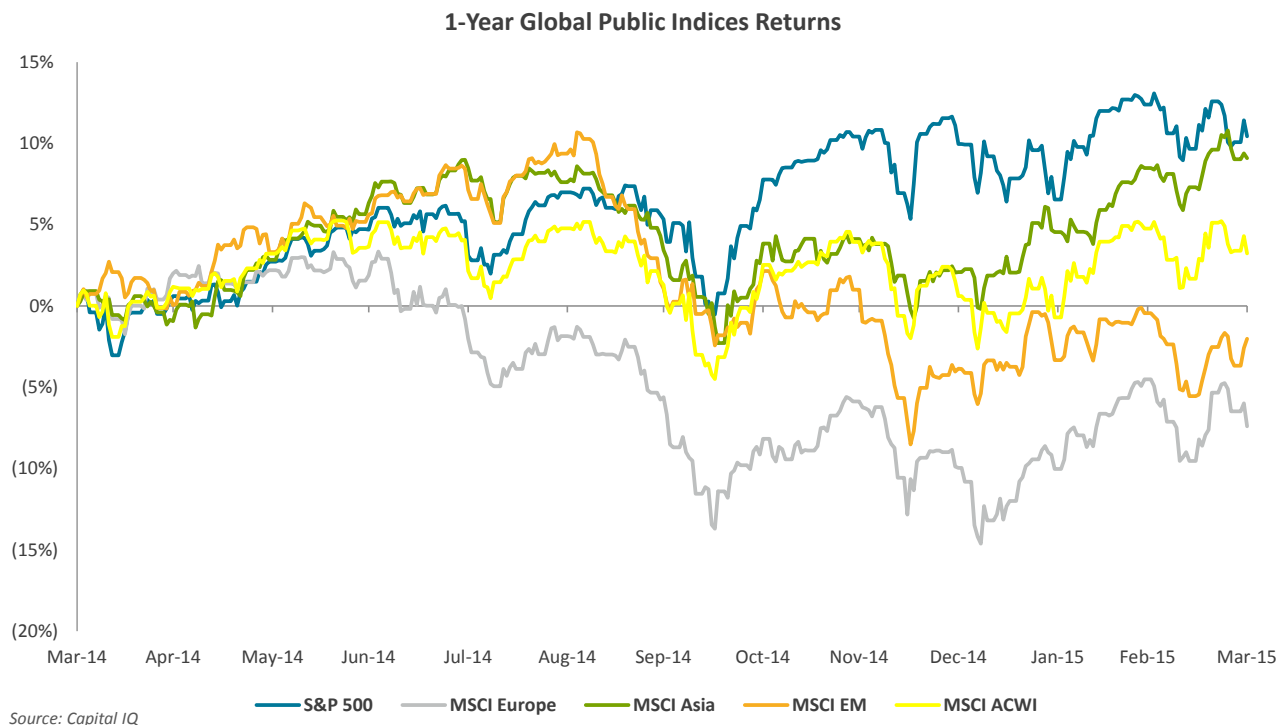
Following an active year in 2014, the IPO market slowed dramatically in the first quarter of 2015. NYSE and NASDAQ IPO transaction volume reached US\$2.7 billion for 22 private equity-backed companies in the first quarter, representing a 74% decrease in value compared to the prior quarter. This drop is likely due to cheap and widely available private funding at high valuations, particularly for technology companies. M&A volume totaled US\$229.2 billion in deals closed during the first quarter, up 51% from the fourth quarter of 2014. The increase in M&A volume was largely driven by a single deal, Actavis PLC's US\$72.9 billion acquisition of Botox manufacturer Allergan Inc., representing 32% of the quarter's aggregate M&A volume.



## Capital Markets Overview

### Public Equity Markets

US equities lagged international developed and emerging market equities in the first quarter. The S&P 500 Total Return Index returned a modest 1.0% during the first three months of 2015, notching its ninth-consecutive quarterly gain. International developed and emerging market stocks rallied on central bank-driven optimism, with the MSCI Asia, MSCI Europe, and MSCI Emerging Markets indices returning 6.9%, 2.9%, and 1.9% in USD terms during the quarter, respectively.



The following table shows the returns of three MSCI indices and the S&P 500, as well as the S&P 500 Total Return Index, over various time horizons from three months to ten years through March 31, 2015. Returns for time periods over one year are annualized. Over the last three years, the U.S. markets have significantly outperformed the Asian, European, and emerging markets.

Regional Indices					
	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
MSCI Asia	6.9%	9.1%	5.7%	3.7%	3.9%
MSCI Europe	2.9%	(7.4%)	6.2%	3.3%	1.9%
MSCI EM	1.9%	(2.0%)	(2.2%)	(0.7%)	5.9%
S&P 500	0.4%	10.4%	13.7%	12.1%	5.8%
S&P 500 Total Return*	1.0%	12.7%	16.1%	14.5%	8.0%

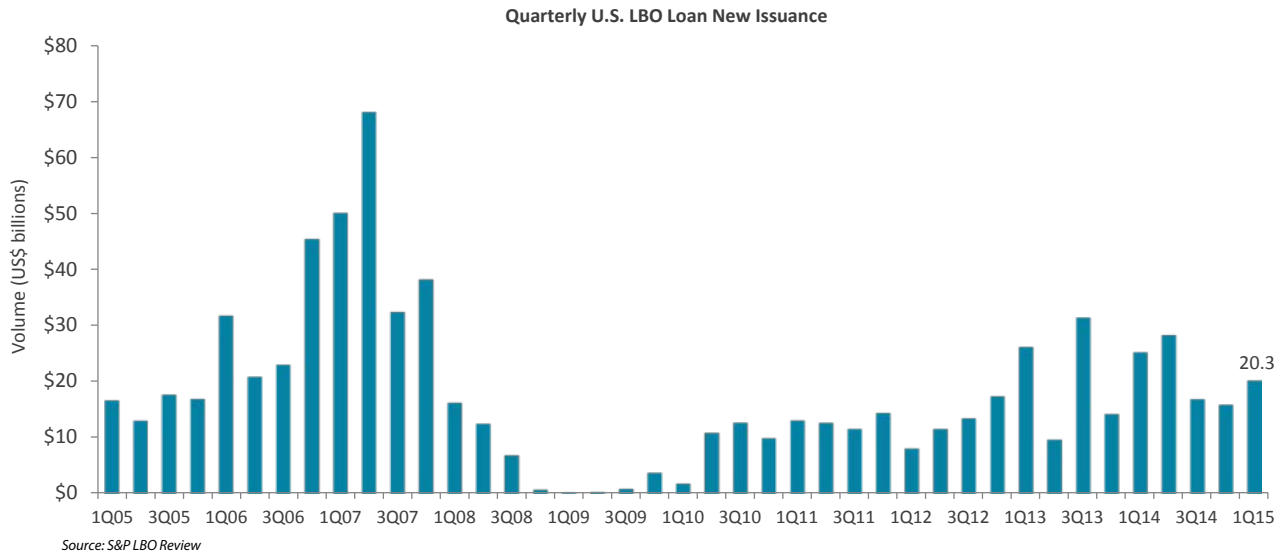
For the period ended March 31, 2015

\*Includes reinvestment of dividends.

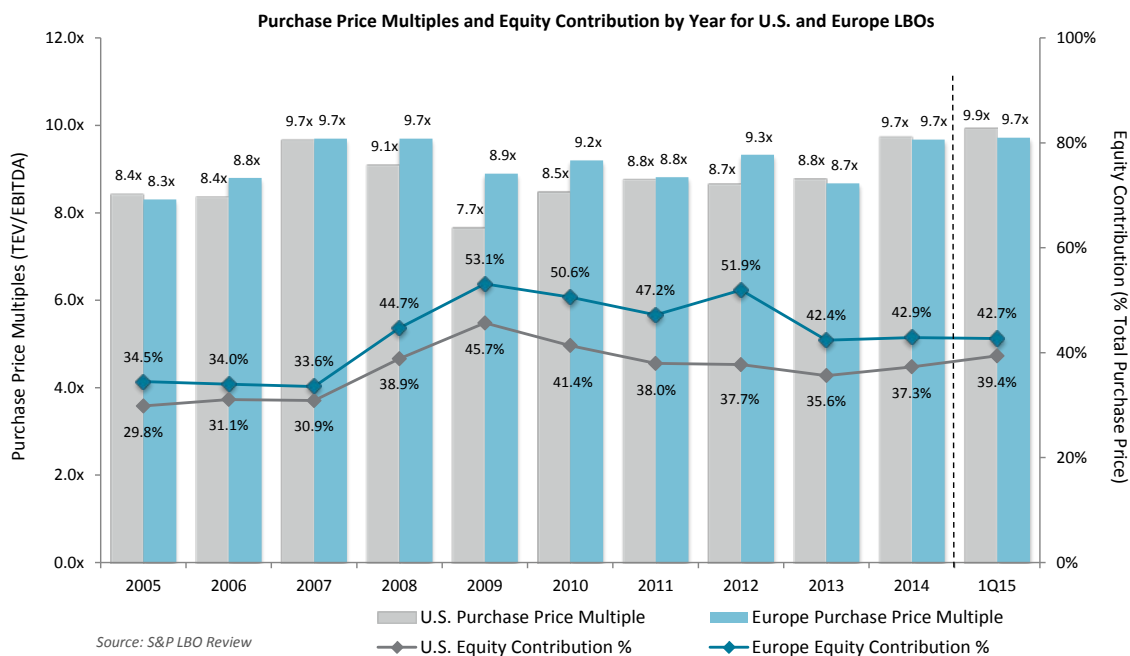
Source: Capital IQ

## Debt Markets

During the first quarter of 2015, U.S. LBO new loan issuance totaled US\$20.3 billion; this figure represents an increase of 27% from the prior quarter, and is 12% higher than the 10-year quarterly average of US\$18.2 billion. The following chart shows the quarterly volume of U.S. LBO new loan issuance for the past ten years.



In the first quarter, weighted average purchase price multiples for U.S. LBO deals increased to 9.9x total enterprise value (“TEV”) to EBITDA, notably higher than the fourth quarter’s multiple of 9.5x and the annual weighted multiple of 9.7x throughout 2014. Purchase price multiples for Europe LBOs remained flat at 9.7x. The average equity contribution for U.S. LBOs was 39.4% in the first quarter of 2015, in-line with the previous quarter’s 39.6%. Similarly, the average equity contribution for European LBOs remained flat at 42.7%. The following chart compares purchase price multiples and equity contribution percentages for LBO deals in the U.S. and Europe.



## Private Equity Market Overview

### All Private Equity

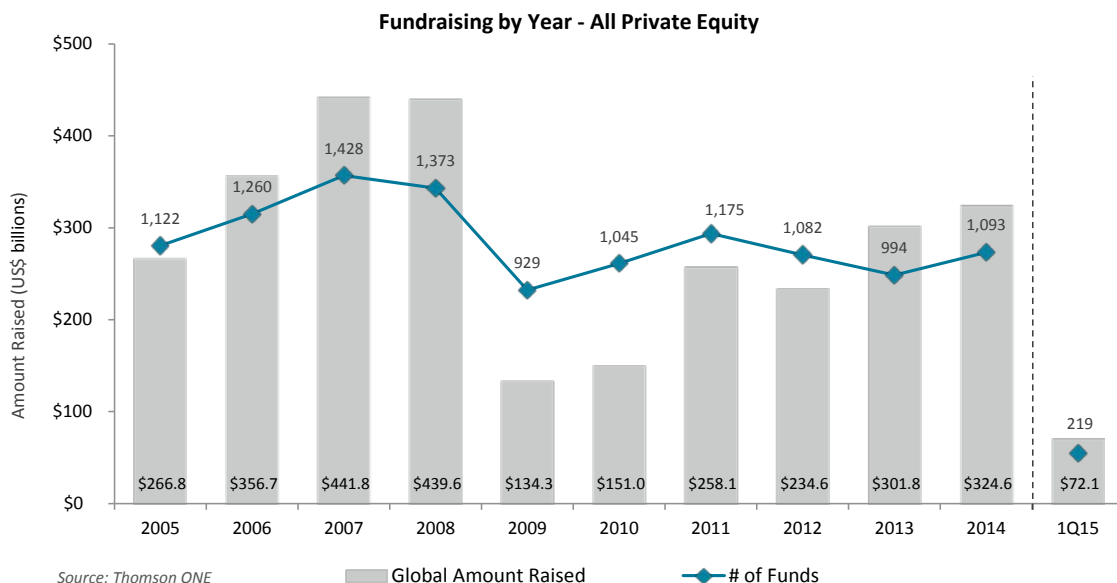
During the first quarter of 2015, the All Private Equity benchmark returned 0.4%, while the S&P 500 and S&P 500 Total Return gained 0.4% and 1.0%, respectively, during the same period. The Venture Capital sector increased 3.3%, helping to offset losses in Buyout and Mezzanine strategies. The table below shows the pooled Internal Rate of Return ("IRR") performance of global private equity investments by sector over various investment horizons from 3 months to 10 years through March 31, 2015. While Buyout and Mezzanine returns have fallen short of public markets in recent years, the Venture Capital sector has consistently outperformed the S&P 500 Total Return index over the past decade.

Sector	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Small/Middle Buyouts (<\$3bn)	(0.5%)	6.6%	11.0%	12.5%	13.0%
Large Buyouts (>\$3bn)	(0.3%)	6.4%	13.6%	14.6%	11.1%
Mezzanine	(1.5%)	3.0%	8.2%	9.0%	8.6%
Venture Capital	3.3%	21.1%	17.3%	16.6%	11.0%
<b>All Private Equity</b>	<b>0.4%</b>	<b>7.9%</b>	<b>12.2%</b>	<b>13.2%</b>	<b>11.3%</b>

Source: Burgiss PrivateIQ

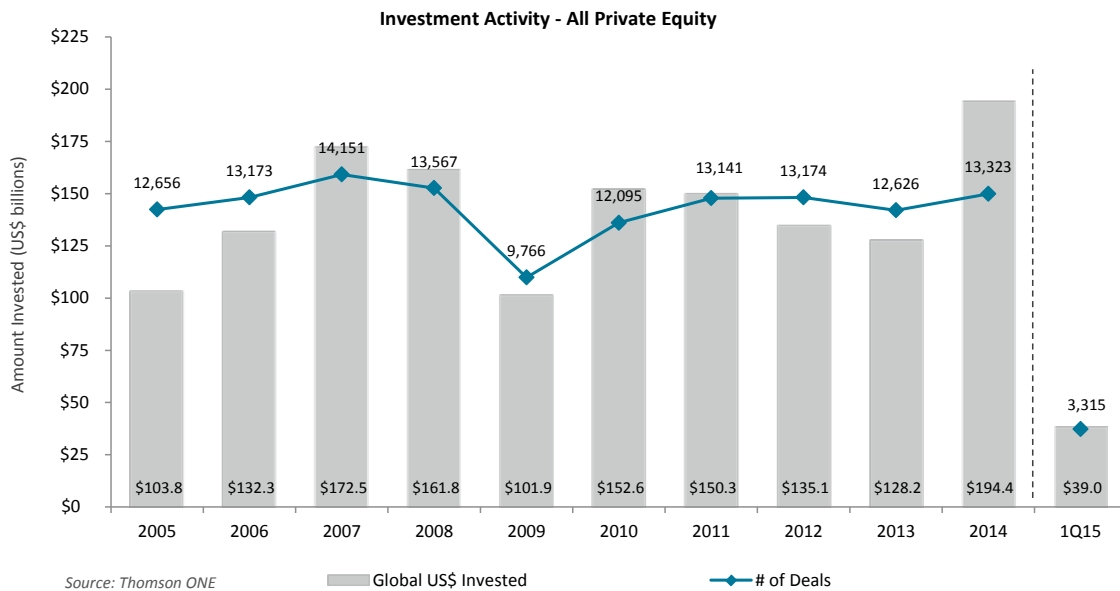
### Fundraising

Private equity fundraising totaled US\$72.1 billion in the first quarter of 2015, an 11% decrease from the prior quarter but in-line with the \$72.4 billion raised in the first quarter of 2014. Buyout fundraising fell 14% quarter-over-quarter, raising US\$44.0 billion, while Venture Capital fundraising increased 18%, raising US\$10.5 billion. Geographically, U.S. fundraising represented 73% of the total amount raised in the first quarter, while Europe, Asia, and the rest of the world accounted for 18%, 7%, and 2% of the total capital raised, respectively. The chart below shows private equity fundraising activity over the past ten years.

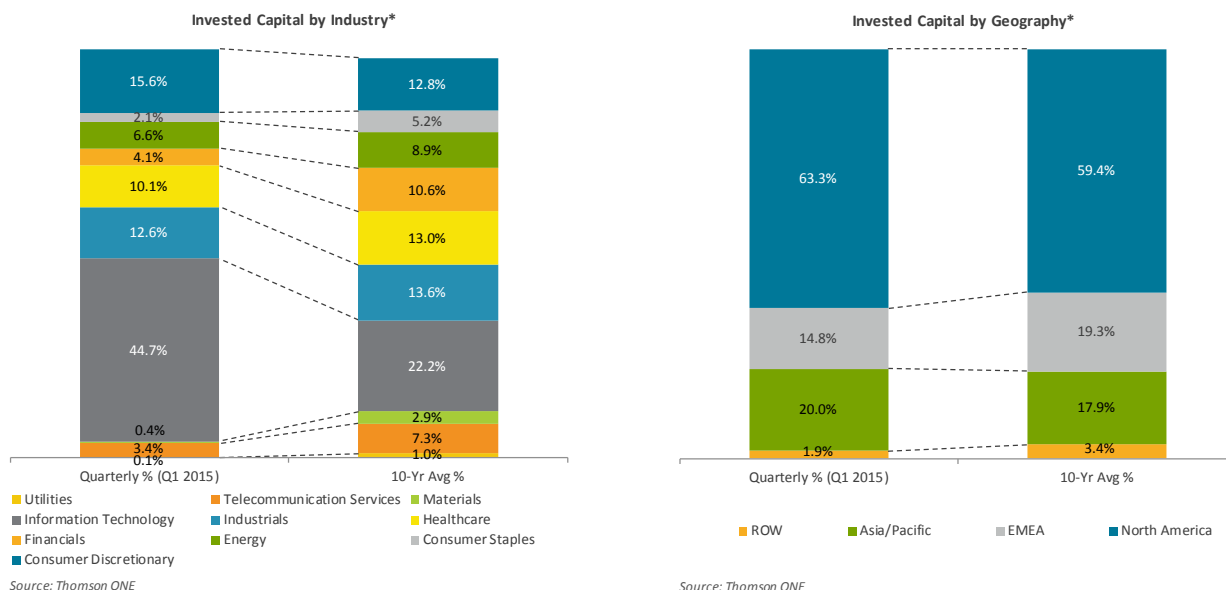


## Investment Activity

Private equity funds invested US\$39.0 billion during the first quarter, a decrease of 25% from the prior quarter. The largest deal during the first quarter belonged to the ride-hailing company Uber, which raised US\$2.6 billion in debt financing and Series E funding. The average investment size during the quarter decreased to US\$11.8 million, down 20% quarter-over-quarter.



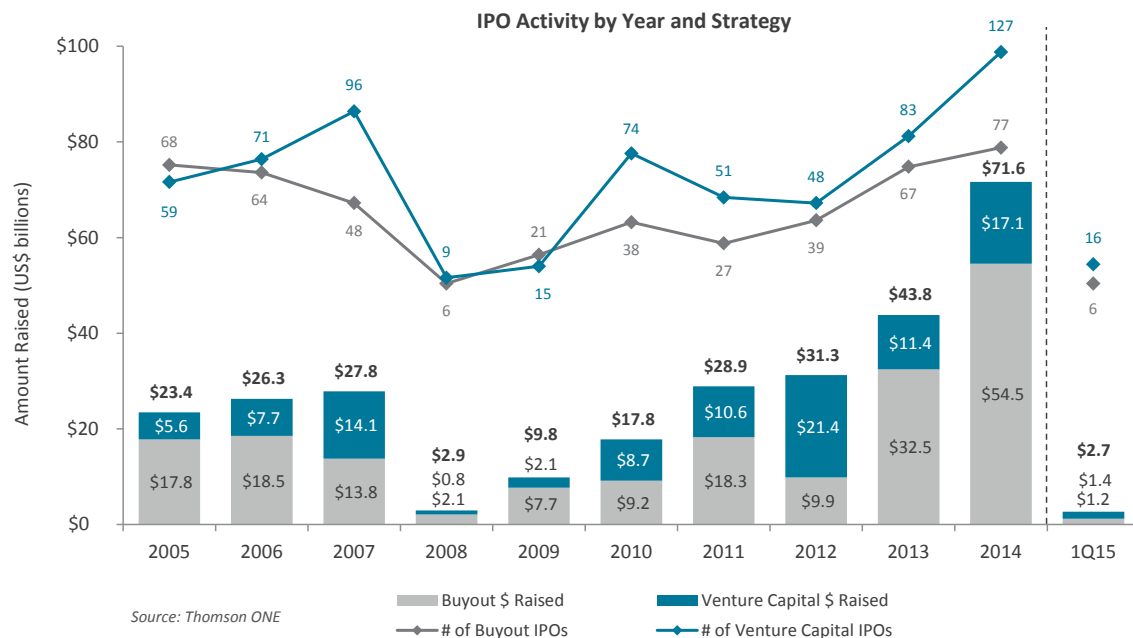
The graphs below depict the percentage of invested capital by industry and geography for the first quarter of 2015 and over the last ten years. The Information Technology sector attracted the most capital, accounting for US\$17.4 billion of transactions, or 45% of total capital invested during the first quarter by private equity firms, compared to a 10-year pro rata average of 22%. In the first quarter of 2015, investment activity in the North America region was above the historical average, representing 63% of total invested capital during the quarter compared to 59% over the last ten years.



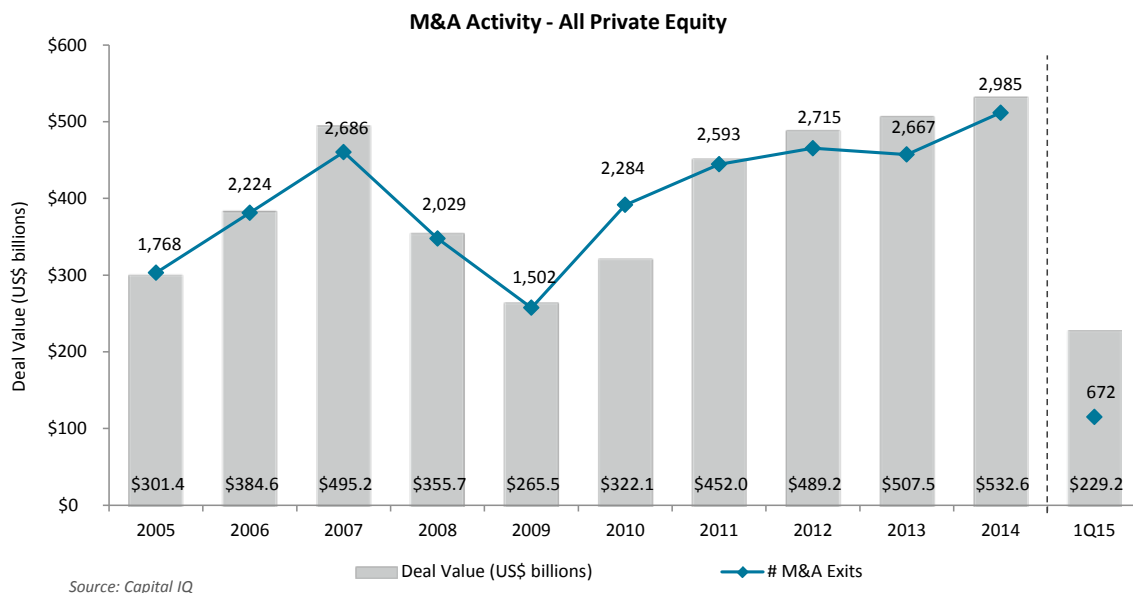
\*Note: Invested Capital is for all private equity from Q2 2005 – Q1 2015.

## Deal Environment

Following a record year in 2014, the IPO market slowed dramatically in the first quarter of 2015. During the first quarter, there were 22 private equity-backed IPOs which raised a total of US\$2.7 billion, compared to 52 IPOs which raised US\$10.3 billion in the previous quarter. The largest IPO of the first quarter was the web hosting company GoDaddy (NYSE:GDDY), which raised US\$520 million. The following graph shows the amount raised and the number of Buyout and Venture Capital IPOs on the NYSE and NASDAQ over the past ten years.



Private equity-backed Mergers and Acquisitions (“M&A”) activity rose 51% quarter-over-quarter, with deal value totaling US\$229.2 billion. The largest deal of the quarter was Actavis PLC’s US\$72.9 billion acquisition of Botox manufacturer Allergan Inc., representing 32% of the quarter’s aggregate M&A volume.



### III. Portfolio Review

#### Quarterly Highlights

- Cash Flow Activity** – During the first quarter of 2015, the Portfolio made US\$33.3 million of contributions and received US\$27.6 million of distributions, for a net cash outflow of US\$5.7 million, compared to a net cash inflow of US\$1.7 million during the prior quarter and a net cash inflow of US\$7.7 million during the first quarter of 2014. Contributions decreased 13.3% from the prior quarter and increased 26.5% from the first quarter of 2014. The most recent four quarter average of the Program's contributions is US\$39.6 million. Distributions decreased 31.2% from the prior quarter and decreased 18.9% from the first quarter of 2014. The most recent four quarter average of the Program's distributions is US\$33.8 million.
- Recent Portfolio Activity** – During the first quarter of 2015, net of cash flow activity, the valuation of the Portfolio increased by US\$23.8 million, or 3.2%, from the prior quarter. The increase in Portfolio value is primarily attributable to strong performance of large buyout funds during the quarter, which generated a US\$6.5 million increase in valuation from the prior quarter-end. During the last twelve months, net of cash flow activity and Pro-Forma for the Secondary Sale, the valuation of the Portfolio increased by US\$73.1 million, or 10.6%, from the quarter ended March 31, 2014.
- New Investment Commitments** – During the first quarter of 2015, the Program closed on two new investment commitments, totaling US\$19.5 million.

<i>As of March 31, 2015 (US\$ in millions)</i>	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
American Securities Partners VII, L.P.	January 2015	Large Buyout	North America	\$ 14.0
Siris Partners III, L.P.	February 2015	Middle-Market Buyout	North America	5.5
<b>Total</b>				<b>\$ 19.5</b>

- Subsequent Investment Commitments** – Subsequent to quarter-end through August 25, 2015, the Program closed on six new investment commitments, totaling US\$58.8 million.

<i>As of August 25, 2015 (US\$ in millions)</i>	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Valor Equity Partners III, L.P.	May 2015	Small Buyout	North America	\$ 1.5
Welsh, Carson, Anderson & Stowe XII, L.P.	June 2015	Large Buyout	North America	14.0
Bridgepoint Europe V	June 2015	Large Buyout	Western Europe	11.0
Bridgepoint Europe V Co-Invest	June 2015	Co/Direct Investment	Western Europe	3.3
Patriot Financial Partners II, L.P.	June 2015	Small Buyout	North America	1.3
EQT VII, L.P.	July 2015	Mega Buyout	Western Europe	27.6
<b>Total</b>				<b>\$ 58.8</b>

## Investment Performance

### Since Inception Performance

US\$ in millions	March 31, 2015	December 31, 2014	March 31, 2014	Quarterly Change	Yearly Change
<b>Active Investments</b>					
Number of Managers	103	102	97	1	6
Number of Investments	161	159	150	2	11
Committed Capital <sup>1</sup>	\$1,437.6	\$1,423.7	\$1,321.0	\$14.0	\$116.6
Contributed Capital	\$1,103.4	\$1,070.1	\$961.9	\$33.3	\$141.5
Distributed Capital <sup>2</sup>	\$772.5	\$744.9	\$678.3	\$27.6	\$94.2
Market Value <sup>2</sup>	\$762.8	\$733.3	\$661.4	\$29.5	\$101.3
Total Value	\$1,535.2	\$1,478.2	\$1,339.7	\$57.0	\$195.5
Total Gain/(Loss)	\$431.9	\$408.1	\$377.8	\$23.8	\$54.0
Unfunded Commitment <sup>3</sup>	\$474.4	\$489.9	\$490.3	(\$15.5)	(\$15.9)
Total Exposure <sup>4</sup>	\$1,237.1	\$1,223.2	\$1,151.7	\$14.0	\$85.4
DPI <sup>5</sup>	0.70x	0.70x	0.71x	0.00x	-0.01x
TVM <sup>6</sup>	1.39x	1.38x	1.39x	0.01x	0.00x
IRR <sup>7</sup>	11.3%	11.2%	11.8%	+ 7 bps	- 56 bps
<b>Exited Investments</b>					
Number of Managers	12	12	11	-	1
Number of Investments	14	14	13	-	1
Committed Capital <sup>1</sup>	\$72.0	\$72.0	\$58.2	\$0.0	\$13.8
Contributed Capital	\$82.2	\$82.2	\$65.2	\$0.0	\$17.0
Distributed Capital <sup>2</sup>	\$100.1	\$100.1	\$64.1	\$0.0	\$36.0
Total Value	\$100.1	\$100.1	\$64.1	\$0.0	\$36.0
Total Gain/(Loss)	\$17.9	\$17.9	(\$1.1)	\$0.0	\$19.0
Unfunded Commitment <sup>3</sup>	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
DPI <sup>5</sup>	1.22x	1.22x	0.98x	0.00x	0.23x
TVM <sup>6</sup>	1.22x	1.22x	0.98x	0.00x	0.23x
IRR <sup>7</sup>	7.3%	7.3%	-0.5%	+ 0 bps	+ 784 bps
<b>Total Portfolio</b>					
Number of Managers	113	112	107	1	6
Number of Investments	175	173	163	2	12
Committed Capital <sup>1</sup>	\$1,509.6	\$1,495.6	\$1,379.2	\$14.0	\$130.4
Contributed Capital	\$1,185.6	\$1,152.3	\$1,027.2	\$33.3	\$158.4
Distributed Capital <sup>2</sup>	\$872.6	\$845.1	\$742.4	\$27.6	\$130.2
Market Value <sup>2</sup>	\$762.8	\$733.3	\$661.4	\$29.5	\$101.3
Total Value	\$1,635.4	\$1,578.3	\$1,403.9	\$57.0	\$231.5
Total Gain/(Loss)	\$449.8	\$426.0	\$376.7	\$23.8	\$73.1
Unfunded Commitment <sup>3</sup>	\$474.4	\$489.9	\$490.3	(\$15.5)	(\$15.9)
Total Exposure <sup>4</sup>	\$1,237.1	\$1,223.2	\$1,151.7	\$14.0	\$85.4
DPI <sup>5</sup>	0.74x	0.73x	0.72x	0.00x	0.01x
TVM <sup>6</sup>	1.38x	1.37x	1.37x	0.01x	0.01x
IRR <sup>7</sup>	11.0%	10.9%	11.0%	+ 7 bps	- 3 bps

<sup>1</sup> Committed Capital is presented net of any commitment releases or expirations and reflects foreign currency exchange rate fluctuations.

<sup>2</sup> Please note that the Distributions and Market Value are presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

<sup>3</sup> Unfunded Commitment represents the aggregate remaining commitments to partnership investments. Please note that the Unfunded Commitment is presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

<sup>4</sup> Total Exposure represents the sum of Market Value and Unfunded Commitment.

<sup>5</sup> DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Distributed Capital divided by Contributed Capital.

<sup>6</sup> TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Distributed Capital, divided by Contributed Capital.

<sup>7</sup> IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest.

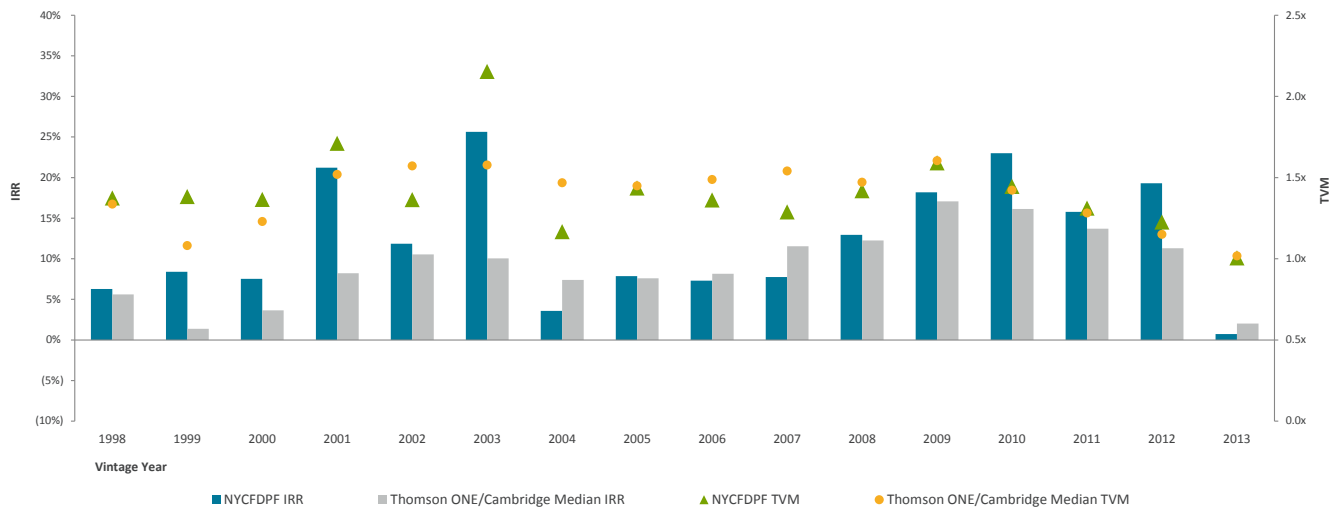
## Performance by Vintage Year

The following table and chart illustrate the Portfolio's since inception investment performance by vintage year as of March 31, 2015 relative to the median quartile U.S. All Private Equity TVM and IRR benchmarks as provided by Thomson ONE/Cambridge. Performance of funds that are less than two years old are not meaningful. Note that Thomson ONE/Cambridge data is continuously updated and is therefore subject to change.

As of March 31, 2015 (US\$ in millions)

Vintage Year	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR	Thomson ONE / Cambridge U.S. All PE Median Quartile TVM	Thomson ONE / Cambridge U.S. All PE Median Quartile IRR
1998	\$10.0	\$10.0	\$13.7	\$0.1	\$0.0	\$0.1	1.37x	6.3%	1.34x	5.6%
1999	54.5	62.9	78.3	8.7	0.6	9.4	1.38x	8.4%	1.08x	1.4%
2000	28.8	33.8	41.1	5.0	-	5.0	1.37x	7.5%	1.23x	3.7%
2001	49.1	58.5	99.0	1.2	2.0	3.2	1.71x	21.2%	1.52x	8.2%
2002	10.0	12.2	13.3	3.4	0.3	3.7	1.36x	11.9%	1.57x	10.5%
2003	28.9	32.3	61.2	8.3	2.6	10.9	2.15x	25.6%	1.58x	10.0%
2004	49.3	51.0	46.1	13.3	2.9	16.2	1.17x	3.6%	1.47x	7.4%
2005	69.0	75.5	68.9	39.5	4.0	43.4	1.44x	7.9%	1.45x	7.6%
2006	134.6	148.7	123.8	78.7	7.0	85.7	1.36x	7.3%	1.49x	8.2%
2007	123.4	128.7	91.8	74.0	11.8	85.8	1.29x	7.8%	1.54x	11.5%
2008	197.1	205.5	145.2	146.5	27.1	173.6	1.42x	13.0%	1.47x	12.3%
2009	46.9	43.7	29.6	39.9	6.1	45.9	1.59x	18.2%	1.60x	17.1%
2010	42.5	39.2	14.8	41.9	11.1	53.0	1.45x	23.0%	1.42x	16.1%
2011	168.1	132.1	28.2	145.0	47.6	192.5	1.31x	15.8%	1.28x	13.7%
2012	158.8	84.4	16.5	86.9	78.8	165.7	1.23x	19.3%	1.15x	11.3%
2013	170.9	30.3	0.9	29.6	141.4	171.0	1.01x	0.7%	1.02x	2.0%
2014	148.4	36.8	0.0	40.8	111.7	152.5	NM	NM	NM	NM
2015	19.5	-	-	-	19.5	19.5	NM	NM	NM	NM
<b>Total</b>	<b>\$1,509.6</b>	<b>\$1,185.6</b>	<b>\$872.6</b>	<b>\$762.8</b>	<b>\$474.4</b>	<b>\$1,237.1</b>	<b>1.38x</b>	<b>11.0%</b>	<b>1.36x</b>	<b>8.7%</b>

As of March 31, 2015





## Portfolio Periodic Returns vs. Russell 3000® Index

<i>As of March 31, 2015</i>	1 Year	3 Year	5 Year	10 Year	Since Inception
NYCFDPF IRR	10.7%	12.8%	12.3%	11.3%	11.0%
Russell 3000® <sup>1</sup>	12.4%	16.3%	15.1%	11.1%	10.4%
Russell 3000® + 300 bps <sup>1</sup>	15.4%	19.3%	18.1%	14.1%	13.4%
<b>NYCFDPF Outperformance/(Underperformance)</b>					
vs. Russell 3000® + 300 bps <sup>1</sup>	(4.6%)	(6.5%)	(5.8%)	(2.8%)	(2.4%)

<sup>1</sup>Benchmark is a dollar-weighted Long-Nickels calculation of quarterly changes in the Russell 3000® Index. Russell Investment Group is the source and owner of the trademark, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

## Performance by Strategy / Sub-Strategy

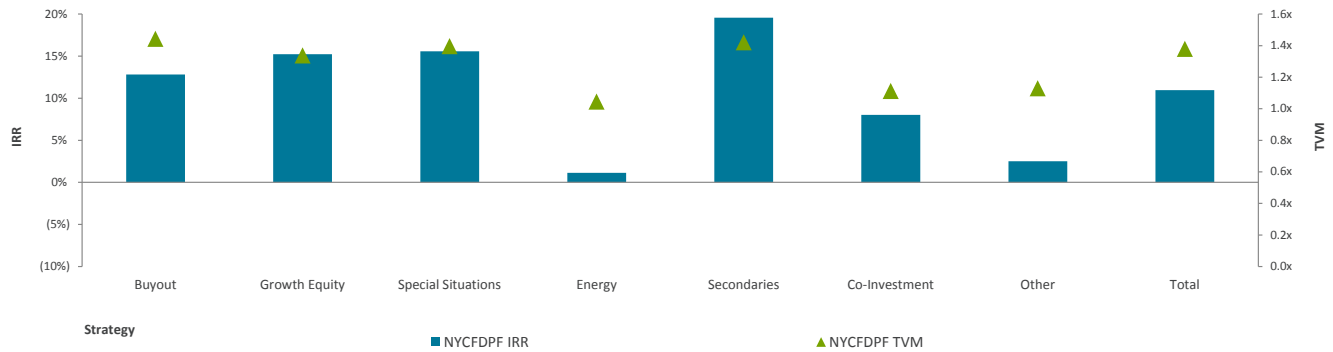
The following table and charts illustrate the Portfolio's since inception investment performance by strategy and sub-strategy as of March 31, 2015.

*As of March 31, 2015 (US\$ in millions)*

Strategy / Sub-Strategy	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR
<b>Buyout</b>	<b>\$935.7</b>	<b>\$770.7</b>	<b>\$663.9</b>	<b>\$448.6</b>	<b>\$274.8</b>	<b>\$723.5</b>	<b>1.44x</b>	<b>12.8%</b>
Mega Buyout	298.5	207.9	168.0	131.6	118.9	250.6	1.44x	14.2%
Large Buyout	192.2	161.3	151.5	102.8	56.5	159.3	1.58x	26.2%
Middle-Market Buyout	227.5	185.5	164.8	102.7	71.0	173.7	1.44x	9.1%
Small Buyout	217.5	216.1	179.7	111.4	28.5	139.9	1.35x	9.7%
<b>Growth Equity</b>	<b>119.2</b>	<b>87.6</b>	<b>30.0</b>	<b>87.2</b>	<b>43.5</b>	<b>130.6</b>	<b>1.34x</b>	<b>15.2%</b>
<b>Special Situations</b>	<b>87.0</b>	<b>66.2</b>	<b>48.3</b>	<b>44.1</b>	<b>32.5</b>	<b>76.6</b>	<b>1.40x</b>	<b>15.6%</b>
<b>Energy</b>	<b>37.5</b>	<b>38.6</b>	<b>18.3</b>	<b>22.0</b>	<b>3.1</b>	<b>25.1</b>	<b>1.05x</b>	<b>1.1%</b>
<b>Secondaries</b>	<b>169.6</b>	<b>75.0</b>	<b>36.7</b>	<b>69.9</b>	<b>95.9</b>	<b>165.7</b>	<b>1.42x</b>	<b>19.6%</b>
<b>Co-Investment</b>	<b>31.4</b>	<b>12.5</b>	<b>1.7</b>	<b>12.2</b>	<b>19.1</b>	<b>31.3</b>	<b>1.11x</b>	<b>8.0%</b>
<b>Other</b>	<b>129.1</b>	<b>134.9</b>	<b>73.6</b>	<b>78.8</b>	<b>5.5</b>	<b>84.3</b>	<b>1.13x</b>	<b>2.5%</b>
Venture Capital	112.6	114.8	51.4	73.7	4.3	78.0	1.09x	1.6%
Mezzanine	16.5	20.1	22.2	5.1	1.3	6.4	1.36x	11.9%
<b>Total</b>	<b>\$1,509.6</b>	<b>\$1,185.6</b>	<b>\$872.6</b>	<b>\$762.8</b>	<b>\$474.4</b>	<b>\$1,237.1</b>	<b>1.38x</b>	<b>11.0%</b>

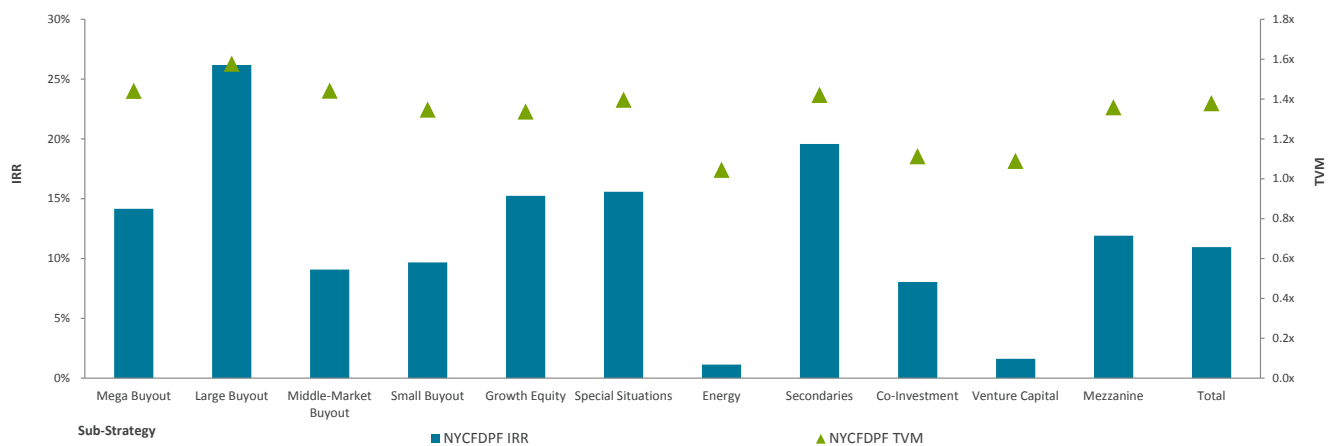
## Performance by Strategy

As of March 31, 2015



## Performance by Sub-Strategy

As of March 31, 2015



## Portfolio Diversification

The following tables illustrate the Portfolio's diversification by strategy and fund geographic focus as of March 31, 2015.

