

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

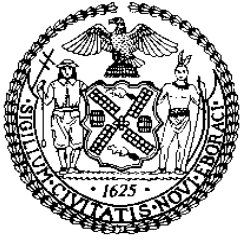
DATE: March 9, 2016

RE: **NEW YORK CITY FIRE DEPARTMENT PENSION FUND INVESTMENT MEETING – MARCH 16, 2016**

Enclosed is a copy of the public meeting materials for the March 16, 2016 Common Investment Meeting.

The meeting will be held at our location, New York City Comptroller's Office, 1 Centre Street, 10th Floor – Northside, New York, NY 10007 (beginning at 9:00am).

If you have questions about any 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

COMMON INVESTMENT MEETING

MARCH 16, 2016

LOCATION:

Office of the New York City Comptroller
1 Centre Street, 10th Floor - Northside
New York, NY 10007

NEW YORK CITY FIRE DEPARTMENT PENSION FUND

(CIM) COMMON INVESTMENT MEETING

MARCH 16, 2016

PUBLIC AGENDA MATERIALS

	<u>Page</u>
I. <u>Performance Reporting:</u>	
• Total Fund Performance Overview (Material to be sent under separate cover)	---
• ETI Quarterly Report – December 31, 2015	5
• Private Equity Quarterly Report – September 30, 2015	12
• Real Assets Quarterly Report – September 30, 2015	41
II. Trustee Education/Risk Report	68
III. BAM Strategic Plan Implementation Update (Handout)	---

APPENDICES:

• Basket Clause	85
• Liquidity Analysis	87

PUBLIC AGENDA MATERIALS:

Performance Reporting:

- ETI Quarterly Report:

FIRE Pension Fund - Economically Targeted Investments Quarterly Report

Public/Private Apartment Rehabilitation Program (PPAR)