### By Strategy/Sub-Strategy

As of March 31, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<b>Buyout</b>	<b>448.6</b>	<b>58.8%</b>	<b>274.8</b>	<b>57.9%</b>	<b>723.5</b>	<b>58.5%</b>
Mega Buyout	131.6	17.3%	118.9	25.1%	250.6	20.3%
Large Buyout	102.8	13.5%	56.5	11.9%	159.3	12.9%
Middle-Market Buyout	102.7	13.5%	71.0	15.0%	173.7	14.0%
Small Buyout	111.4	14.6%	28.5	6.0%	139.9	11.3%
<b>Growth Equity</b>	<b>87.2</b>	<b>11.4%</b>	<b>43.5</b>	<b>9.2%</b>	<b>130.6</b>	<b>10.6%</b>
<b>Special Situations</b>	<b>44.1</b>	<b>5.8%</b>	<b>32.5</b>	<b>6.8%</b>	<b>76.6</b>	<b>6.2%</b>
<b>Energy</b>	<b>22.0</b>	<b>2.9%</b>	<b>3.1</b>	<b>0.7%</b>	<b>25.1</b>	<b>2.0%</b>
<b>Secondaries</b>	<b>69.9</b>	<b>9.2%</b>	<b>95.9</b>	<b>20.2%</b>	<b>165.7</b>	<b>13.4%</b>
<b>Co-Investment</b>	<b>12.2</b>	<b>1.6%</b>	<b>19.1</b>	<b>4.0%</b>	<b>31.3</b>	<b>2.5%</b>
<b>Other</b>	<b>78.8</b>	<b>10.3%</b>	<b>5.5</b>	<b>1.2%</b>	<b>84.3</b>	<b>6.8%</b>
Venture Capital	73.7	9.7%	4.3	0.9%	78.0	6.3%
Mezzanine	5.1	0.7%	1.3	0.3%	6.4	0.5%
<b>Total</b>	<b>762.8</b>	<b>100.0%</b>	<b>474.4</b>	<b>100.0%</b>	<b>1,237.1</b>	<b>100.0%</b>

### By Fund Geographic Focus

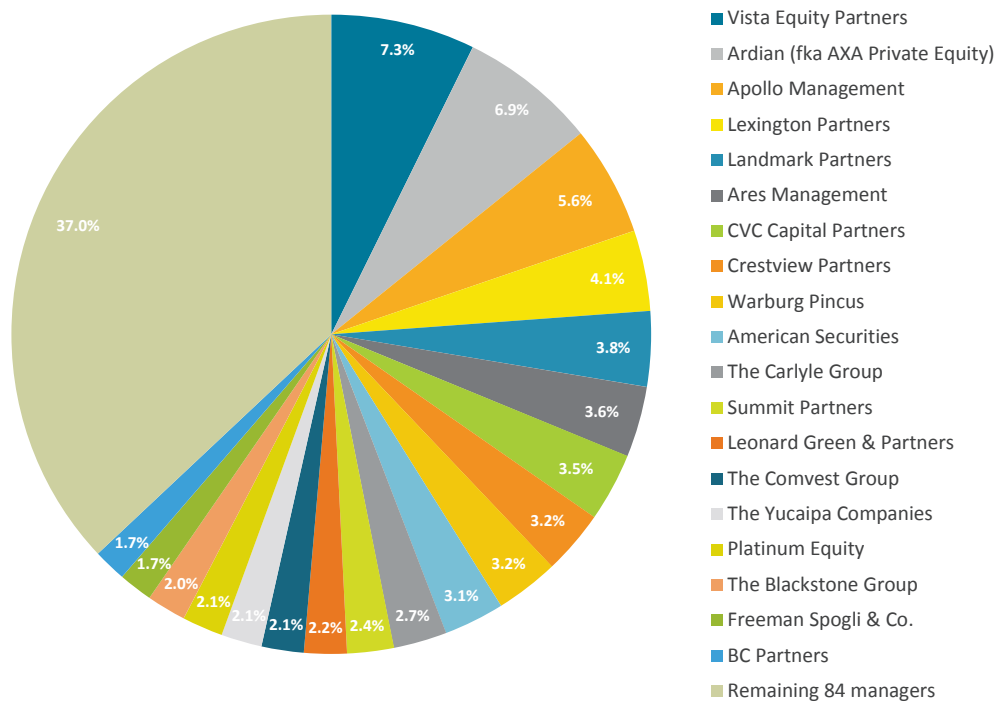
As of March 31, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
North America	551.7	72.3%	291.0	61.3%	842.7	68.1%
Global	145.5	19.1%	167.1	35.2%	312.6	25.3%
Western Europe	58.9	7.7%	15.7	3.3%	74.7	6.0%
Rest of World	6.7	0.9%	0.6	0.1%	7.3	0.6%
<b>Total</b>	<b>762.8</b>	<b>100.0%</b>	<b>474.4</b>	<b>100.0%</b>	<b>1,237.1</b>	<b>100.0%</b>

Prior to a fund being 75% drawn, fund geographic focus is based on the GP-stated geographic strategy. Subsequent to a fund being 75% drawn, fund geographic focus is based on actual portfolio company exposure by total invested capital. Funds with less than 75% of total invested capital allocated to one geographic region are classified as Global.

### By Investment Manager

As of March 31, 2015, the Portfolio was highly diversified by investment manager, with 19 managers comprising US\$779.2 million, or 63.0% of total exposure. The remaining 84 managers comprised 37.0% of total exposure as of quarter-end.

**Portfolio Total Exposure by Investment Manager**  
As of March 31, 2015

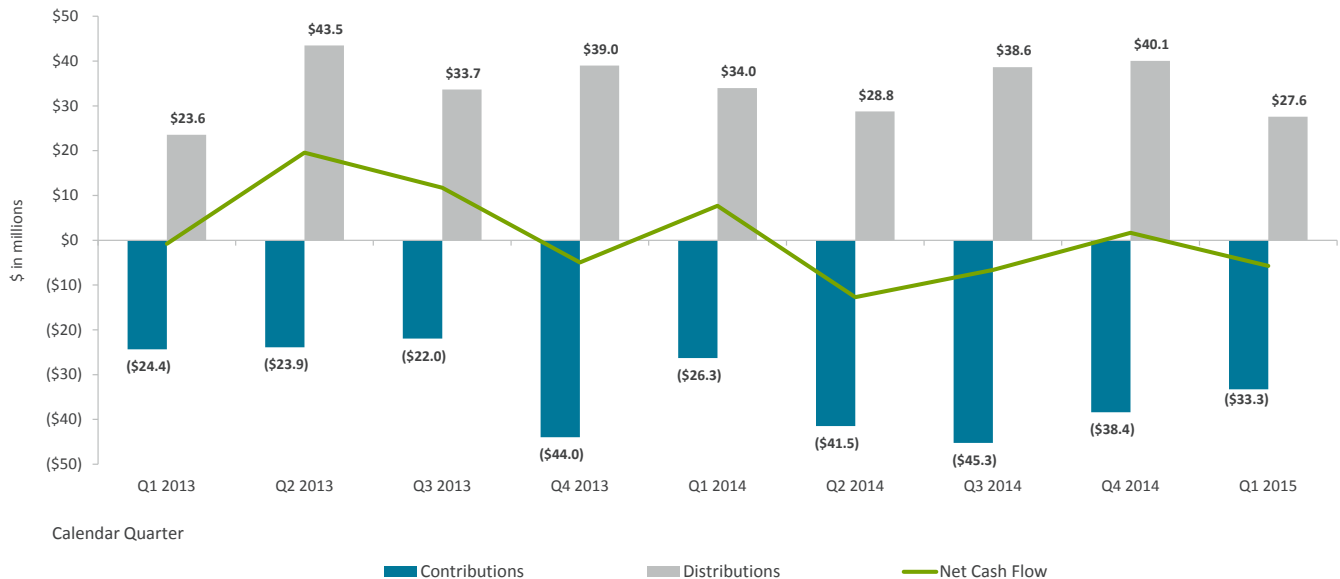


## Portfolio Cash Flow Analysis

The following yearly and quarterly cash flow analysis is based on actual Portfolio cash flows during those time periods, excluding the proceeds expected to be received from the Secondary Sale that closed in the first half of 2012.

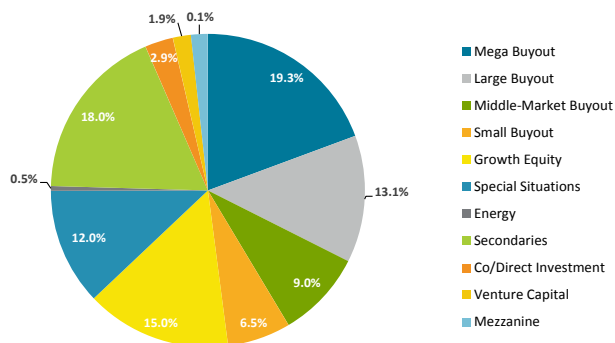
### Quarterly Cash Flow Activity

During the first quarter of 2015, the Portfolio made US\$33.3 million of contributions and received US\$27.6 million of distributions, for a net cash outflow of US\$5.7 million. The graph below illustrates recent cash flow activity by quarter.

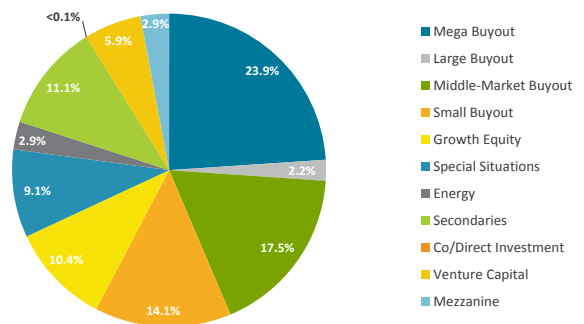


Buyout funds were the most active in terms of cash flow activity during the first quarter of 2015. Buyout funds drew down US\$16.0 million, or 47.9% of total contributions during the quarter, and distributed US\$15.9 million, or 57.7% of total distributions during the quarter.

Q1 2015 Total Contributed by Sub-Strategy

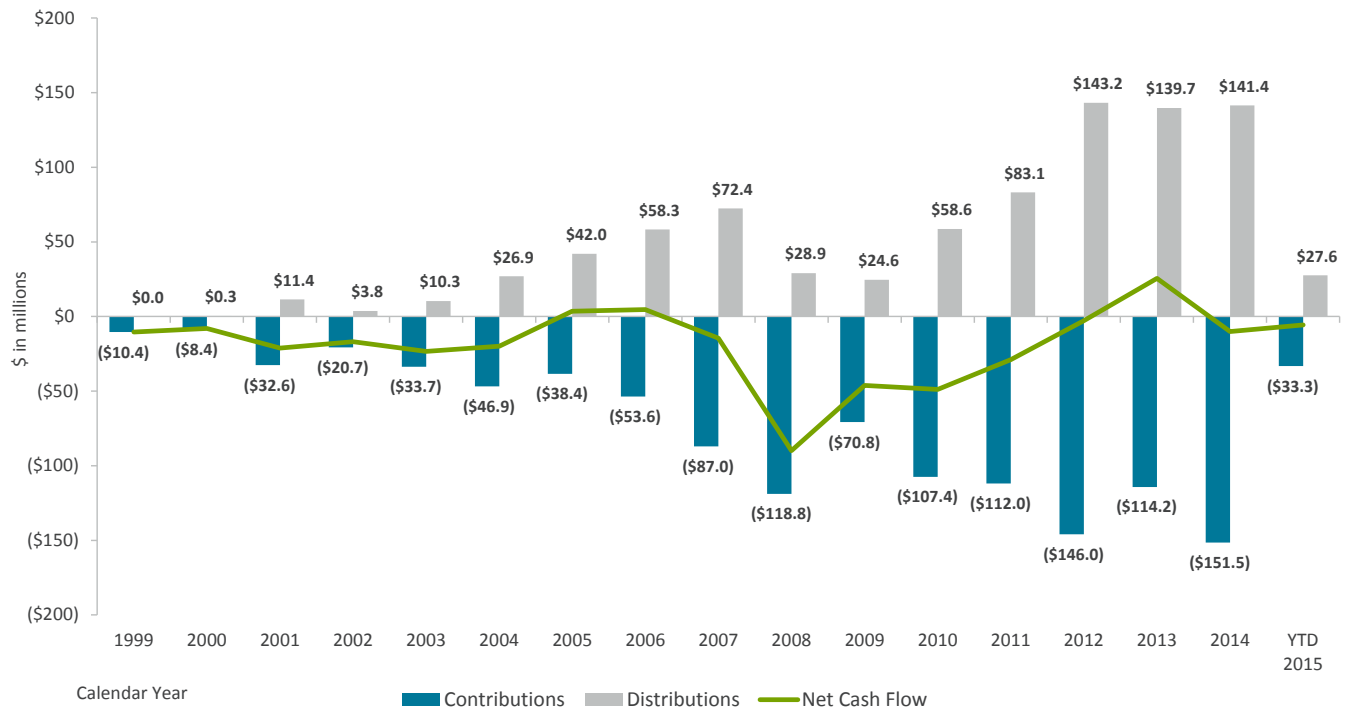


Q1 2015 Total Distributed by Sub-Strategy



## Yearly Cash Flow Activity

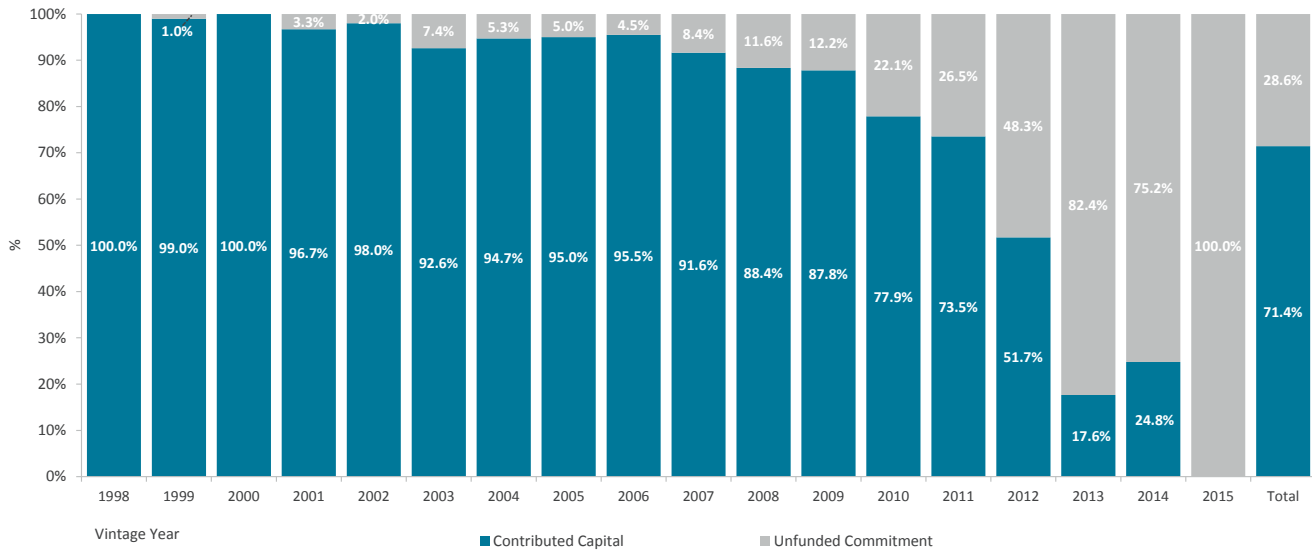
The graph below illustrates cash flow activity since inception by calendar year.



### Invested Capital by Vintage Year

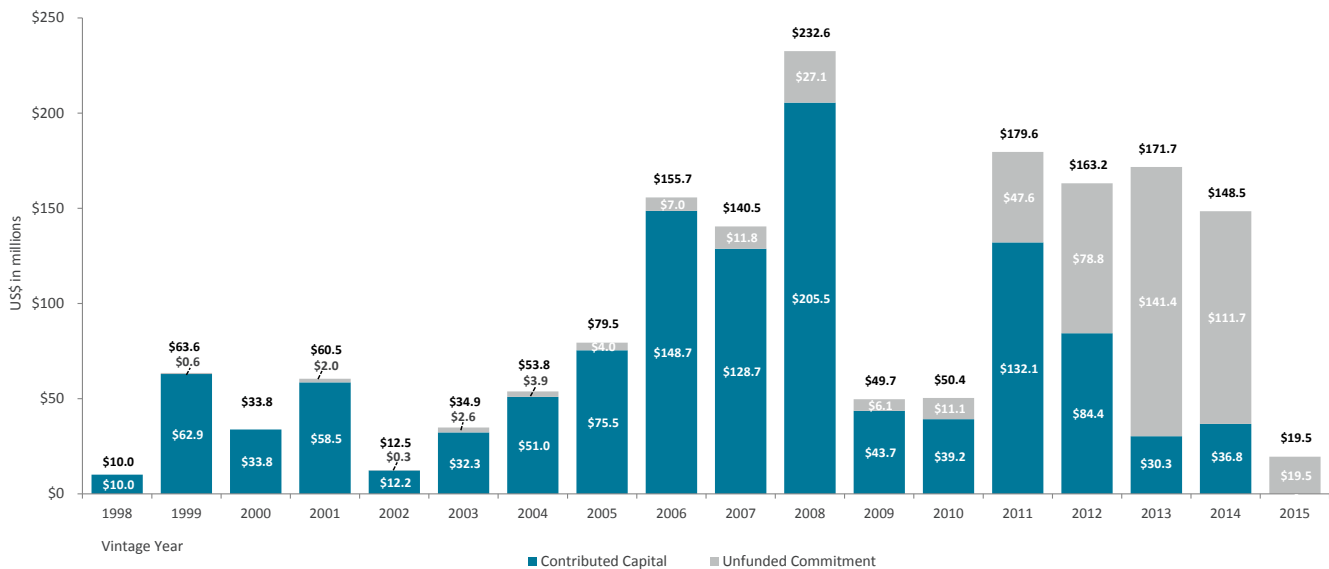
The following chart illustrates cumulative net capital contributions as a percentage of total capital commitments, by fund vintage year, as of March 31, 2015.

**Capital Contributions to Unfunded by Vintage Year (%)**



The following chart illustrates cumulative net capital contributions relative to unfunded commitment, by fund vintage year, as of March 31, 2015 Pro-Forma for the Secondary Sale.

**Capital Contributions to Unfunded by Vintage Year**



## Portfolio Company-Level Analysis

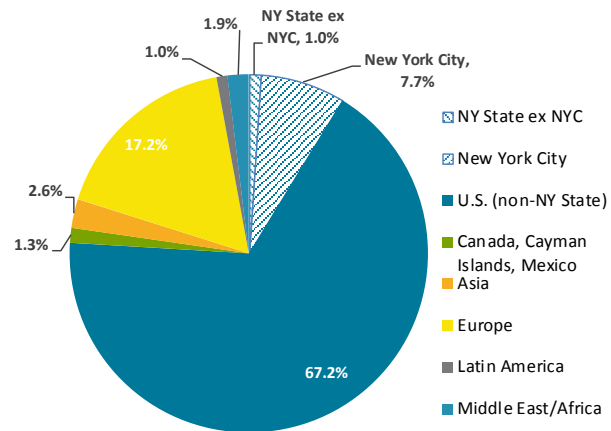
### Geographic Exposure

The following charts illustrate the Portfolio's current exposure by geography at the portfolio company level as of March 31, 2015. Please note that the geography is based upon the corporate headquarters of each portfolio company.

#### Geographic Exposure by Current Cost

As of March 31, 2015 (US\$ in millions)

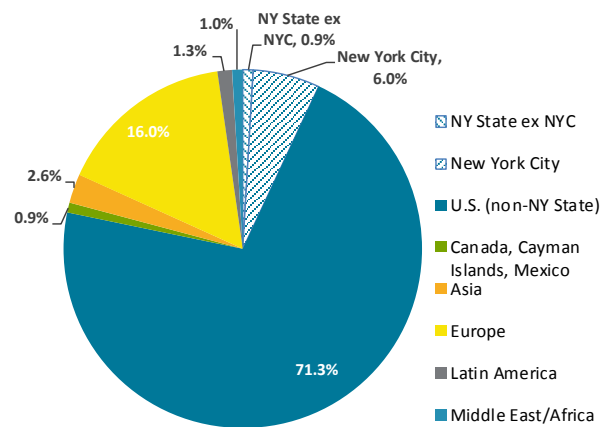
	Sum of Current Cost	% of Total
<b>North America</b>	<b>\$451.1</b>	<b>77.3%</b>
<b>New York</b>	<b>\$51.0</b>	<b>8.7%</b>
NY State ex NYC	6.1	1.0%
New York City	44.9	7.7%
<b>U.S. (non-NY State)</b>	<b>392.4</b>	<b>67.2%</b>
Canada, Cayman Islands, Mexico	7.8	1.3%
Asia	15.2	2.6%
Europe	100.5	17.2%
Latin America	5.7	1.0%
Middle East/Africa	11.2	1.9%
<b>Total</b>	<b>\$583.8</b>	<b>100.0%</b>



#### Geographic Exposure by Current Market Value

As of March 31, 2015 (US\$ in millions)

	Sum of Current Market Value	% of Total
<b>North America</b>	<b>\$627.7</b>	<b>79.1%</b>
<b>New York</b>	<b>\$55.2</b>	<b>7.0%</b>
NY State ex NYC	7.4	0.9%
New York City	47.8	6.0%
<b>U.S. (non-NY State)</b>	<b>565.5</b>	<b>71.3%</b>
Canada, Cayman Islands, Mexico	7.1	0.9%
Asia	20.8	2.6%
Europe	126.6	16.0%
Latin America	10.3	1.3%
Middle East/Africa	7.6	1.0%
<b>Total</b>	<b>\$793.1</b>	<b>100.0%</b>

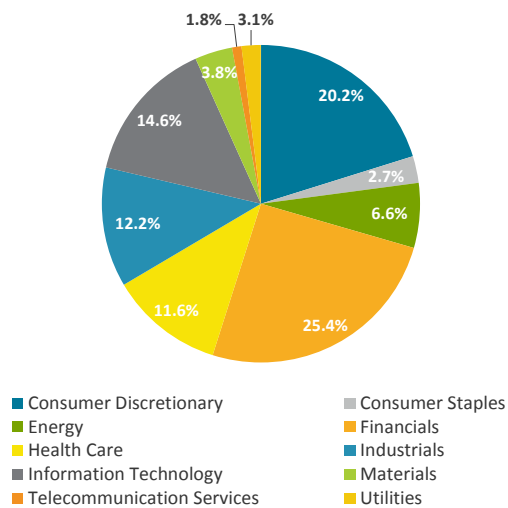




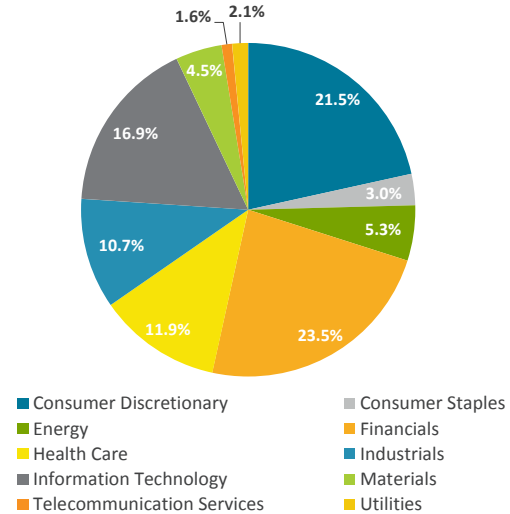
## Industry Exposure

The following charts illustrate the Portfolio's current exposure by industry at the portfolio company level as of March 31, 2015. Please note that the Financials category includes investments in various debt securities as well as certain undisclosed fund of funds investments.

**Industry Exposure by Current Cost**



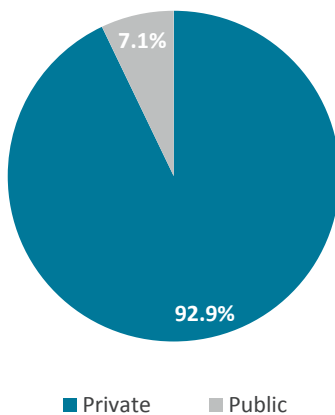
**Industry Exposure by Current Market Value**



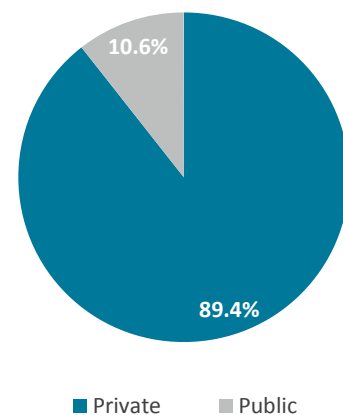
## Public Market Exposure

As of quarter-end, publicly traded investments comprised 7.1% of the Portfolio's exposed cost and 10.6% of the Portfolio's exposed market value. The following charts illustrate the current public market exposure at the portfolio company level.

**Public Market Exposure by Current Cost**



**Public Market Exposure Current Market Value**



## IV. Appendix

**New York City Fire Department Pension Fund, Subchapter 2**  
**Private Equity Portfolio**  
**As of March 31, 2015 (in USD)**

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
<b>Active Investments</b>								
1998	VS&A Communications Partners III, L.P.	12/15/1998	\$ 10,000,000	\$ 10,049,682	\$ 13,740,876	\$ 71,672	1.37x	6.3%
1999	Cypress Merchant Banking Partners II, L.P.	3/29/1999	22,586,486	26,930,800	21,720,353	3,794,931	0.95x	(1.0%)
1999	FdG Capital Partners LLC	6/2/1999	25,000,000	28,756,836	42,947,884	4,464,066	1.65x	14.6%
1999	Lincolnshire Equity Fund II, L.P.	10/20/1999	6,899,005	7,223,050	13,673,658	450,291	1.96x	24.7%
2000	SCP Private Equity Partners II, L.P.	6/15/2000	15,000,000	16,834,296	5,125,651	5,041,917	0.60x	(6.3%)
2001	New Mountain Partners, L.P.	3/16/2001	9,070,967	8,558,234	12,215,748	240,860	1.46x	12.4%
2001	Apollo Investment Fund V, L.P.	4/13/2001	15,000,000	23,371,979	45,924,747	703,397	2.00x	38.8%
2001	CVC European Equity Partners III, L.P.	9/4/2001	10,000,000	11,579,021	29,775,858	258,845	2.59x	41.1%
2002	Yucaipa American Alliance Fund I, LP	7/1/2002	5,000,000	7,491,869	6,475,457	2,853,994	1.25x	6.4%
2002	Landmark Equity Partners XI, L.P.	10/23/2002	5,000,000	4,753,167	6,804,068	575,574	1.55x	23.8%
2003	FS Equity Partners V, L.P.	1/20/2003	10,000,000	9,159,743	15,573,765	3,461,259	2.08x	16.6%
2003	Blackstone Capital Partners IV, L.P.	2/26/2003	13,875,989	17,122,989	37,083,480	4,339,752	2.42x	36.7%
2003	Ares Corporate Opportunities Fund, L.P.	4/1/2003	5,000,000	6,000,993	8,592,476	483,660	1.51x	13.4%
2004	Markstone Capital Partners, LP	1/30/2004	5,000,000	5,862,384	2,446,015	307,994	0.47x	(55.4%)
2004	Euro Choice II (Delaware) L.P.	2/25/2004	6,749,848	6,714,168	7,418,034	2,358,864	1.46x	7.4%
2004	FdG Capital Partners II LP	8/30/2004	5,000,000	5,302,162	5,952,155	494,408	1.22x	3.9%
2004	Paladin Homeland Security Fund (NY City), L.P.	9/27/2004	7,500,000	8,063,739	1,884,266	2,816,700	0.58x	(7.6%)
2004	Lincolnshire Equity Fund III, L.P.	10/1/2004	5,000,000	4,771,552	6,175,304	2,633,870	1.85x	31.7%
2004	New York/Fairview Emerging Managers Fund, L.P.-Tranche 1	10/21/2004	2,000,000	2,002,672	975,610	1,324,056	1.15x	2.8%
2004	Aurora Equity Partners III L.P.	11/16/2004	5,000,000	5,411,986	8,623,720	417,927	1.67x	14.2%
2004	Trilantic Capital Partners III L.P.	11/18/2004	5,000,000	4,454,879	7,187,924	199,985	1.66x	14.8%
2004	Celtic Pharmaceutical Holdings L.P.	12/23/2004	2,500,000	2,540,209	40,209	1,519,573	0.61x	(6.2%)
2004	Medica III Investments (International) L.P.	8/21/2006	3,000,000	2,937,724	1,267,948	1,259,000	0.86x	(3.9%)
2005	Palladium Equity Partners III, L.P.	11/12/2004	10,000,000	10,111,253	13,880,884	7,215,361	2.09x	19.2%
2005	New Mountain Partners II, L.P.	1/12/2005	2,580,650	2,299,522	3,971,882	531,059	1.96x	13.7%
2005	VSS Communications Partners IV, L.P.	3/14/2005	2,500,000	2,820,670	1,517,740	650,744	0.77x	(4.8%)
2005	Carlyle Partners IV, L.P.	4/29/2005	5,000,000	5,151,831	9,401,563	901,525	2.00x	13.3%
2005	Prism Venture Partners V-A, L.P.	7/14/2005	7,500,000	7,574,945	2,956,169	2,962,026	0.78x	(5.0%)
2005	Snow Phipps Group, L.P.	9/7/2005	5,000,000	5,727,781	3,754,666	3,687,889	1.30x	7.8%
2005	GI Partners Fund II L.P.	9/26/2005	2,500,000	2,524,074	2,859,927	964,653	1.52x	7.2%
2005	Blackstone Mezzanine Partners II, L.P.	10/10/2005	3,000,000	2,862,796	3,414,132	264,923	1.29x	7.0%
2005	Psilos Group Partners III, L.P.	10/24/2005	2,500,000	2,657,559	1,282,054	2,083,229	1.27x	5.3%
2005	FirstMark Capital I, L.P. (fka FirstMark IV)	11/21/2005	1,500,000	1,622,375	1,696,893	7,436,872	5.63x	44.7%
2005	USPF II Institutional Fund, L.P.	11/23/2005	5,000,000	6,594,940	4,411,510	4,177,158	1.30x	5.8%
2005	Bridgepoint Europe III	12/6/2005	5,382,893	4,993,430	2,929,136	2,522,956	1.09x	1.4%
2005	JP Morgan Fleming (Tranche A)	12/21/2005	3,000,000	2,874,952	1,809,395	2,291,051	1.43x	8.5%
2005	Arlington Capital Partners II, L.P.	4/20/2006	4,000,000	4,058,305	3,886,930	2,602,184	1.60x	10.5%
2005	Levine Leichtman Capital Partners Deep Value Fund, L.P.	1/16/2007	5,000,000	6,229,039	5,331,680	1,158,969	1.04x	1.1%
2006	Aisling Capital II, LP	1/12/2006	1,000,000	1,163,048	525,496	943,877	1.26x	4.8%
2006	InterMedia Partners VII, L.P.	1/20/2006	2,500,000	2,867,179	1,614,731	3,026,971	1.62x	7.9%
2006	Terra Firma Capital Partners III, L.P.	3/8/2006	5,222,032	5,209,318	111,319	2,666,511	0.53x	(11.5%)
2006	Fenway Partners Capital Fund III, L.P.	3/29/2006	5,000,000	5,621,961	3,938,440	2,151,384	1.08x	1.8%
2006	Blackstone Capital Partners V, L.P.	4/13/2006	9,481,463	10,015,104	8,999,907	7,171,557	1.61x	8.6%
2006	Avista Capital Partners, L.P.	4/27/2006	5,000,000	6,388,195	5,197,526	3,209,377	1.32x	6.4%
2006	Apollo Investment Fund VI, L.P.	5/10/2006	20,000,000	25,741,832	29,259,636	10,344,523	1.54x	10.0%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	5,000,000	5,470,186	7,851,207	1,440,647	1.70x	13.9%
2006	CCMP Capital Investors II, L.P.	8/17/2006	5,000,000	5,458,090	5,408,412	3,078,036	1.55x	13.0%
2006	CLP 2014 (fka Perseus Partners VII)	8/31/2006	5,000,000	5,814,170	1,588,639	156,322	0.30x	(36.9%)
2006	Euro Choice III L.P.	11/21/2006	5,314,931	5,135,935	2,299,070	3,240,401	1.08x	1.8%
2006	Thomas, McEnerney & Partners II, L.P.	11/29/2006	3,000,000	2,760,994	1,472,413	4,929,204	2.32x	18.3%
2006	Catterton Partners VI, L.P.	12/14/2006	5,000,000	5,459,201	6,617,280	3,545,612	1.86x	13.7%
2006	First Reserve Fund XI, L.P.	12/14/2006	5,000,000	5,313,265	2,931,514	1,533,170	0.84x	(4.2%)
2006	Permira IV, L.P.	12/14/2006	5,521,702	5,728,972	5,066,674	2,939,367	1.40x	7.4%
2006	Arsenal Capital Partners II, LP	12/18/2006	4,000,000	4,824,309	2,929,500	4,210,144	1.48x	9.6%
2006	GF Capital Private Equity Fund, L.P.	12/18/2006	3,000,000	2,991,772	2,161,108	2,991,957	1.72x	15.1%
2006	RRE Ventures IV, L.P.	12/19/2006	2,500,000	3,008,248	708,869	4,110,773	1.60x	10.4%
2006	Collier International Partners V, L.P.	12/21/2006	5,000,000	4,264,837	4,271,554	1,943,856	1.46x	9.8%
2006	MidOcean Partners III, L.P.	12/21/2006	10,000,000	10,882,846	6,663,345	8,774,525	1.42x	8.5%
2006	The Fourth Cinven Fund	1/22/2007	2,813,087	2,803,310	2,676,703	1,114,696	1.35x	6.5%
2006	Falconhead Capital Partners II, L.P.	3/23/2007	4,000,000	4,441,460	3,659,680	1,585,245	1.18x	3.9%
2006	Atlantic Equity Partners IV, L.P.	10/30/2007	3,000,000	3,093,099	-	2,082,783	0.67x	(6.7%)
2006	Capital Partners Private Equity Income Fund, L.P.	11/29/2007	2,000,000	1,910,800	2,176,066	1,496,220	1.92x	19.6%
2007	Pegasus Partners IV, L.P.	1/29/2007	7,500,000	8,665,257	3,969,234	5,105,450	1.05x	1.2%
2007	Olympus Capital Asia III, L.P.	1/31/2007	5,000,000	5,521,574	2,010,240	4,847,627	1.24x	7.2%
2007	FTVentures III, LP	3/1/2007	2,500,000	2,545,000	2,038,018	3,024,356	1.99x	16.8%
2007	Highland Consumer Fund I LP	3/16/2007	2,000,000	1,903,212	-	1,547,916	0.81x	(4.1%)
2007	Montreux Equity Partners IV, L.P.	3/27/2007	5,000,000	5,000,000	1,648,176	5,201,192	1.37x	7.9%
2007	Gleacher Mezzanine Fund II, L.P.	3/30/2007	3,000,000	2,742,002	2,581,517	789,095	1.23x	8.4%
2007	SCP Vitalife Partners II Fund	4/13/2007	5,000,000	4,837,424	395	4,374,018	0.90x	(2.4%)
2007	Constellation Venture Capital III, L.P.	5/22/2007	5,000,000	5,349,075	1,135,209	2,661,045	0.71x	(8.2%)

**New York City Fire Department Pension Fund, Subchapter 2**  
**Private Equity Portfolio**  
**As of March 31, 2015 (in USD)**

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
2007	United States Power Fund III, L.P.	6/28/2007	5,000,000	4,997,389	2,221,591	4,373,123	1.32x	6.1%
2007	Carlyle Partners V, L.P.	7/6/2007	10,000,000	9,985,693	8,641,174	8,033,184	1.67x	14.8%
2007	PCG Clean Energy & Technology Fund (East), LLC	7/6/2007	10,000,000	8,750,914	1,038,409	4,817,788	0.67x	(8.9%)
2007	GSO Capital Opportunities Fund LP	7/16/2007	7,500,000	11,164,395	14,032,549	2,144,425	1.45x	18.4%
2007	New Mountain Partners III, L.P.	8/9/2007	10,000,000	9,710,451	3,777,643	9,084,342	1.32x	8.1%
2007	Vista Equity Partners Fund III, L.P.	10/3/2007	7,500,000	7,955,204	16,202,030	3,973,650	2.54x	29.0%
2007	Trilantic Capital Partners IV L.P.	10/22/2007	7,236,332	7,244,739	7,446,608	4,619,930	1.67x	16.4%
2007	Pine Brook Capital Partners, L.P.	1/11/2008	7,500,000	7,475,580	3,776,354	5,529,579	1.24x	8.4%
2007	Capital Point Partners, L.P.	10/17/2008	3,000,000	3,339,064	2,182,562	1,912,935	1.23x	5.6%
2007	Post Capital Equity Partners II LP	2/10/2009	3,000,000	2,004,215	934,449	1,975,128	1.45x	11.1%
2008	Paladin III (NY City), L.P.	1/8/2008	7,500,000	8,208,054	4,130,878	5,931,181	1.23x	6.6%
2008	Relativity Fund, L.P.	1/8/2008	3,000,000	1,612,064	236,746	684,206	0.57x	(11.5%)
2008	Apollo Investment Fund VII, L.P.	1/28/2008	25,000,000	28,379,157	40,059,302	10,804,160	1.79x	25.9%
2008	NGN BioMed Opportunity II, L.P.	2/11/2008	5,000,000	4,512,955	939,547	2,637,170	0.79x	(6.0%)
2008	Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	3/3/2008	7,500,000	7,781,239	5,625,034	4,226,557	1.27x	8.5%
2008	Yucaipa American Alliance Fund II, LP	3/28/2008	15,000,000	19,997,480	11,525,318	19,665,382	1.56x	13.9%
2008	Levine Leichtman Capital Partners IV, L.P.	4/8/2008	5,000,000	4,988,219	5,571,049	2,479,541	1.61x	19.8%
2008	Lee Equity Partners Fund, L.P.	4/23/2008	7,500,000	7,984,143	3,095,429	6,992,022	1.26x	8.0%
2008	New York/Fairview Emerging Managers Fund, L.P.-Tranche 2	5/28/2008	5,000,000	4,164,500	1,735,147	4,180,028	1.42x	14.2%
2008	Yucaipa Corporate Initiatives Fund II, LP	6/23/2008	4,676,976	4,528,260	1,299,840	2,576,895	0.86x	(4.1%)
2008	CVC European Equity Partners V, L.P.	7/21/2008	13,700,547	13,957,516	9,828,505	8,556,202	1.32x	10.1%
2008	GI Partners Fund III L.P.	7/29/2008	7,500,000	7,942,421	7,393,058	4,444,453	1.49x	14.7%
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	10,000,000	11,613,387	10,091,174	9,509,627	1.69x	22.2%
2008	GCM Grosvenor NYCFDPF Emerging Manager Co-Investment Fund, L.P	8/22/2008	990,607	1,231,040	1,330,325	553,810	1.53x	11.3%
2008	GCM Grosvenor NYCFDPF Emerging Manager Fund, L.P.	8/22/2008	8,979,798	8,500,720	3,769,112	6,391,989	1.20x	8.5%
2008	First Reserve Fund XII, L.P.	8/25/2008	5,000,000	5,154,717	2,084,874	2,896,824	0.97x	(1.0%)
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	13,630,000	12,277,044	8,188,079	8,434,421	1.35x	15.7%
2008	Crestview Partners II, L.P.	10/1/2008	7,500,000	7,758,707	4,706,794	6,716,462	1.47x	14.5%
2008	Erasmus New York City Growth Fund IA	10/17/2008	1,208,990	1,208,990	417,624	387,445	0.67x	(7.5%)
2008	Milestone Partners III, L.P.	10/17/2008	3,000,000	3,046,229	888,355	2,169,519	1.00x	0.1%
2008	Euro Choice IV L.P.	10/22/2008	6,424,409	5,324,241	850,649	4,544,802	1.01x	0.5%
2008	Avista Capital Partners II, L.P.	11/5/2008	10,000,000	11,660,982	8,507,850	13,272,563	1.87x	20.4%
2008	Bridgepoint Europe IV	11/14/2008	6,667,008	6,113,546	3,623,101	4,100,749	1.26x	7.9%
2008	Carpenter Community BancFund-A, L.P.	11/17/2008	3,000,000	2,872,610	124,964	4,071,413	1.46x	8.1%
2008	Blue Wolf Capital Fund II, L.P.	11/19/2008	3,000,000	3,201,786	1,194,630	2,473,728	1.15x	5.8%
2008	Aisling Capital III, LP	11/20/2008	3,500,000	3,328,219	2,424,207	2,894,890	1.60x	23.7%
2008	Onex Partners III LP	12/10/2008	5,000,000	5,373,057	2,329,178	4,900,005	1.35x	11.9%
2009	NorthBound Emerging Manager Custom Fund LP	1/29/2009	5,000,000	3,827,283	2,377,123	3,813,514	1.62x	17.8%
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	7,500,000	6,819,895	4,281,422	5,816,716	1.48x	14.2%
2009	Scale Venture Partners III, LP	5/1/2009	5,000,000	4,847,649	3,230,026	7,535,365	2.22x	27.4%
2009	FS Equity Partners VI, L.P.	7/27/2009	12,500,000	12,577,976	7,289,420	14,741,228	1.75x	22.0%
2009	Lincolnshire Equity Fund IV, L.P.	8/5/2009	2,500,000	2,205,694	876,260	1,675,118	1.16x	6.6%
2009	Lexington Capital Partners VII, L.P.	12/3/2009	10,000,000	8,103,168	5,505,819	6,287,296	1.46x	17.2%
2010	Snow Phipps II, L.P.	1/8/2010	7,500,000	5,722,960	805,212	7,440,661	1.44x	17.9%
2010	Trident V, L.P.	4/29/2010	15,000,000	15,415,411	2,326,739	15,744,410	1.17x	8.1%
2010	Comvest Investment Partners IV, L.P.	10/21/2010	20,000,000	18,069,512	11,661,275	18,682,603	1.68x	42.4%
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	10,000,000	6,758,099	1,173,082	7,014,970	1.21x	13.4%
2011	Ampersand 2011	3/11/2011	5,000,000	4,600,000	282,185	6,971,873	1.58x	18.7%
2011	BDCM Opportunity Fund III, L.P.	4/8/2011	10,000,000	11,087,986	4,572,797	8,501,749	1.18x	12.0%
2011	AXA Secondary Fund V B L.P.	6/16/2011	40,000,000	29,108,670	11,819,422	31,452,110	1.49x	21.4%
2011	Wellspring Capital Partners V, L.P.	7/1/2011	7,500,000	4,591,699	439,362	4,978,642	1.18x	10.1%
2011	EQT VI, L.P.	8/1/2011	17,570,089	14,574,412	176,551	13,835,654	0.96x	(2.6%)
2011	Pegasus Partners V, L.P.	8/16/2011	6,236,975	3,736,625	1,110,265	4,092,010	1.39x	13.2%
2011	BC European Capital IX	9/19/2011	21,782,415	15,704,021	2,205,336	13,773,732	1.02x	1.0%
2011	American Securities Partners VI, L.P.	11/18/2011	20,000,000	14,582,535	4,302,347	15,290,489	1.34x	21.0%
2011	Vista Equity Partners Fund IV, L.P.	11/30/2011	30,000,000	27,349,237	2,164,383	39,070,770	1.51x	22.6%
2012	Warburg Pincus Private Equity XI, L.P.	5/24/2012	35,000,000	23,051,277	3,859,555	25,270,173	1.26x	19.7%
2012	Summit Partners Growth Equity Fund VIII-A, L.P.	6/14/2012	30,000,000	17,972,255	3,334,891	16,794,959	1.12x	10.1%
2012	Trilantic Capital Partners V L.P.	9/20/2012	10,000,000	3,175,959	28,032	2,974,433	0.95x	(4.5%)
2012	Palladium Equity Partners IV, L.P.	10/10/2012	10,000,000	3,077,591	197,610	3,300,729	1.14x	9.1%
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	20,000,000	13,195,923	910,286	13,540,363	1.10x	11.3%
2012	Green Equity Investors VI, L.P.	11/30/2012	25,000,000	12,319,765	287,608	13,879,453	1.15x	12.5%
2012	Platinum Equity Capital Partners III, L.P.	1/14/2013	25,000,000	9,791,653	7,721,186	9,474,637	1.76x	69.1%
2012	NYCFDPF - 2012 Emerging Manager Program*	2/7/2013	25,000,000	7,533,946	449,680	7,045,030	0.99x	N/A
2013	Carlyle Partners VI, L.P.	7/3/2013	20,000,000	6,247,329	169,303	5,920,150	0.97x	NM
2013	Carlyle Partners VI, L.P. (Side Car)	9/23/2014	2,200,000	485,899	-	449,271	0.92x	NM
2013	Landmark Equity Partners XV, L.P.	10/30/2013	26,000,000	5,253,991	79,016	6,300,921	1.21x	NM
2013	Landmark - NYC Fund I, L.P.	12/24/2013	9,000,000	3,773,738	-	4,113,981	1.09x	NM
2013	Apollo Investment Fund VIII, L.P.	12/11/2013	40,000,000	5,315,857	58,173	4,996,381	0.95x	NM

**New York City Fire Department Pension Fund, Subchapter 2**  
**Private Equity Portfolio**  
**As of March 31, 2015 (in USD)**

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
2013	CVC Capital Partners VI, L.P.	2/18/2014	33,706,417	3,263,819	236,858	2,169,852	0.74x	NM
2013	Crestview Partners III, L.P.	3/3/2015	24,000,000	2,121,855	66,068	1,921,612	0.94x	NM
2013	Crestview Partners III (Co-Investment B), L.P.	N/A	8,000,000	-	-	-	-	N/A
2014	Olympus Growth Fund VI, L.P.	1/24/2014	15,000,000	1,846,768	8,218	2,159,863	1.17x	NM
2014	ASF VI B L.P.	5/9/2014	30,000,000	8,404,889	-	10,374,307	1.23x	NM
2014	ASF VI B NYC Co-Invest L.P.	5/9/2014	10,000,000	5,840,326	-	6,702,591	1.15x	NM
2014	Vista Equity Partners Fund V, L.P.	9/8/2014	40,000,000	15,958,830	3,118	15,444,147	0.97x	NM
2014	Lexington Capital Partners VIII, L.P.	1/8/2015	40,000,000	2,800,000	-	4,495,909	1.61x	NM
2014	Centerbridge Capital Partners III, L.P.	5/21/2015	4,200,000	-	-	-	-	N/A
2015	Siris Partners III, L.P.	5/4/2015	5,500,000	-	-	-	-	N/A
2015	American Securities Partners VII, L.P.	N/A	14,000,000	-	-	-	-	N/A
<b>Total Portfolio<sup>1</sup></b>			<b>\$ 1,513,684,987</b>	<b>\$ 1,185,606,909</b>	<b>\$ 872,621,464</b>	<b>\$ 762,768,853</b>	<b>1.38x</b>	<b>11.0%</b>

\*Please note that the NYCFDPF - 2012 Emerging Manager Program total commitment amount includes the full amount allocated to the Program, of which \$23.7 million has been committed as of August 25, 2015.

<sup>1</sup>Total Portfolio includes liquidated investments.

Note: IRRs presented are interim estimates and may not be indicative of the ultimate performance of fund investments due to a number of factors, such as the lack of industry valuation standards and the differences in the investment pace and strategy of various funds. Until a fund is liquidated, typically over 10 to 12 years, the IRR is only an interim estimated return. The IRR calculated in early years of a fund is not meaningful given the J-curve effect. The actual IRR performance of any fund is not known until all capital contributed and earnings have been distributed to the investor. The IRRs contained in this report are calculated by StepStone Group LP ("StepStone"), a consultant to the New York City Fire Department Pension Fund, Subchapter 2, based on information provided by the general partners (e.g. cash flows and valuations). The IRR calculations and other information contained in this report have not been reviewed or confirmed by the general partners. The result of the IRR calculation may differ from that generated by the general partner or other limited partners. Differences in IRR calculations can be affected by cash-flow timing, the accounting treatment of carried interest, fund management fees, advisory fees, organizational fees, other fund expenses, sale of distributed stock, and valuations.

New York City Fire Department Pension Fund, Subchapter 2  
Subsequent Commitments  
As of March 31, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
<b>Commitments Closed Subsequent to as of Date</b>								
2015	Patriot Financial Partners II, L.P.	7/21/2015	1,300,000	-	-	-	N/A	N/A
2015	Valor Equity Partners III, L.P.	8/19/2015	1,500,000	-	-	-	N/A	N/A
2015	Welsh, Carson, Anderson & Stowe XII, L.P.	8/26/2015	14,000,000	-	-	-	N/A	N/A
2015	Bridgepoint Europe V	N/A	11,047,900	-	-	-	N/A	N/A
2015	Bridgepoint Europe V Co-Invest	N/A	3,314,370	-	-	-	N/A	N/A
2015	EQT VII, L.P.	N/A	27,619,750	-	-	-	N/A	N/A
<b>Total Commitments Closed Subsequent to as of Date</b>			<b>\$ 58,782,020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>	<b>N/A</b>

Note: IRRs presented are interim estimates and may not be indicative of the ultimate performance of fund investments due to a number of factors, such as the lack of industry valuation standards and the differences in the investment pace and strategy of various funds. Until a fund is liquidated, typically over 10 to 12 years, the IRR is only an interim estimated return. The IRR calculated in early years of a fund is not meaningful given the J-curve effect. The actual IRR performance of any fund is not known until all capital contributed and earnings have been distributed to the investor. The IRRs contained in this report are calculated by StepStone Group LP ("StepStone"), a consultant to the New York City Fire Department Pension Fund, Subchapter 2, based on information provided by the general partners (e.g. cash flows and valuations). The IRR calculations and other information contained in this report have not been reviewed or confirmed by the general partners. The result of the IRR calculation may differ from that generated by the general partner or other limited partners. Differences in IRR calculations can be affected by cash-flow timing, the accounting treatment of carried interest, fund management fees, advisory fees, organizational fees, other fund expenses, sale of distributed stock, and valuations.

Real Assets Quarterly Report

# The New York City Fire Department Pension Fund

## Executive Summary: First Quarter 2015 Performance Measurement Report Real Estate

43

### Portfolio Profile

The New York City Fire Department Pension Fund has allocated 5.0% (+/- 2%) of the total plan to Real Assets. Real Estate investments are categorized under Real Assets. The Real Estate Portfolio's objective is to generate a total net return that exceeds the NFI-ODCE +100 bps total net return measured over full market cycles.

### Portfolio Statistics (March 31, 2015)

Total Plan Assets	\$10.9 billion
Target Real Assets Allocation (%)	5%
Target Real Assets Allocation (\$)	\$546.0 million
Total Real Estate Market Value	\$434.9 million
Real Estate Unfunded Commitments	\$145.4 million
Total Real Estate Exposure	\$580.3 million
Number of Investments	45
Number of Managers	33

### Net Returns (as of March 31, 2015)

1Q15 Time-Weighted Net Return:	2.8%
1 Year Time Weighted Net Return:	15.2%
3 Year Time Weighted Net Return:	14.4%
Inception-to-Date (ITD) Time-Weighted:	6.5%
ITD Net IRR:	6.6%
ITD Net Equity Multiple:	1.3x

### Investment Guidelines

Style Sector:	Target •40-60% Core/Core Plus •40-60% Non-Core
Benchmark	NFI-ODCE Index +100 bps net over full market cycles
Region Diversification	Maximum 25% Int'l
Investment Diversification	Limit 15% to a single investment
Manager Diversification	Limit 15% to a single manager
Leverage	65%

### First Quarter Investment Activity

During the Quarter, the Board made a \$8.0 million commitment to an open end core/core plus fund and a \$31.5 million commitment to a global closed-end opportunistic fund.

### OVERVIEW

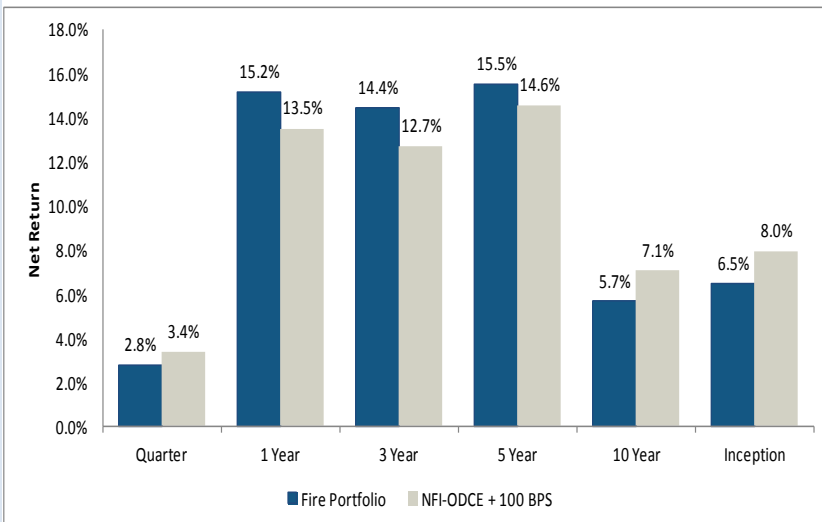
Global real estate is now experiencing steady growth throughout the sectors. This growth can be attributed to new corporate leasing commitments, increased consumer confidence and the expansion of e-commerce. Abundant equity, availability of debt and continued low interest rate environment are keeping investment volumes high for 2015. Real Estate investment markets are 9.0% higher than the same period last year. Commercial real estate investment volumes in Europe declined 1.0% due to the weakened Euro. Investment volumes for Asia overall increased 7.0% with Japan growing 6.0% year over year and Singapore increased 67.0% from 1Q14 to 1Q15. In contrast, volumes in China decreased 13.0% year over year. Developer macro concerns and the housing correction stalled investment volumes.

#### Direct Commercial Real Estate Investment - Regional Volumes

\$ US Billions	Q4 14	Q1 15	% Change Q4 14 - Q1 15	Q1 14	% Change Q1 14 - Q1 15	2013	2014	% Change 2013 - 2014
Americas	94	73	-22%	62	18%	241	302	25%
EMEA	94	57	-39%	57	-1%	221	278	26%
Asia Pacific	44	25	-43%	23	7%	127	131	3%
Total	231	155	-33%	142	9%	589	711	21%

Source: Jones Lang LaSalle, April 2015

The New York City Fire Department Pension Fund ("Fire") Real Estate Portfolio is, and has been, well positioned to take advantage of conditions in the real estate marketplace. Post economic downturn, in the period reflected in the rolling five-year returns, Fire performance exceeds benchmark by 93 basis points. At the end of the First Quarter 2015, the Portfolio achieved a total gross return of 3.6% which was comprised of 0.9% income and 2.7% appreciation. The net return for the Quarter was 2.8%. A detailed analysis of the Portfolio's real estate performance is found later in this Executive Summary.





# The New York City Fire Department Pension Fund

## Executive Summary: First Quarter 2015 Performance Measurement Report Real Estate

### FUNDING AND COMPOSITION

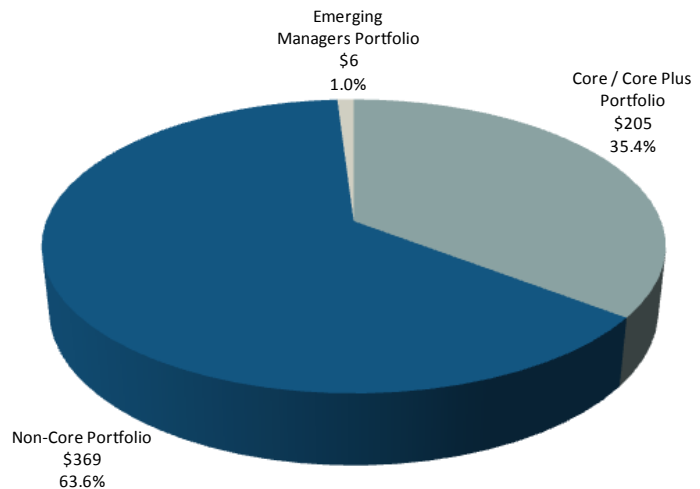
At the end of the First Quarter, the Portfolio was funded at \$434.9 million, or 4.0% of total plan assets. A total of \$145.4 million in unfunded commitments are still outstanding. New commitment activity has accelerated over the past several months and the trend will continue throughout 2015.

New contributions for the Quarter totaled \$23.6 million, offset by just over \$36.7 million in distributions and withdrawals. Distributions were weighted to the non-core sector.

Shown in the pie chart to the right is the current risk sector exposure calculated by Market Value + Unfunded Commitments. The Core/ Core Plus component accounts for 35.4% of the Portfolio exposure during the Quarter. The Non-Core component accounts for 63.6% of the Portfolio exposure. The Emerging Manager component accounts for 1.0% of the Portfolio exposure.

A more detailed break-down of the Portfolio Composition is shown in the table below. Attached as Exhibit A is a matrix which demonstrates compliance with various Investment Policy Statement guidelines.

### Real Estate Exposure



### New York City Fire Department Pension Fund

Total Plan Assets	3/31/2015	10,920
Real Asset Allocation (%)		5.0
Real Asset Allocation (\$)		546

### Style Sector Statistics

Funded (Market Value) Core / Core Plus Portfolio	\$195
Funded (Market Value) Non-Core Portfolio	\$235
Funded (Market Value) Emerging Managers Portfolio	\$5
Unfunded Core / Core Plus Portfolio	\$10
Unfunded Non-Core Portfolio	\$134
Unfunded Emerging Managers Portfolio	\$1

### Funded (Market Value) and Committed Statistics

Core / Core Plus Portfolio	35.4%
Non-Core Portfolio	63.6%
Emerging Managers Portfolio	1.0%
\$ Committed	580
% Committed on Real Asset Allocation	106.3%
% Committed on Total Plan Assets	5.3%

### Funded (Market Value) Statistics

% Funded (Market Value) of Total Plan Assets	4.0%
% Funded (Market Value) of Total Real Asset Allocation	79.7%

# The New York City Fire Department Pension Fund

## Executive Summary: First Quarter 2015 Performance Measurement Report Real Estate

### PERFORMANCE

During the Quarter under review, the Fire Real Estate Portfolio produced a 3.6% total gross return. The total net return for the Quarter was 2.8%. On a rolling one-year basis the total gross return of 19.3% was recorded. On a net basis the total return was 15.2%. On a gross basis the Fire Portfolio exceeds the NFI-ODCE in all relevant time periods. The benchmark return contemplates a 100 bps premium over the ODCE net return over full market cycles. This benchmark is exceeded over the one-year, three-year and five-year time periods. The various components of the Portfolio returns are depicted in the chart below.

#### Core/Core Plus

As of March 31, 2015 the market value of the Core/ Core Plus Portfolio was \$195 million, or 44.9% on an invested basis. On a funded and committed basis, the Core/ Core Plus Portfolio totaled \$205 million, or 35.4% of the total Portfolio. The Core/ Core plus Portfolio generated a 3.5% total gross return for the Quarter comprised of 1.2% in income and 2.2% in appreciation. The total net return for the Quarter was 3.2%.

The most significant contribution to the Quarterly return in the Core/Core Plus sector was JP Morgan Strategic Property Fund which added 0.13% to the overall performance of the Core/Core Plus sector. The largest detractor from the Core/Core Plus Portfolio was Colony Realty Partners II, which took away (0.16)% from the total net return.

The Core/Core Plus Portfolio achieved a 11.7% net return over the three-year period ending March 31, 2015. Of the 13 Core/Core Plus Funds, PRISA II was the largest contributor, adding 0.26% to the overall performance of the Portfolio. UBS Trumbull Property Fund was the largest detractor, taking away (0.55)% from the overall performance of the Core/Core Plus Portfolio, however, with its low leverage target, UBS historically outperforms during down cycles.

#### Non-Core

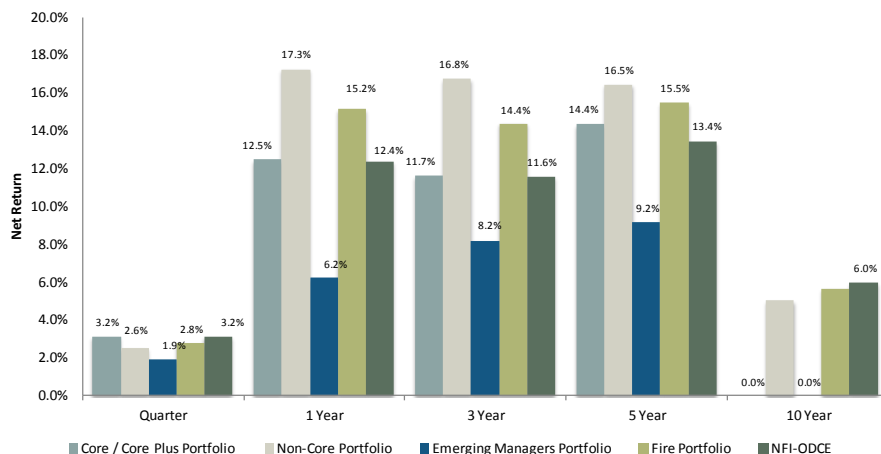
As of March 31, 2015 the market value of the Non-Core Portfolio was \$235 million, or 54.0% on an invested basis. On a funded and committed basis, the Non-Core Portfolio totaled \$369 million, or 63.6% of the total Portfolio. The Non-Core Portfolio generated a 3.8% total gross return for the Quarter comprised of 0.7% in income and 3.0% in appreciation. The total net return for the Quarter was 2.6%.

Of the 30 Funds contributing to the Quarterly return of the Non-Core Portfolio, KTR Industrial Fund III was the largest contributor, adding 0.46%. The City Investment Fund I was the largest detractor for the Quarter, taking away (0.55)% from the overall performance of the Non-Core Portfolio.

The Non-Core Portfolio generated a three-year net return of 16.8%. Of the 30 Non-Core Funds that contributed to the three-year performance of the Portfolio, Divco West Fund III was the largest contributor, adding 1.70%. The largest detractor among these Funds was The City Investment Fund I, which took away (1.13)% from overall Non-Core performance.

#### Emerging Managers

As of March 31, 2015 the market value of the Emerging Managers Portfolio was \$4.6 million, or 1.0% on an invested basis. On a funded and committed basis, the Emerging Managers Portfolio totaled \$5.8 million, or 1.0% of the total Portfolio. The Emerging Managers Portfolio generated a 2.3% total gross return for the Quarter comprised of 1.2% in income and 1.1% in appreciation. The total net return for the Quarter was 1.9%. The Emerging Managers Portfolio has underperformed for a number of reasons including the fact that performance has been adversely impacted by virtue of the vintage years of these funds.



### PERFORMANCE

#### Portfolio Performance

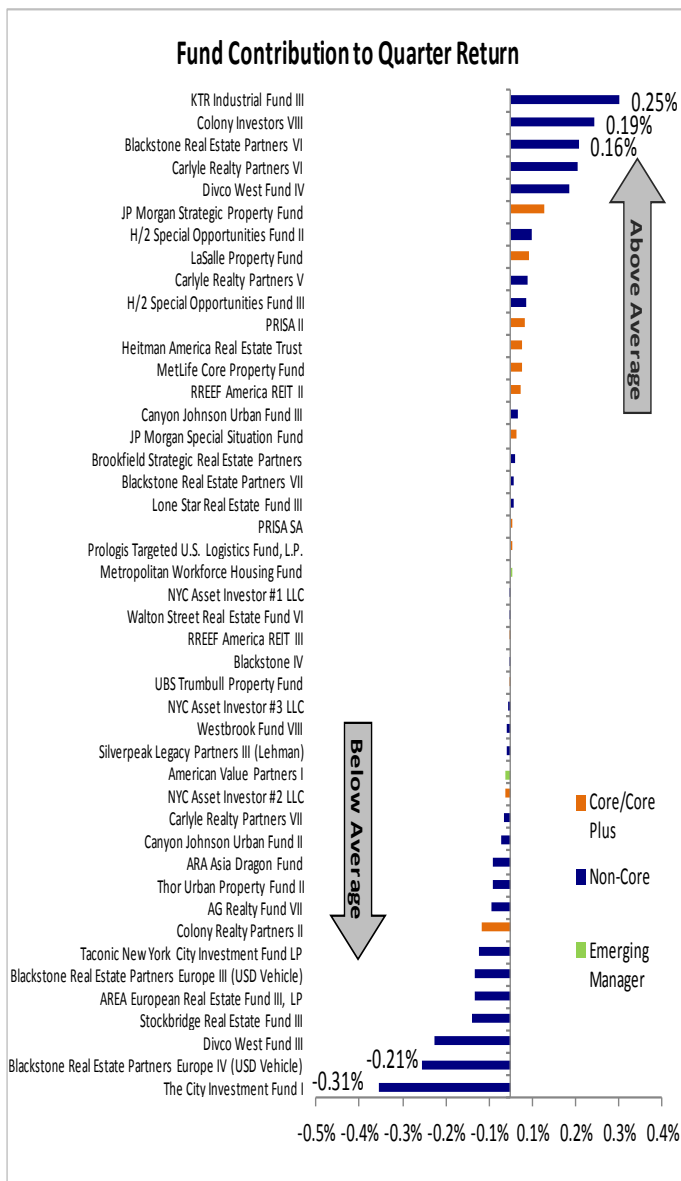
At the end of the First Quarter 2015, the Portfolio had a cumulative market value of \$434.9 million. Total market value plus unfunded commitments was \$580.3 million, or 106.3% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 3.6% which was comprised of 0.9% income and 2.7% appreciation. The Portfolio achieved a total net return of 2.8%. Since inception, the Portfolio has a net IRR of 6.6% and an equity multiple of 1.3x as of March 31, 2015. Note, attached as Exhibit B are performance metrics relating to each investment within the Portfolio.

The Quarterly return was driven KTR Industrial Fund III, which contributed 0.25% to the overall performance. The primary laggards in the Portfolio were The City Investment Fund I and Blackstone Real Estate Partners Europe IV detracting (0.31)% and (0.21)%, respectively. Brief reviews of Funds making positive contributions to performance during the Quarter are found below. Note, that attached as Exhibit C are charts relating to fund contributions to returns during different relevant periods.

**KTR Industrial Fund III (KTR III).** The Fund produced a total gross return of 31.0%, comprised of 1.9% in income and 29.2% in appreciation. The net return after fees was 24.4%. Due to the announcement of sale of the Fund assets during the First Quarter, the Fund experienced a significant write up in value contributing to an increase in appreciation returns. The definitive agreement to sell the KTR III assets was executed subsequent to Quarter end, but had been in process for over a year prior. Unrealized appreciation for the First Quarter of 2015 was approximately \$175.9 million while realized losses were only \$77,000.

**Colony Investors VIII (Colony VIII).** During the Quarter, the fund posted an 18.3% total gross return, comprised of 0.3% in income and 17.9% in appreciation. The net return after fees was 17.5%. Eight investments have been fully realized and two have been partially realized as of the end of the Quarter. This accounts for 41% of originally invested equity. Approximately \$36.0 million was distributed during the Quarter bringing total distributions to \$922.1 million since inception of the fund. During the Quarter the fund sold its position in the French hotel group investment (46%), which generated proceeds of €217 million, or \$136 million for Colony's share. In addition, the fund also sold its interest in a loan on an asset for \$58.8 million. With interest and income, the sale generated an 11% gross IRR and an 1.6x equity multiple. Also, the remaining assets part of a loan portfolio were sold generating a realized 23% gross IRR and a 2.1x equity multiple.

**Blackstone Real Estate Partners VI (BREP VI).** BREP VI produced a total gross return during the Quarter of 11.6%, comprised of 0.1% in income and 11.5% in appreciation. The net return after fees was 9.1%. Disposition activity for the Quarter was abundant. The industrial portfolio was sold during the Quarter in addition to an office portfolio. These sales resulted in distributions of \$3.1 billion for the year to date. An industrial portfolio which was owned by both BREP VI and BREP VII, generated \$3.4 billion in proceeds, a gross IRR of 29% and a 2.4x equity multiple. Part of the EOP portfolio, was also sold during the Quarter. The asset was sold for the sales price of \$2.2 billion at a 4.5% capitalization rate. The Fund's valuation increased by \$1.36 billion for the Quarter.

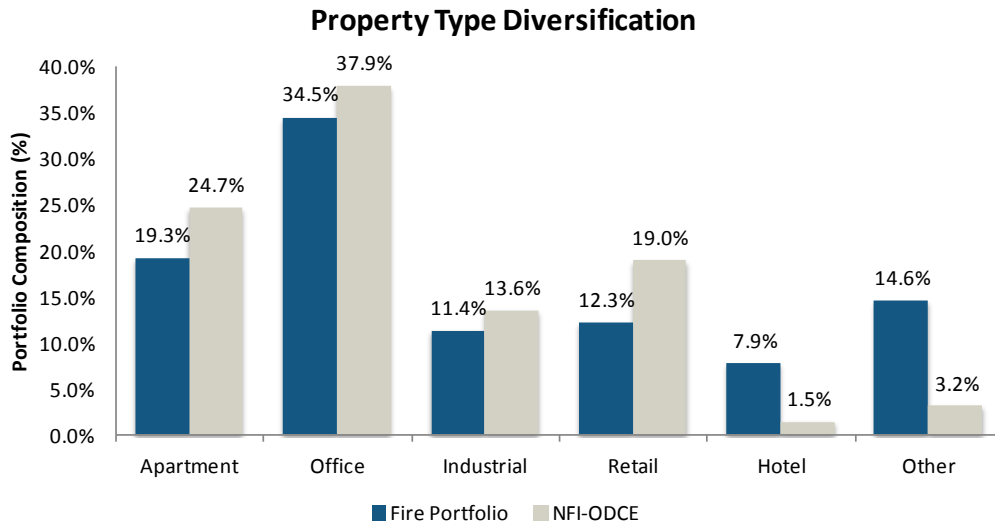


# The New York City Fire Department Pension Fund

Executive Summary: First Quarter 2015 Performance Measurement Report  
Real Estate

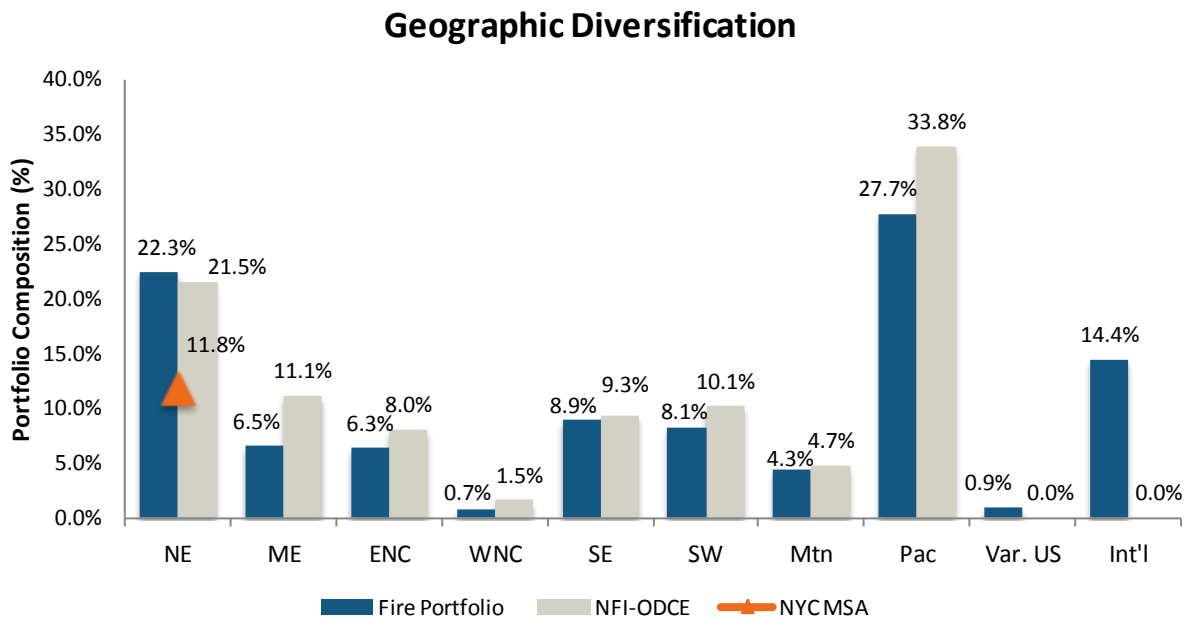
## PROPERTY TYPE DIVERSIFICATION

The diversification of the current Portfolio by property type is shown below and compared to the diversification of the NCREIF-ODCE at the end of the Quarter. Relative to the ODCE, the Portfolio is still underweight to all property sectors (excluding hotels) due to its allocation to other property types such as For Sale Residential, Self Storage, Land, Health Care, Medical Office, Data Centers, Senior Living and Student Housing.



## GEOGRAPHIC DIVERSIFICATION

The diversification of the current funded Portfolio by geographic region is shown below and compared to the diversification of the NFI-ODCE at the end of the Quarter. The ODCE is a US-only index. The domestic portion of the Portfolio is well diversified relative to the ODCE. The 14.4% international exposure is appropriate for the risk and return profile of Fire and consistent with our long-term target.



## MARKET UPDATE

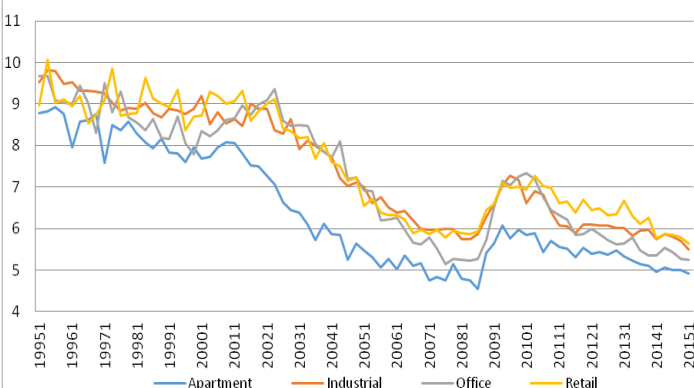
### General

- For the first quarter of 2015, real GDP contracted 0.7%, a 290 bps drop from 1Q15. This was only the third time the economy shrank since the GFC. The contraction was driven by temporary factors including harsh weather, a strong dollar, which drove exports to decrease by the most since early 2009, and a labor dispute at West Coast ports.
- As of 1Q15, consumer spending grew by 1.8%, a significant decrease from the 4.4% increase in the prior Quarter. The decrease may be due to the harsh winter and therefore is expected to rebound in the second quarter, as the weather improves. However, consumer confidence is at a six-month low as of May 2015.
- In the first quarter of 2015, lending in the securitized market remained strong, with CMBS issuance rising to \$27 billion, a 33% increase year-over-year.
- Lower energy prices boosted consumer's finances by lowering their gasoline bills, a development expected to boost the economy throughout the year. But the most dramatic effect thus far has been the drop in business investment. With energy companies holding off on drilling and equipment purchases as they deal with squeezed profits. A measure of business spending on construction, machinery and R&D fell at a 2.8% pace in the winter, the biggest decline since late 2009.
- As of 1Q15, the US realized the best job growth on a year-over-year basis since the 1990s. Additionally, the quality of jobs is improving with the potential for wage growth this year. Corporate profits are also healthy, with after tax-profits growing 3.1% over the period, with robust business spending expected to continue.

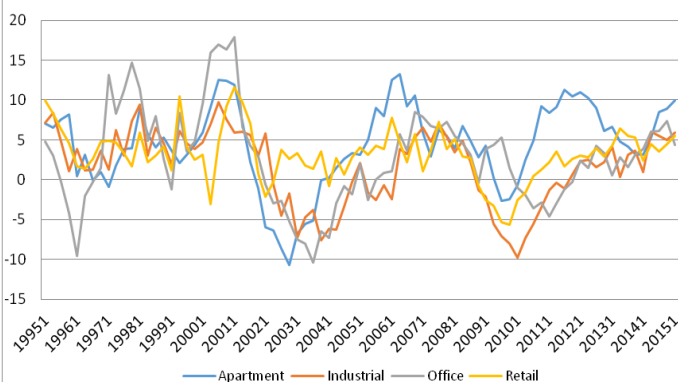
### Commercial Real Estate

- In 1Q15, commercial real estate transactions reached almost \$70 billion, a 24% increase from the same period a year ago. Current macroeconomic and financial indicators suggest ample room for continued potential growth.
- During the Quarter, portfolio and entity-level transactions were a big part of the sales activity accounting for 36% of all transactions. Historically roughly 25% of the total sales volume was in portfolio or entity-level deals. This is notable because prior to the last downturn the share of portfolio deals spiked to about half of all transactions for four consecutive quarters, along with the run-up in asset prices.
- During the Quarter, transaction cap rates from all traditional property sectors continued to decline. Suburban office cap rates fell the most, year-over-year, by 55 bps to end the Quarter at 6.8%.
- Debt market activity remains strong, but terms remain generally conservative as indicated by average loan-to-value ratios that stand at 60.5% and debt service coverage that is north of 2.0 for all property types other than multifamily.

Current Value Cap Rates by Property Type



4-Qtr Rolling NOI Growth by Property Type



# The New York City Fire Department Pension Fund

Executive Summary: First Quarter 2015 Performance Measurement Report  
Real Estate

## EXHIBIT A: COMPLIANCE MATRIX

Category	Requirement	Portfolio Status
Benchmark	NFI-ODCE (net) +100 bps over full market cycles (10-year)	<i>Portfolio returns underperform the benchmark.</i>
Portfolio Composition	Core/Core Plus (minimum of 40%)	<i>The portfolio is funded (market value) and committed at 106.3% of real asset allocation with a portfolio composition of 35.4% core, 63.6% non-core, and 1.0% emerging.</i>
	Non Core (minimum of 40%)	
	Non Core Emerging	
Real Asset Allocation	Target of 5.0%	<i>Funded (market value) and committed dollars place the portfolio at 5.3% of total plan assets.</i>
	Currently Funded at 4.0%	
Property Type Diversification	Up to 40% Multifamily Up to 35% Industrial Up to 45% Office Up to 35% Retail Up to 25% Hotel Up to 20% Other	<i>All property type locations are in compliance.</i>
Geographic Diversification	Diversified geographically Max 25% Ex-US	<i>All geographic type locations are in compliance</i>
LTV	65%	<i>Portfolio is in compliance (43.8 %).</i>
Manager Exposure	15% of real estate allocation	<i>Manager exposure is in compliance based on market value.</i>

# The New York City Fire Department Pension Fund

## Executive Summary: First Quarter 2015 Performance Measurement Report Real Estate

### EXHIBIT B: FIRST QUARTER 2015 FOIL



#### New York City Fire Department Pension Fund

Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2007	Colony Realty Partners II	12/20/2006	5,000,000	5,355,052	-166,526	1,694,500	0.3	-13.6
2007	Heitman HART	3/29/2007	9,000,000	11,742,056	-2,742,056	14,255,702	1.4	7.3
2007	JP Morgan Special Situation Property Fund	1/2/2007	5,000,000	5,594,576	-1,173,232	5,367,983	1.2	2.2
2007	JP Morgan Strategic Property Fund	12/5/2006	22,000,000	23,415,656	0	36,505,126	1.6	8.5
2010	LaSalle Property Fund	7/1/2010	30,000,000	29,473,523	-4,060,069	36,380,958	1.4	12.3
2014	MetLife Core Property Fund	7/1/2014	15,000,000	10,465,117	-227,936	10,901,669	1.1	21.1
2013	NYC Asset Investor #2 LLC	7/9/2013	9,000,000	4,125,784	-109,655	4,655,700	1.2	15.2
2007	PRISA II	6/30/2007	20,228,233	21,256,728	-3,004,616	23,779,871	1.3	3.7
2006	PRISA SA	9/29/2006	7,000,000	7,456,180	-1,381,374	8,244,409	1.3	3.3
2006	Prologis Targeted U.S. Logistics Fund	10/1/2006	5,000,000	6,160,453	-1,212,500	5,309,181	1.1	0.8
2006	RREEF America REIT II	10/1/2006	7,000,000	9,178,399	-3,536,509	8,245,297	1.3	3.9
2007	RREEF America REIT III - 1410	10/1/2007	5,000,000	5,000,000	-1,676,716	1,126,180	0.6	-8.1
2006	UBS Trumbull Property Fund	9/28/2006	27,000,000	33,148,819	-4,893,898	39,000,012	1.3	7.1
<b>Core / Core Plus Portfolio</b>			<b>166,228,233</b>	<b>172,372,342</b>	<b>-24,185,087</b>	<b>195,466,590</b>	<b>1.3</b>	<b>5.1</b>
2008	AG Realty Fund VII	5/20/2008	15,000,000	14,100,000	-16,837,500	4,830,533	1.5	14.1
2008	ARA Asia Dragon Fund	7/9/2008	10,000,000	9,284,000	-9,757,344	2,681,855	1.3	8.4
2008	AREA European Real Estate Fund III, LP	5/6/2008	15,000,000	15,243,750	-11,802,500	6,194,084	1.2	4.6
2004	Blackstone Fund IV	5/10/2004	5,000,000	6,406,782	-6,757,749	2,451,375	1.4	11.8
2010	Blackstone Real Estate Partners Europe III (USD Vc)	10/24/2008	5,000,000	4,990,046	-2,219,016	4,486,358	1.3	13.3
2014	Blackstone Real Estate Partners Europe IV (USD Vc)	12/23/2013	26,000,000	11,624,862	-1,170,461	9,926,174	1.0	-6.6
2007	Blackstone Real Estate Partners VI	9/27/2007	10,000,000	11,009,723	-11,682,628	9,918,673	2.0	14.8
2012	Blackstone Real Estate Partners VII	3/31/2012	30,000,000	30,770,280	-15,520,654	28,774,855	1.4	26.9
2012	Brookfield Strategic Real Estate Partners	9/20/2012	15,000,000	14,924,653	-2,855,890	14,524,279	1.2	15.9
2003	Canyon Johnson Urban Fund	12/6/2002	10,000,000	9,060,242	-10,582,954	0	1.2	10.2
2005	Canyon Johnson Urban Fund II	5/11/2005	10,000,000	8,988,710	-1,931,982	2,759,296	0.5	-9.0
2010	Canyon Johnson Urban Fund III	3/29/2010	5,000,000	4,931,163	-3,093,984	3,450,158	1.3	12.3
2009	Carbon Capital III	7/2/2009	10,000,000	10,378,522	-12,722,879	0	1.2	8.5
2007	Carlyle Realty Partners V	8/27/2007	5,000,000	6,204,374	-6,306,231	1,969,733	1.3	8.2
2011	Carlyle Realty Partners VI	9/14/2011	20,000,000	17,044,034	-10,232,376	14,883,388	1.5	28.2
2014	Carlyle Realty Partners VII	6/30/2014	15,000,000	1,927,467	0	1,731,930	0.9	-48.8
2007	Colony Investors VIII	9/18/2007	20,000,000	21,249,679	-4,626,573	6,523,550	0.5	-11.0
2012	Divco West Fund III	12/30/2011	30,000,000	29,429,127	-36,937,155	11,684,916	1.7	26.9
2014	Divco West Fund IV	1/15/2014	30,000,000	24,576,734	0	27,218,807	1.1	19.4
2011	H/2 Special Opportunities Fund II	1/31/2011	10,000,000	10,000,001	-4,390,315	8,940,147	1.3	18.5
2015	H/2 Special Opportunities Fund III	12/29/2014	15,000,000	1,752,882	0	2,004,628	1.1	163.5
2013	KTR Industrial Fund III	6/28/2013	10,000,000	4,369,869	-108,869	6,912,308	1.6	49.6
2014	Lone Star Real Estate Fund III	5/20/2014	25,000,000	13,117,329	-1,330,541	12,601,834	1.1	13.0
2013	NYC Asset Investor #1 LLC	6/25/2013	5,000,000	3,725,573	-190,960	4,020,871	1.1	19.8
2013	NYC Asset Investor #3 LLC	9/20/2013	6,000,000	909,995	0	964,125	1.1	6.6
2008	Silverpeak Legacy Partners III (Lehman)	5/28/2008	5,000,000	2,216,844	-192,072	708,021	0.4	-13.9
2008	Stockbridge Real Estate Fund III	9/9/2008	13,500,000	13,142,674	0	19,486,575	1.5	9.2
2012	Taconic New York City Investment Fund LP	7/5/2012	20,000,000	8,272,728	-181,818	11,106,924	1.4	15.1
2004	The City Investment Fund I	3/16/2004	35,000,000	34,515,181	-32,693,962	2,602,930	1.0	0.5
2009	Thor Urban Property Fund II	10/30/2008	5,000,000	6,469,583	-3,208,793	5,188,957	1.3	10.3
2009	Walton Street Real Estate Fund VI	4/27/2009	5,000,000	4,432,393	-2,407,558	4,027,272	1.5	10.6
2010	Westbrook Real Estate Fund VIII	12/28/2009	5,000,000	5,902,512	-5,360,707	2,299,303	1.3	13.3
2008	American Value Partners Fund I	10/18/2007	5,000,000	3,773,989	-1,590,428	2,192,064	1.0	0.1
2007	Metropolitan Workforce Housing Fund	7/13/2007	3,500,000	3,503,257	-1,452,338	2,368,236	1.1	2.2
<b>Non Core and Emerging Manager Portfolio</b>			<b>454,000,000</b>	<b>368,248,958</b>	<b>-218,146,237</b>	<b>239,434,160</b>	<b>1.2</b>	<b>7.8</b>
<b>New York City Fire Department Pension Fund</b>			<b>620,228,233</b>	<b>540,621,300</b>	<b>-242,331,325</b>	<b>434,900,750</b>	<b>1.3</b>	<b>6.6</b>

Source: PCG historical cash flow data. TTG cash flow data from Fund Managers, effective 2005. Note: The equity multiples and IRRs contained in this report are interim calculations based upon information provided by the investment managers of the New York City Retirement Systems, including cash flows and quarterly unaudited, or audited, valuations. The IRR calculated in early years of a fund life is not meaningful given the J-curve effect and can be significantly impacted by the timing of cash flows, investment strategy, investment pacing, and fund life. The calculations are not necessarily indicative of total fund performance, which can only be determined after the fund is liquidated and all capital contributed and earnings have been distributed to the investor. All data supplied is as of March 31, 2015.

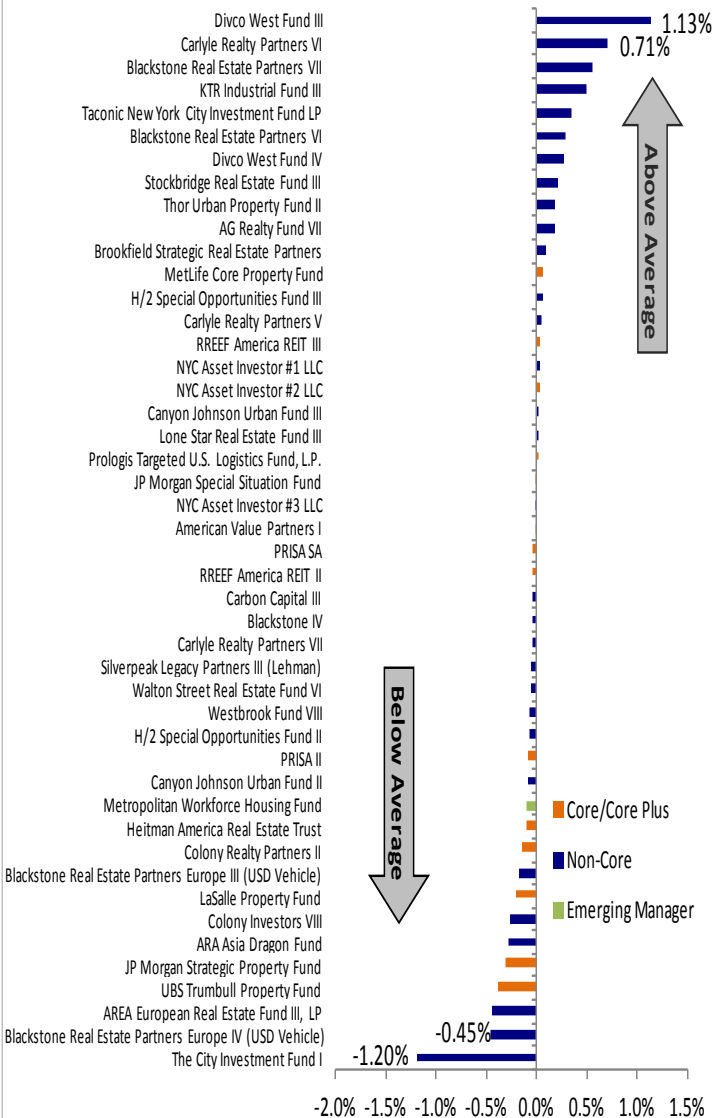


# The New York City Fire Department Pension Fund

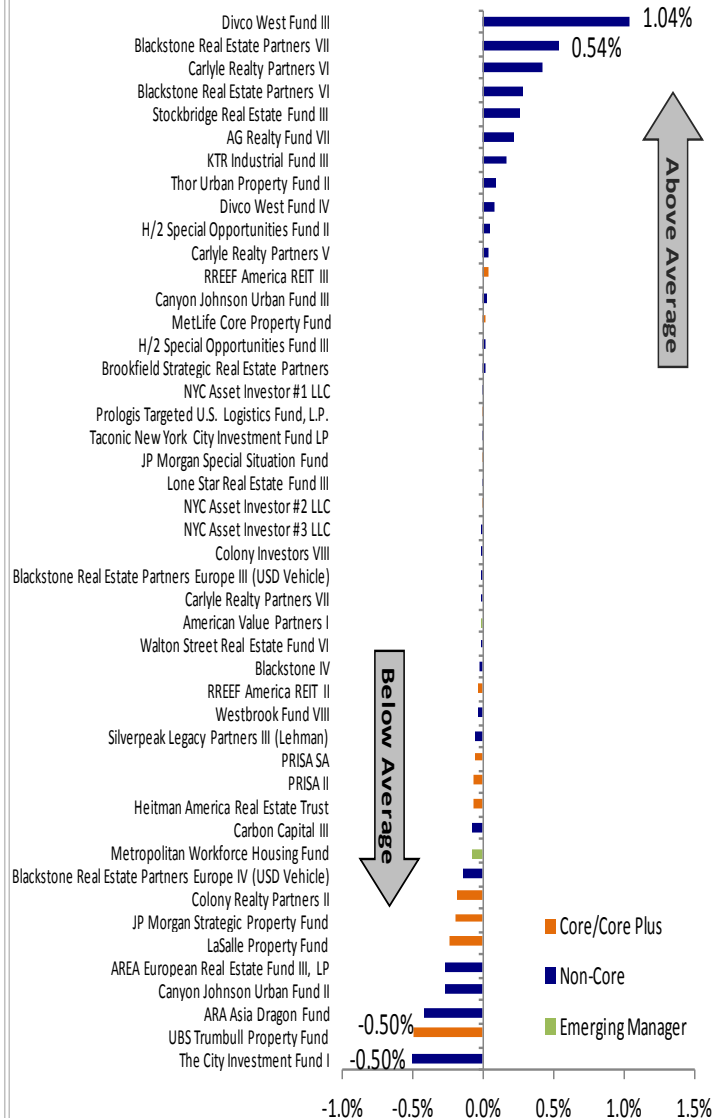
Executive Summary: First Quarter 2015 Performance Measurement Report  
Real Estate

## EXHIBIT C : ATTRIBUTION

### Fund Contribution to 1 Year Return



### Fund Contribution to 3 Year Return







## Infrastructure Monitoring Report

For the period ended March 31, 2015

Report Prepared For:

New York City Fire Department Pension Fund, Subchapter 2



## Table of Contents

I. Executive Summary .....	1
Allocation Summary .....	1
Performance Summary .....	2
Portfolio Performance vs. Benchmarks.....	3
Portfolio Diversification .....	3
II. Infrastructure Market Overview .....	4
Market Overview.....	4
Infrastructure Fundraising.....	5
Major Transactions.....	6
III. Portfolio Review.....	7
Quarterly Highlights .....	7
Performance by Vintage Year .....	8
Performance by Strategy and Industry Focus.....	8
Performance by Geographic Focus.....	8
Portfolio Diversification .....	9
By Strategy, Geography and Industry Focus.....	9
By Investment Manager .....	9
Portfolio Cash Flow Analysis .....	10
Quarterly Cash Flow Activity .....	10
Annual Cash Flow Activity .....	10
Net Funded and Unfunded Commitments by Vintage Year .....	11
Portfolio Company-Level Analysis.....	12
Geographic Exposure and Performance.....	12
Industry Exposure and Performance .....	12
Public Market Exposure.....	12
IV. Risk Management Matrix.....	13

## Important Information

This document is meant only to provide a broad overview for discussion purposes. All information provided here is subject to change. This document is for informational purposes only and does not constitute an offer to sell, a solicitation to buy, or a recommendation for any security, or an offer to provide advisory or other services by StepStone Group LP, its subsidiaries or affiliates (collectively, “StepStone”) in any jurisdiction in which such offer, solicitation, purchase or sale would be unlawful under the securities laws of such jurisdiction. The information contained in this document should not be construed as financial or investment advice on any subject matter. StepStone expressly disclaims all liability in respect to actions taken based on any or all of the information in this document.