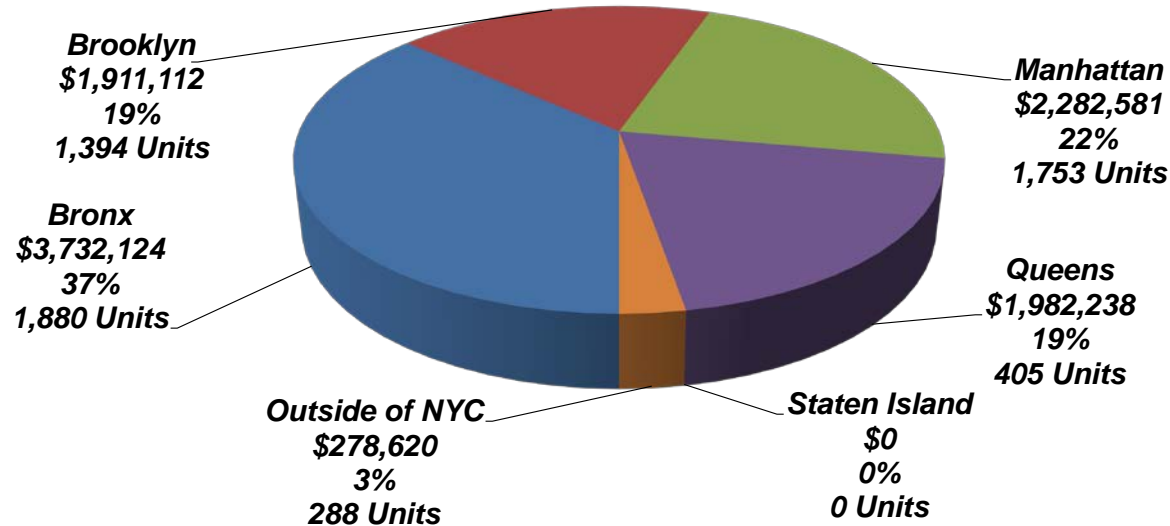
Lenders*	BOA		CCD		CFSB		CPC		JPM		LIIF		NCBCI		NHS		WF		LISC		BE	
Contractual Commitment	\$11.00 MM		\$6.00 MM		\$1.00 MM		\$6.00 MM		\$10.00 MM		\$6.00 MM		\$1.00 MM		\$1.00 MM		\$3.00 MM		\$7.00 MM		\$7.00 MM	
Current Market Value	\$2.55 MM		\$2.41 MM		\$0.42 MM		\$1.58 MM		\$2.31 MM		\$1.12 MM		\$0.30 MM		\$0.00 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	Dollars	Units
Commitments 4Q 15 (included in total)																						
Bronx	\$140,000	90	\$0	0	\$0	0	\$66,978	185	\$20,431	128	\$0	0	\$0	0	\$0	0	\$0	0	\$749,487	48	\$0	0
Brooklyn	0	0	735,018	111	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,458,115	359
Manhattan	0	0	0	0	0	0	0	0	0	0	401,760	92	0	0	0	0	141,802	100	0	0	0	0
Queens	0	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	0	
Outside of NYC	0	0	0	0	0	0	12,050	23	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total	\$140,000	90	\$735,018	111	\$0	0	\$79,028	208	\$20,431	128	\$401,760	92	\$0	0	\$0	0	\$141,802	100	\$749,487	48	\$1,458,115	359
Delivered 4Q 15 (included in total)																						
Bronx	\$0	0	\$0	0	\$0	0	\$8,309	42	\$644,380	188	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	0	0	0	0	0	0	33,007	57	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manhattan	0	0	0	0	0	0	0	0	50,700	72	0	0	0	0	0	0	0	0	0	0	0	0
Queens	0	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	0	
Outside of NYC	0	0	0	0	0	0	98,490	50	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total	\$0	0	\$0	0	\$0	0	\$139,806	149	\$695,080	260	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Total Commitments																						
Bronx	\$140,000	90	\$733,224	193	\$0	0	\$578,056	1,096	\$2,770,880	1,116	\$239,200	74	\$0	0	\$0	0	\$0	0	\$749,487	48	\$0	0
Brooklyn	1,744,578	400	865,218	161	0	0	504,729	933	186,200	127	1,014,397	251	0	0	0	0	0	0	0	0	1,458,115	359
Manhattan	784,000	100	0	0	0	0	724,890	1,256	480,855	214	1,793,327	430	0	0	0	0	723,963	203	1,325,195	90	0	0
Queens	210,000	54	0	0	0	0	265,380	406	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	54,000	67	0	0	0	0
Outside of NYC	208,250	39	0	0	0	0	111,050	159	385,339	122	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$3,086,828	683	\$1,598,442	354	\$0	0	\$2,184,105	3,850	\$3,823,274	1,579	\$3,046,924	755	\$0	0	\$0	0	\$777,963	270	\$2,074,682	138	\$1,458,115	359
Historical Investments																						
Bronx	\$612,500	60	\$918,720	452	\$0	0	\$219,897	600	\$1,853,250	725	\$127,758	43	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	0	0	594,348	252	0	0	573,460	807	292,630	90	450,673	245	0	0	0	0	0	0	0	0	0	0
Manhattan	0	0	555,249	283	483,542	197	380,144	909	64,200	119	527,881	122	271,566	123	0	0	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	0	0
Staten Island	0	0	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	278,620	288	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$2,369,388	299	\$2,188,317	1,041	\$483,542	197	\$1,467,471	2,620	\$2,300,080	1,030	\$1,106,312	410	\$271,566	123	\$0	0	\$0	0	\$0	0	\$0	0
*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		Bellwether Enterprise	