This document is confidential and solely for the use of StepStone and the existing and potential clients of StepStone to whom it has been delivered, where permitted. By accepting delivery of this document, each recipient undertakes not to reproduce or distribute this document in whole or in part, nor to disclose any of its contents (except to its professional advisors), without the prior written consent of StepStone. While some information used in the document has been obtained from various published and unpublished third-party sources considered to be reliable, StepStone does not guarantee its accuracy or completeness and accepts no liability for any direct or consequential losses arising from its use. Thus, all such information is subject to independent verification by prospective investors.

The document is being provided based on the understanding that each recipient has sufficient knowledge and experience to evaluate the merits and risks of investing in private equity products. All expressions of opinion are intended solely as general market commentary and do not constitute investment advice or a guarantee of returns. All expressions of opinion are as of the date of this document, are subject to change without notice and may differ from views held by other businesses of StepStone.

All valuations are based on current values provided by the general partners of the underlying funds and may include both realized and unrealized investments. Due to the inherent uncertainty of valuation, the stated value may differ significantly from the value that would have been used had a ready market existed for all of the portfolio investments, and the difference could be material. The long-term value of these investments may be lesser or greater than the valuations provided.

StepStone is not in the business of providing tax or legal advice. These materials and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any taxpayer for the purpose of avoiding tax penalties. Tax-related statements, if any, may have been written in connection with the “promotion or marketing” of the transaction(s) or matter(s) addressed by these materials, to the extent allowed by applicable law. Any taxpayer should seek advice based on the taxpayer’s particular circumstances from an independent tax advisor.

Prospective investors should inform themselves and take appropriate advice as to any applicable legal requirements and any applicable taxation and exchange control regulations in the countries of their citizenship, residence or domicile which might be relevant to the subscription, purchase, holding, exchange, redemption or disposal of any investments. Each prospective investor is urged to discuss any prospective investment with its legal, tax and regulatory advisors in order to make an independent determination of the suitability and consequences of such an investment.

An investment involves a number of risks and there are conflicts of interest.

StepStone Group LP is an Investment Adviser registered with the Securities and Exchange Commission. StepStone Group Europe LLP is authorized and regulated by the Financial Conduct Authority, firm reference number 551580.

**Past performance is not necessarily indicative of future results. Actual performance may vary.**

## I. Executive Summary

The New York City Fire Department Pension Fund, Subchapter 2 (“NYCFDPF”) established the Infrastructure Program (the “Program”) in December of 2012 on behalf of its beneficiaries to participate in attractive long-term investment opportunities and to provide diversification to its overall pension investment portfolio.

The inclusion of infrastructure in the NYCFDPF pension portfolio allows for global investments in facilities or assets that provide core essential services critical to the operation and development of economies. Typically infrastructure investments have high barriers to entry due to significant capital expenditure requirements, exclusive long term contracts or regulatory requirements. Infrastructure investments are comprised of long useful-life assets with high tangible value and relatively low value erosion over time.

The Program seeks to invest in opportunities in a variety of infrastructure sectors, including but not limited to, transportation, energy, power, utilities, water, wastewater, communications and social infrastructure.

StepStone Group LP (“StepStone”) was engaged by NYCFDPF on October 20, 2014 to provide infrastructure advisory services for prospective investment opportunities and monitoring and reporting services for existing and new investments.

Since inception through March 31, 2015, the Program has committed US\$35.0 million to three partnership investments (the “Portfolio”). This quarterly monitoring report covers the performance of the Portfolio as of March 31, 2015 as well as significant activity that occurred during the first quarter of 2015.

### Allocation Summary

NYCFDPF has a Real Assets allocation target of 5% (plus or minus 2%) of total pension assets. Infrastructure is a component asset class within the NYCFDPF Real Assets investment program.

As of March 31, 2015, the market value of NYCFDPF Real Assets Program represented approximately 4.0% of total pension assets. The market value of NYCFDPF Infrastructure Program represented approximately 0.1% of total pension assets, a two basis point increase from the prior quarter.

As the Program matures, the percentage of its market value relative to the total NYCFDPF pension assets as well as total Real Assets will continue to increase.

US\$ in millions*	March 31, 2015	December 31, 2014	March 31, 2014	Quarterly Change	Yearly Change
Total Pension Assets*	\$10,920.0	\$10,670.0	\$10,287.0	\$250.0	\$633.0
Total Real Assets*	\$435.0	\$429.0	\$382.0	\$6.0	\$53.0
% Allocation to Real Assets (Target of 5% +/- 2%)	4.0%	4.0%	3.7%	-4 bps	+ 27 bps
Total Infrastructure Assets	\$7.2	\$4.6	\$2.0	\$2.7	\$5.2
% Allocation to Infrastructure vs. Total Pension Assets	0.1%	0.0%	0.0%	+ 2 bps	+ 5 bps
% Allocation to Infrastructure vs. Total Real Assets	1.7%	1.1%	0.5%	+ 60 bps	+ 113 bps

\*NYCFDPF total Pension Assets and total Real Assets are as of quarter-end (or, if not yet available, the most recent month-end prior to quarter-end) as reported by The New York City Comptroller’s Office on [www.comptroller.nyc.gov](http://www.comptroller.nyc.gov)

## Performance Summary

As of March 31, 2015, the Infrastructure Program has achieved a Total Value to Paid-In multiple of 1.1x invested capital and an IRR of 14.8%. Note that, given the relative immaturity of the Portfolio and underlying fund investments, the current performance to-date is not meaningful.

US\$ in millions *	March 31, 2015	December 31, 2014	March 31, 2014	Quarterly Change	Yearly Change
Number of Managers	3	3	2	-	1
Number of Investments	3	3	2	-	1
Committed Capital <sup>1</sup>	\$35.0	\$35.0	\$25.0	\$0.0	\$10.0
Contributed Capital	\$7.1	\$4.5	\$1.9	\$2.5	\$5.1
Distributed Capital	\$0.4	\$0.4	\$0.0	\$0.1	\$0.4
Market Value	\$7.2	\$4.6	\$2.0	\$2.7	\$5.2
Total Value	\$7.7	\$4.9	\$2.1	\$2.7	\$5.6
Total Gain/(Loss)	\$0.6	\$0.4	\$0.1	\$0.2	\$0.5
Unfunded Commitment	\$28.0	\$30.5	\$23.1	(\$2.5)	\$4.9
Exposure <sup>2</sup>	\$35.2	\$35.1	\$25.1	\$0.1	\$10.1
DPI <sup>3</sup>	0.1x	0.1x	0.0x	0.0x	0.1x
TVPI <sup>4</sup>	1.09x	1.09x	1.06x	0.00x	0.03x
IRR <sup>5</sup>	14.8%	13.7%	30.5%	1.2%	-15.7%
TVPI Net of StepStone Fees <sup>6</sup>	1.09x	1.09x	1.06x	0.00x	0.03x
IRR Net of StepStone Fees <sup>6</sup>	14.8%	13.7%	30.5%	1.2%	-15.7%

\* Note that amounts may not total due to rounding.

<sup>1</sup> Committed Capital is presented net of any commitment releases or expirations and reflects foreign currency exchange rate fluctuations. Note that the Base/(US\$) committed capital for foreign currency-denominated investments as of respective quarter-end dates is calculated as follows: (total net amount funded in Base currency) + (unfunded commitment in Local currency \* quarter-end exchange rate). StepStone utilizes OANDA as the source for quarter-end exchange rates to calculate committed capital.

<sup>2</sup> Exposure represents the sum of Market Value and Unfunded Commitment.

<sup>3</sup> DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Distributed Capital divided by Contributed Capital.

<sup>4</sup> TVPI, or Total Value to Paid-In Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVPI is calculated as Total Value, which is comprised of Market Value plus Distributed Capital, divided by Contributed Capital.

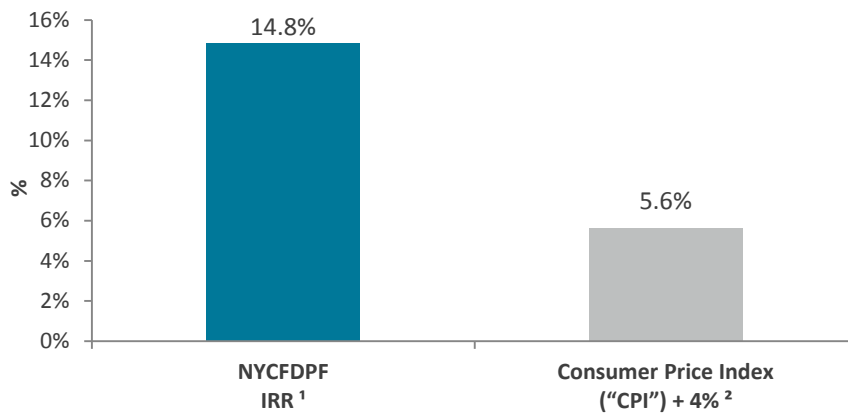
<sup>5</sup> IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund managers' fees, expenses and carried interest.

<sup>6</sup> TVPI and IRR Net of StepStone fees represent TVPI and IRR net of fees paid by NYCFDPF to StepStone through the quarter-end date. Note that no fees have been paid by NYCFDPF to StepStone as of March 31, 2015.

## Portfolio Performance vs. Benchmarks

The performance benchmark for the Infrastructure Portfolio is to meet or exceed the Consumer Price Index ("CPI") plus 4% net of fees over a rolling 5-year period. The Infrastructure Portfolio is expected to generate a total return, net of investment management fees, of at least 6.5%.

As of March 31, 2015, the Program outperformed the benchmark by 9.2%. However, as noted previously, given the relative immaturity of the Portfolio, the current performance to-date versus benchmarks is not meaningful. The following graph illustrates Portfolio IRR performance versus the benchmark as of March 31, 2015.



<sup>1</sup>NYCFDPF since inception Internal Rate of Return ("IRR") is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund managers' fees, expenses and carried interest.

<sup>2</sup>Consumer Price Index ("CPI") benchmark represents the compound annual growth rate of the Consumer Price Index for All Urban Consumers and All Items, as provided by the U.S. Department of Labor: Bureau of Labor Statistics, calculated over a five-year rolling period plus a 4.0% premium.

## Portfolio Diversification

The Program's objective is to build a Portfolio that is diversified by investment strategy, asset type, and geography. The target investment strategy ranges are as follows:

- Core Infrastructure Investments: 60 to 100%; and
- Non-Core Infrastructure Investments: 0% to 40%.

Actual percentages may differ substantially from these targets during the initial years of the Program. The following table illustrates the current diversification of the Portfolio by fund strategy, geography and industry focus.

As of March 31, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<b>By Strategy:</b>						
Core	7.2	100.0%	28.0	100.0%	35.2	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
<b>Total</b>	<b>7.2</b>	<b>100.0%</b>	<b>28.0</b>	<b>100.0%</b>	<b>35.2</b>	<b>100.0%</b>
<b>By Geographic Focus:</b>						
Global	7.1	98.1%	8.2	29.3%	15.3	43.4%
OECD	0.1	1.9%	19.8	70.7%	19.9	56.6%
<b>Total</b>	<b>7.2</b>	<b>100.0%</b>	<b>28.0</b>	<b>100.0%</b>	<b>35.2</b>	<b>100.0%</b>
<b>By Industry Focus:</b>						
Diversified	7.1	98.1%	18.2	65.1%	25.3	71.8%
Energy	0.1	1.9%	9.8	34.9%	9.9	28.2%
<b>Total</b>	<b>7.2</b>	<b>100.0%</b>	<b>28.0</b>	<b>100.0%</b>	<b>35.2</b>	<b>100.0%</b>

## II. Infrastructure Market Overview

### Market Overview

Demand for infrastructure investments from institutional investors remained strong during the first quarter of 2015 ("1Q15"). This demand was primarily a result of expansionary monetary policies in most markets, which has kept interest rates at very low levels and caused investors to seek alternatives to traditional sources of investment income (e.g. fixed income). This demand continued to drive a high valuation environment for the infrastructure asset class, particularly in mature markets with a wide range of opportunities, such as Western Europe, the Nordic region and Australia.

Global economic growth was mixed during 1Q15. Among OECD countries, annualized gross domestic product ("GDP") was 1.9% higher than the prior corresponding period ("pcp"). Of the seven major economies – the United States, Canada, the United Kingdom, Germany, France, Italy and Japan – the US experienced the highest GDP growth rate of 2.7%, while Japan's GDP contracted by 1.0% mainly due to soft business and consumer spending. Germany achieved GDP growth of 1.0% year over year, although only 0.3% quarter over quarter which was below forecasts. In major emerging markets, economic activity was generally subdued during the quarter. China's economy expanded by 7.0% compared to pcp, its slowest rate of growth since 2009. In Brazil, a 5.7% gain in exports was insufficient to offset declines in domestic demand for the quarter. GDP contracted 0.2% quarter over quarter, and 1.6% year over year.

The energy sector in the US and Canada continued to produce infrastructure investment opportunities, driven by the dislocation in the energy sector and related oil price declines, insufficient midstream infrastructure, coal plant retirements, cross-border opportunities with Mexico, and the ongoing build out of renewable generation to satisfy state-level Renewable Portfolio Standards. And, fiscal constraints on public-sector funding have stimulated an increased consideration of public-private partnerships ("P3s") in the transport and social infrastructure sectors across North America.

European markets remain competitive, with a significant amount of capital targeting infrastructure investment in the region. The resulting upward pricing pressure, combined with uncertain medium-term economic growth in the Eurozone, ongoing financial sector reforms, concerns surrounding bank capital adequacy, and geopolitical risks in Eastern Europe, present an uncertain outlook for investors. Notwithstanding this, activity levels are being sustained by the ongoing unbundling of integrated utilities, commitments to renewable energy targets, balance sheet deleveraging by existing asset owners, and security of energy supply priorities.

Investment activity in parts of Latin America remains strong. In Mexico, recent changes in government policy are driving significant growth in infrastructure investment opportunities. Policy initiatives include allowing foreign investment in the energy sector and a National Infrastructure Plan that contains 743 projects requiring investment of approximately US\$600 billion from 2014 to 2018. StepStone is aware of several infrastructure fund managers reviewing opportunities in Mexico. Despite the current fiscal challenges in Brazil, infrastructure investment has remained a political and economic priority, and other parts of Latin America, particularly the Andean region, continue to provide a range of potential investment opportunities.

While infrastructure investment in Japan has traditionally been dominated by government-related entities and infrastructure companies with limited private participation by institutional investors, the government continues to face high debt levels. The country recently announced the privatization act for infrastructure assets including airports, and opened bidding processes for Sendai Airport and New Kansai airport. Australia's economy grew 2.3% year over year in the first quarter driven by improved consumption and exports. Fiscal constraints placed on the federal and state governments has increased the reliance on private sector capital in meeting Australia's infrastructure deficit. Government initiatives have encouraged a number of high profile asset sales/P3 transactions that expect to be continued into 2015.

## Infrastructure Fundraising

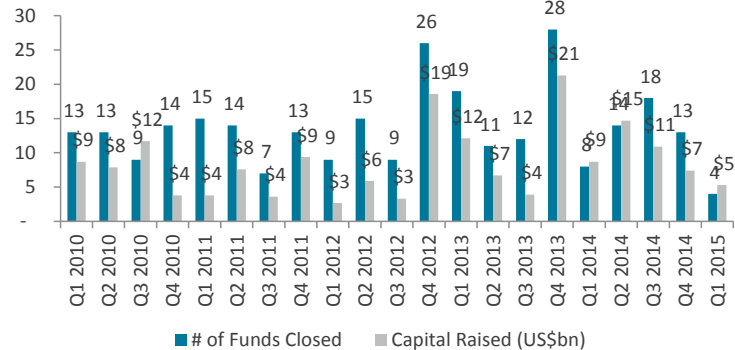
Fundraising for infrastructure strategies continues to be robust with a large number of funds in market, although the number of managers that closed new funds during the first quarter was down compared to recent periods.

During the first quarter, five funds held final closings. Aggregate capital raised was US\$5.3 billion. The amount represented a year over year decrease of 39% compared to Q1 2014, when US\$15 billion was raised. The capital was raised by five managers.

The largest fund to reach a final closing during Q4 was First State European Diversified Infrastructure Fund, which closed at its hard cap of €2.0 billion. The fund targets core assets in Europe across gas, water and electricity networks; ports; rail and toll roads; and telecommunication network infrastructure. Additionally, P2 Brasil III closed with US\$1.7 billion of commitments. P2 is managed by a joint venture between Pátria Investimentos and Brazilian engineering company Promon. The fund is focused on South America and targets greenfield, brownfield and secondary stage assets in the energy, distribution/storage, natural resources, logistics, transportation, waste management and water sectors.

### Unlisted Infrastructure Fundraising

Source: Preqin

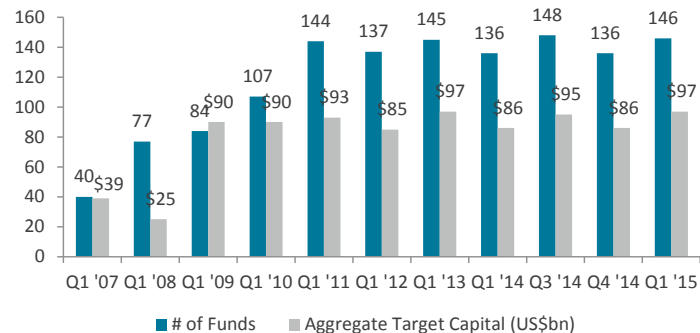


Fund	General Partner	Size	Final Close Date	Location Focus
First State European Diversified Infrastructure Fund	First State Investments	€ 2,000	Jan-15	Europe
P2Brasil III	P2Brasil	\$ 1,674	Mar-15	South America
Equis Asia Fund II	Equis Funds Group	\$ 1,000	Feb-15	Asia
Equis Direct Investment Fund	Equis Funds Group	\$ 300	Feb-15	Asia
CapAsia ASEAN Infrastructure Fund III	CapAsia	\$ 100	Mar-15	Southeast Asia

As of the end of Q1 2015, Preqin observed 146 funds in market targeting aggregate capital commitments of US\$97 billion. The largest funds in market include: Alinda Infrastructure Fund III which is targeting US\$5.0 billion for North America and Europe; Morgan Stanley Infrastructure Partners II, which is targeting \$4.0 billion in commitments for global infrastructure investments; and ArcLight Energy Partners Fund VI, also targeting US\$4.0 billion to invest in energy infrastructure across North America and Western Europe. Two dedicated European funds are each targeting €2bn: Deutsche Asset & Wealth Management's Pan-European Infrastructure Fund II, and Ardian Infrastructure Generation IV.

### Unlisted Infrastructure Fundraising

Source: Preqin





## Major Transactions

Several significant infrastructure transactions occurred on a global basis during the first quarter, with notable activity in the UK, Europe, Australia and North America.

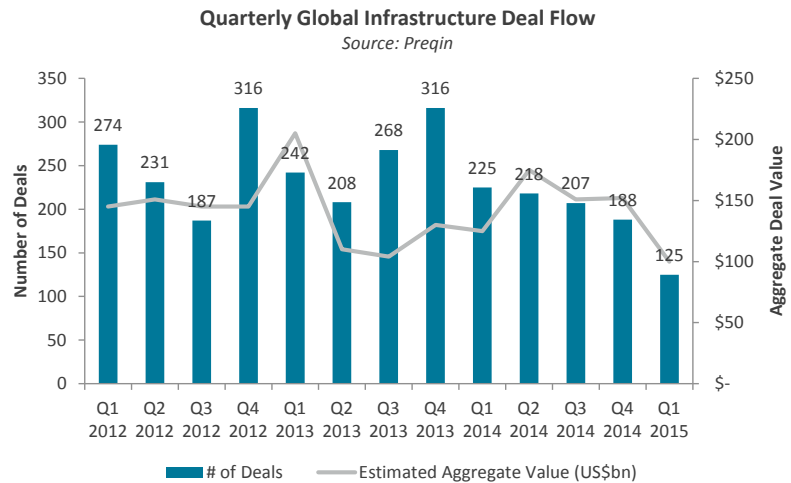
In January 2015, Cheung Kong Infrastructure Holdings reached a deal to acquire 100% of Eversholt Rail Group from 3i Infrastructure, Morgan Stanley, and STAR Capital Partners for £2.5 billion. Eversholt is one of three rolling stock companies formed in 1994 as part of the privatization of British Rail.

In February 2015, CPP Investment Board, QIC, and Transurban Group reached financial close on NorthConnex, a A\$2.9 billion toll road development project in Sydney, NSW.

In March 2015, IFM Investors announced the planned acquisition of Indiana Toll Roads for \$5.7 billion through a bankruptcy sales process. The road has 66 years of concession life remaining and serves as a transportation link between Chicago and the US east coast.

In March 2015, a consortium consisting of Borealis Infrastructure, AP-Fonden 3, AP-Fonden 1, and Folksam signed an agreement to acquire 100% of the shares of Fortum Distribution, Fortum's electricity distribution networks in Sweden for €6.6 billion. Fortum Distribution is the second largest player in the electricity distribution market in Sweden with 17% market share.

In March 2015, Canada Pension Plan Investment Board announced the acquisition of 100% of the UK student accommodation portfolio Liberty Living for £1.1 billion. Liberty Living is one of the U.K.'s largest student accommodation providers with over 40 residences located in 17 university towns and cities across the UK.



### III. Portfolio Review

#### Quarterly Highlights

- **No New Investment Commitments** – There were no new investment commitments made during the first quarter of 2015.
- **Subsequent Investment Commitments** – Subsequent to quarter-end through August 7, 2015, the Program closed on one new investment commitment totaling US\$12.0 million. This is shown in the table below.

US\$ in millions

Investment	Month and Year Closed	Vintage Year	Strategy	Geographic Focus	Industry Focus	Committed Capital
KKR Global Infrastructure Investors II L.P.	June 2015	2014	Infrastructure	OECD	Diversified	\$12.0
<b>Total</b>						<b>\$12.0</b>

- **Cash Outflow Increased** – During the first quarter of 2015, the Program made US\$2.5 million of contributions and received US\$0.1 million of distributions, for a net cash outflow of US\$2.4 million. This compared to a net cash inflow of US\$0.8 million during the prior quarter. Net cash flow is expected to remain negative for the next several years as the Program's committed capital is drawn down for investments, fees and expenses by fund managers.
- **Valuation Increased** – During the first quarter of 2015, net of cash flow activity, the valuation of the Portfolio increased by approximately US\$0.2 million, or 3.1%, from the prior quarter. The valuation increase reflects the increase in value of underlying investments in Brookfield Infrastructure Fund II.
- **Two New Investments** – During the first quarter of 2015, two new investment positions were added to the portfolio.

US\$ in millions

Company	Fund(s)	Investment Date	Stage	Industry	Country	Exposed Invested Capital	Exposed Market Value	Exposed Realized Proceed	TVM
Kingfisher Wind	First Reserve Energy Infrastructure Fund II, L.P.	Jan-15	Private	Energy	United States	0.1	0.1	-	1.0x
French Telecom Infrastructure	Brookfield Infrastructure Fund II	Mar-15	Private	Utilities	France	1.1	1.1	-	1.0x

- **No Exits** – There were no exits of investment positions during the quarter.

### Performance by Vintage Year

The following table illustrates the Portfolio's since-inception investment performance by vintage year as of March 31, 2015. Note that the performance of funds that are less than one year old is not meaningful.

*As of March 31, 2015 (US\$ in millions)*

Vintage Year	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Total Value	Total Gain/ (Loss)	Unfunded Commitment	Exposure	DPI	TVPI	IRR
2013	\$15.0	\$6.8	\$0.4	\$7.1	\$7.5	\$0.7	\$8.2	\$15.3	0.1x	1.1x	17.2%
2014	20.0	0.2	-	0.1	0.1	(0.1)	19.8	19.9	NM	NM	NM
<b>Total</b>	<b>\$35.0</b>	<b>\$7.1</b>	<b>\$0.4</b>	<b>\$7.2</b>	<b>\$7.7</b>	<b>\$0.6</b>	<b>\$28.0</b>	<b>\$35.2</b>	<b>0.1x</b>	<b>1.1x</b>	<b>14.8%</b>

### Performance by Strategy and Industry Focus

The following table illustrates the Portfolio's since-inception investment performance by strategy and industry focus as of March 31, 2015.

*As of March 31, 2015 (US\$ in millions)*

Strategy/Industry	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Total Value	Total Gain/ (Loss)	Unfunded Commitment	Exposure	DPI	TVPI	IRR
<b>Core</b>	<b>\$35.0</b>	<b>\$7.1</b>	<b>\$0.4</b>	<b>\$7.2</b>	<b>\$7.7</b>	<b>\$0.6</b>	<b>\$28.0</b>	<b>\$35.2</b>	<b>0.1x</b>	<b>1.1x</b>	<b>14.8%</b>
Diversified	25.0	6.8	0.4	7.1	7.5	0.7	18.2	25.3	0.1x	1.1x	17.2%
Energy	10.0	0.2	-	0.1	0.1	(0.1)	9.8	9.9	NM	NM	NM
<b>Total</b>	<b>\$35.0</b>	<b>\$7.1</b>	<b>\$0.4</b>	<b>\$7.2</b>	<b>\$7.7</b>	<b>\$0.6</b>	<b>\$28.0</b>	<b>\$35.2</b>	<b>0.1x</b>	<b>1.1x</b>	<b>14.8%</b>

### Performance by Geographic Focus

The following table and charts illustrate the Portfolio's since-inception investment performance by geographic focus as of March 31, 2015.

*As of March 31, 2015 (US\$ in millions)*

Geographic Focus	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Total Value	Total Gain/ (Loss)	Unfunded Commitment	Exposure	DPI	TVPI	IRR
Global	\$15.0	\$6.8	\$0.4	\$7.1	\$7.5	\$0.7	\$8.2	\$15.3	0.1x	1.1x	17.2%
OECD	20.0	0.2	-	0.1	0.1	(0.1)	19.8	19.9	NM	NM	NM
<b>Total</b>	<b>\$35.0</b>	<b>\$7.1</b>	<b>\$0.4</b>	<b>\$7.2</b>	<b>\$7.7</b>	<b>\$0.6</b>	<b>\$28.0</b>	<b>\$35.2</b>	<b>0.1x</b>	<b>1.1x</b>	<b>14.8%</b>

## Portfolio Diversification

### By Strategy, Geography and Industry Focus

The Program's objective is to build a Portfolio that is diversified by investment strategy, asset type, and geography. The target investment strategy ranges are as follows:

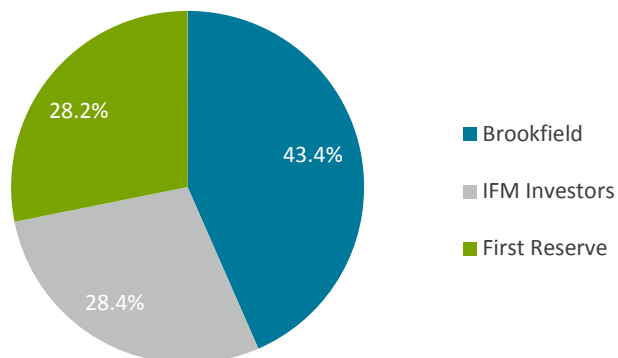
- Core Infrastructure Investments: 60 to 100%; and
- Non-Core Infrastructure Investments: 0% to 40%.

Actual percentages may differ substantially from these targets during the initial years of the Program. The following table illustrates the current diversification of the Portfolio by fund strategy, geography and industry focus.

As of March 31, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<b>By Strategy:</b>						
Core	7.2	100.0%	28.0	100.0%	35.2	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
<b>Total</b>	<b>7.2</b>	<b>100.0%</b>	<b>28.0</b>	<b>100.0%</b>	<b>35.2</b>	<b>100.0%</b>
<b>By Geographic Focus:</b>						
Global	7.1	98.1%	8.2	29.3%	15.3	43.4%
OECD	0.1	1.9%	19.8	70.7%	19.9	56.6%
<b>Total</b>	<b>7.2</b>	<b>100.0%</b>	<b>28.0</b>	<b>100.0%</b>	<b>35.2</b>	<b>100.0%</b>
<b>By Industry Focus:</b>						
Diversified	7.1	98.1%	18.2	65.1%	25.3	71.8%
Energy	0.1	1.9%	9.8	34.9%	9.9	28.2%
<b>Total</b>	<b>7.2</b>	<b>100.0%</b>	<b>28.0</b>	<b>100.0%</b>	<b>35.2</b>	<b>100.0%</b>

### By Investment Manager

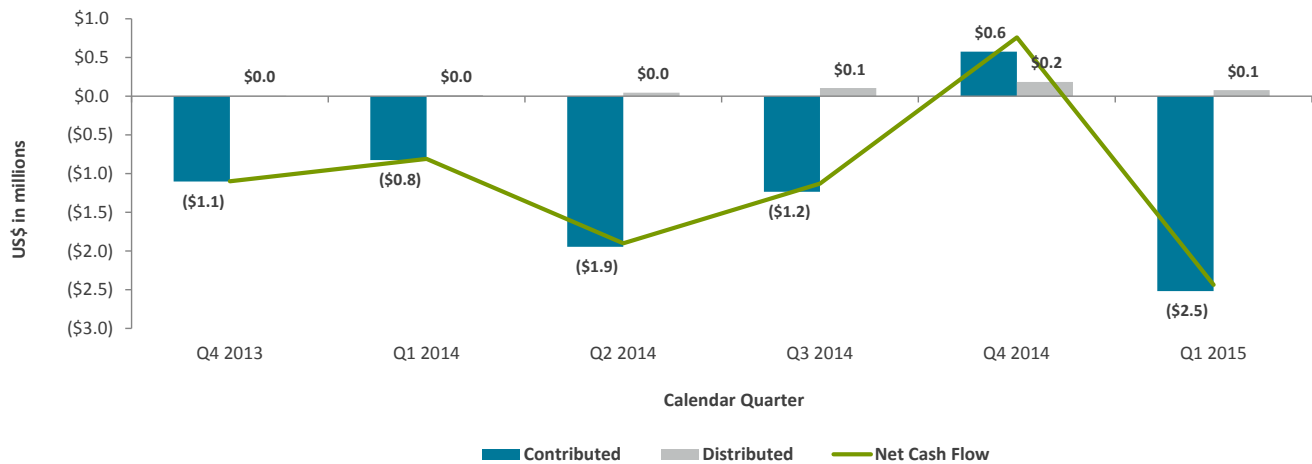
As of March 31, 2015, the Program had made three investment commitments to three managers. NYCDFPF seeks to limit its exposure to any single manager to no more than 10% of the total Real Assets Program when fully invested. As the Program matures and closes on additional commitments, the single manager exposure is expected to decline significantly. Below is the Portfolio's current exposure by manager.



## Portfolio Cash Flow Analysis

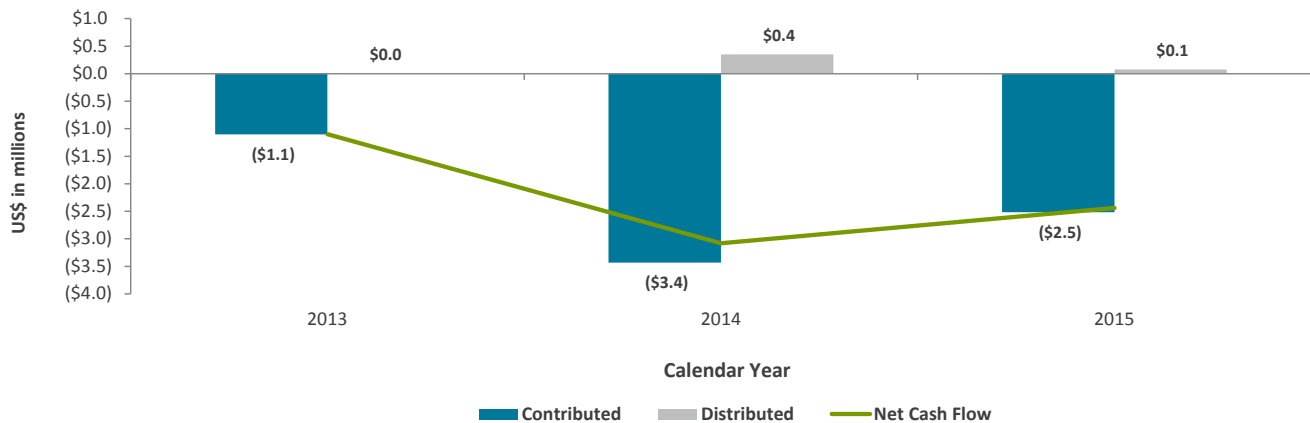
### Quarterly Cash Flow Activity

During the first quarter of 2015, the Program made US\$2.5 million of contributions and received US\$0.1 million of distributions, for a net cash outflow of US\$2.4 million. As of March 31, 2015, two fund investments in the Portfolio had cash flow activity. As the Program's commitment and investment activity increases, net cash outflow is expected to increase. The graph below illustrates cash flow activity since inception by calendar quarter.



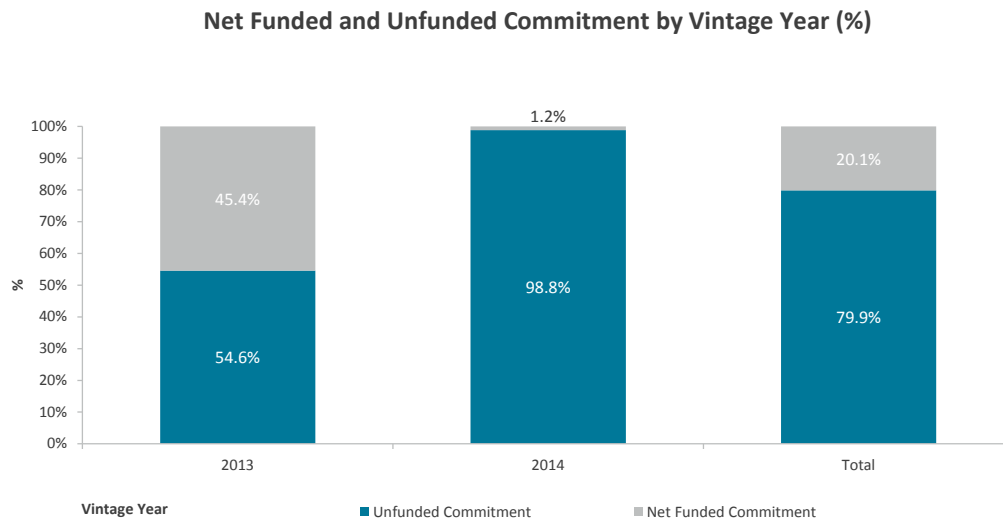
### Annual Cash Flow Activity

During the first three months of 2015, the Program made US\$2.5 million of contributions and received US\$0.1 million of distributions, for a net cash outflow of US\$2.4 million. The graph below illustrates cash flow activity since inception by calendar year.

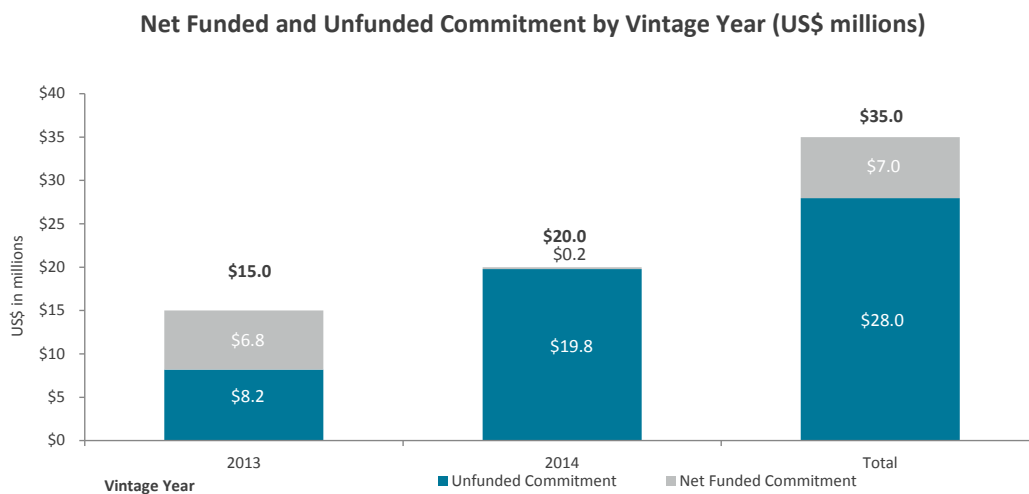


### Net Funded and Unfunded Commitments by Vintage Year

The following chart illustrates the Portfolio's net funded commitments (defined as total contributions inside commitment less any returns of excess capital and callable distributions) as a percentage of total capital commitments, by fund vintage year, as of March 31, 2015. Overall, the Portfolio was 79.9% unfunded as of quarter-end.



The following chart illustrates the Portfolio's net funded commitments relative to total capital commitments, by fund vintage year, as of March 31, 2015. Overall, the Portfolio had US\$28.0 million of unfunded commitments as of quarter-end.

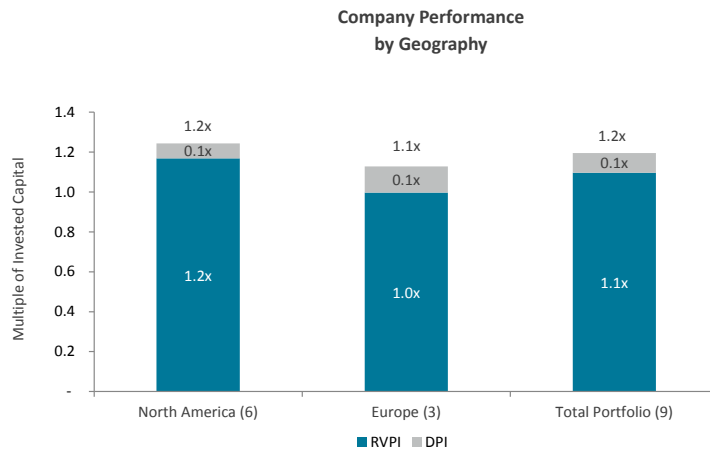
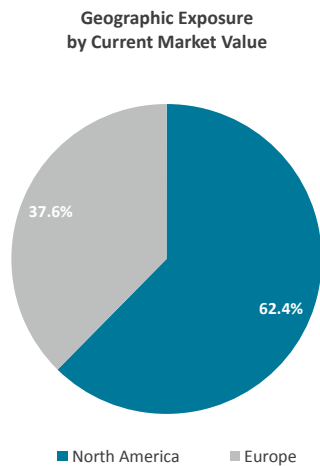


## Portfolio Company-Level Analysis

As of quarter-end, the Portfolio had exposure to nine unique portfolio companies/investment positions. As the Portfolio matures, the number of unique portfolio companies/investment positions is expected to increase significantly. On the individual fund level, all current investments are within the single investment limitation of 15% of total fund size.

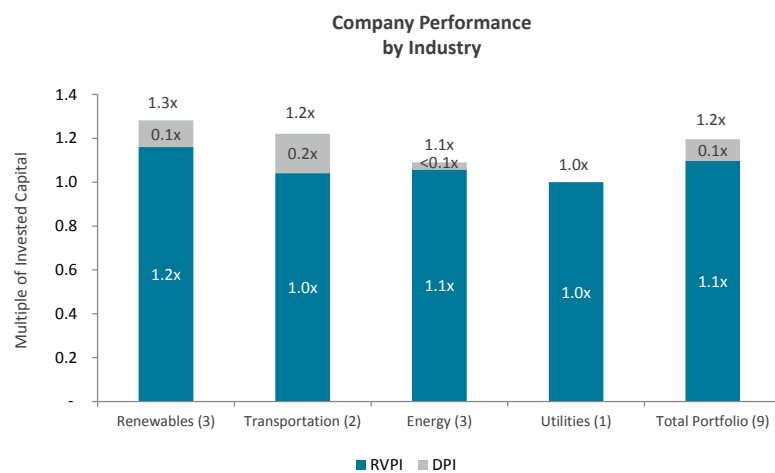
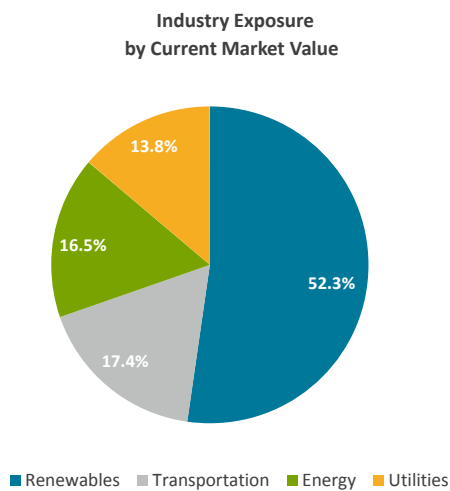
### Geographic Exposure and Performance

The following charts illustrate the Portfolio's current exposure and performance by geographic region at the portfolio company level.



### Industry Exposure and Performance

The following charts illustrate the Portfolio's current exposure and performance by industry at the portfolio company level.



### Public Market Exposure

The Portfolio had no exposure to publicly-traded investments as of the quarter-end.

## IV. Risk Management Matrix

Category	Requirement	Status	Status Notes
<b>Allocation</b>	<p>NYCFDPF has a Real Assets allocation target of 5% (plus or minus 2%) of total pension assets.</p> <p>Infrastructure is a component asset class within the NYCFDPF Real Assets investment program.</p>	✓	<p>The market value of NYCFDPF Real Assets Program currently represents approximately 4.0% of total pension assets and the market value of NYCFDPF Infrastructure Program represents approximately 0.1% of total pension assets.</p> <p>As the Program matures, its market value as a percentage of the total NYCFDPF pension assets and the total Real Assets Program is expected to increase.</p>
<b>Performance vs. Benchmarks</b>	<p>The performance benchmark for the Infrastructure Portfolio is to meet or exceed the Consumer Price Index ("CPI") plus 4% net of fees over a rolling 5-year period.</p> <p>The Infrastructure Portfolio is expected to generate a total return, net of investment management fees, of at least 6.5%.</p>	✓	<p>As of March 31, 2015, the Portfolio outperformed the benchmark by 9.2%.</p> <p>However, given the relative immaturity of the Portfolio, the current performance to-date versus benchmarks is not meaningful.</p>
<b>Strategy Diversification</b>	<p>Core Infrastructure Investments: 60-100% Non-Core Infrastructure Investments: 0-40%</p> <p>Actual percentages may differ substantially from these targets during the initial years of the Program.</p>	✓	<p>The Program is in compliance with the Core/Non-Core allocation ranges. Currently the Program only has exposure to Core investments.</p>
<b>Asset Type &amp; Location Diversification</b>	<p>The Program will seek diversification by asset type, revenue drivers, and geography. The portfolio may include a variety of assets including but not limited to electricity transmission, pipelines, airports, toll roads, communication towers and electric generators, windmills etc. to vary the sources of revenue to the portfolio.</p>	✓	<p>Given the relative immaturity of the Portfolio, it is not yet diversified by asset type.</p> <p>The asset types and geographic location of current Portfolio investments are in compliance with the Program's Investment Policy Statement and Permissible Markets.</p>
<b>Leverage</b>	<p>The average leverage of all investments in the Program is to be no higher than 65%.</p>	✓	<p>The Program is in compliance with the average leverage limitation. The current leverage level is 36.6%*.</p>
<b>Single Investment Size &amp; Manager Diversification</b>	<p>The maximum commitment to a single investment is limited to no more than 15% of the aggregate committed capital of each fund.</p> <p>The maximum commitment to a single manager is limited to 10% of the total Real Assets Program allocation when fully invested.</p>	✓	<p>On the individual fund level, all current investments are in compliance with the single investment limitation of 15% of total fund size.</p> <p>The Program is in compliance with the single manager limitation of 10% of the total Real Assets Program.</p> <p>The Program's manager exposure is currently relatively concentrated as a result of the relative immaturity of the Program. Manager diversification is expected to increase as the Program closes on new investment commitments.</p>

\*The Program's leverage level is calculated by using a weighted average of each underlying investment's leverage and Net Asset Value as of March 31, 2015.