FIRE Pension Fund - Economically Targeted Investments Quarterly Report

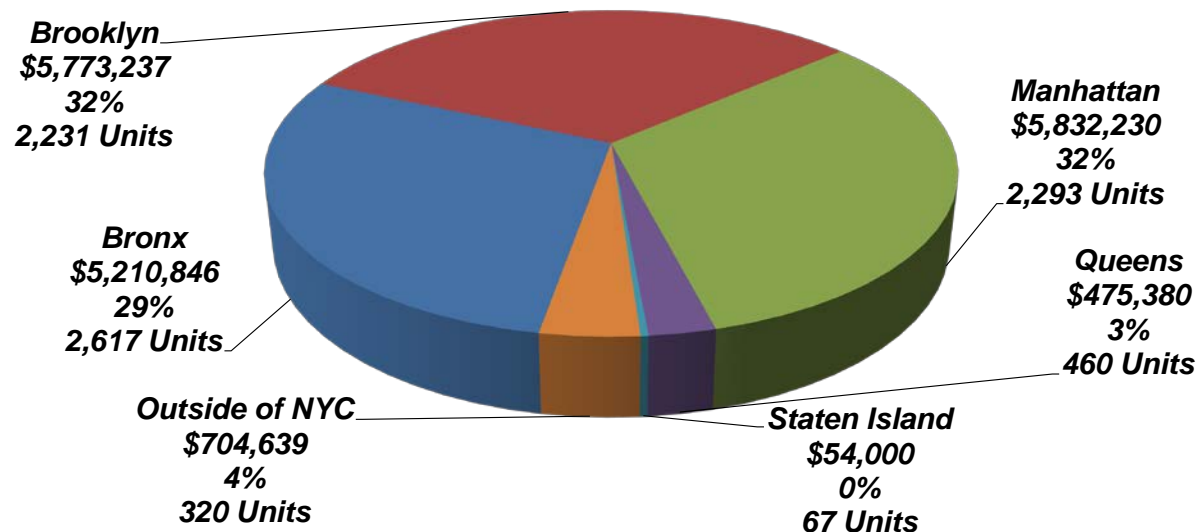
Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	All Lender Totals	
Contractual Commitment	\$59.00 MM	
Current Market Value	\$10.69 MM	
Commitments 4Q 15 (included in total)	Dollars	Units
Bronx	\$976,895	451
Brooklyn	2,193,133	470
Manhattan	543,562	192
Queens	0	0
Staten Island	0	0
Outside of NYC	12,050	23
Total	\$3,725,640	1,136
Delivered 4Q 15 (included in total)		
Bronx	\$652,689	230
Brooklyn	\$33,007	57
Manhattan	\$50,700	72
Queens	\$0	0
Staten Island	\$0	0
Outside of NYC	\$98,490	50
Total	\$834,886	409
Total Commitments		
Bronx	\$5,210,846	2,617
Brooklyn	5,773,237	2,231
Manhattan	5,832,230	2,293
Queens	475,380	460
Staten Island	54,000	67
Outside of NYC	704,639	320
Total	\$18,050,332	7,988
Historical Investments		
Bronx	\$3,732,124	1,880
Brooklyn	1,911,112	1,394
Manhattan	2,282,581	1,753
Queens	1,982,238	405
Staten Island	0	0
Outside of NYC	278,620	288
Total	\$10,186,675	5,720

Historical Investments Since Inception All PPAR Lenders



Current Commitments All PPAR Lenders



FIRE Pension Fund - Economically Targeted Investments Quarterly Report

AFL-CIO Housing Investment Trust (HIT)
Market Value \$52.73 million*
NYC Community Investment Initiative (NYCCII)

NYCCII Phase II 2006-2013 Multifamily Investments Detail

<u>Borough</u>	<u>4Q Investments</u>	<u>Investments Since Inception</u>	<u>4Q 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
Total	\$0	\$454,968,100	0	9,434

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

NYCCII Phase I 2002-2005

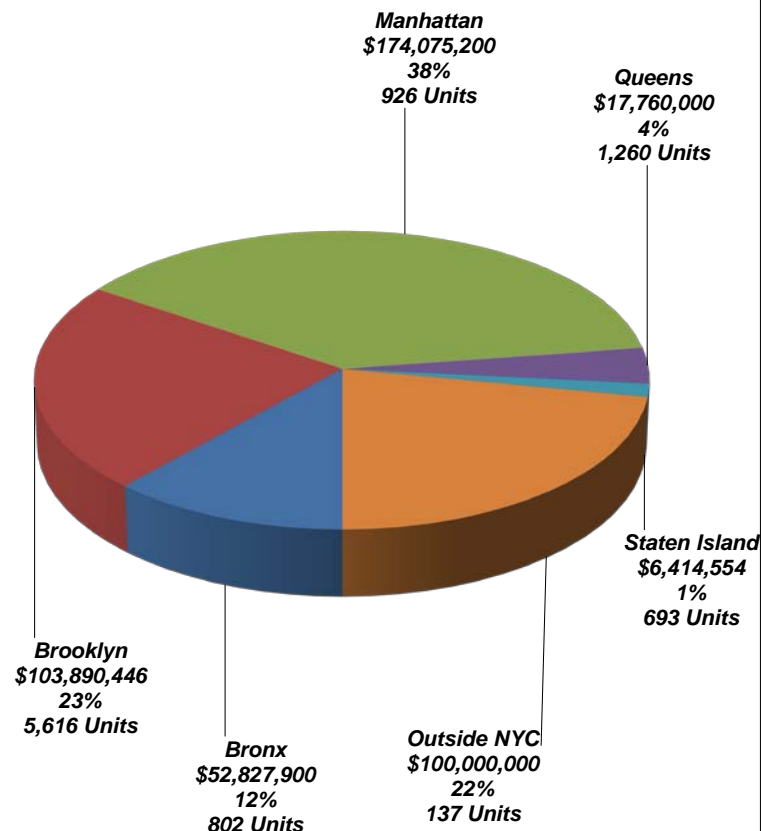
	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$249,123,500	12,337	n/a	n/a
HIT Home Investments	348,300,563	n/a	131	446
Total NYCCII Phase I	\$597,424,063	12,337	131	446

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
Grand Total NYCCII Phases I & II	\$3,603,991,100	21,771	131	446

*Interest is reinvested

HIT Multifamily Investments



FIRE Pension Fund - Economically Targeted Investments Quarterly Report

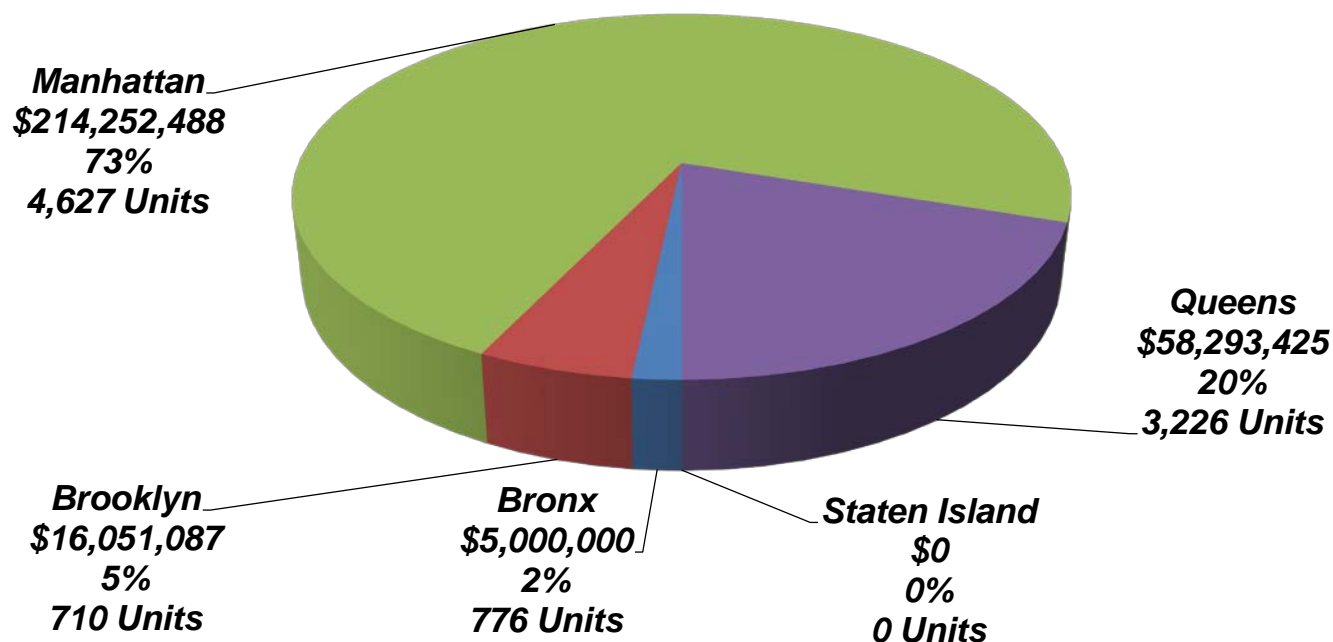
AFL-CIO Housing Investment Trust (HIT)
NYC Workforce Housing Initiative