**New York City Fire Department Pension Fund, Subchapter 2**  
**Infrastructure Portfolio**  
**As of March 31, 2015**

Vintage Year	Investment	Closing Date	Committed Capital	Contributed Capital	Distributed Capital	Market Value	TVPI	IRR
<b>Active Investments:</b>								
2013	Brookfield Infrastructure Fund II	7/8/2013	\$15,000,000	\$6,821,694	\$435,313	\$7,103,138	1.11x	17.2%
2014	IFM Global Infrastructure Fund	1/2/2014	10,000,000	-	-	-	N/A	N/A
2014	First Reserve Energy Infrastructure Fund II, L.P.	4/16/2014	10,000,000	230,770	-	139,507	NM	NM
<b>Total</b>			<b>\$35,000,000</b>	<b>\$7,052,464</b>	<b>\$435,313</b>	<b>\$7,242,645</b>	<b>1.09x</b>	<b>14.8%</b>

Note: IRRs presented are interim estimates and may not be indicative of the ultimate performance of fund investments due to a number of factors, such as the lack of industry valuation standards and the differences in the investment pace and strategy of various funds. Until a fund is liquidated, typically over 10 to 12 years, the IRR is only an interim estimated return. The IRR calculated in the early years of a fund is usually not meaningful given the J-Curve effect. The actual IRR performance of any fund is not known until all capital contributed and earnings have been distributed to the investor. The IRRs contained in this report are calculated by StepStone Group LP, a consultant to the New York City Retirement Systems, based on information provided by the general partners of each investment (e.g. cash flows and valuations). The IRR calculations and other information contained in this report have not been reviewed or confirmed by the general partners. The result of the IRR calculation may differ from that generated by the general partner or other limited partners. Differences in IRR calculations can be affected by cash-flow timing, the accounting treatment of carried interest, fund management fees, advisory fees, organizational fees, other fund expenses, sale of distributed stock, and valuations.

## II. July Monthly Performance Review:



# *Monthly Performance Review* *July 2015*

*Prepared for the New York City*  
*Fire Department Pension Fund*  
*09.16.2015*



## TABLE OF CONTENTS

<i>Economic Indicators –From BAM ...</i>	<i>1</i>
<i>Market Indicators –From BAM.....</i>	<i>14</i>
<i>Market Indicators for July &amp; August.....</i>	<i>27</i>
<i>Contribution to Returns.....</i>	<i>31</i>
<i>Asset Allocation and Adjusted Policy Weight Mixes .....</i>	<i>32</i>
<i>Classification of Investments. ....</i>	<i>34</i>
<i>Fire Market Values 2014-2015.....</i>	<i>37</i>
<i>Fire Market Values 2007-2015.....</i>	<i>38</i>
<i>Manager / Benchmark Comparison Report.....</i>	<i>39</i>
<i>Private Equity Fund Supplemental Details .....</i>	<i>49</i>
<i>Private Equity Cash Flow Tracker .....</i>	<i>53</i>
<i>Real Estate Fund Supplemental Details.....</i>	<i>54</i>
<i>Real Estate Cash Flow Tracker.....</i>	<i>55</i>

# **ECONOMIC INDICATORS**

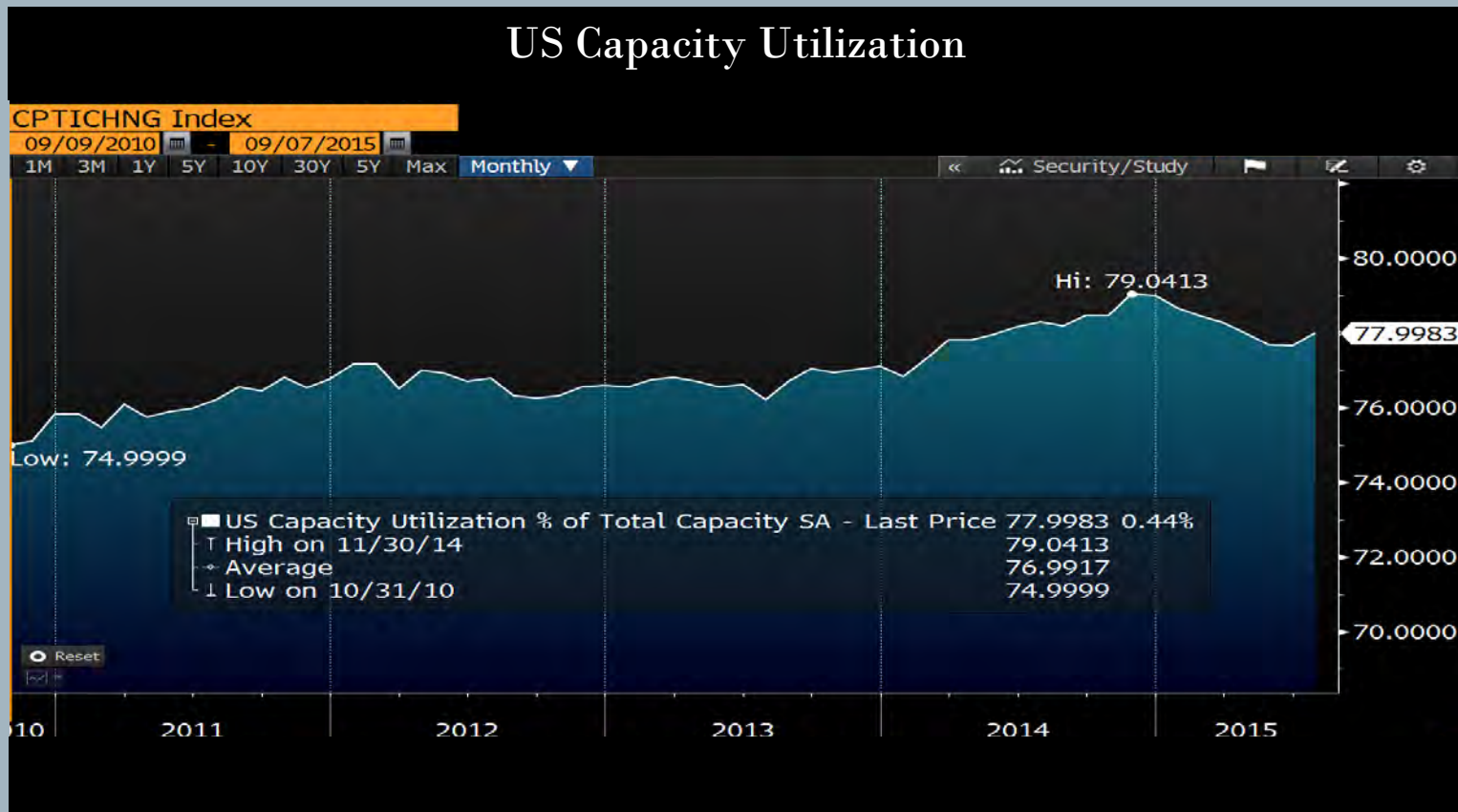
*AS OF SEPTEMBER 2015*



**NYC OFFICE OF THE COMPTROLLER**  
**BUREAU OF ASSET MANAGEMENT**

# CAPACITY UTILIZATION

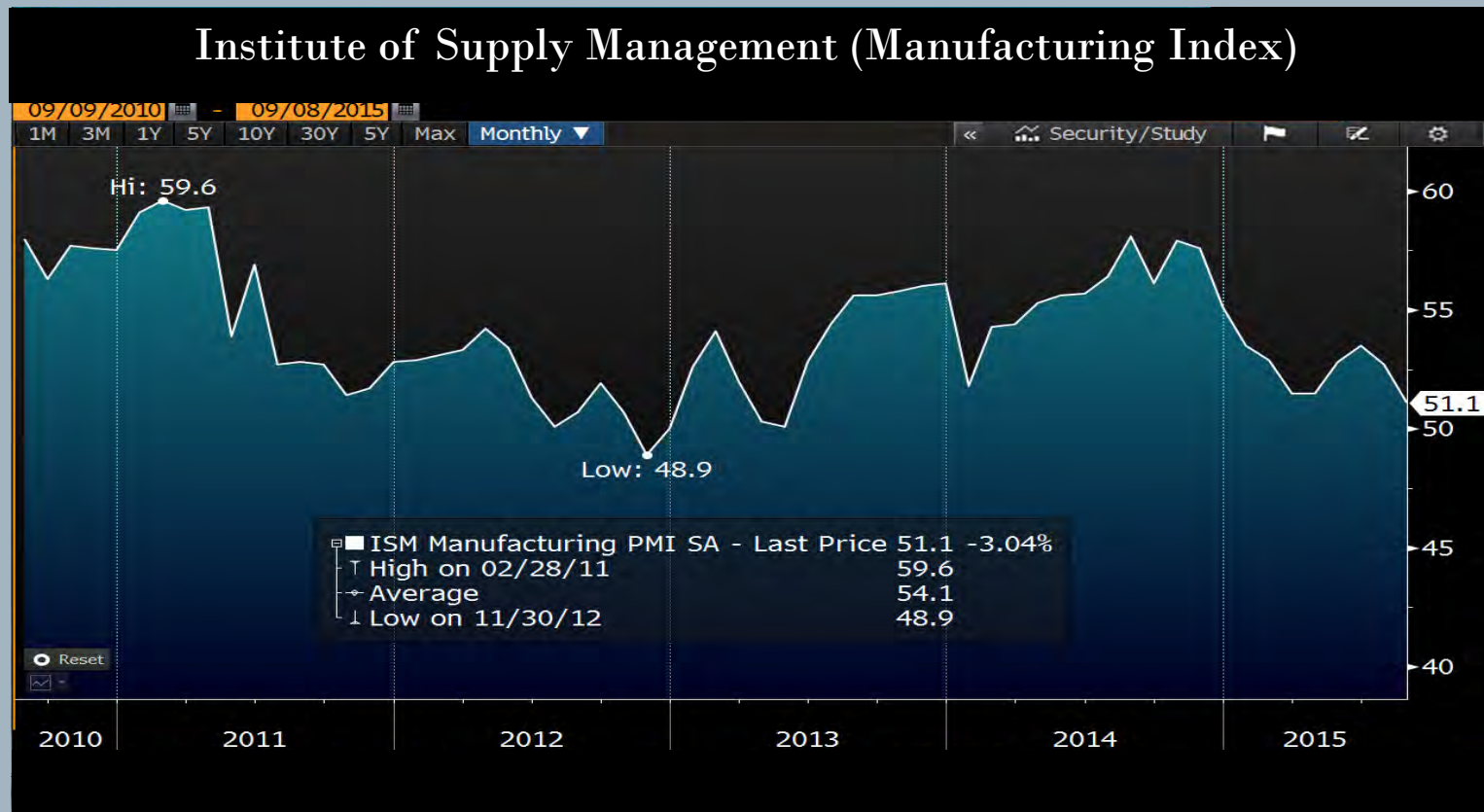
2



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# ISM MANUFACTURING INDEX

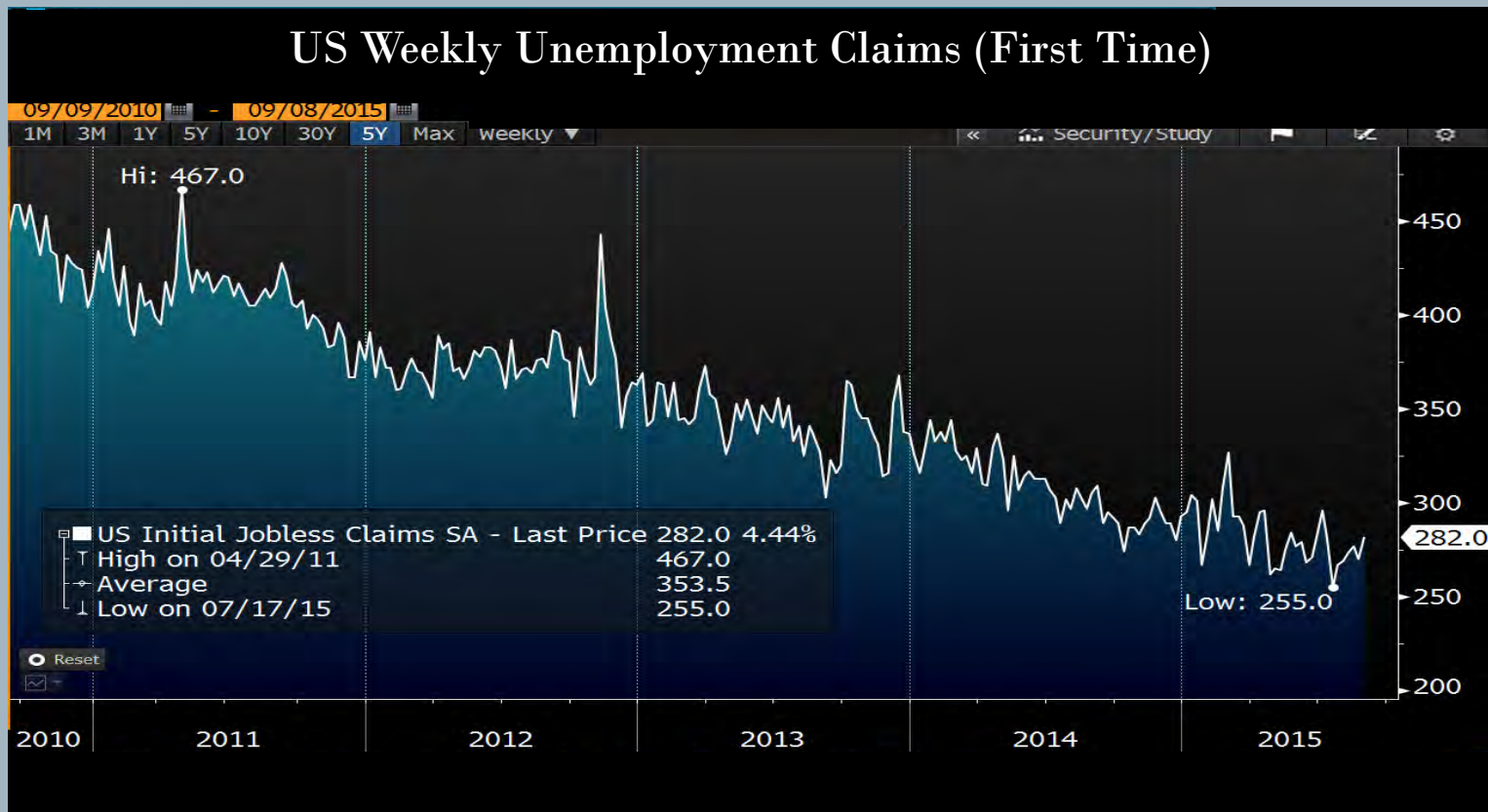
3



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# WEEKLY UNEMPLOYMENT

4



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.



# UNEMPLOYMENT RATE

5

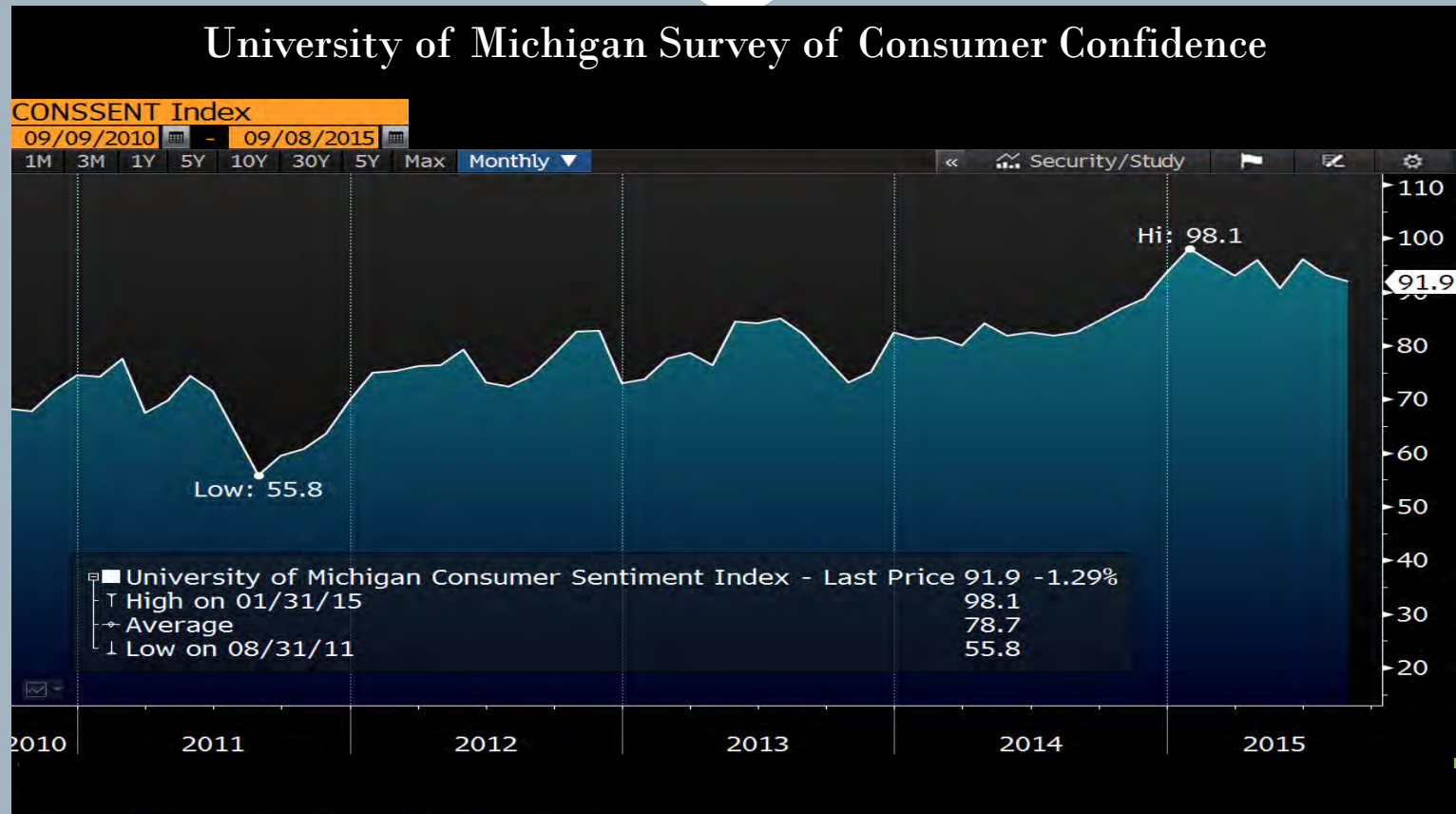
## US Total Unemployment Rate (Seasonally Adjusted)



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# CONSUMER SENTIMENT

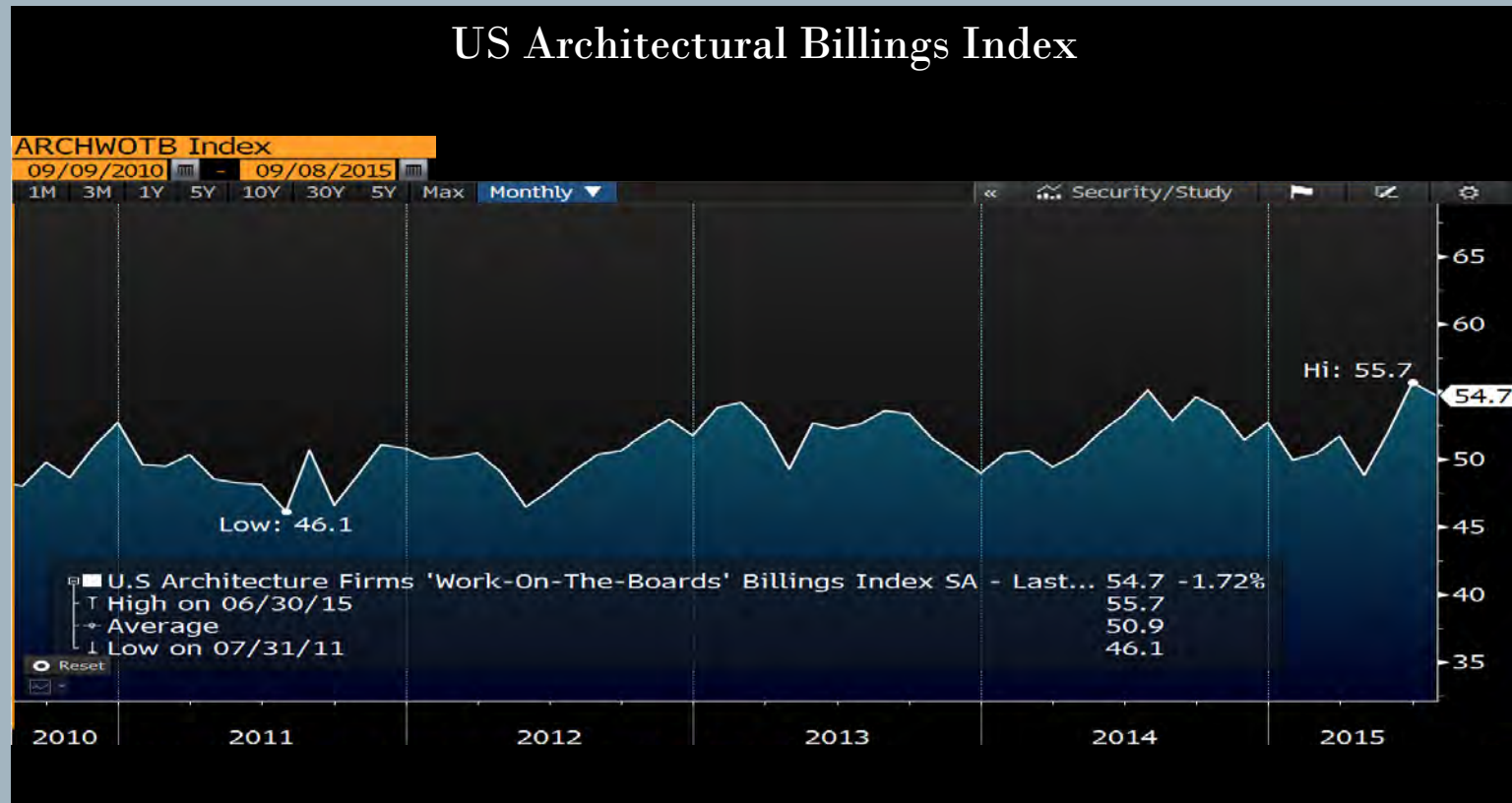
6



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# ARCHITECTURAL BILLINGS INDEX

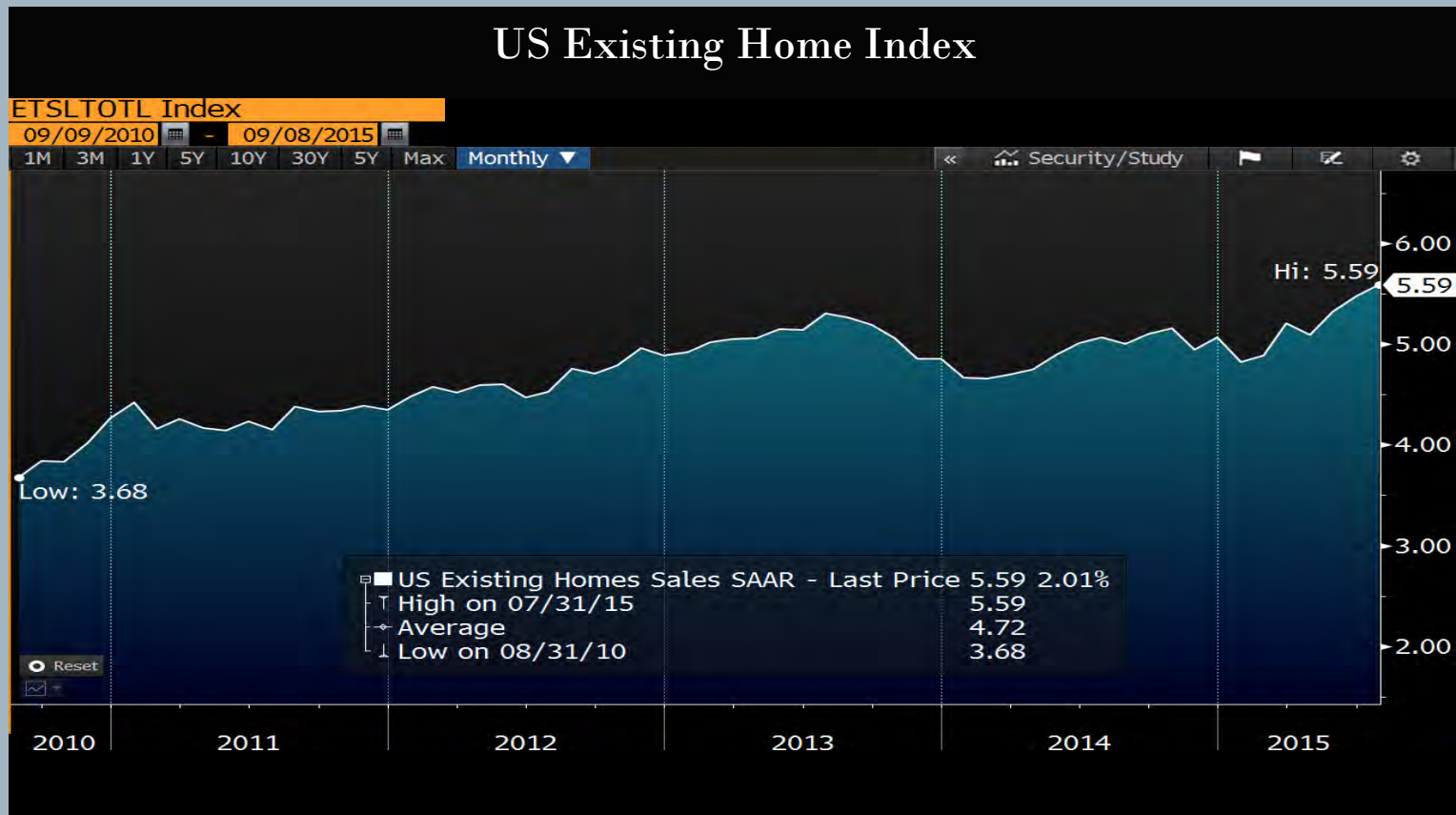
7



- A SCORE ABOVE 50 INDICATES AN INCREASE IN THE BILLINGS WHILE A READING BELOW 50 INDICATE A NEGATIVE OUTLOOK;
- THIS INDEX IS CONSIDERED A LEADING INDICATOR FOR COMMERCIAL BUILDING CONSTRUCTION WITH A SIX TO NINE MONTH LAG;
- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# EXISTING HOME SALES

8



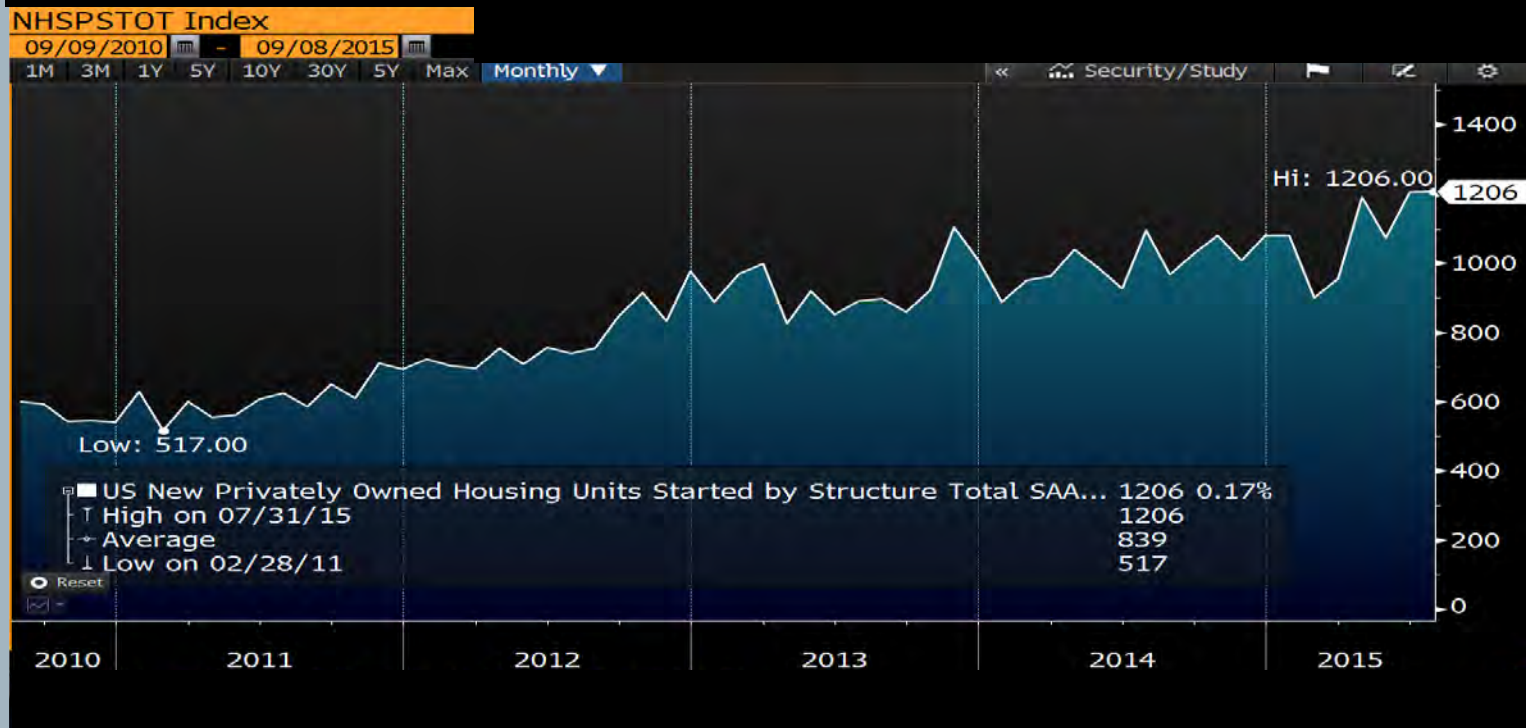
- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.



# NEW HOUSING STARTS

9

## New Privately Owned Housing Starts



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# RETAIL SALES

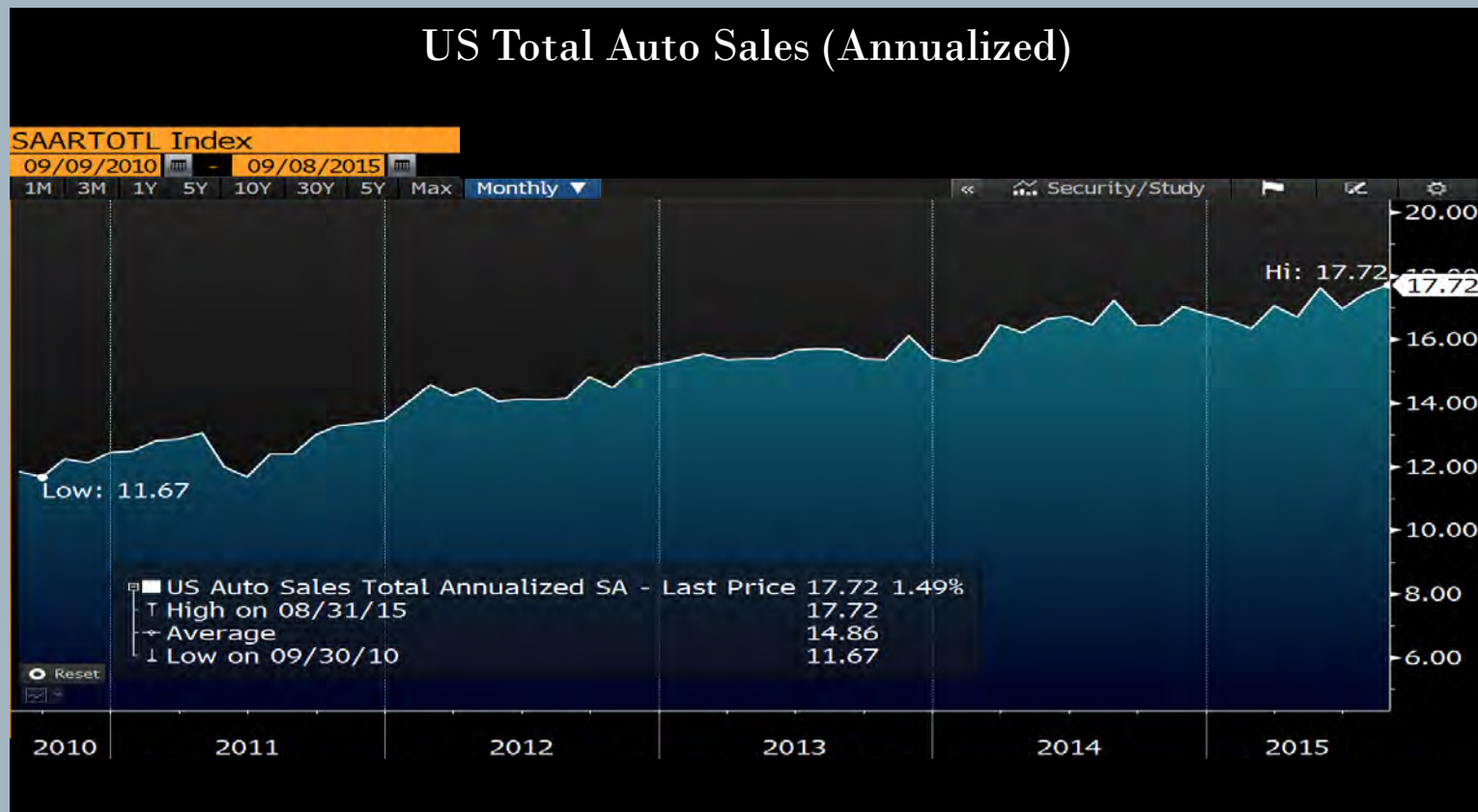
10



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# US AUTO SALES

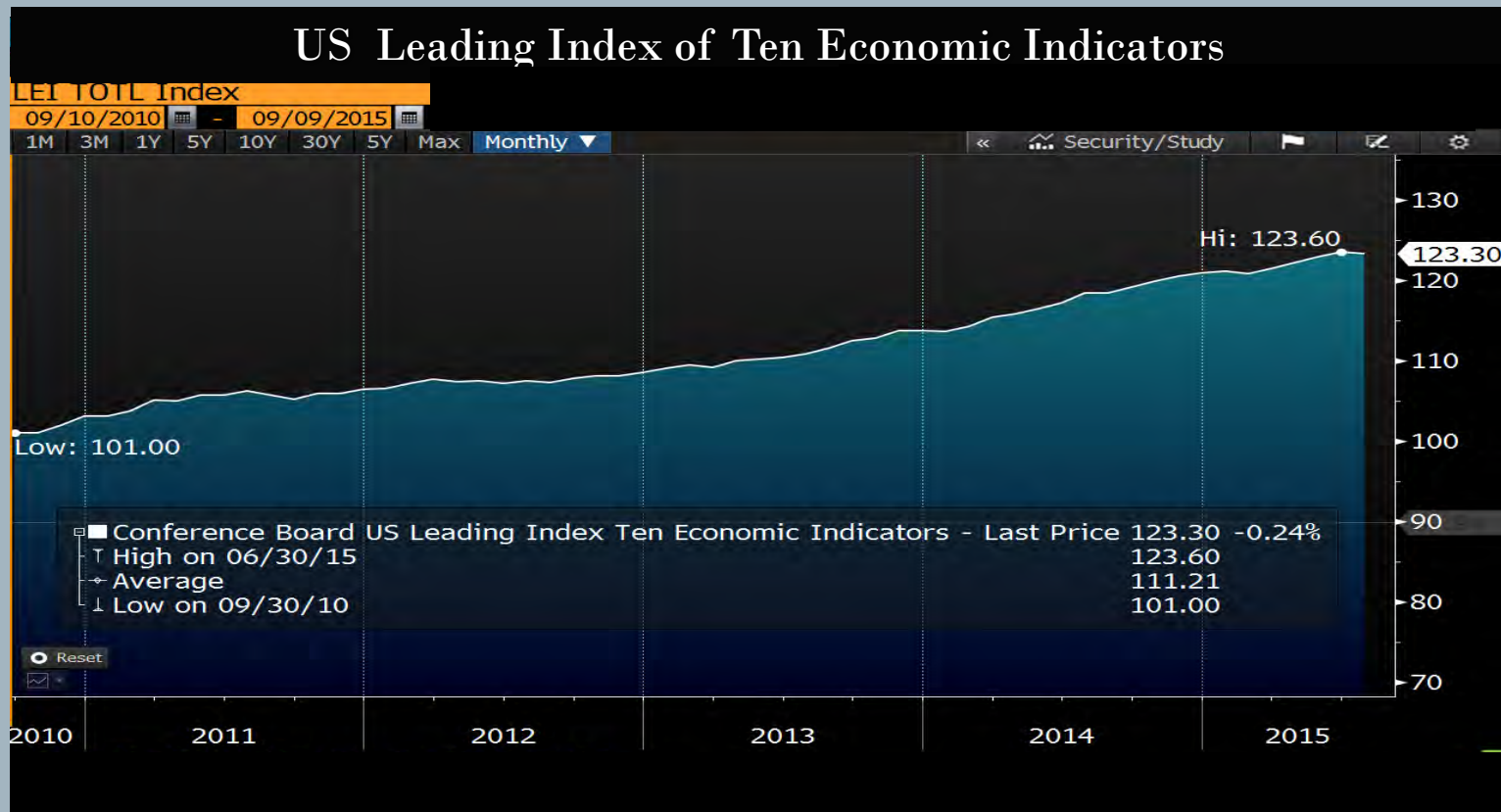
11



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# INDEX OF LEADING ECONOMIC INDICATORS

12

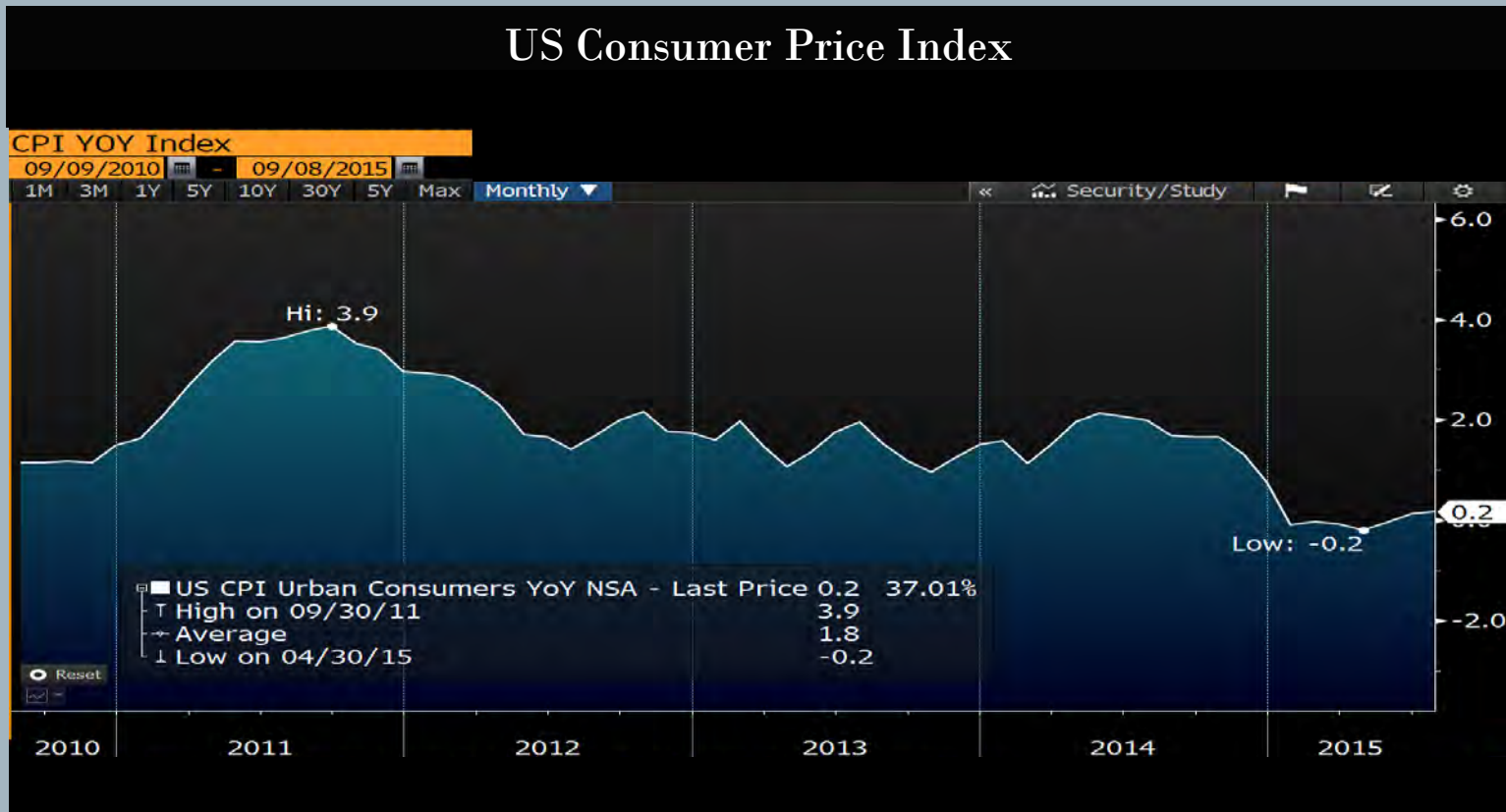


- NOTE: THE INDEX OF LEI IS COMPOSED OF: AVE. WEEKLY MANU. HRS., WEEKLY JOBLESS CLAIMS, MANU.'S NEW ORDERS, -CONSUMER & CAPITAL, VENDOR PERFORMANCE, NEW BUILDING PERMITS, STOCK PRICES, MONEY SUPPLY M2, INT. RATE SPREADS & CONSUMER
- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.



# INFLATION- CPI

13



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# **MARKET INDICATORS**

*AS OF SEPTEMBER 2015*



**NYC OFFICE OF THE COMPTROLLER**  
**BUREAU OF ASSET MANAGEMENT**

# TRADE WEIGHTED US DOLLAR INDEX

15



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# USD/EUR EXCHANGE RATE

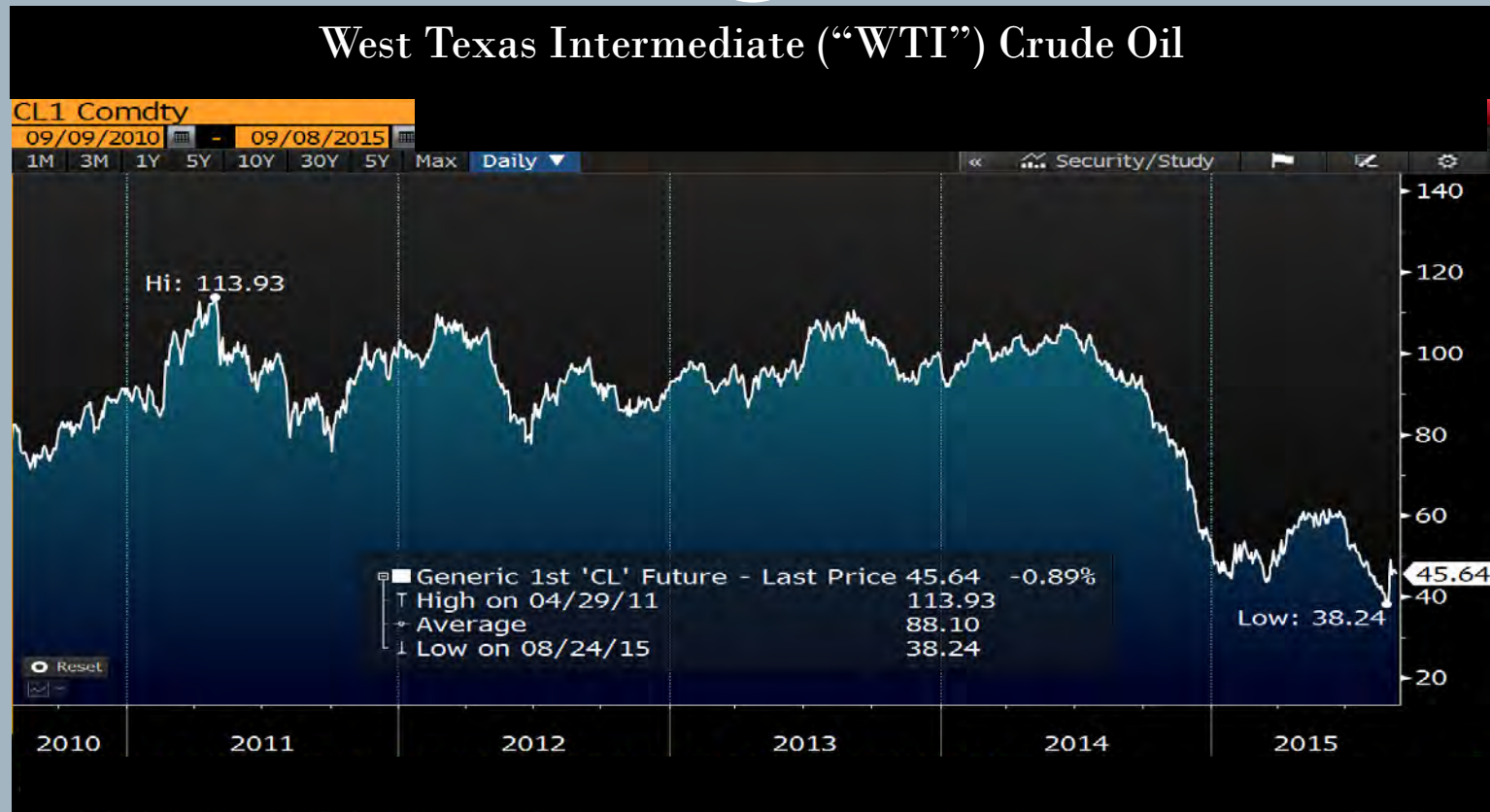
16



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# WTI CRUDE OIL PRICES

17



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.



# VOLATILITY INDEX (THE 'VIX')

18

## The S & P 500 Volatility Index

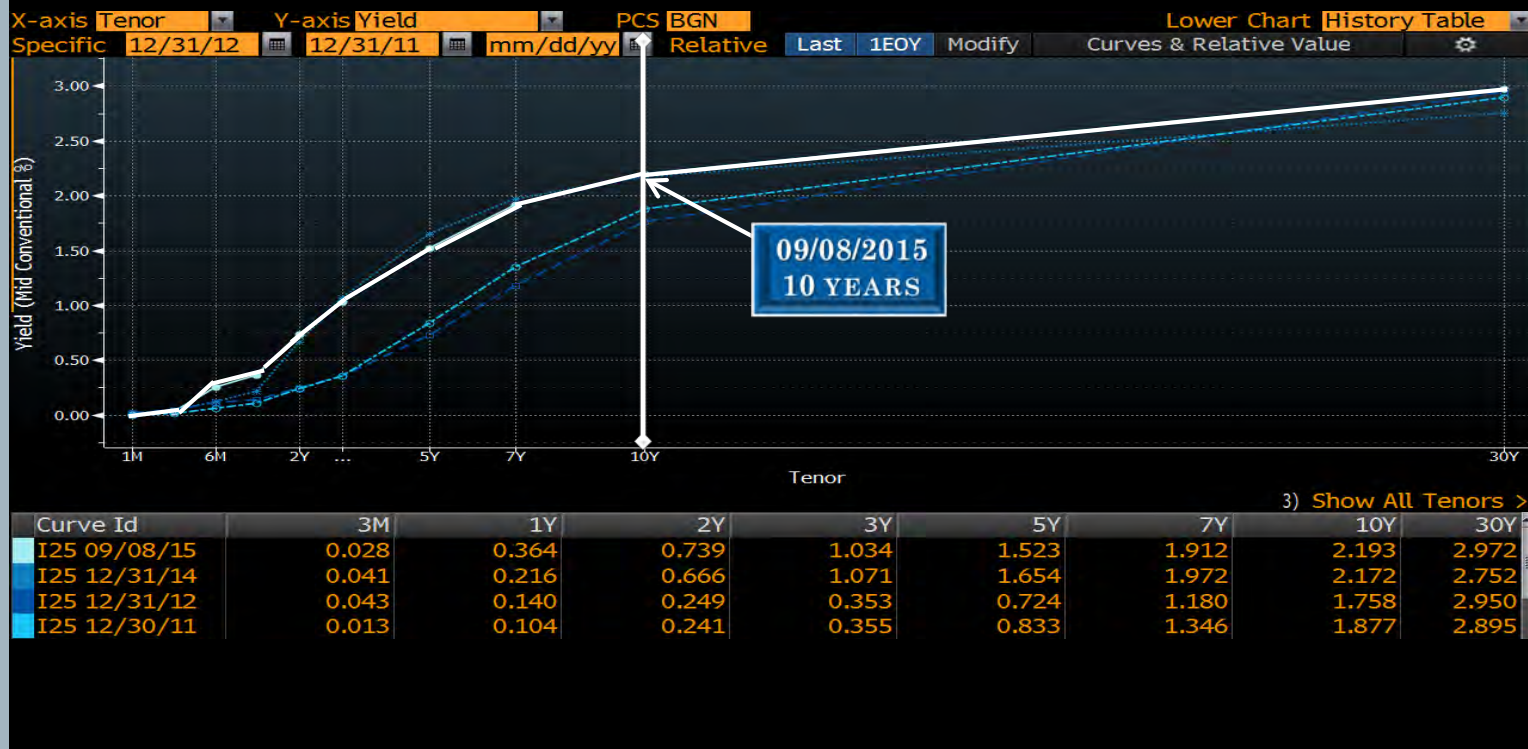


- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# US HISTORICAL TREASURY YIELD CURVES

19

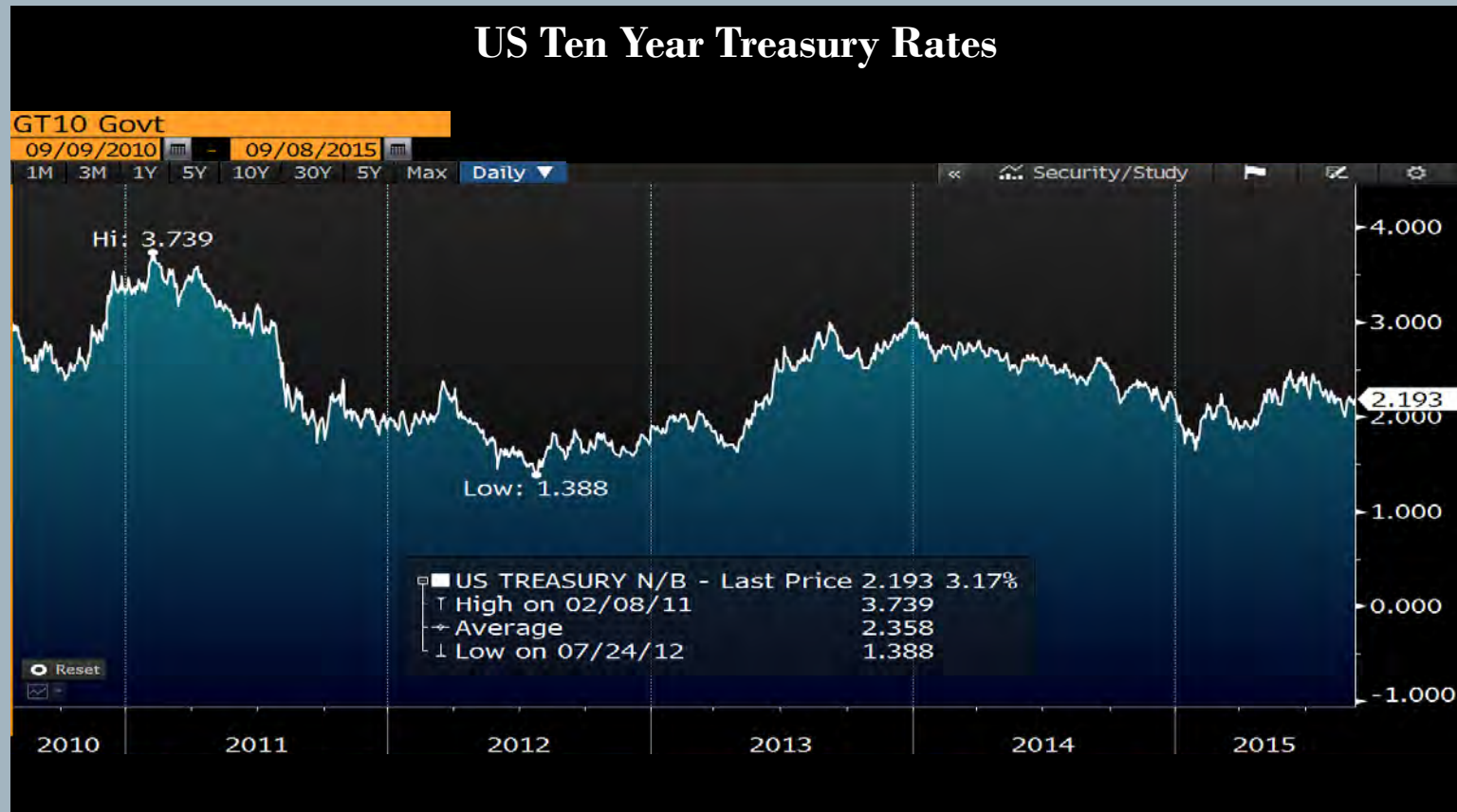
## US RECENT HISTORICAL YIELD CURVES (YIELD V. MATURITY)



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# 10 YEAR TREASURY RATES

20

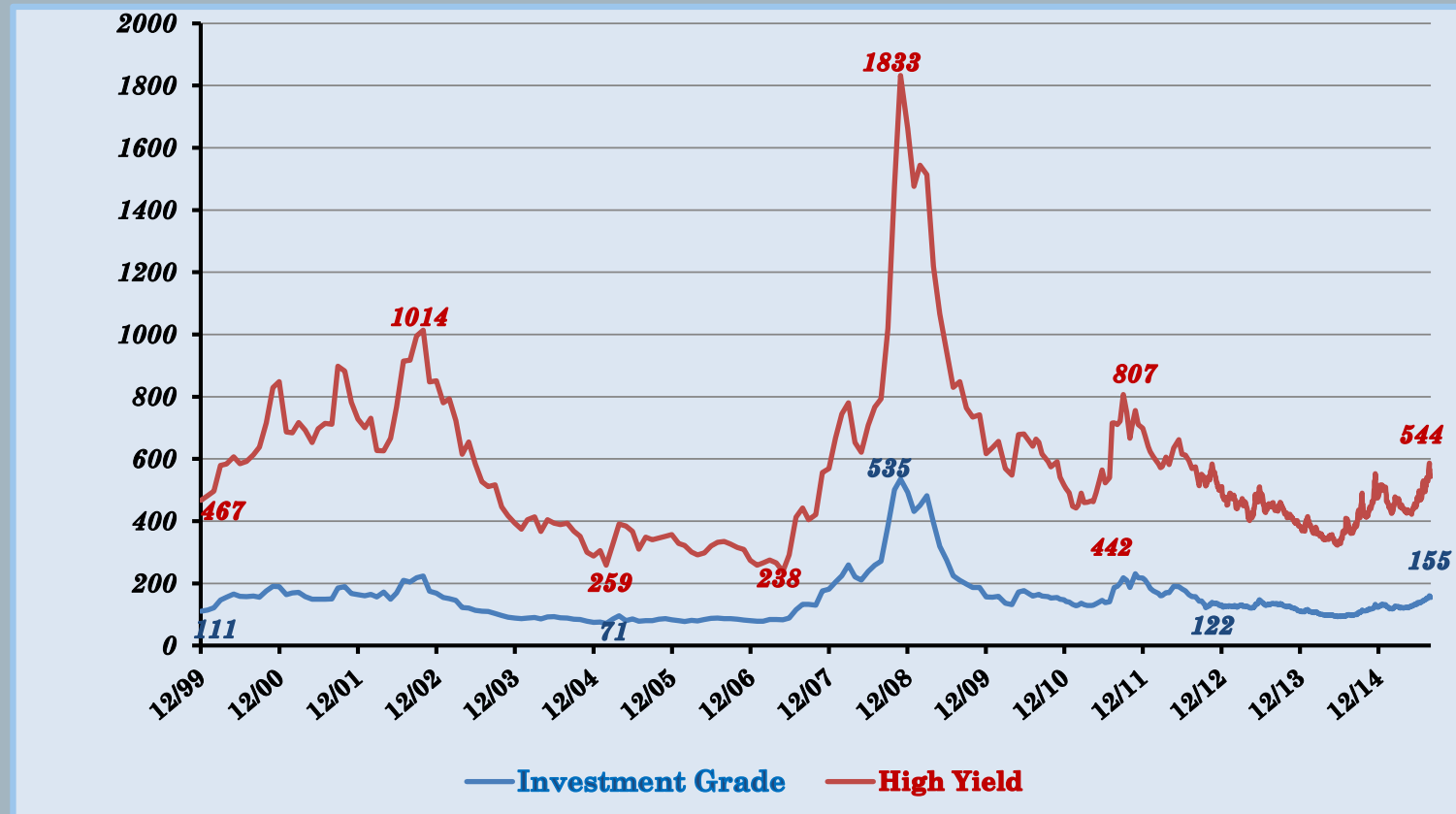


- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.



# INVESTMENT GRADE AND HY SPREADS

21



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# CORPORATE EARNINGS VS. EARNINGS PER SHARE

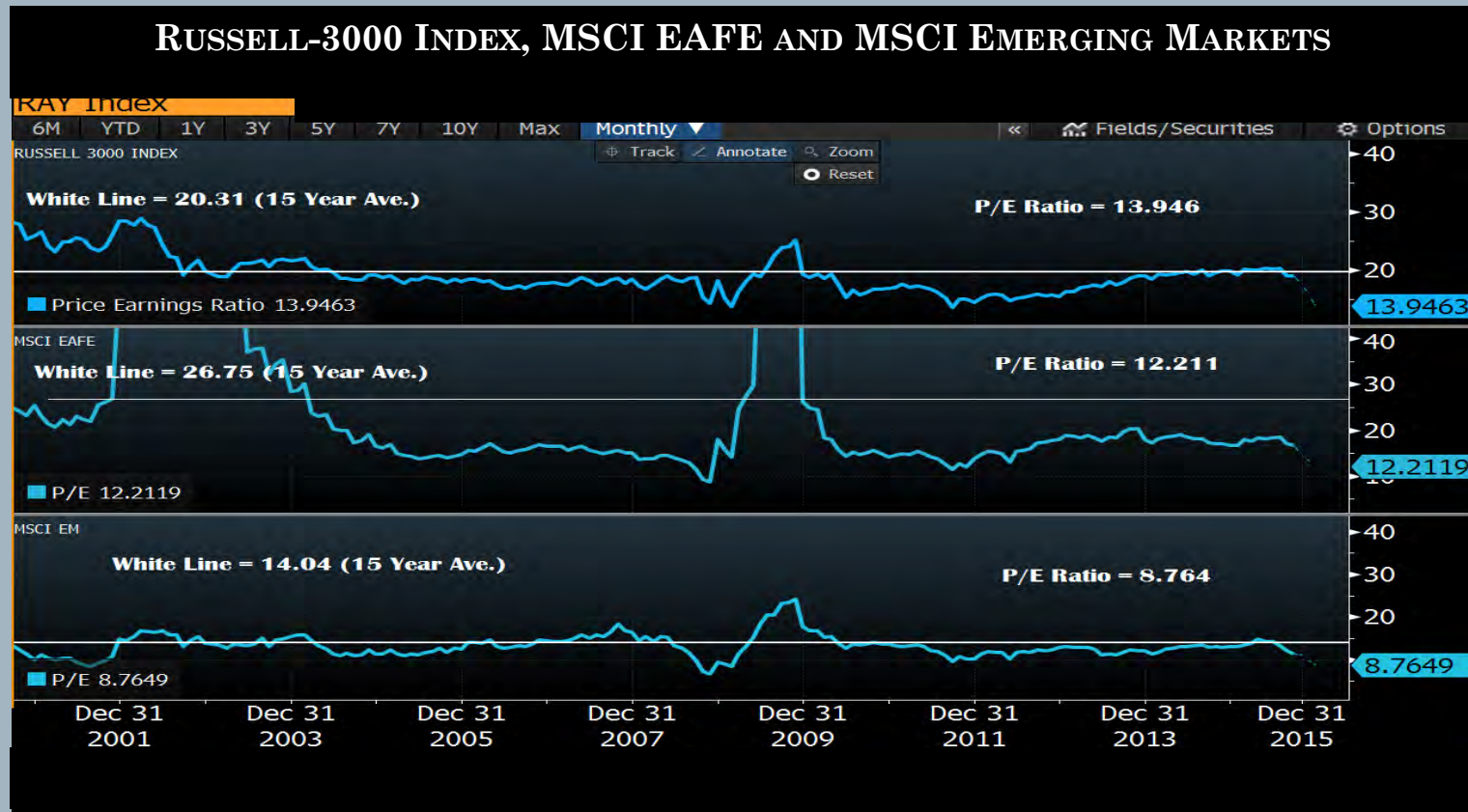
22



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# PRICE TO EARNING RATIOS INCLUDING ESTIMATES

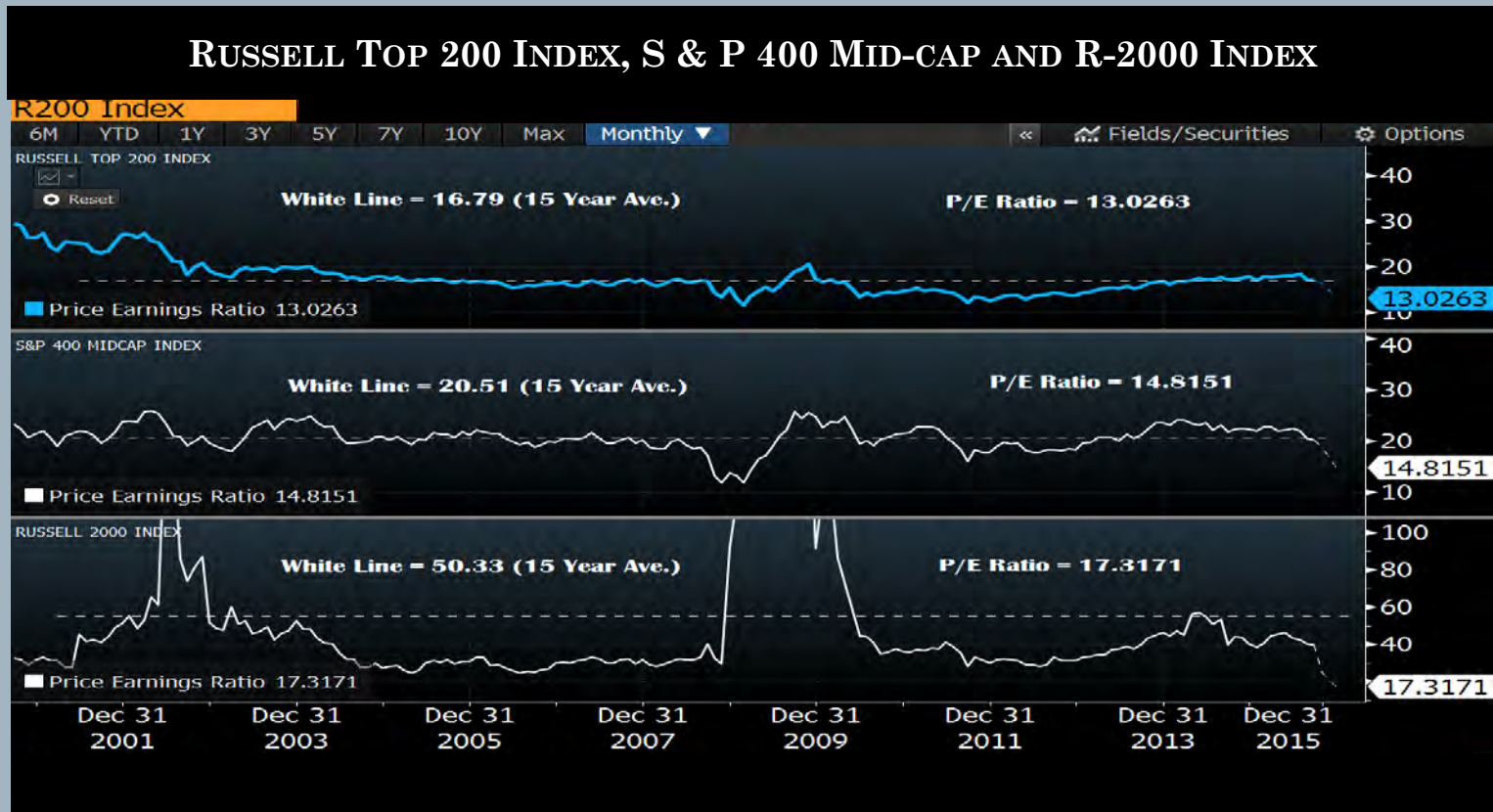
23



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# PRICE TO EARNING RATIOS INCLUDING ESTIMATES

24

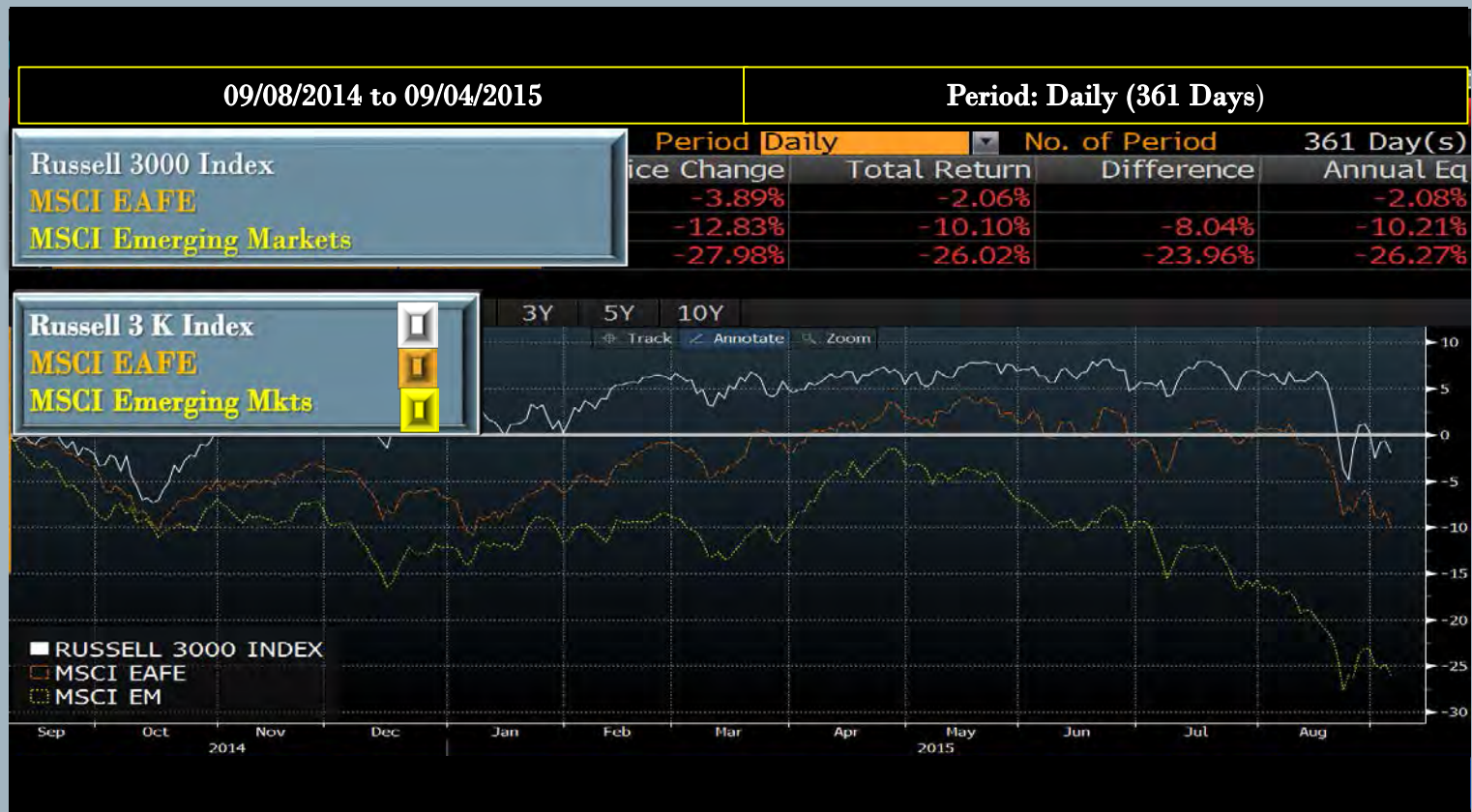


- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.



# RECENT GLOBAL EQUITY MARKET RETURNS

25



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

# MERGERS & ACQUISITIONS ACTIVITY

26



- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

## MARKET INDICATORS

	1 Month	3 Month	Fiscal YTD	1 Year	2 Year	3 Year	5 Year	10 Year
S&P 500	2.10	1.41	2.10	11.21	14.04	17.58	16.24	7.72
S&P 400 MID CAP	0.14	0.57	0.14	11.30	12.09	18.67	16.29	9.20
RUSSELL 1000	1.93	1.32	1.93	11.24	14.11	18.02	16.45	7.93
RUSSELL 2000	(1.16)	1.85	(1.16)	12.03	10.28	17.90	15.27	7.61
RUSSELL 3000	1.67	1.35	1.67	11.28	13.80	18.00	16.35	7.90
RUSSELL 3000 GROWTH	3.14	3.18	3.14	16.37	17.13	18.94	17.76	8.96
RUSSELL 3000 VALUE	0.17	(0.51)	0.17	6.23	10.47	16.92	14.88	6.72
MSCI EAFE NET	2.08	(1.32)	2.08	(0.28)	7.12	12.32	8.01	5.02
MSCI EMF NET	(6.93)	(12.98)	(6.93)	(13.38)	(0.05)	0.61	0.58	6.62
MSCI WORLD NET	1.80	(0.23)	1.80	4.92	10.31	14.46	11.74	6.20
MSCI EUROPE SMID CAP NET	2.65	1.27	2.65	4.41	10.91	18.34	11.20	7.20
MSCI AC WORLD ex US NET	(0.28)	(4.57)	(0.28)	(4.57)	4.98	8.83	5.85	5.13
1 YEAR TREASURY BILL YIELD + 4%	0.35	1.06	0.35	4.33	4.29	4.29	4.36	5.93
HFRI FUND OF FUNDS COMPOSITE + 1%	0.20	0.30	0.20	5.47	6.35	7.08	5.00	4.07
NYC - TREASURY AGENCY PLUS FIVE	1.83	(0.94)	1.83	6.08	5.31	1.00	4.85	5.79
CITIGROUP MORTGAGE INDEX	0.64	(0.25)	0.64	3.58	3.82	1.85	2.87	4.72
NYC - INVESTMENT GRADE CREDIT	0.48	(1.61)	0.48	1.64	3.99	2.34	4.55	5.12
NYC - CORE PLUS FIVE	0.81	(0.98)	0.81	3.19	4.17	1.87	3.91	5.19
CITIGROUP BROAD INVESTMENT GRADE	0.65	(0.69)	0.65	2.79	3.36	1.58	3.23	4.69
BARCLAYS AGGREGATE	0.70	(0.64)	0.70	2.82	3.40	1.60	3.27	4.61

\*NCREIF NFI - ODCE NET index return calculated on a quarterly basis

## MARKET INDICATORS

	<u>1 Month</u>	<u>3 Month</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
CITIGROUP BB & B	(0.61)	(1.59)	(0.61)	0.99	4.23	5.46	7.51	6.30
CITIGROUP BB & B CAPPED	(0.61)	(1.59)	(0.61)	0.97	4.24	5.45	7.43	6.54
BofA ML HIGH YIELD MASTER II	(0.62)	(1.84)	(0.62)	0.16	4.14	5.91	7.54	7.52
BofAML HYM CONSTRAINED (DAILY)	(0.61)	(1.84)	(0.61)	0.17	4.15	5.91	7.52	7.56
CSFB LEVERAGED LOAN	0.09	(0.02)	0.09	2.29	3.61	4.97	5.47	4.67
BARCLAYS GLOBAL US TIPS	0.21	(1.58)	0.21	(1.56)	1.04	(1.31)	3.30	4.37
BofA ML U.S. Convertible - Yield Alternat	(2.00)	(4.03)	(2.00)	(4.00)	2.08	5.73	5.79	4.87
BofA ML US Invt Grade Conv Bond Index	(0.73)	(0.71)	(0.73)	6.58	11.81	14.37	10.72	5.33
BofA ML ALL CONVERTIBLES EX MANDATORY	(0.70)	(0.78)	(0.70)	4.72	10.79	14.40	11.68	7.81
DJ US SELECT REAL ESTATE	5.93	1.19	5.93	11.29	11.95	10.11	13.55	6.52
NCREIF NFI - ODCE NET*	0.00	3.58	0.00	13.39	12.56	12.07	13.33	5.86
NCREIF NFI-ODCE NET + 100	0.08	3.84	0.08	14.51	13.68	13.18		
CPI + 4%	0.46	1.89	0.46	4.22	5.14			
91 DAY TREASURY BILL	(0.00)	(0.00)	(0.00)	0.01	0.03	0.06	0.08	1.41

\*NCREIF NFI - ODCE NET index return calculated on a quarterly basis



## MARKET INDICATORS

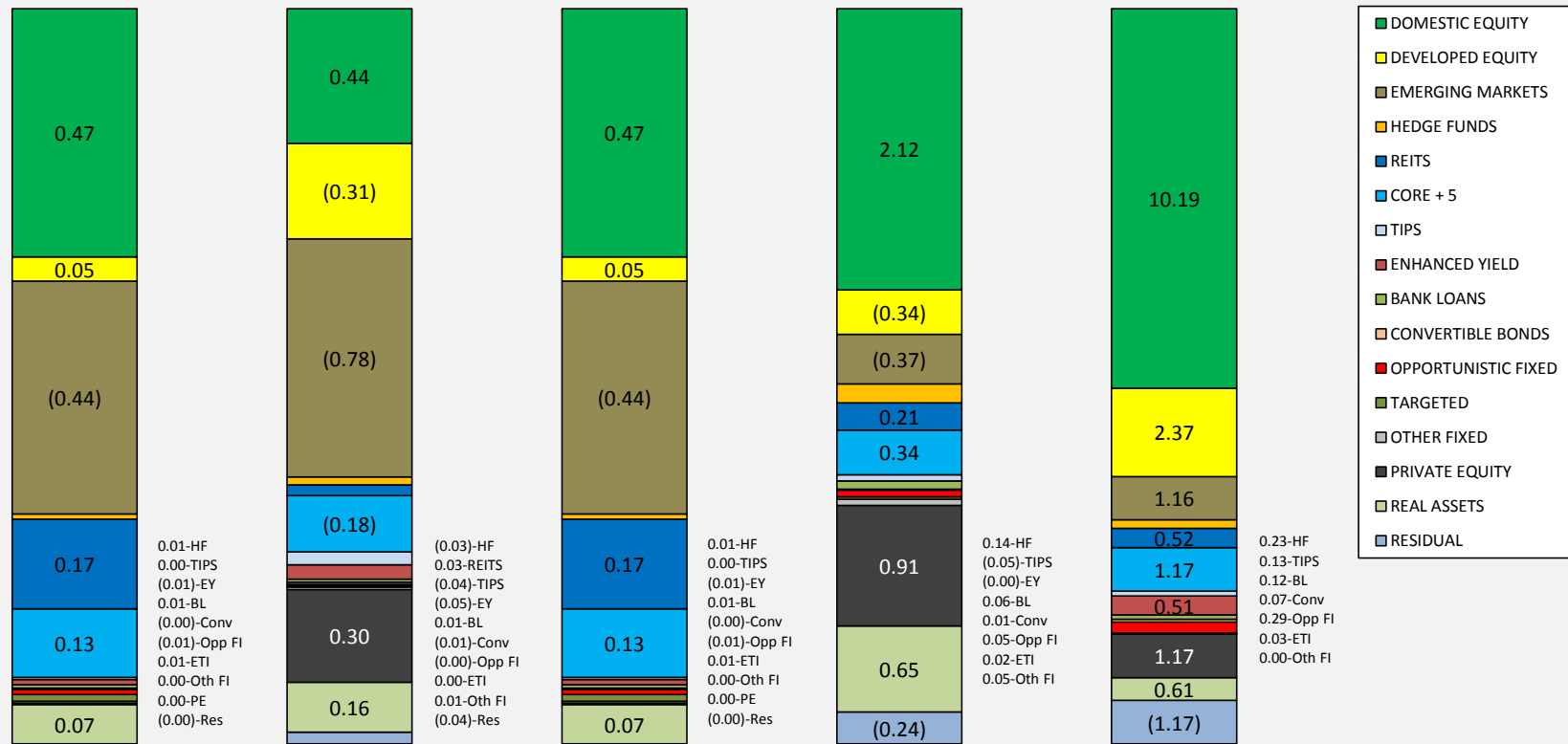
	1 Month	3 Month	Fiscal YTD	1 Year	2 Year	3 Year	5 Year	10 Year
S&P 500	(6.03)	(5.92)	(4.06)	0.48	12.18	14.31	15.87	7.15
S&P 400 MID CAP	(5.58)	(6.70)	(5.45)	0.01	11.02	15.10	16.14	8.69
RUSSELL 1000	(6.02)	(6.00)	(4.20)	0.40	12.18	14.68	16.07	7.35
RUSSELL 2000	(6.28)	(6.68)	(7.37)	0.03	8.50	14.12	15.55	7.12
RUSSELL 3000	(6.04)	(6.06)	(4.47)	0.36	11.88	14.63	16.03	7.33
RUSSELL 3000 GROWTH	(6.19)	(4.72)	(3.24)	4.30	14.44	15.38	17.43	8.41
RUSSELL 3000 VALUE	(5.87)	(7.44)	(5.71)	(3.60)	9.29	13.74	14.56	6.14
MSCI EAFE NET	(7.36)	(8.11)	(5.43)	(7.47)	3.80	8.53	7.05	3.96
MSCI EMF NET	(9.04)	(17.55)	(15.35)	(22.95)	(3.85)	(2.41)	(0.92)	5.52
MSCI WORLD NET	(6.62)	(7.15)	(4.94)	(4.13)	7.75	10.95	11.07	5.40
MSCI EUROPE SMID CAP NET	(4.87)	(4.32)	(2.34)	(0.67)	8.36	14.67	11.08	6.39
MSCI AC WORLD ex US NET	(7.64)	(10.47)	(7.90)	(12.35)	1.59	5.25	4.76	4.04
1 YEAR TREASURY BILL YIELD + 4%	0.32	1.03	0.67	4.27	4.28	4.28	4.34	5.89
HFRI FUND OF FUNDS COMPOSITE + 1%								
NYC - TREASURY AGENCY PLUS FIVE	0.16	(0.19)	1.99	3.88	5.86	1.17	4.06	5.56
CITIGROUP MORTGAGE INDEX	0.04	(0.15)	0.67	2.69	4.00	1.83	2.84	4.63
NYC - INVESTMENT GRADE CREDIT	(0.49)	(1.57)	(0.01)	(0.29)	4.12	2.07	4.03	4.92
NYC - CORE PLUS FIVE	(0.17)	(0.77)	0.64	1.60	4.39	1.78	3.54	5.02
CITIGROUP BROAD INVESTMENT GRADE	(0.13)	(0.56)	0.52	1.53	3.56	1.51	2.93	4.54
BARCLAYS AGGREGATE	(0.14)	(0.55)	0.55	1.56	3.59	1.53	2.98	4.46

## MARKET INDICATORS

	<u>1 Month</u>	<u>3 Month</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>2 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
CITIGROUP BB & B	(1.83)	(3.84)	(2.43)	(2.49)	3.67	4.45	7.07	6.06
CITIGROUP BB & B CAPPED	(1.89)	(3.89)	(2.48)	(2.57)	3.64	4.41	6.97	6.29
BofA ML HIGH YIELD MASTER II	(1.76)	(3.86)	(2.37)	(3.07)	3.54	4.86	7.13	7.29
BofAML HYM CONSTRAINED (DAILY)	(1.77)	(3.86)	(2.37)	(3.08)	3.54	4.86	7.10	7.32
CSFB LEVERAGED LOAN	(0.65)	(0.87)	(0.56)	1.39	3.25	4.37	5.26	4.53
BARCLAYS GLOBAL US TIPS	(0.76)	(1.53)	(0.56)	(2.73)	1.40	(1.47)	2.79	4.06
BofA ML U.S. Convertible - Yield Alternat	(1.68)	(5.72)	(3.65)	(6.77)	1.49	4.58	5.30	4.69
BofA ML US Invt Grade Conv Bond Index	(2.78)	(6.00)	(3.49)	0.67	10.93	12.56	10.19	5.08
BofA ML ALL CONVERTIBLES EX MANDATORY	(3.59)	(6.42)	(4.26)	(2.54)	9.41	12.22	11.14	7.44
DJ US SELECT REAL ESTATE	(5.87)	(4.70)	(0.29)	1.88	12.51	8.00	12.50	6.31
NCREIF NFI - ODCE NET*	0.00	3.58	0.00	13.39	12.56	12.07	13.33	5.86
NCREIF NFI-ODCE NET + 100	0.08	3.84	0.17	14.51	13.68	13.18	14.45	
CPI + 4%								
91 DAY TREASURY BILL	0.01	0.01	0.01	0.03	0.04	0.06	0.08	1.38

\*NCREIF NFI - ODCE NET index return calculated on a quarterly basis

# NYC Fire Dept. Pension Fund Contribution to Return - July 2015



1 Month - Total Fund  
Return: 0.46%

3 Months - Total Fund  
Return: (0.48)%

FYTD - Total Fund  
Return: 0.46%

FY Ending 6/30/15 Total  
Return: 3.55%

FY Ending 6/30/14 Total  
Return: 17.40%

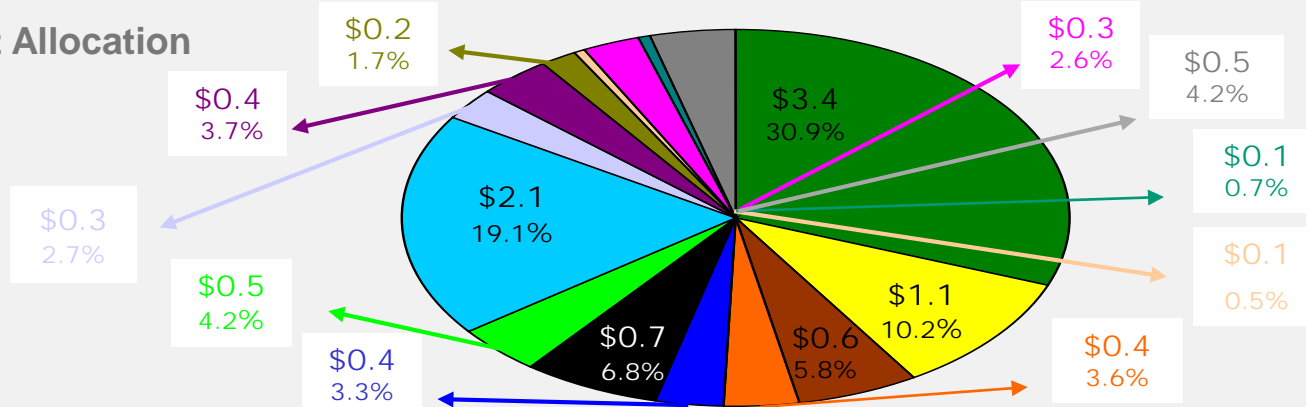
Prepared by State Street

8/27/2015 1:42 PM

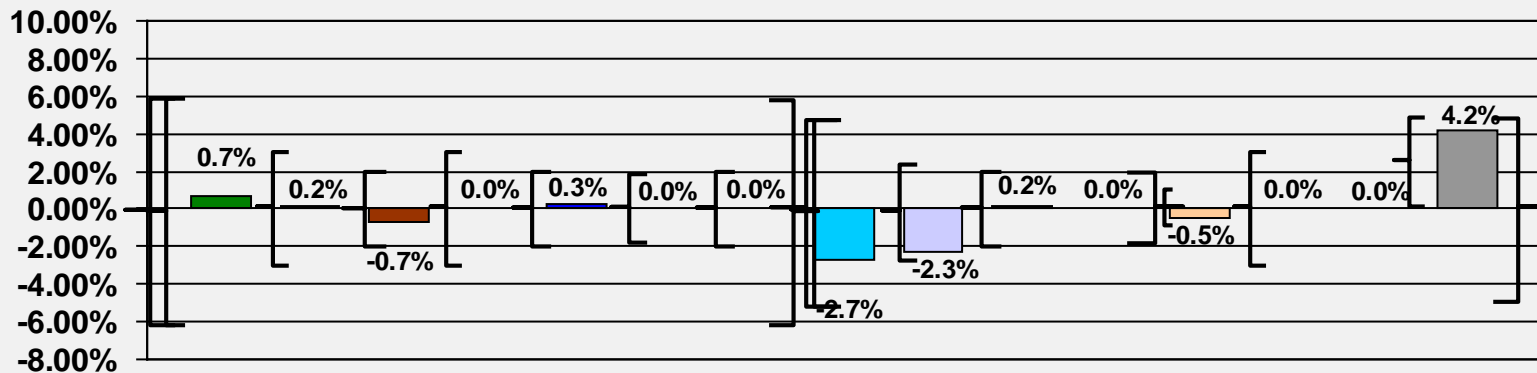
## Portfolio Asset Allocation: July 31, 2015

**\$11.0B** Under Management

### Asset Allocation



### Relative Mix to Adjusted New Policy Weights



Note: Brackets represent rebalancing ranges versus Policy.

New York City Fire Department Pension Fund, Subchapter Two

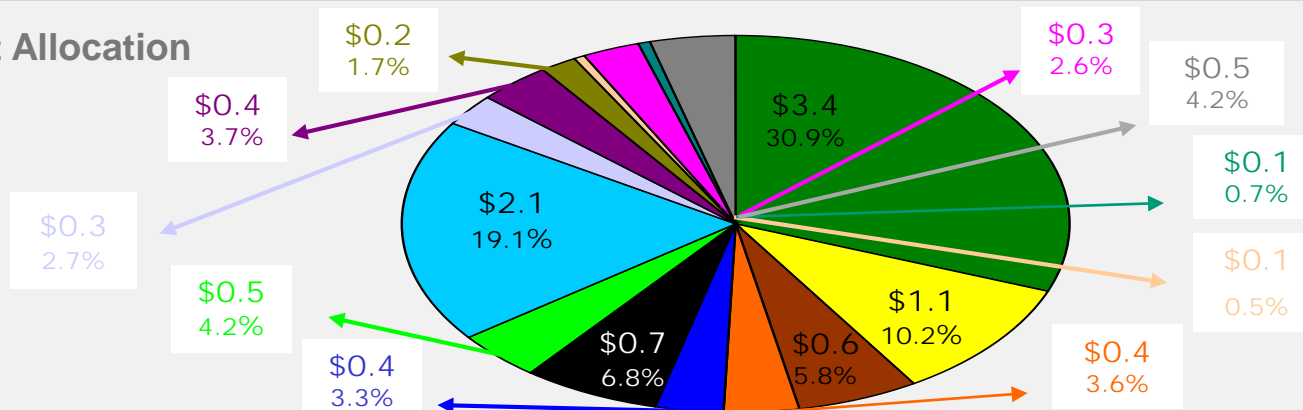
Performance Overview as of July 31, 2015

Prepared by State Street

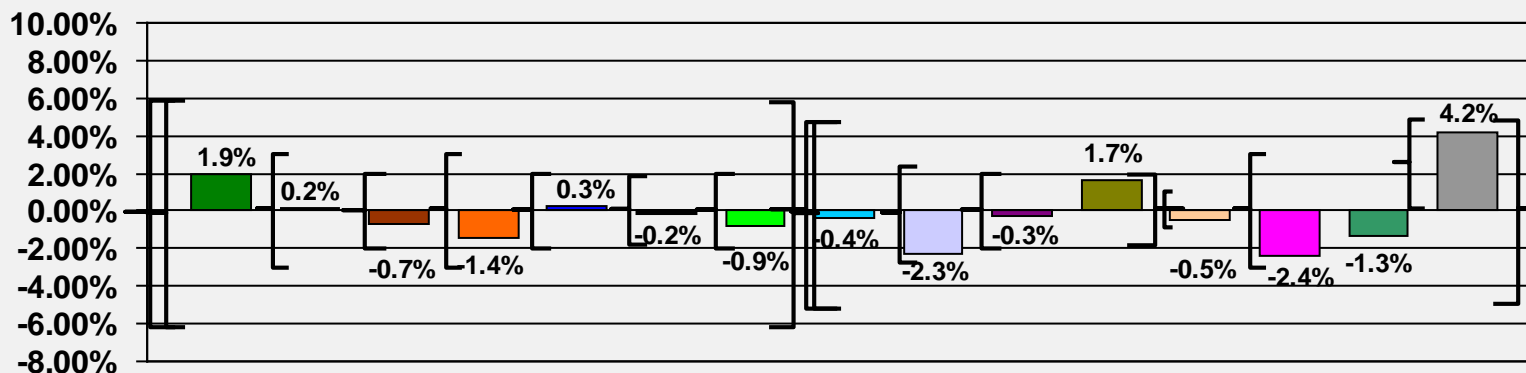
## Portfolio Asset Allocation: July 31, 2015

**\$11.0B** Under Management

### Asset Allocation



### Relative Mix to New Policy Weights



Note: Brackets represent rebalancing ranges versus Policy.