Investments From 2009 Through Q4 2015

Workforce Investments Detail

<u>Borough</u>	<u>4Q Investments</u>	<u>Investments</u>	<u>4Q 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
Total	\$0	\$293,597,000	0	9,339

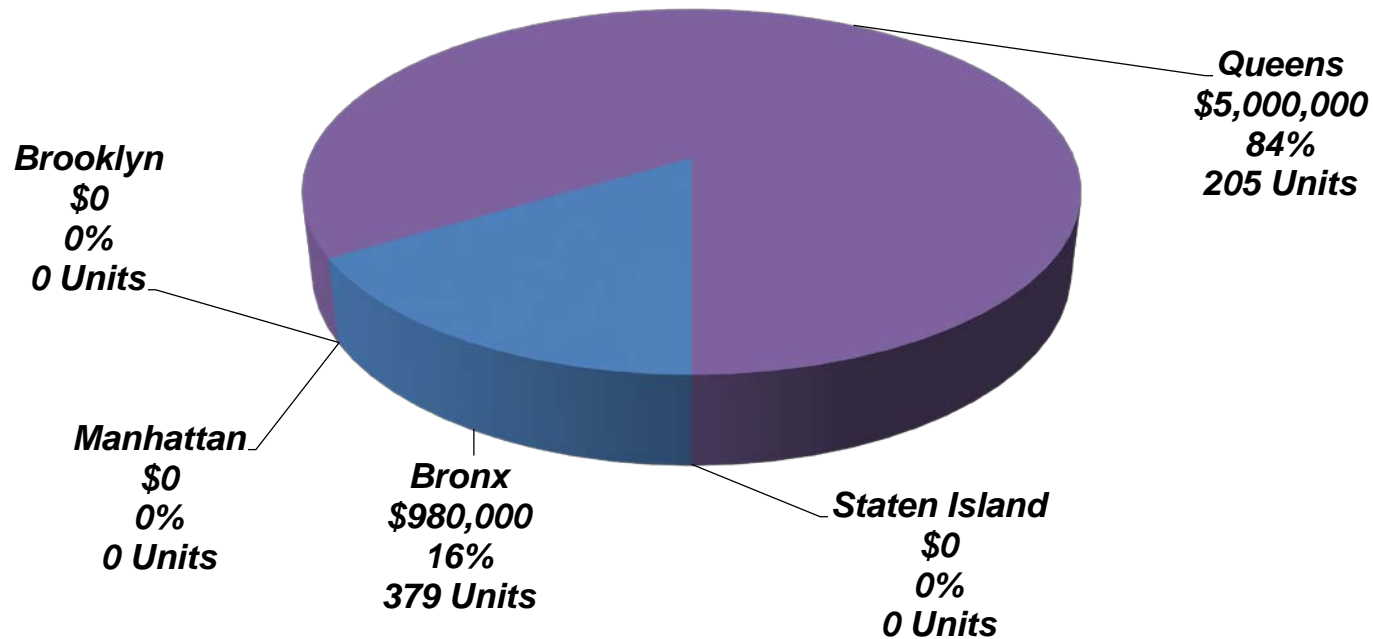
HIT Workforce Housing Initiative



FIRE Pension Fund - Economically Targeted Investments Quarterly Report

AFL-CIO Housing Investment Trust (HIT)				
HIT Housing Investment Strategy				
'Investments From Q4 2015 Through Q4 2015				
Housing Investment Strategy Detail				
<u>Borough</u>	<u>4Q Investments</u>	<u>Investments Since Inception</u>	<u>4Q Housing Units</u>	<u>Housing Units Since Inception</u>
Bronx	\$980,000	\$980,000	379	379
Brooklyn	0	0	0	0
Manhattan	0	0	0	0
Queens	5,000,000	5,000,000	205	205
Staten Island	0	0	0	0
Total	\$5,980,000	\$5,980,000	584	584

HIT Housing Investment Strategy



FIRE Pension Fund - Economically Targeted Investments Quarterly Report

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

\$19 million Allocated (6.33% of total account)