New York City Fire Department Pension Fund, Subchapter Two

Performance Overview as of July 31, 2015

Prepared by State Street

# NYC FIRE DEPARTMENT PENSION FUND

## CLASSIFICATION OF INVESTMENTS

*(as of July 31st, 2015)*

105

### ASSET CLASS ALLOCATIONS

	In \$MM	Actual	Policy Target	Adjustment	Adjusted Policy	Adjusted Target Range***
<b>TOTAL EQUITIES</b>	\$7,110.8	64.8%	65.5%	NA	64.4%	58.4% - 70.4%
<b>TOTAL FIXED INCOME</b>	\$3,865.0	35.2%	34.5%	NA	35.6%	30.6% - 40.6%
<b>TOTAL ASSETS</b>	\$10,975.9	100.0%	100.0%	NA	100.0%	

	In \$MM	Actual	Policy Target	Adjustment	Adjusted Policy	Adjusted Target Range***
US Equities	\$3,396.2	30.9%	29.0%	1.3%	30.3%	24.3% - 36.3%
Non-US Equities/EAFE	\$1,119.9	10.2%	10.0%	0.1%	10.1%	7.1% - 13.1%
Emerging Markets	\$641.1	5.8%	6.5%	NA	6.5%	4.5% - 8.5%
Real Estate Investment Trusts	\$358.3	3.3%	3.0%	NA	3.0%	1.0% - 5.0%
<b>TOTAL PUBLIC EQUITY</b>	\$5,515.5	50.3%	48.5%	NA	49.8%	
<b>HEDGE FUNDS</b>	\$394.4	3.6%	5.0%	NA	3.6%	2.0% - 8.0%
<b>* REAL ASSETS</b>	\$456.0	4.2%	5.0%	NA	4.2%	3.0% - 7.0%
<b>* PRIVATE EQUITY</b>	\$744.9	6.8%	7.0%	NA	6.8%	5.0% - 9.0%
<b>TOTAL EQUITIES</b>	\$7,110.8	64.8%	65.5%	NA	64.4%	58.4% - 70.4%

	In \$MM	Actual	Policy Target	Adjustment	Adjusted Policy	Adjusted Target Range***
Core +5	US - Government	\$232.2	2.1%	NA	21.8%	16.8% - 26.8%
	US - Mortgage	\$821.7	7.5%	NA		
	US - Investment Grade Credit	\$977.7	8.9%	NA		
	<b>TOTAL CORE + 5</b>	\$2,101.1	19.1%	19.5%	2.3%	16.8% - 26.8%
	High Yield	\$408.5	3.7%	NA	5.2%	3.2% - 7.2%
	Bank Loans	\$182.9	1.7%	NA		
	<b>Total High Yield &amp; Bank Loans</b>	\$591.5	5.4%	4.0%	5.2%	3.2% - 7.2%
	<b>TIPS</b>	\$300.8	2.7%	5.0%	5.0%	2.5% - 7.5%
	<b>Convertible Bonds</b>	\$53.7	0.5%	1.0%	1.0%	0.0% - 2.0%
	<b>**ETI</b>	\$74.4	0.7%	**2.0%	**0.7%	**0.7%
	<b>Cash</b>	\$459.0	4.2%	0.0%	0.0%	0.0% - 5.0%
	<b>TOTAL PUBLIC FIXED INCOME</b>	\$3,580.4	32.6%	29.5%	33.0%	
	<b>* OPPORTUNISTIC FIXED INCOME</b>	\$284.6	2.6%	5.0%	2.6%	2.0% - 8.0%
	<b>TOTAL FIXED INCOME</b>	\$3,865.0	35.2%	34.5%	35.6%	30.6% - 40.6%

\* Ranges for illiquid asset classes represent minimums and maximums which will be monitored and will influence pacing analysis but will not necessarily result in purchases or sales.

\*\* ETIs have a policy of 2% of the total Fund. The ETI adjusted policy % is shown for illustrative purposes only and is not included in the sub-totals. The ETI policy % is included within the policy % of the other asset classes.

\*\*\* Adjusted Target Ranges are calculated as follows: Total Equities: +/-6%; Total Fixed Income: +/-5%; US Equities: +/-6%; Non-US Equities/EAFE: +/-3%; Emerging Markets: +/-2%; REITs: +/-2%; Hedge Funds: +/-3%; Real Assets: +/-2%; Private Equity: +/-2%; Core +5: +/-5%; TIPS: +/-2.5%; High Yield & Bank Loans: +/-2% (Bank Loans up to 1/3 of Adjusted Policy); Convertible Bonds: +/-1%; Cash: 0-5%; OFI: +/-3%.

# NYC FIRE DEPARTMENT PENSION FUND

## CLASSIFICATION OF INVESTMENTS

*(as of July 31st, 2015)*

### Adjustments to Long-Term Asset Allocation

**1) Private Equity**

75% of uninvested commitments will be invested in Domestic Equity and 25% of uninvested commitments will be invested in International Equity.

**2) Real Assets**

50% of uninvested commitments will be invested in Domestic Equity and 50% of uninvested commitments will be invested in Fixed Income Core +5.

**3) Opportunistic Fixed Income**

50% of uninvested commitments will be invested in Fixed Income Core +5 and 50% of uninvested commitments will be invested in High Yield.

**4) Hedge Funds**

50% of uninvested commitments will be invested in Domestic Equity and 50% of uninvested commitments will be invested in Fixed Income Core +5.

### Impact of Adjustments

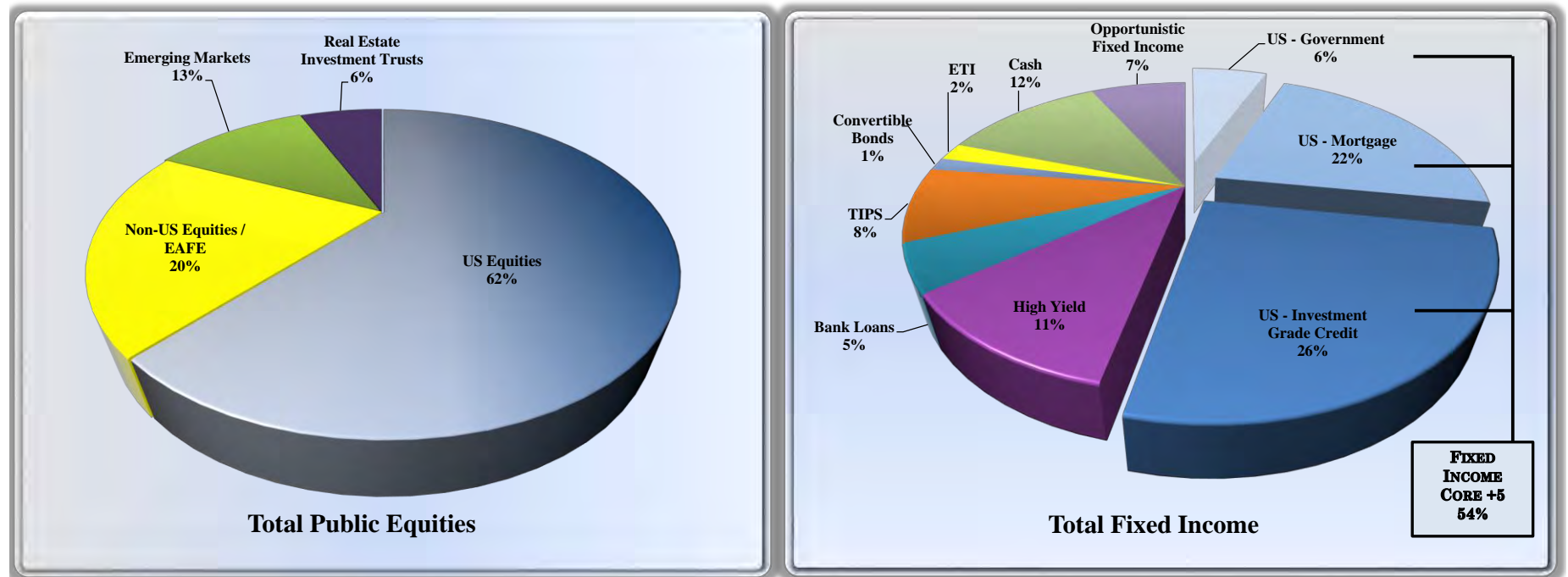
<b>1) Core +5 Policy Target %</b>	<b>19.5%</b>
Adjustment: 50% of uninvested Opportunistic Fixed Income	1.2%
Adjustment: 50% of uninvested Real Assets	0.4%
Adjustment: 50% of uninvested Hedge Funds	<u>0.7%</u>
<b>Adjusted Core+5 Policy Target %</b>	<b>21.8%</b>
 <b>2) High Yield Policy Target %</b>	 <b>4.0%</b>
Adjustment: 50% of uninvested Opportunistic Fixed Income	<u>1.2%</u>
<b>Adjusted High Yield Policy Target %</b>	<b>5.2%</b>
 <b>3) Domestic Equity Policy Target %</b>	 <b>29.0%</b>
Adjustment: 50% of uninvested Real Assets	0.4%
Adjustment: 75% of uninvested Private Equity	0.2%
Adjustment: 50% of uninvested Hedge Funds	<u>0.7%</u>
<b>Adjusted Domestic Equity Policy Target %</b>	<b>30.3%</b>
 <b>4) Non-US Equity/EAFE</b>	 <b>10.0%</b>
Adjustment: 25% of uninvested Private Equity	<u>0.1%</u>
<b>Adjusted Non-US Equity/EAFE Policy Target %</b>	<b>10.1%</b>

# NYC FIRE DEPARTMENT PENSION FUND

## CLASSIFICATION OF INVESTMENTS

*(as of July 31st, 2015)*

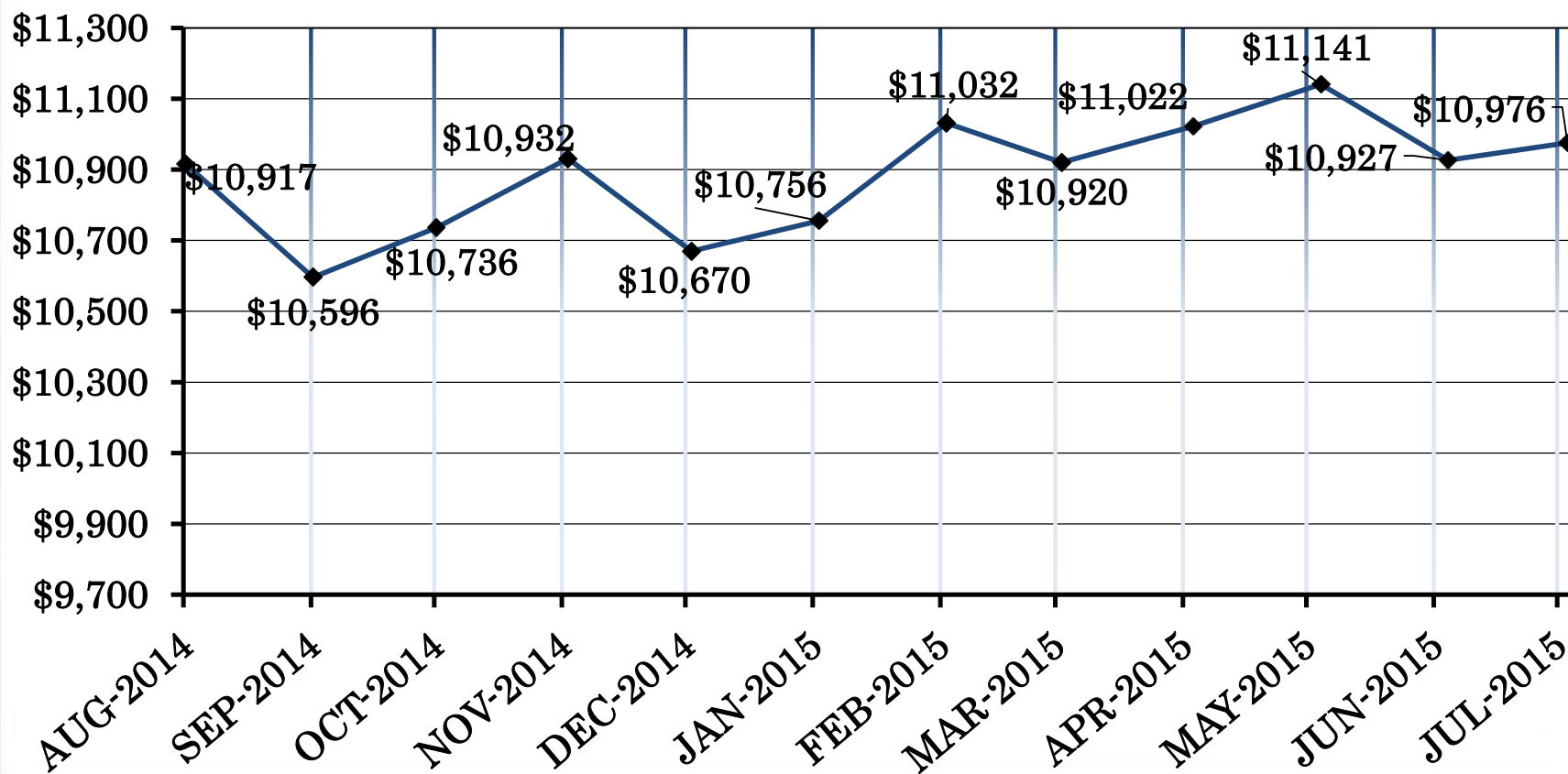
107



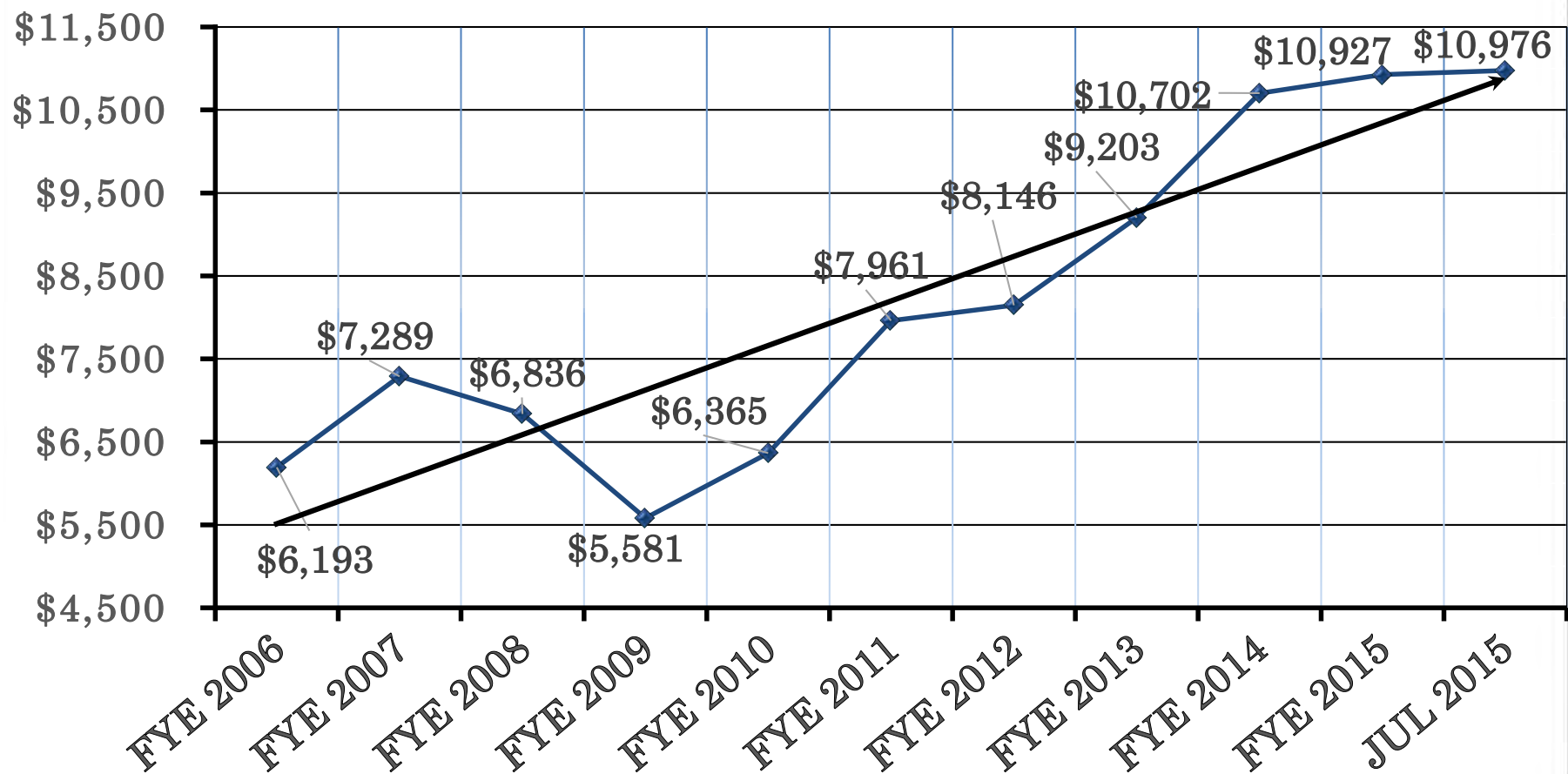
Note: Totals may not equal 100% due to rounding



## FIRE MARKET VALUES AUGUST 2014 - JULY 2015



## FIRE MARKET VALUES 2006-2015



**THE 10 YEAR RETURN FOR FIRE AS OF JULY 31, 2015 IS 6.68%**

# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



110

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
ASSET CLASS SUMMARY							
<b>FIRE-TOTAL FIRE</b>	<b>10,976</b>	<b>100.00</b>	<b>0.43</b>	<b>(0.53)</b>	<b>0.43</b>	<b>2.75</b>	<b>7.26</b>
<i>Fire Policy Benchmark</i>			<i>0.69</i>	<i>(0.27)</i>	<i>0.69</i>	<i>3.17</i>	<i>8.43</i>
Excess			(0.25)	(0.27)	(0.25)	(0.42)	(1.17)
<b>FIRE-TOTAL EQUITY (INCL PE &amp; RA)</b>	<b>7,111</b>	<b>64.79</b>	<b>0.47</b>	<b>(0.41)</b>	<b>0.47</b>	<b>3.71</b>	<b>7.99</b>
<b>FIRE-TOTAL FIXED INCOME (DOM &amp; GLOBAL)</b>	<b>3,858</b>	<b>35.15</b>	<b>0.36</b>	<b>(0.77)</b>	<b>0.36</b>	<b>0.93</b>	<b>5.79</b>
EQUITY SUMMARY							
US EQUITY							
State Street Global Advisors R3000	994	9.05	1.65	1.35	1.65	3.62	11.96
RUSSELL 3000 (DAILY)			1.67	1.35	1.67	3.65	12.56
Excess			(0.02)	(0.01)	(0.02)	(0.02)	(0.60)
<b>NYC FIRE BLACKROCK R2000 GROWTH</b>	<b>15</b>	<b>0.13</b>	<b>0.41</b>	<b>5.50</b>	<b>0.41</b>	<b>9.16</b>	<b>5.50</b>
RUSSELL 2000 GROWTH DAILY			0.41	5.50	0.41	9.18	5.60
Excess			(0.00)	0.00	(0.00)	(0.02)	(0.11)
<b>NYC FIRE BLACKROCK R2000 VALUE</b>	<b>3</b>	<b>0.03</b>	<b>(2.90)</b>	<b>(1.80)</b>	<b>(2.90)</b>	<b>(2.00)</b>	<b>3.80</b>
RUSSELL 2000 VALUE DAILY			(2.76)	(1.82)	(2.76)	(2.02)	4.22
Excess			(0.15)	0.03	(0.15)	0.02	(0.41)
<b>Brown AM - SCG</b>	<b>40</b>	<b>0.37</b>	<b>1.78</b>	<b>4.57</b>	<b>1.78</b>	<b>8.31</b>	<b>2.92</b>
RUSSELL 2000 GROWTH DAILY			0.41	5.50	0.41	9.18	5.60
Excess			1.37	(0.92)	1.37	(0.88)	(2.68)
<b>CEREDEX SCV</b>	<b>82</b>	<b>0.74</b>	<b>1.81</b>	<b>4.96</b>	<b>1.81</b>	<b>5.65</b>	<b>2.54</b>
RUSSELL 2000 VALUE DAILY			(2.76)	(1.82)	(2.76)	(2.02)	4.22
Excess			4.57	6.78	4.57	7.67	(1.68)

# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



111

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
Dalton Greiner Sm Cap-Value	52	0.48	0.40	1.77	0.40	3.19	4.47
RUSSELL 2000 VALUE DAILY			(2.76)	(1.82)	(2.76)	(2.02)	4.22
Excess			3.16	3.59	3.16	5.21	0.25
State St GA S&P 400	34	0.31	0.14	0.58	0.14	5.37	10.33
S&P 400 MIDCAP INDEX (DAILY)			0.14	0.57	0.14	4.34	9.77
Excess			0.00	0.00	0.00	1.03	0.56
Times Square Capital MCG	180	1.64	0.86	0.20	0.86	6.74	5.21
RUSSELL MIDCAP GROWTH (DAILY)			1.62	1.17	1.62	5.86	11.90
Excess			(0.76)	(0.97)	(0.76)	0.87	(6.69)
Iridian Asset Mgmt. MCV	109	0.99	1.09	1.07	1.09	3.89	14.03
RUSSELL MIDCAP VALUE (DAILY)			(0.14)	(0.97)	(0.14)	0.27	14.75
Excess			1.22	2.04	1.22	3.62	(0.72)
Wellington Mgmt. MCC	113	1.03	2.30	3.02	2.30	8.15	10.93
S&P 400 MIDCAP INDEX (DAILY)			0.14	0.57	0.14	4.34	9.77
Excess			2.17	2.45	2.17	3.81	1.17
NYC FIRE BLACKROCK R1000 GROWTH	790	7.20	3.39	3.00	3.39	7.47	12.91
RUSSELL 1000 GROWTH - DAILY			3.39	3.00	3.39	7.49	13.05
Excess			(0.01)	(0.00)	(0.01)	(0.01)	(0.14)
NYC FIRE BLACKROCK R1000 VALUE	737	6.72	0.44	(0.38)	0.44	(0.18)	13.39
RUSSELL 1000 VALUE (DAILY)			0.44	(0.38)	0.44	(0.18)	13.45
Excess			(0.00)	0.00	(0.00)	0.00	(0.06)
FUND OF FUNDS							
FIRE-FUND OF FUNDS	172	1.56	(1.09)	1.24	(1.09)	3.09	2.35
RUSSELL 2000 (DAILY)			(1.16)	1.85	(1.16)	3.54	4.89
Excess			0.07	(0.61)	0.07	(0.45)	(2.55)

# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



112

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
NON - US EQUITY							
Baillie Gifford	201	1.83	(1.46)	(4.73)	(1.46)	4.85	(6.77)
MSCI EAFE GROWTH			2.41	(0.31)	2.41	9.49	(4.43)
Excess			(3.87)	(4.42)	(3.87)	(4.64)	(2.34)
Walter Scott	255	2.32	0.54	(3.70)	0.54	4.41	(3.76)
MSCI EAFE GROWTH			2.41	(0.31)	2.41	9.49	(4.43)
Excess			(1.87)	(3.39)	(1.87)	(5.08)	0.67
Causeway	234	2.13	1.88	(2.08)	1.88	7.05	(4.91)
MSCI EAFE VALUE NET (DAILY)			1.74	(2.36)	1.74	5.92	(5.39)
Excess			0.14	0.28	0.14	1.13	0.48
Sprucegrove	197	1.79	(1.35)	(6.14)	(1.35)	(0.13)	(3.32)
MSCI EAFE VALUE NET (DAILY)			1.74	(2.36)	1.74	5.92	(5.39)
Excess			(3.09)	(3.78)	(3.09)	(6.05)	2.07
Acadian	75	0.68	1.09	0.23	1.09	10.37	(4.92)
S&P EPAC Small Cap Index			0.50	(0.06)	0.50	11.13	(3.10)
Excess			0.59	0.29	0.59	(0.75)	(1.81)
Pyramis	74	0.67	3.46	2.99	3.46	14.97	(5.60)
S&P EPAC Small Cap Index			0.50	(0.06)	0.50	11.13	(3.10)
Excess			2.96	3.05	2.96	3.84	(2.50)
SSGA	57	0.52	2.05	(1.22)	2.05	8.00	(4.75)
MSCI EAFE			2.08	(1.32)	2.08	7.72	(4.90)
Excess			(0.03)	0.10	(0.03)	0.28	0.15
SSGA MSCI EAFE Small Cap Index	27	0.25	0.86	0.62	0.86	11.23	
MSCI EAFE SMALL CAP NET (DAILY)			0.85	0.61	0.85	11.08	
Excess			0.02	0.01	0.02	0.15	

# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



113

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
EMERGING MARKETS							
Baillie Gifford	160	1.46	(7.48)	(11.27)	(7.48)	(4.91)	0.10
MSCI EMERGING MARKETS			(6.93)	(12.98)	(6.93)	(4.19)	(2.19)
Excess			(0.54)	1.71	(0.54)	(0.73)	2.28
ACADIAN							
MSCI EMERGING MARKETS	109	0.99	(6.93)	(12.98)	(6.93)	(4.19)	(2.19)
Excess			(0.44)	0.72	(0.44)	(0.14)	5.97
PARAMETRIC EM							
MSCI EMERGING MARKETS	107	0.97	(6.93)	(12.98)	(6.93)	(4.19)	(2.19)
Excess			2.13	3.02	2.13	(0.01)	(1.69)
DFA							
MSCI EMERGING MARKETS	96	0.87	(6.93)	(12.98)	(6.93)	(4.19)	(2.19)
Excess			(1.02)	(1.94)	(1.02)	(3.21)	(2.20)
CONY GT FIRE Blackrock-MSCI EM MK							
MSCI EMERGING MARKETS	169	1.54	(6.93)	(12.98)	(6.93)	(4.19)	(2.19)
Excess			(0.00)	0.10	(0.00)	0.20	(0.10)
REAL ESTATE SECURITIES							
MS REIT	207	1.88	4.97	0.34	4.97	(0.20)	30.72
Morgan Stanley Custom RESI Index			5.09	0.33	5.09	(0.95)	31.85
Excess			(0.12)	0.00	(0.12)	0.75	(1.13)
Adelante (Lend Lease Rosen) (REIT)							
DJ US SELECT REAL ESTATE SECURITIES INDEX	152	1.38	5.92	1.92	5.92	1.73	33.07
Excess			(0.01)	0.73	(0.01)	1.83	1.21
HEDGE FUNDS							
FIRE-TOTAL HEDGE FUNDS	339	3.09	0.93	(0.31)	0.93	2.56	5.35

# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



114

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
FIXED INCOME SUMMARY							
STRUCTURED FIXED INCOME							
Blackrock - Mortgage	331	3.01	0.51	(0.25)	0.51	1.20	6.77
CITIGROUP MORTGAGE INDEX			0.64	(0.25)	0.64	1.00	6.12
Excess			(0.13)	(0.01)	(0.13)	0.20	0.64
Goldman Sachs - Mortgage	177	1.61	0.56	(0.20)	0.56	1.09	6.26
CITIGROUP MORTGAGE INDEX			0.64	(0.25)	0.64	1.00	6.12
Excess			(0.07)	0.04	(0.07)	0.09	0.14
Neuberger Berman - Mortgage	314	2.86	0.78	(0.23)	0.78	0.96	6.66
CITIGROUP MORTGAGE INDEX			0.64	(0.25)	0.64	1.00	6.12
Excess			0.14	0.02	0.14	(0.04)	0.54
Taplin Canida Habacht - Credit	278	2.53	0.19	(2.15)	0.19	(0.56)	7.73
NYC - Investment Grade Credit			0.48	(1.61)	0.48	(0.04)	7.04
Excess			(0.29)	(0.54)	(0.29)	(0.52)	0.69
T Rowe Price - Credit	280	2.55	0.51	(1.59)	0.51	0.67	7.74
NYC - Investment Grade Credit			0.48	(1.61)	0.48	(0.04)	7.04
Excess			0.03	0.03	0.03	0.71	0.70
Blackrock - Credit	188	1.72	0.48	(1.49)	0.48	0.21	7.43
NYC - Investment Grade Credit			0.48	(1.61)	0.48	(0.04)	7.04
Excess			(0.00)	0.12	(0.00)	0.24	0.39
Prudential - Credit	188	1.71	0.58	(1.48)	0.58	0.11	7.19
NYC - Investment Grade Credit			0.48	(1.61)	0.48	(0.04)	7.04
Excess			0.10	0.13	0.10	0.15	0.14

# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



115

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
Prudential-Privest - Credit	44	0.40	0.95	(0.16)	0.95	1.74	7.20
NYC - Investment Grade Credit			0.48	(1.61)	0.48	(0.04)	7.04
Excess			0.47	1.45	0.47	1.78	0.16
Fischer Francis - Govt	116	1.06	1.77	(0.95)	1.77	0.52	11.44
NYC - Treasury Agency Plus Five			1.83	(0.94)	1.83	0.50	12.38
Excess			(0.06)	(0.01)	(0.06)	0.02	(0.94)
State Street - Gov't	116	1.06	1.81	(0.97)	1.81	0.31	12.15
NYC - Treasury Agency Plus Five			1.83	(0.94)	1.83	0.50	12.38
Excess			(0.02)	(0.03)	(0.02)	(0.18)	(0.23)
FIXED INCOME FUND OF FUNDS							
Hillswick	3	0.03	1.01	(0.48)	1.01	0.75	7.09
Barclays Aggregate (Daily)			0.70	(0.64)	0.70	0.59	5.97
Excess			0.32	0.16	0.32	0.16	1.13
NEW CENTURY	10	0.09	0.61	(0.85)	0.61	0.07	6.53
Barclays Aggregate (Daily)			0.70	(0.64)	0.70	0.59	5.97
Excess			(0.08)	(0.21)	(0.08)	(0.52)	0.56
PUGH CAP	9	0.08	0.78	(0.84)	0.78	0.53	5.88
Barclays Aggregate (Daily)			0.70	(0.64)	0.70	0.59	5.97
Excess			0.08	(0.19)	0.08	(0.06)	(0.09)
Ramirez Asset	7	0.06	0.60	(0.55)	0.60	0.46	
Barclays Aggregate (Daily)			0.70	(0.64)	0.70	0.59	
Excess			(0.09)	0.09	(0.09)	(0.13)	
ENHANCED YIELD							
Loomis Sayles - High Yield	111	1.01	(1.08)	(2.85)	(1.08)	0.92	2.88
BofAML HIGH YIELD MASTER II (DAILY)			(0.62)	(1.84)	(0.62)	1.86	2.50
Excess			(0.46)	(1.01)	(0.46)	(0.94)	0.37



# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



116

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
Penn Capital Mgt	114	1.04	0.05	(0.82)	0.05	2.92	0.39
CITIGROUP BB & B			(0.61)	(1.59)	(0.61)	2.12	2.78
Excess			0.66	0.77	0.66	0.81	(2.39)
T ROWE EH	184	1.68	(0.04)	(0.71)	(0.04)	3.18	2.91
CITIGROUP BB & B			(0.61)	(1.59)	(0.61)	2.12	2.78
Excess			0.57	0.88	0.57	1.07	0.13
BANK LOANS							
Babson BL	91	0.83	0.24	0.44	0.24	3.48	1.99
CSFB LEVERAGED LOAN INDEX			0.09	(0.02)	0.09	2.96	2.06
Excess			0.15	0.46	0.15	0.52	(0.07)
Guggenheim BL	92	0.84	0.42	0.62	0.42	3.64	2.88
CSFB LEVERAGED LOAN INDEX			0.09	(0.02)	0.09	2.96	2.06
Excess			0.33	0.64	0.33	0.68	0.83
TIPS							
Blackrock TIPS	114	1.04	0.16	(1.49)	0.16	0.73	3.74
Barclays Global Inflation Linked: US TIPS (Daily)			0.21	(1.58)	0.21	0.55	3.64
Excess			(0.05)	0.09	(0.05)	0.18	0.10
State Street TIPS Passive	187	1.70	0.13	(1.58)	0.13	0.63	3.57
Barclays Global Inflation Linked: US TIPS (Daily)			0.21	(1.58)	0.21	0.55	3.64
Excess			(0.08)	0.00	(0.08)	0.08	(0.07)
CONVERTIBLE BONDS							
Advent Conv Bonds	54	0.49	(0.61)	(1.59)	(0.61)	1.60	4.62
BofA ML U.S. Convertible - Yield Alternatives			(2.00)	(4.03)	(2.00)	(1.57)	2.75
Excess			1.39	2.43	1.39	3.17	1.87

# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



117

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
CORE FIXED INCOME							
LM Capital	21	0.19	0.59	(0.77)	0.59	0.86	5.57
Barclays Aggregate (Daily)			0.70	(0.64)	0.70	0.59	5.97
Excess			(0.10)	(0.12)	(0.10)	0.27	(0.39)
GIA							
GIA	20	0.18	0.41		0.41		
Barclays Aggregate (Daily)			0.70		0.70		
Excess			(0.28)		(0.28)		
OPPORTUNISTIC FIXED INCOME							
FIRE-TOTAL OPPORTUNISTIC FIXED INCOME	285	2.59	(0.36)	0.21	(0.36)	1.09	7.19
OTHER FIXED INCOME							
AFL-CIO HOUSING INV TRUST	43	0.39	0.66	(0.34)	0.66	1.06	6.10
Barclays Aggregate (Daily)			0.70	(0.64)	0.70	0.59	5.97
Excess			(0.04)	0.30	(0.04)	0.47	0.14
ACCESS RBC							
ACCESS RBC	20	0.18	0.60	(0.31)	0.60	1.43	6.66
Access RBC Benchmark			0.58	(0.11)	0.58	1.01	5.08
Excess			0.02	(0.20)	0.02	0.42	1.58
CPC CONST FACILITY							
CPC CONST FACILITY	2	0.02	1.23	1.67	1.23	2.55	
CPC CONST BENCHMARK			0.24	0.71	0.24	1.67	
Excess			0.99	0.96	0.99	0.88	
CFSB-PPAR (GNMA)							
CFSB-PPAR (GNMA)	0	0.00	9.41	5.42	9.41	5.74	15.34
GNMA Plus 65bps			0.59	(0.25)	0.59	1.00	6.65
Excess			8.83	5.68	8.83	4.73	8.69
CCD-PPAR (GNMA)							
CCD-PPAR (GNMA)	1	0.01	7.62	3.84	7.62	4.33	15.37
GNMA Plus 65bps			0.59	(0.25)	0.59	1.00	6.65
Excess			7.03	4.10	7.03	3.32	8.72

# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



118

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
CCD-PPAR (FNMA)	1	0.01	11.53	7.28	11.53	6.80	25.71
FNMA Plus 85bps			0.77	0.07	0.77	1.64	7.13
Excess			10.75	7.21	10.75	5.17	18.58
BOA-PPAR (FNMA)	3	0.02	10.84	6.62	10.84	42.23	13.31
FNMA Plus 85bps			0.77	0.07	0.77	1.64	7.13
Excess			10.07	6.55	10.07	40.60	6.19
CPC-PPAR (FNMA)	1	0.01	11.45	7.61	11.45	7.79	13.91
FNMA Plus 85bps			0.77	0.07	0.77	1.64	7.13
Excess			10.68	7.54	10.68	6.15	6.78
JPMC-PPAR (FNMA)	2	0.02	13.21	7.52	13.21	6.30	11.95
FNMA Plus 85bps			0.77	0.07	0.77	1.64	7.13
Excess			12.44	7.45	12.44	4.67	4.82
LIIF-PPAR (GNMA)	1	0.00	3.80	1.92	3.80	3.71	9.74
GNMA Plus 65bps			0.59	(0.25)	0.59	1.00	6.65
Excess			3.21	2.17	3.21	2.70	3.09
LIIF-PPAR (FNMA)	1	0.01	10.82	6.63	10.82	6.47	38.12
FNMA Plus 85bps			0.77	0.07	0.77	1.64	7.13
Excess			10.05	6.56	10.05	4.84	30.99
NCBCI-PPAR (GNMA)	0	0.00	7.84	4.03	7.84	4.73	16.66
GNMA Plus 65bps			0.59	(0.25)	0.59	1.00	6.65
Excess			7.25	4.28	7.25	3.73	10.01
NCBCI-PPAR (FNMA)	0	0.00	7.67	3.93	7.67	4.51	14.93
FNMA Plus 85bps			0.77	0.07	0.77	1.64	7.13
Excess			6.89	3.86	6.89	2.88	7.81

# New York City Fire Department Pension Fund

## Manager / Benchmark Comparison Report

Rates of Return - Net Mgr

Periods Ending July 31, 2015



119

	Ending Market Value (\$MM)	% of Total	1 Month	3 Month	FYTD	CYTD	2014
CASH							
FIRE SHORT TERM	452	4.12	0.04	0.10	0.04	0.30	0.21
91 DAY T-BILL			0.00	0.00	0.00	0.00	0.02
Excess			0.04	0.10	0.04	0.30	0.19
C/D - Fail Float Earnings							
	1	0.01					
SECURITY LENDING							
	6	0.05					
PRIVATE EQUITY							
FIRE-TOTAL PRIVATE EQUITY	745	6.79	(0.14)	4.17	(0.14)	7.05	14.34
REAL ASSETS							
FIRE-TOTAL PRIVATE REAL ESTATE	438	3.99	1.77	3.89	1.77	9.56	16.50
FIRE-TOTAL INFRASTRUCTURE	18	0.16	0.68	1.58	0.68	9.13	11.49

**New York City Fire Department Pension Fund, Subchapter 2**  
**Private Equity Portfolio**  
**As of March 31, 2015 (in USD)**

Vintage Year	Investment	First Drawdown		Committed Capital		Contributed Capital		Distributed Capital		Market Value	Multiple	IRR
<b>Active Investments</b>												
1998	VS&A Communications Partners III, L.P.	12/15/1998	\$	10,000,000	\$	10,049,682	\$	13,740,876	\$	71,672	1.37x	6.3%
1999	Cypress Merchant Banking Partners II, L.P.	3/29/1999		22,586,486		26,930,800		21,720,353		3,794,931	0.95x	(1.0%)
1999	FdG Capital Partners LLC	6/2/1999		25,000,000		28,756,836		42,947,884		4,464,066	1.65x	14.6%
1999	Lincolnshire Equity Fund II, L.P.	10/20/1999		6,899,005		7,223,050		13,673,658		450,291	1.96x	24.7%
2000	SCP Private Equity Partners II, L.P.	6/15/2000		15,000,000		16,834,296		5,125,651		5,041,917	0.60x	(6.3%)
2001	New Mountain Partners, L.P.	3/16/2001		9,070,967		8,558,234		12,215,748		240,860	1.46x	12.4%
2001	Apollo Investment Fund V, L.P.	4/13/2001		15,000,000		23,371,979		45,924,747		703,397	2.00x	38.8%
2001	CVC European Equity Partners III, L.P.	9/4/2001		10,000,000		11,579,021		29,775,858		258,845	2.59x	41.1%
2002	Yucaipa American Alliance Fund I, LP	7/1/2002		5,000,000		7,491,869		6,475,457		2,853,994	1.25x	6.4%
2002	Landmark Equity Partners XI, L.P.	10/23/2002		5,000,000		4,753,167		6,804,068		575,574	1.55x	23.8%
2003	FS Equity Partners V, L.P.	1/20/2003		10,000,000		9,159,743		15,573,765		3,461,259	2.08x	16.6%
2003	Blackstone Capital Partners IV, L.P.	2/26/2003		13,875,989		17,122,989		37,083,480		4,339,752	2.42x	36.7%
2003	Ares Corporate Opportunities Fund, L.P.	4/1/2003		5,000,000		6,000,993		8,592,476		483,660	1.51x	13.4%
2004	Markstone Capital Partners, LP	1/30/2004		5,000,000		5,862,384		2,446,015		307,994	0.47x	(55.4%)
2004	Euro Choice II (Delaware) L.P.	2/25/2004		6,749,848		6,714,168		7,418,034		2,358,864	1.46x	7.4%
2004	FdG Capital Partners II LP	8/30/2004		5,000,000		5,302,162		5,952,155		494,408	1.22x	3.9%
2004	Paladin Homeland Security Fund (NY City), L.P.	9/27/2004		7,500,000		8,063,739		1,884,266		2,816,700	0.58x	(7.6%)
2004	Lincolnshire Equity Fund III, L.P.	10/1/2004		5,000,000		4,771,552		6,175,304		2,633,870	1.85x	31.7%
2004	New York/Fairview Emerging Managers Fund, L.P.-Tranche 1	10/21/2004		2,000,000		2,002,672		975,610		1,324,056	1.15x	2.8%
2004	Aurora Equity Partners III L.P.	11/16/2004		5,000,000		5,411,986		8,623,720		417,927	1.67x	14.2%
2004	Trilantic Capital Partners III L.P.	11/18/2004		5,000,000		4,454,879		7,187,924		199,985	1.66x	14.8%
2004	Celtic Pharmaceutical Holdings L.P.	12/23/2004		2,500,000		2,540,209		40,209		1,519,573	0.61x	(6.2%)
2004	Medica III Investments (International) L.P.	8/21/2006		3,000,000		2,937,724		1,267,948		1,259,000	0.86x	(3.9%)
2005	Palladium Equity Partners III, L.P.	11/12/2004		10,000,000		10,111,253		13,880,884		7,215,361	2.09x	19.2%
2005	New Mountain Partners II, L.P.	1/12/2005		2,580,650		2,299,522		3,971,882		531,059	1.96x	13.7%
2005	VSS Communications Partners IV, L.P.	3/14/2005		2,500,000		2,820,670		1,517,740		650,744	0.77x	(4.8%)
2005	Carlyle Partners IV, L.P.	4/29/2005		5,000,000		5,151,831		9,401,563		901,525	2.00x	13.3%
2005	Prism Venture Partners V-A, L.P.	7/14/2005		7,500,000		7,574,945		2,956,169		2,962,026	0.78x	(5.0%)
2005	Snow Phipps Group, L.P.	9/7/2005		5,000,000		5,727,781		3,754,666		3,687,889	1.30x	7.8%
2005	GI Partners Fund II L.P.	9/26/2005		2,500,000		2,524,074		2,859,927		964,653	1.52x	7.2%
2005	Blackstone Mezzanine Partners II, L.P.	10/10/2005		3,000,000		2,862,796		3,414,132		264,923	1.29x	7.0%
2005	Psilos Group Partners III, L.P.	10/24/2005		2,500,000		2,657,559		1,282,054		2,083,229	1.27x	5.3%
2005	FirstMark Capital I, L.P. (fka FirstMark IV)	11/21/2005		1,500,000		1,622,375		1,696,893		7,436,872	5.63x	44.7%
2005	USPF II Institutional Fund, L.P.	11/23/2005		5,000,000		6,594,940		4,411,510		4,177,158	1.30x	5.8%
2005	Bridgepoint Europe III	12/6/2005		5,382,893		4,993,430		2,929,136		2,522,956	1.09x	1.4%
2005	JP Morgan Fleming (Tranche A)	12/21/2005		3,000,000		2,874,952		1,809,395		2,291,051	1.43x	8.5%
2005	Arlington Capital Partners II, L.P.	4/20/2006		4,000,000		4,058,305		3,886,930		2,602,184	1.60x	10.5%
2005	Levine Leichtman Capital Partners Deep Value Fund, L.P.	1/16/2007		5,000,000		6,229,039		5,331,680		1,158,969	1.04x	1.1%
2006	Aisling Capital II, LP	1/12/2006		1,000,000		1,163,048		525,496		943,877	1.26x	4.8%
2006	InterMedia Partners VII, L.P.	1/20/2006		2,500,000		2,867,179		1,614,731		3,026,971	1.62x	7.9%
2006	Terra Firma Capital Partners III, L.P.	3/8/2006		5,222,032		5,209,318		111,319		2,666,511	0.53x	(11.5%)
2006	Fenway Partners Capital Fund III, L.P.	3/29/2006		5,000,000		5,621,961		3,938,440		2,151,384	1.08x	1.8%
2006	Blackstone Capital Partners V, L.P.	4/13/2006		9,481,463		10,015,104		8,999,907		7,171,557	1.61x	8.6%
2006	Avista Capital Partners, L.P.	4/27/2006		5,000,000		6,388,195		5,197,526		3,209,377	1.32x	6.4%
2006	Apollo Investment Fund VI, L.P.	5/10/2006		20,000,000		25,741,832		29,259,636		10,344,523	1.54x	10.0%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006		5,000,000		5,470,186		7,851,207		1,440,647	1.70x	13.9%
2006	CCMP Capital Investors II, L.P.	8/17/2006		5,000,000		5,458,090		5,408,412		3,078,036	1.55x	13.0%
2006	CLP 2014 (fka Perseus Partners VII)	8/31/2006		5,000,000		5,814,170		1,588,639		156,322	0.30x	(36.9%)

**New York City Fire Department Pension Fund, Subchapter 2**  
**Private Equity Portfolio**  
**As of March 31, 2015 (in USD)**