Market Value \$18.54 million

<u>Multifamily Investments Detail</u>	<u>\$ Invested¹</u>		<u>Units²</u>	
	<u>4Q</u>	<u>Total</u>	<u>4Q</u>	<u>Total</u>
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

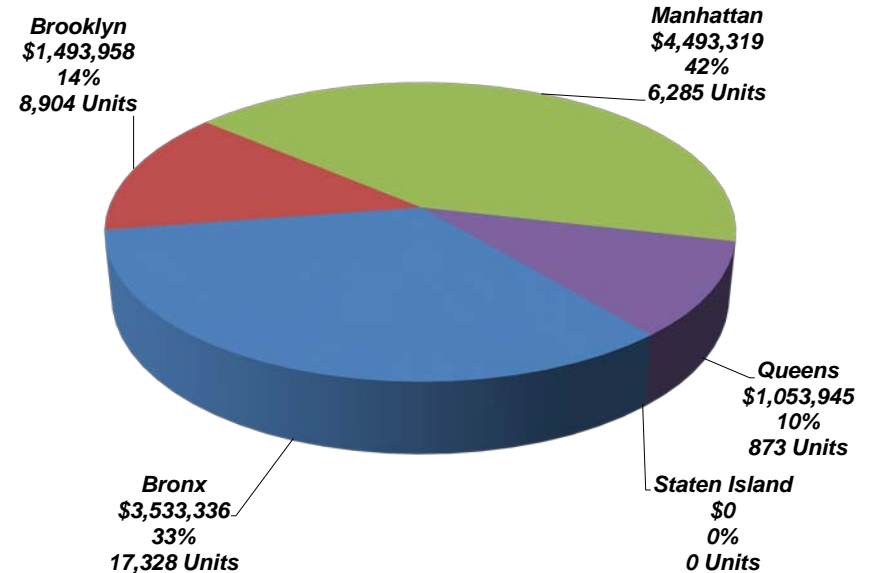
<u>Single Family Investments Detail</u>	<u>\$ Invested</u>		<u>Units</u>	
	<u>4Q</u>	<u>Total</u>	<u>4Q</u>	<u>Total</u>
Bronx	0	\$2,171,706	0	200
Brooklyn	0	\$6,188,199	0	501
Manhattan	0	\$540,532	0	39
Queens	0	\$8,919,574	0	654
Staten Island	0	\$4,987,366	0	371
Total FIRE Single Family Investments	0	\$22,807,377	0	1,765
Single Family Total All Systems	0	\$360,306,111	0	1,765

<u>Other Investments Detail</u>	<u>\$ Invested</u>		<u>Units</u>	
	<u>4Q</u>	<u>Total</u>	<u>4Q</u>	<u>Total</u>
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 FIRE	\$0	\$33,954,276		
Grand Total All Systems	\$0	\$536,402,470		

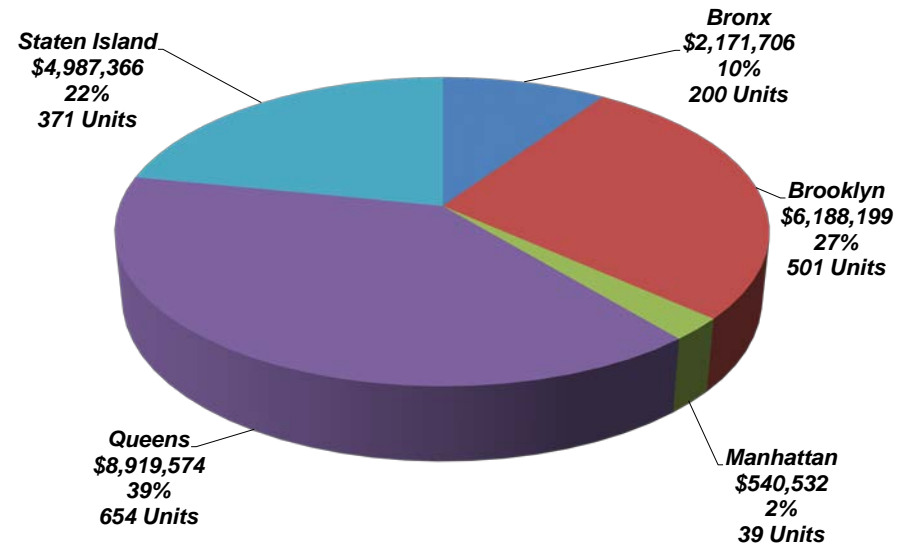
¹ Certain bond investment amounts are allocated pro rata across boroughs based upon unit count.