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
2006	Euro Choice III L.P.	11/21/2006	5,314,931	5,135,935	2,299,070	3,240,401	1.08x	1.8%
2006	Thomas, McNerney & Partners II, L.P.	11/29/2006	3,000,000	2,760,994	1,472,413	4,929,204	2.32x	18.3%
2006	Catterton Partners VI, L.P.	12/14/2006	5,000,000	5,459,201	6,617,280	3,545,612	1.86x	13.7%
2006	First Reserve Fund XI, L.P.	12/14/2006	5,000,000	5,313,265	2,931,514	1,533,170	0.84x	(4.2%)
2006	Permira IV, L.P.	12/14/2006	5,521,702	5,728,972	5,066,674	2,939,367	1.40x	7.4%
2006	Arsenal Capital Partners II, LP	12/18/2006	4,000,000	4,824,309	2,929,500	4,210,144	1.48x	9.6%
2006	GF Capital Private Equity Fund, L.P.	12/18/2006	3,000,000	2,991,772	2,161,108	2,991,957	1.72x	15.1%
2006	RRE Ventures IV, L.P.	12/19/2006	2,500,000	3,008,248	708,869	4,110,773	1.60x	10.4%
2006	Coller International Partners V, L.P.	12/21/2006	5,000,000	4,264,837	4,271,554	1,943,856	1.46x	9.8%
2006	MidOcean Partners III, L.P.	12/21/2006	10,000,000	10,882,846	6,663,345	8,774,525	1.42x	8.5%
2006	The Fourth Civen Fund	1/22/2007	2,813,087	2,803,310	2,676,703	1,114,696	1.35x	6.5%
2006	Falconhead Capital Partners II, L.P.	3/23/2007	4,000,000	4,441,460	3,659,680	1,585,245	1.18x	3.9%
2006	Atlantic Equity Partners IV, L.P.	10/30/2007	3,000,000	3,093,099	-	2,082,783	0.67x	(6.7%)
2006	Capital Partners Private Equity Income Fund, L.P.	11/29/2007	2,000,000	1,910,800	2,176,066	1,496,220	1.92x	19.6%
2007	Pegasus Partners IV, L.P.	1/29/2007	7,500,000	8,665,257	3,969,234	5,105,450	1.05x	1.2%
2007	Olympus Capital Asia III, L.P.	1/31/2007	5,000,000	5,521,574	2,010,240	4,847,627	1.24x	7.2%
2007	FTVentures III, LP	3/1/2007	2,500,000	2,545,000	2,038,018	3,024,356	1.99x	16.8%
2007	Highland Consumer Fund I LP	3/16/2007	2,000,000	1,903,212	-	1,547,916	0.81x	(4.1%)
2007	Montreux Equity Partners IV, L.P.	3/27/2007	5,000,000	5,000,000	1,648,176	5,201,192	1.37x	7.9%
2007	Gleacher Mezzanine Fund II, L.P.	3/30/2007	3,000,000	2,742,002	2,581,517	789,095	1.23x	8.4%
2007	SCP Vitalife Partners II Fund	4/13/2007	5,000,000	4,837,424	395	4,374,018	0.90x	(2.4%)
2007	Constellation Venture Capital III, L.P.	5/22/2007	5,000,000	5,349,075	1,135,209	2,661,045	0.71x	(8.2%)
2007	United States Power Fund III, L.P.	6/28/2007	5,000,000	4,997,389	2,221,591	4,373,123	1.32x	6.1%
2007	Carlyle Partners V, L.P.	7/6/2007	10,000,000	9,985,693	8,641,174	8,033,184	1.67x	14.8%
2007	PCG Clean Energy & Technology Fund (East), LLC	7/6/2007	10,000,000	8,750,914	1,038,409	4,817,788	0.67x	(8.9%)
2007	GSO Capital Opportunities Fund LP	7/16/2007	7,500,000	11,164,395	14,032,549	2,144,425	1.45x	18.4%
2007	New Mountain Partners III, L.P.	8/9/2007	10,000,000	9,710,451	3,777,643	9,084,342	1.32x	8.1%
2007	Vista Equity Partners Fund III, L.P.	10/3/2007	7,500,000	7,955,204	16,202,030	3,973,650	2.54x	29.0%
2007	Trilantic Capital Partners IV L.P.	10/22/2007	7,236,332	7,244,739	7,446,608	4,619,930	1.67x	16.4%
2007	Pine Brook Capital Partners, L.P.	1/11/2008	7,500,000	7,475,580	3,776,354	5,529,579	1.24x	8.4%
2007	Capital Point Partners, L.P.	10/17/2008	3,000,000	3,339,064	2,182,562	1,912,935	1.23x	5.6%
2007	Post Capital Equity Partners II LP	2/10/2009	3,000,000	2,004,215	934,449	1,975,128	1.45x	11.1%
2008	Paladin III (NY City), L.P.	1/8/2008	7,500,000	8,208,054	4,130,878	5,931,181	1.23x	6.6%
2008	Relativity Fund, L.P.	1/8/2008	3,000,000	1,612,064	236,746	684,206	0.57x	(11.5%)
2008	Apollo Investment Fund VII, L.P.	1/28/2008	25,000,000	28,379,157	40,059,302	10,804,160	1.79x	25.9%
2008	NGN BioMed Opportunity II, L.P.	2/11/2008	5,000,000	4,512,955	939,547	2,637,170	0.79x	(6.0%)
2008	Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	3/3/2008	7,500,000	7,781,239	5,625,034	4,226,557	1.27x	8.5%
2008	Yucaipa American Alliance Fund II, LP	3/28/2008	15,000,000	19,997,480	11,525,318	19,665,382	1.56x	13.9%
2008	Levine Leichtman Capital Partners IV, L.P.	4/8/2008	5,000,000	4,988,219	5,571,049	2,479,541	1.61x	19.8%
2008	Lee Equity Partners Fund, L.P.	4/23/2008	7,500,000	7,984,143	3,095,429	6,992,022	1.26x	8.0%
2008	New York/Fairview Emerging Managers Fund, L.P.-Tranche 2	5/28/2008	5,000,000	4,164,500	1,735,147	4,180,028	1.42x	14.2%
2008	Yucaipa Corporate Initiatives Fund II, LP	6/23/2008	4,676,976	4,528,260	1,299,840	2,576,895	0.86x	(4.1%)
2008	CVC European Equity Partners V, L.P.	7/21/2008	13,700,547	13,957,516	9,828,505	8,556,202	1.32x	10.1%
2008	GI Partners Fund III L.P.	7/29/2008	7,500,000	7,942,421	7,393,058	4,444,453	1.49x	14.7%
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	10,000,000	11,613,387	10,091,174	9,509,627	1.69x	22.2%
2008	GCM Grosvenor NYCFDPF Emerging Manager Co-Investment Fund, L.P.	8/22/2008	990,607	1,231,040	1,330,325	553,810	1.53x	11.3%
2008	GCM Grosvenor NYCFDPF Emerging Manager Fund, L.P.	8/22/2008	8,979,798	8,500,720	3,769,112	6,391,989	1.20x	8.5%
2008	First Reserve Fund XII, L.P.	8/25/2008	5,000,000	5,154,717	2,084,874	2,896,824	0.97x	(1.0%)
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	13,630,000	12,277,044	8,188,079	8,434,421	1.35x	15.7%

**New York City Fire Department Pension Fund, Subchapter 2**  
**Private Equity Portfolio**  
**As of March 31, 2015 (in USD)**

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
2008	Crestview Partners II, L.P.	10/1/2008	7,500,000	7,758,707	4,706,794	6,716,462	1.47x	14.5%
2008	Erasmus New York City Growth Fund IA	10/17/2008	1,208,990	1,208,990	417,624	387,445	0.67x	(7.5%)
2008	Milestone Partners III, L.P.	10/17/2008	3,000,000	3,046,229	888,355	2,169,519	1.00x	0.1%
2008	Euro Choice IV L.P.	10/22/2008	6,424,409	5,324,241	850,649	4,544,802	1.01x	0.5%
2008	Avista Capital Partners II, L.P.	11/5/2008	10,000,000	11,660,982	8,507,850	13,272,563	1.87x	20.4%
2008	Bridgepoint Europe IV	11/14/2008	6,667,008	6,113,546	3,623,101	4,100,749	1.26x	7.9%
2008	Carpenter Community BancFund-A, L.P.	11/17/2008	3,000,000	2,872,610	124,964	4,071,413	1.46x	8.1%
2008	Blue Wolf Capital Fund II, L.P.	11/19/2008	3,000,000	3,201,786	1,194,630	2,473,728	1.15x	5.8%
2008	Aisling Capital III, LP	11/20/2008	3,500,000	3,328,219	2,424,207	2,894,890	1.60x	23.7%
2008	Onex Partners III LP	12/10/2008	5,000,000	5,373,057	2,329,178	4,900,005	1.35x	11.9%
2009	NorthBound Emerging Manager Custom Fund LP	1/29/2009	5,000,000	3,827,283	2,377,123	3,813,514	1.62x	17.8%
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	7,500,000	6,819,895	4,281,422	5,816,716	1.48x	14.2%
2009	Scale Venture Partners III, LP	5/1/2009	5,000,000	4,847,649	3,230,026	7,535,365	2.22x	27.4%
2009	FS Equity Partners VI, L.P.	7/27/2009	12,500,000	12,577,976	7,289,420	14,741,228	1.75x	22.0%
2009	Lincolnshire Equity Fund IV, L.P.	8/5/2009	2,500,000	2,205,694	876,260	1,675,118	1.16x	6.6%
2009	Lexington Capital Partners VII, L.P.	12/3/2009	10,000,000	8,103,168	5,505,819	6,287,296	1.46x	17.2%
2010	Snow Phipps II, L.P.	1/8/2010	7,500,000	5,722,960	805,212	7,440,661	1.44x	17.9%
2010	Trident V, L.P.	4/29/2010	15,000,000	15,415,411	2,326,739	15,744,410	1.17x	8.1%
2010	Comvest Investment Partners IV, L.P.	10/21/2010	20,000,000	18,069,512	11,661,275	18,682,603	1.68x	42.4%
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	10,000,000	6,758,099	1,173,082	7,014,970	1.21x	13.4%
2011	Ampersand 2011	3/11/2011	5,000,000	4,600,000	282,185	6,971,873	1.58x	18.7%
2011	BDCM Opportunity Fund III, L.P.	4/8/2011	10,000,000	11,087,986	4,572,797	8,501,749	1.18x	12.0%
2011	AXA Secondary Fund V B L.P.	6/16/2011	40,000,000	29,108,670	11,819,422	31,452,110	1.49x	21.4%
2011	Wellspring Capital Partners V, L.P.	7/1/2011	7,500,000	4,591,699	439,362	4,978,642	1.18x	10.1%
2011	EQT VI, L.P.	8/1/2011	17,570,089	14,574,412	176,551	13,835,654	0.96x	(2.6%)
2011	Pegasus Partners V, L.P.	8/16/2011	6,236,975	3,736,625	1,110,265	4,092,010	1.39x	13.2%
2011	BC European Capital IX	9/19/2011	21,782,415	15,704,021	2,205,336	13,773,732	1.02x	1.0%
2011	American Securities Partners VI, L.P.	11/18/2011	20,000,000	14,582,535	4,302,347	15,290,489	1.34x	21.0%
2011	Vista Equity Partners Fund IV, L.P.	11/30/2011	30,000,000	27,349,237	2,164,383	39,070,770	1.51x	22.6%
2012	Warburg Pincus Private Equity XI, L.P.	5/24/2012	35,000,000	23,051,277	3,859,555	25,270,173	1.26x	19.7%
2012	Summit Partners Growth Equity Fund VIII-A, L.P.	6/14/2012	30,000,000	17,972,255	3,334,891	16,794,959	1.12x	10.1%
2012	Trilantic Capital Partners V L.P.	9/20/2012	10,000,000	3,175,959	28,032	2,974,433	0.95x	(4.5%)
2012	Palladium Equity Partners IV, L.P.	10/10/2012	10,000,000	3,077,591	197,610	3,300,729	1.14x	9.1%
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	20,000,000	13,195,923	910,286	13,540,363	1.10x	11.3%
2012	Green Equity Investors VI, L.P.	11/30/2012	25,000,000	12,319,765	287,608	13,879,453	1.15x	12.5%
2012	Platinum Equity Capital Partners III, L.P.	11/14/2013	25,000,000	9,791,653	7,721,186	9,474,637	1.76x	69.1%
2012	NYCFDPF - 2012 Emerging Manager Program*	2/7/2013	25,000,000	7,533,946	449,680	7,045,030	0.99x	N/A
2013	Carlyle Partners VI, L.P.	7/3/2013	20,000,000	6,247,329	169,303	5,920,150	0.97x	NM
2013	Carlyle Partners VI, L.P. (Side Car)	9/23/2014	2,200,000	485,899	-	449,271	0.92x	NM
2013	Landmark Equity Partners XV, L.P.	10/30/2013	26,000,000	5,253,991	79,016	6,300,921	1.21x	NM
2013	Landmark - NYC Fund I, L.P.	12/24/2013	9,000,000	3,773,738	-	4,113,981	1.09x	NM
2013	Apollo Investment Fund VIII, L.P.	12/11/2013	40,000,000	5,315,857	58,173	4,996,381	0.95x	NM
2013	CVC Capital Partners VI, L.P.	2/18/2014	33,706,417	3,263,819	236,858	2,169,852	0.74x	NM
2013	Crestview Partners III, L.P.	3/3/2015	24,000,000	2,121,855	66,068	1,921,612	0.94x	NM
2013	Crestview Partners III (Co-Investment B), L.P.	N/A	8,000,000	-	-	-	-	N/A
2014	Olympus Growth Fund VI, L.P.	1/24/2014	15,000,000	1,846,768	8,218	2,159,863	1.17x	NM
2014	ASF VI B L.P.	5/9/2014	30,000,000	8,404,889	-	10,374,307	1.23x	NM
2014	ASF VI B NYC Co-Invest L.P.	5/9/2014	10,000,000	5,840,326	-	6,702,591	1.15x	NM
2014	Vista Equity Partners Fund V, L.P.	9/8/2014	40,000,000	15,958,830	3,118	15,444,147	0.97x	NM

**New York City Fire Department Pension Fund, Subchapter 2**  
**Private Equity Portfolio**  
**As of March 31, 2015 (in USD)**

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
2014	Lexington Capital Partners VIII, L.P.	1/8/2015	40,000,000	2,800,000	-	4,495,909	1.61x	NM
2014	Centerbridge Capital Partners III, L.P.	5/21/2015	4,200,000	-	-	-	-	NM
2015	Siris Partners III, L.P.	5/4/2015	5,500,000	-	-	-	-	NM
2015	American Securities Partners VII, L.P.	N/A	14,000,000	-	-	-	-	N/A
<b>Total Portfolio<sup>1</sup></b>			<b>\$ 1,513,684,987</b>	<b>\$ 1,185,606,909</b>	<b>\$ 872,621,464</b>	<b>\$ 762,768,853</b>	<b>1.38x</b>	<b>11.0%</b>

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR
<b>Commitments Closed Subsequent to as of Date</b>								
2015	Patriot Financial Partners II, L.P.	7/21/2015	1,300,000	-	-	-	N/A	N/A
2015	Valor Equity Partners III, L.P.	8/19/2015	1,500,000	-	-	-	N/A	N/A
2015	Welsh, Carson, Anderson & Stowe XII, L.P.	8/26/2015	14,000,000	-	-	-	N/A	N/A
2015	Bridgepoint Europe V	N/A	11,047,900	-	-	-	N/A	N/A
2015	Bridgepoint Europe V Co-Invest	N/A	3,314,370	-	-	-	N/A	N/A
2015	EQT VII, L.P.	N/A	27,619,750	-	-	-	N/A	N/A
<b>Total Commitments Closed Subsequent to as of Date</b>			<b>\$ 58,782,020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>	<b>N/A</b>

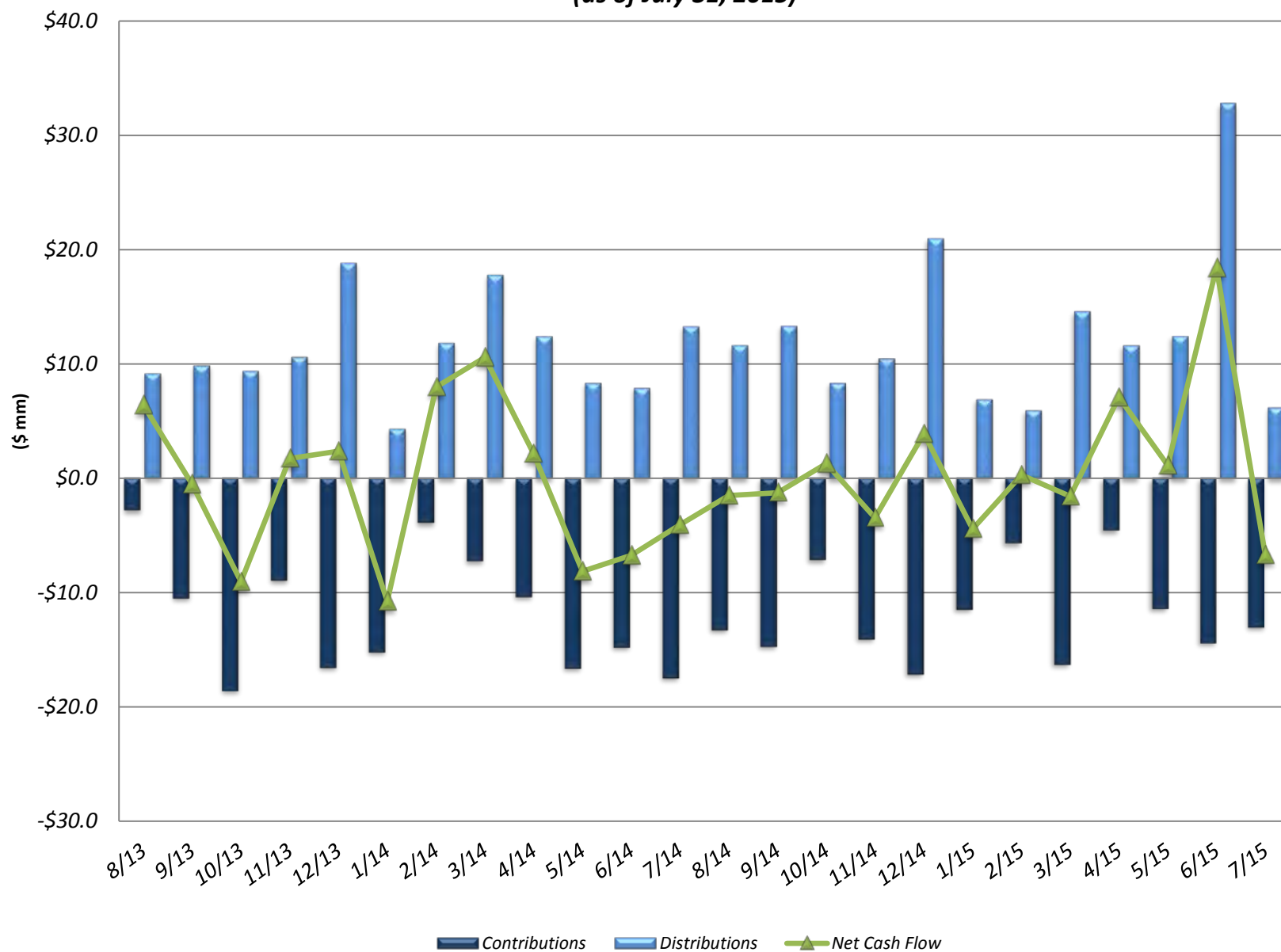
\*Please note that the NYCFDPF - 2012 Emerging Manager Program total commitment amount includes the full amount allocated to the Program, of which \$23.7 million has been committed as of August 25, 2015.

<sup>1</sup> Total Portfolio includes liquidated investments.

Note: IRRs presented are interim estimates and may not be indicative of the ultimate performance of fund investments due to a number of factors, such as the lack of industry valuation standards and the differences in the investment pace and strategy of various funds. Until a fund is liquidated, typically over 10 to 12 years, the IRR is only an interim estimated return. The IRR calculated in early years of a fund is not meaningful given the J-curve effect. The actual IRR performance of any fund is not known until all capital contributed and earnings have been distributed to the investor. The IRRs contained in this report are calculated by StepStone Group LP ("StepStone"), a consultant to the New York City Fire Department Pension Fund, Subchapter 2, based on information provided by the general partners (e.g. cash flows and valuations). The IRR calculations and other information contained in this report have not been reviewed or confirmed by the general partners. The result of the IRR calculation may differ from that generated by the general partner or other limited partners. Differences in IRR calculations can be affected by cash-flow timing, the accounting treatment of carried interest, fund management fees, advisory fees, organizational fees, other fund expenses, sale of distributed stock, and valuations.



**NYC Fire Monthly PE Cash Flow Summary**  
**(as of July 31, 2015)**





## 1Q2015 Fire Retirement System of the City of New York

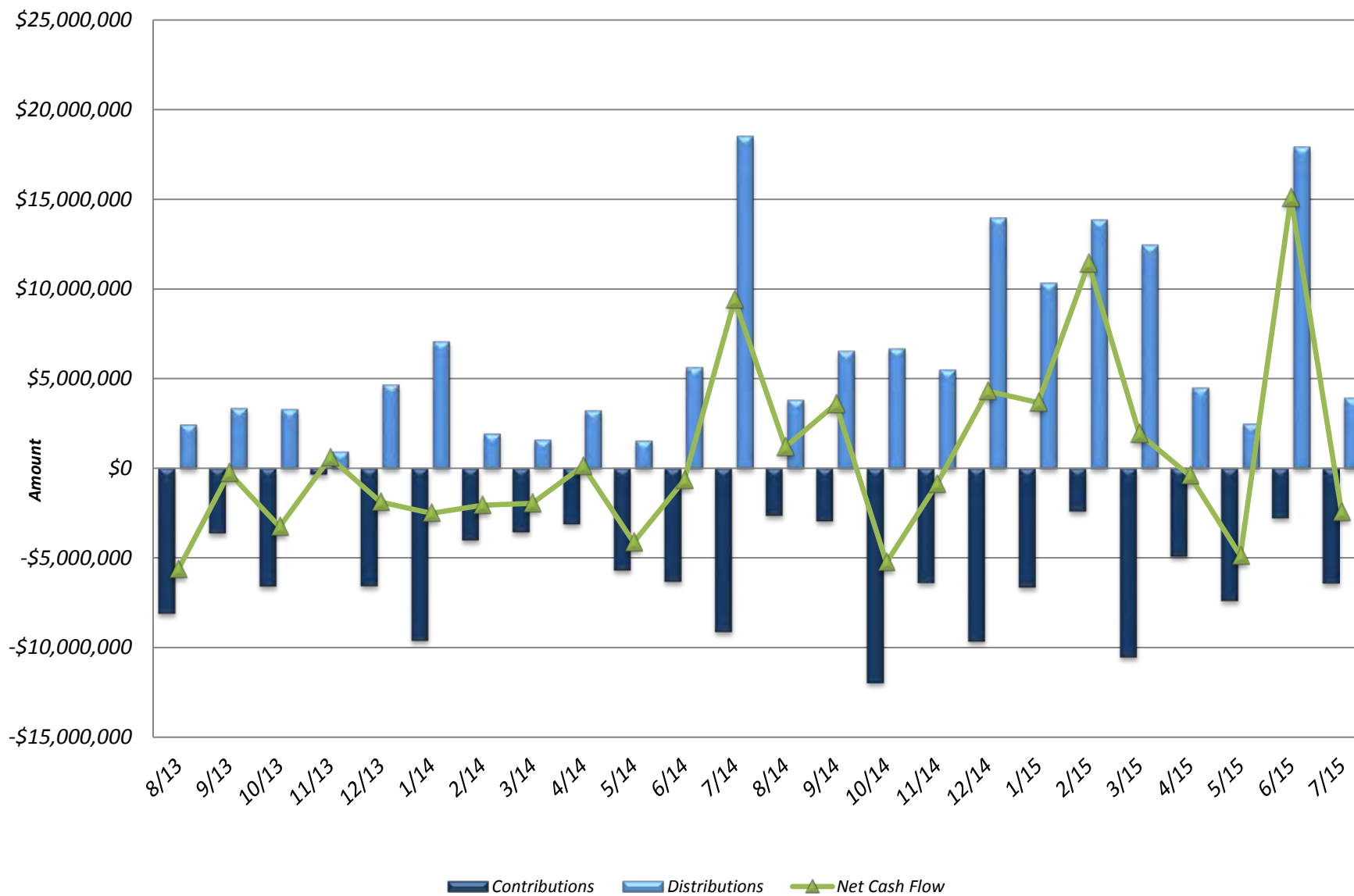
Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2006	UBS Trumbull Property Fund	9/28/2006	\$27,000,000	\$33,148,819	(\$4,893,898)	\$39,000,012	1.3	7.1%
2006	RREEF America REIT II	10/1/2006	\$7,000,000	\$9,178,399	(\$3,536,509)	\$8,245,297	1.3	3.9%
2006	PRISA SA	9/29/2006	\$7,000,000	\$7,456,180	(\$1,381,374)	\$8,244,409	1.3	3.3%
2006	Prologis Targeted U.S. Logistics Fund	10/1/2006	\$5,000,000	\$6,160,453	(\$1,212,500)	\$5,309,181	1.1	0.8%
2007	JP Morgan Strategic Property Fund	12/5/2006	\$22,000,000	\$23,415,656	\$0	\$36,505,126	1.6	8.5%
2007	PRISA II	6/30/2007	\$20,228,233	\$21,256,728	(\$3,004,616)	\$23,779,871	1.3	3.7%
2007	Heitman HART	3/29/2007	\$9,000,000	\$11,742,056	(\$2,742,056)	\$14,255,702	1.4	7.3%
2007	JP Morgan Special Situation Property Fund	1/2/2007	\$5,000,000	\$5,594,576	(\$1,173,232)	\$5,367,983	1.2	2.2%
2007	Colony Realty Partners II	12/20/2006	\$5,000,000	\$5,355,052	(\$166,526)	\$1,694,500	0.3	-13.6%
2007	RREEF America REIT III - 1410	10/1/2007	\$5,000,000	\$5,000,000	(\$1,676,716)	\$1,126,180	0.6	-8.1%
2010	LaSalle Property Fund	7/1/2010	\$30,000,000	\$29,473,523	(\$4,060,069)	\$36,380,958	1.4	12.3%
2013	NYC Asset Investor #2 LLC - Related	7/9/2013	\$9,000,000	\$4,125,784	(\$109,655)	\$4,655,700	1.2	15.2%
2014	MetLife Core Property Fund	7/1/2014	\$15,000,000	\$10,465,117	(\$227,936)	\$10,901,669	1.1	21.1%
<b>Core / Core Plus Portfolio</b>			<b>\$166,228,233</b>	<b>\$172,372,342</b>	<b>(\$24,185,087)</b>	<b>\$195,466,590</b>	<b>1.3</b>	<b>5.1%</b>
2003	Canyon Johnson Urban Fund	12/6/2002	\$10,000,000	\$9,060,242	(\$10,582,954)	\$0	1.2	10.2%
2004	The City Investment Fund I	3/16/2004	\$35,000,000	\$34,515,181	(\$32,693,962)	\$2,602,930	1.0	0.5%
2004	Blackstone Fund IV	5/10/2004	\$5,000,000	\$6,406,782	(\$6,757,749)	\$2,451,375	1.4	11.8%
2005	Canyon Johnson Urban Fund II	5/11/2005	\$10,000,000	\$8,988,710	(\$1,931,982)	\$2,759,296	0.5	-9.0%
2007	Blackstone Real Estate Partners VI	9/27/2007	\$10,000,000	\$11,009,723	(\$11,682,628)	\$9,918,673	2.0	14.8%
2007	Colony Investors VIII	9/18/2007	\$20,000,000	\$21,249,679	(\$4,626,573)	\$6,523,550	0.5	-11.0%
2007	Metropolitan Workforce Housing Fund	7/13/2007	\$3,500,000	\$3,503,257	(\$1,452,338)	\$2,368,236	1.1	2.2%
2007	Carlyle Realty Partners V	8/27/2007	\$5,000,000	\$6,204,374	(\$6,306,231)	\$1,969,733	1.3	8.2%
2008	Stockbridge Real Estate Fund III	9/9/2008	\$13,500,000	\$13,142,674	\$0	\$19,486,575	1.5	9.2%
2008	AREA European Real Estate Fund III, LP	5/6/2008	\$15,000,000	\$15,243,750	(\$11,802,500)	\$6,194,084	1.2	4.6%
2008	AG Realty Fund VII	5/20/2008	\$15,000,000	\$14,100,000	(\$16,837,500)	\$4,830,533	1.5	14.1%
2008	ARA Asia Dragon Fund	7/9/2008	\$10,000,000	\$9,284,000	(\$9,757,344)	\$2,681,855	1.3	8.4%
2008	American Value Partners Fund I	10/18/2007	\$5,000,000	\$3,773,989	(\$1,590,428)	\$2,192,064	1.0	0.1%
2008	Silverpeak Legacy Partners III (Lehman)	5/28/2008	\$5,000,000	\$2,216,844	(\$192,072)	\$708,021	0.4	-13.9%
2009	Thor Urban Property Fund II	10/30/2008	\$5,000,000	\$6,469,583	(\$3,208,793)	\$5,188,957	1.3	10.3%
2009	Walton Street Real Estate Fund VI	4/27/2009	\$5,000,000	\$4,432,393	(\$2,407,558)	\$4,027,272	1.5	10.6%
2009	Carbon Capital III	7/2/2009	\$10,000,000	\$10,378,522	(\$12,722,879)	\$0	1.2	8.5%
2010	Blackstone Real Estate Partners Europe III	10/24/2008	\$5,000,000	\$4,990,046	(\$2,219,016)	\$4,486,358	1.3	13.3%
2010	Canyon Johnson Urban Fund III	3/29/2010	\$5,000,000	\$4,931,163	(\$3,093,984)	\$3,450,158	1.3	12.3%
2010	Westbrook Real Estate Fund VIII	12/28/2009	\$5,000,000	\$5,902,512	(\$5,360,707)	\$2,299,303	1.3	13.3%
2011	Carlyle Realty Partners VI	9/14/2011	\$20,000,000	\$17,044,034	(\$10,232,376)	\$14,883,388	1.5	28.2%
2011	H/2 Special Opportunities Fund II	1/31/2011	\$10,000,000	\$10,000,001	(\$4,390,315)	\$8,940,147	1.3	18.5%
2012	Blackstone Real Estate Partners VII	3/31/2012	\$30,000,000	\$30,770,280	(\$15,520,654)	\$28,774,855	1.4	26.9%
2012	Brookfield Strategic Real Estate Partners	9/20/2012	\$15,000,000	\$14,924,653	(\$2,855,890)	\$14,524,279	1.2	15.9%
2012	Divco West Fund III	12/30/2011	\$30,000,000	\$29,429,127	(\$36,937,155)	\$11,684,916	1.7	26.9%
2012	Taconic New York City Investment Fund LP	7/5/2012	\$20,000,000	\$8,272,728	(\$181,818)	\$11,106,924	1.4	15.1%
2013	KTR Industrial Fund III	6/28/2013	\$10,000,000	\$4,369,869	(\$108,869)	\$6,912,308	1.6	49.6%
2013	NYC Asset Investor #1 LLC - Emmes	6/25/2013	\$5,000,000	\$3,725,573	(\$190,960)	\$4,020,871	1.1	19.8%
2013	NYC Asset Investor #3 LLC - Hudson	9/20/2013	\$6,000,000	\$909,995	\$0	\$964,125	1.1	6.6%
2014	Divco West Fund IV	1/15/2014	\$30,000,000	\$24,576,734	\$0	\$27,218,807	1.1	19.4%
2014	Lone Star Real Estate Fund III	5/20/2014	\$25,000,000	\$13,117,329	(\$1,330,541)	\$12,601,834	1.1	13.0%
2014	Blackstone Real Estate Partners Europe IV	12/23/2013	\$26,000,000	\$11,624,862	(\$1,170,461)	\$9,926,174	1.0	-6.6%
2014	Carlyle Realty Partners VII	6/30/2014	\$15,000,000	\$1,927,467	\$0	\$1,731,930	0.9	-48.8%
2015	H/2 Special Opportunities Fund III	12/29/2014	\$15,000,000	\$1,752,882	\$0	\$2,004,628	1.1	163.5%
<b>Non Core and Emerging Manager Portfolio</b>			<b>\$454,000,000</b>	<b>\$368,248,958</b>	<b>(\$218,146,237)</b>	<b>\$239,434,160</b>	<b>1.2</b>	<b>7.8%</b>
<b>New York City Fire Department Pension Fund</b>			<b>\$620,228,233</b>	<b>\$540,621,300</b>	<b>(\$242,331,325)</b>	<b>\$434,900,750</b>	<b>1.3</b>	<b>6.6%</b>

## Funds Closed Subsequent to Quarter

Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions
2015	Jamestown Premier Property Fund		\$8,000,000	-
2015	Blackstone RE Partners VIII		\$31,500,000	-
2015	NYC/Artemis Co-investment Program		\$11,000,000	-
2015	Avanath Affordable Housing Fund II		\$3,000,000	-
<b>Grand Total</b>			<b>\$53,500,000</b>	

Source: PGC historical cash flow data. TTG cash flow data from Fund Managers, effective 2005. Note: The equity multiples and IRRs contained in this report are interim calculations based upon information provided by the investment managers of the New York City Retirement Systems, including cash flows and quarterly unaudited, or audited, valuations. The IRR calculated in early years of a fund life is not meaningful given the J-curve effect and can be significantly impacted by the timing of cash flows, investment strategy, investment pacing, and fund life. The calculations are not necessarily indicative of total fund performance, which can only be determined after the fund is liquidated and all capital contributed and earnings have been distributed to the investor. All data supplied is as of December 31, 2014. Note: The General Partner of the JPMorgan Urban Renaissance Fund terminated the Fund on February 23, 2010 and all capital contributed, including management fees, was returned to investors.

### Fire Monthly Real Estate Cash Flow Summary

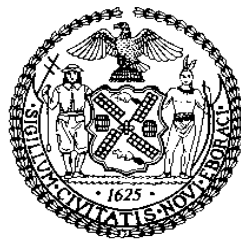


### III. Trustee Education (Corporate Governance & Responsible Investing Overview):

# New York City Fire Department Pension Fund

Corporate Governance and Responsible Investment  
Bureau of Asset Management

## Program Overview



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER

September 16, 2015

# Corporate Governance and Responsible Investment

- Fulfill fiduciary duty to vote NYC Pension Funds' domestic proxies
  - 3,500 shareowner meetings per year (30,000+ individual ballot items)
- Protect and create long-term shareowner value through active ownership
  - Strengthen corporate governance and promote sustainable business practices
- Primary Responsibilities
  - Proxy voting policies and implementation
  - Portfolio company engagement – routine and through shareowner initiatives
  - Institutional investor collaboration – formal and informal
  - Regulatory engagement and advocacy
  - Additional responsible investment activities
- Eight-member team
  - New Director of Strategy and Corporate Engagement adds senior staff capacity

# Why it Matters?

## NYC Funds are long-term investors

- Investment time horizon
- Investment strategy
- Can't exercise "The Wall Street Walk"
- Corporate governance & sustainability become paramount
- The goal: manage risk and create long-term value
- Diverse set of engagement approaches and tools

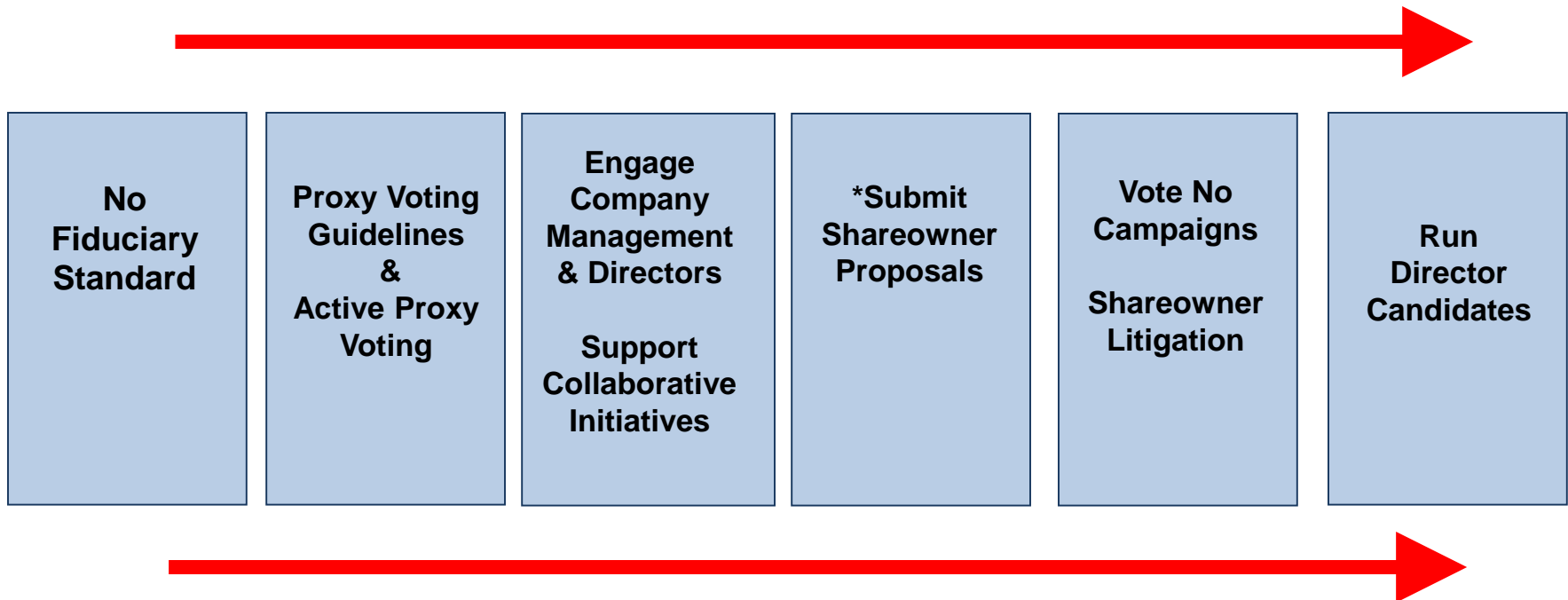
# Key Issues and Themes

- Board of directors: independence, accountability & diversity/quality
- Executive pay
- Workforce diversity
- Worker and human rights risks
- Climate change
- Environmental risk
- Corporate political spending



# Active Ownership

## Continuum of U.S. pension fund activism



*\*NYC Funds are among the most active shareowner proposal proponents in the U.S.*

# Leadership and Collaboration

## NYC has a long and proud history

- Council of Institutional Investors (1985)
- CERES (1989)
- 25-year history of spearheading individual reforms
  - e.g. McBride principles, sexual non-discrimination
- Active participant in ongoing investor collaborations
  - Human Capital Working Group
  - Carbon Asset Risk Initiative
- Boardroom Accountability Project (launched fall 2014)
  - Proxy access campaign among the most successful and impactful effort to date

# Boardroom Accountability Project

## Full update at upcoming Proxy Committee meeting

**"Shareholders Gain Greater Sway Over Boards,"**

*Wall Street Journal Blog, May 22, 2015*

**"The Surprisingly Successful Push to Make Corporate America More Democratic,"**

*Think Progress, May 17, 2015*

**"An Early Victor From Proxy Season: NYC's Pensions,"**

*Wall Street Journal Blog, May 22, 2015*

**"Chevron shareholders support proxy-access proposal; near majority at Exxon Mobil"**

*Pensions & Investments, May 27, 2015*

**"City Comptroller Reaches Deals With 5 Companies on Giving Shareholders Say on Directors,"** *New York Times, March 10, 2015*

**"Bank of America adopts proxy access after discussions with 3 major pension funds,"**

*Pensions & Investments, March 20, 2015*

# Other Responsible Investment Activities

## Serve as a resource to BAM and Trustees

- Responsible investment surveys
  - e.g. Asset Owner Disclosure Project (AODP), UN Principles for Responsible Investment (PRI)
- Responsible Contractor Policy (RCP)
  - Working with BAM staff to assess and benchmark existing policy with peer best practice
  - Updating RCP can (1) mitigate investment and reputational risk by defining expectations of fund managers for labor law compliance and provision of fair wages & benefits and (2) provide roadmap for stakeholder roles under policy
- Investment manager ESG questionnaire
  - Objective is to assess policies and practices with respect to analyzing ESG risks
  - Work with BAM staff to review and evaluate responses

#### IV. Asset Allocation Update:

## APPENDICES:

Basket Clause

## FIRE - BASKET/NON BASKET SUMMARY

As of July 31st, 2015

	Adjusted Fund Policy			Fund Actual (PE & RE on an invested basis)		
<u>Equity</u>	<u>Non Basket*</u>	<u>Basket*</u>	<u>Total</u>	<u>Non Basket*</u>	<u>Basket*</u>	<u>Total</u>
Domestic Equity	30.3%	0.0%	30.3%	30.9%	0.0%	30.9%
Non-U.S. Equity	10.0%	6.6%	16.6%	10.0%	6.0%	16.0%
Private Equity	0.0%	6.8%	6.8%	0.0%	6.8%	6.8%
Real Assets	4.2%	0.0%	4.2%	4.2%	0.0%	4.2%
REITS	2.8%	0.2%	3.0%	3.1%	0.2%	3.3%
Hedge Funds	0.0%	3.6%	3.6%	0.0%	3.6%	3.6%
<b>Total Equity</b>	<b>47.2%</b>	<b>17.1%</b>	<b>64.4%</b>	<b>48.2%</b>	<b>16.6%</b>	<b>64.8%</b>
<u>Fixed Income</u>						
Core+5	21.3%	0.5%	21.8%	18.6%	0.5%	19.1%
<i>U.S. Gov't Sector</i>	<i>4.5%</i>	<i>0.0%</i>	<i>4.5%</i>	<i>2.1%</i>	<i>0.0%</i>	<i>2.1%</i>
<i>Mortgage Sector</i>	<i>7.9%</i>	<i>0.0%</i>	<i>7.9%</i>	<i>7.5%</i>	<i>0.0%</i>	<i>7.5%</i>
<i>Credit Sector</i>	<i>9.0%</i>	<i>0.5%</i>	<i>9.5%</i>	<i>8.4%</i>	<i>0.5%</i>	<i>8.9%</i>
High Yield	2.8%	0.7%	3.5%	3.0%	0.7%	3.7%
Bank Loans	0.0%	1.7%	1.7%	0.0%	1.7%	1.7%
TIPS	4.5%	0.5%	5.0%	2.5%	0.3%	2.7%
Convertibles	1.0%	0.0%	1.0%	0.5%	0.0%	0.5%
Opportunistic	0.0%	2.6%	2.6%	0.0%	2.6%	2.6%
Other Fixed Income	0.0%	0.0%	0.0%	4.9%	0.0%	4.9%
<b>Total Fixed Income</b>	<b>29.6%</b>	<b>6.0%</b>	<b>35.6%</b>	<b>29.5%</b>	<b>5.8%</b>	<b>35.3%</b>
<b>Total Fund</b>	<b>76.9%</b>	<b>23.1%</b>	<b>100.0%</b>	<b>77.6%</b>	<b>22.4%</b>	<b>100.0%</b>
<b>Remaining Capacity</b>		1.9%			2.6%	



## Liquidity Analysis

# FIRE Liquidity Profile - Static Analysis

8/28/15

AUM as of July 31, 2015

	Current MV	Liquid Assets		
		Today	1 Year	2 Years
Domestic Equity	\$3,396	\$3,396	\$3,396	\$3,396
International Equity	1,120	1,120	1,120	1,120
Emerging Markets	641	641	641	641
Hedge Funds	394	0	325	342
REITS	358	358	358	358
Private Equity	745	0	0	0
Private Real Estate	456	0	0	0
Core + 5	2,101	2,101	2,101	2,101
TIPS	301	301	301	301
Opportunistic Fixed Income	285	213	285	285
Enhanced Yield	409	409	409	409
Bank Loans	183	183	183	183
Convertible Bonds	54	54	54	54
ETI	74	20	62	62
Cash	459	459	459	459
<b>Total Assets</b>	<b>\$10,976</b>	<b>\$9,255</b>	<b>\$9,694</b>	<b>\$9,711</b>
<b>Total Illiquid \$</b>		<b>\$1,721</b>	<b>\$1,282</b>	<b>\$1,265</b>
<b>Total Illiquid %</b>		<b>15.7%</b>	<b>11.7%</b>	<b>11.5%</b>
Unfunded PE Commitments	\$504			
Unfunded RE Commitments	179			
Unfunded OFI Commitments	74			
<b>Total commitments \$</b>	<b>\$757</b>			
<b>Total commitments %</b>	<b>6.9%</b>			

## FIRE Liquidity Profile - Static Analysis

8/28/15

AUM as of July 31, 2015

### Denominator Effect - Decrease AUM by One-Third

<b>Total Illiquid \$</b>	\$1,721	\$1,282	\$1,265
<b>Total Illiquid %</b>	23.5%	17.5%	17.3%

Note: Assumes zero realizations, no new commitments and a five-year investment period; funded out of liquids

	Current MV	Liquid Assets		
		Today	1 Year	2 Years
<b>Total Assets</b>	<b>\$10,976</b>	<b>\$9,255</b>	<b>\$9,694</b>	<b>\$9,711</b>

### Private Equity, Real Estate and Opportunistic Fixed Income Stress Case

Unfunded PE Commitments Drawn	\$101	\$202
Unfunded RE Commitments Drawn	36	72
Unfunded OFI Commitments Drawn	37	0
<b>Total commitments \$</b>	<b>\$174</b>	<b>\$273</b>
<b>Total commitments %</b>	<b>1.6%</b>	<b>2.5%</b>

<b>Total Illiquid \$</b>	\$1,456	\$1,538
<b>Total Illiquid %</b>	13.3%	14.0%

Note: Assumes zero realizations, no new commitments and a five-year investment period; funded out of liquids

### Denominator Effect - Decrease AUM by One-Third

<b>Total Illiquid \$</b>	\$1,721	\$1,456	\$1,538
<b>Total Illiquid %</b>	23.5%	19.9%	21.0%

Note: Assumes zero realizations, no new commitments and a five-year investment period; funded out of liquids