² If not indicated otherwise, superintendent units are allocated based on building size.

Access Multifamily Investments Since Inception FIRE



Access Single Family Investment Since Inception FIRE



- Private Equity Quarterly Report:



Private Equity Monitoring Report

For the period ended September 30, 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
Year to Date Cash Flow Activity.....	16
Quarterly 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 September 30, 2015, the Program has committed US\$1.6 billion to 181 partnership investments (the “Portfolio”). This quarterly monitoring report covers the performance of the Portfolio as of September 30, 2015 as well as significant activity that occurred during the third quarter of 2015.

Performance Summary

<i>US\$ in millions</i>	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Number of Managers	114	114	106	-	8
Number of Investments	181	180	168	1	13
Committed Capital ¹	\$1,569.8	\$1,541.8	\$1,486.0	\$28.0	\$83.9
Contributed Capital	\$1,252.8	\$1,215.8	\$1,113.9	\$37.0	\$138.8
Distributed Capital	\$957.2	\$929.6	\$805.2	\$27.6	\$152.0
Market Value	\$770.4	\$760.2	\$718.0	\$10.2	\$52.5
Total Value	\$1,727.6	\$1,689.8	\$1,523.1	\$37.9	\$204.5
Total Gain/(Loss)	\$474.9	\$474.0	\$409.2	\$0.9	\$65.7
Unfunded Commitment ²	\$474.4	\$481.1	\$516.1	(\$6.7)	(\$41.7)
Total Exposure ³	\$1,244.8	\$1,241.3	\$1,234.0	\$3.5	\$10.7
DPI ⁴	0.76x	0.76x	0.72x	0.00x	0.04x
TVM ⁵	1.38x	1.39x	1.37x	-0.01x	0.01x
IRR ⁶	10.7%	11.0%	10.9%	-28 bps	-17 bps
TVM Net of StepStone Fees ⁷	1.38x	1.39x	1.37x	-0.01x	0.01x
IRR Net of StepStone Fees ⁷	10.7%	11.0%	10.9%	-28 bps	-18 bps

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

² Unfunded Commitment represents the aggregate remaining commitments to partnership investments.

³ Total Exposure represents the sum of Market Value and Unfunded Commitment.

⁴ 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.

⁵ 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.

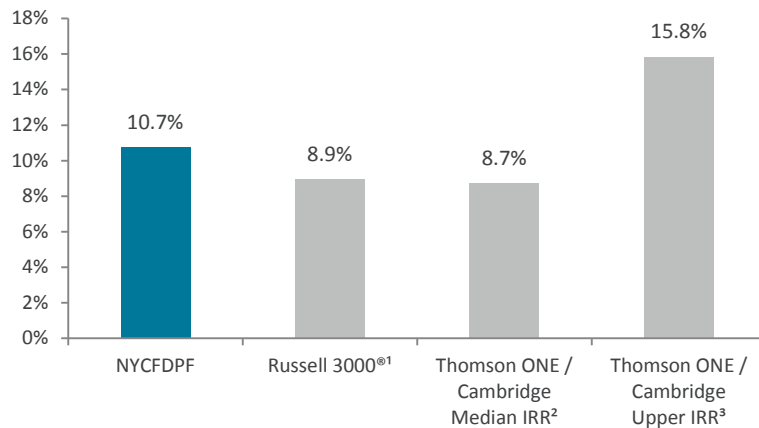
⁶ IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest.

⁷ 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® Index¹.

The following graph illustrates Portfolio IRR performance versus benchmarks as of September 30, 2015.



¹Benchmark is a dollar-weighted PME+ 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.

² 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 September 30, 2015 for funds with vintage years 1998 to 2015. Note: Thomson ONE/Cambridge data is continuously updated and is therefore subject to change.

³Benchmark 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 September 30, 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 September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
Buyout	\$456.7	59.3%	\$293.6	61.9%	\$750.4	60.3%
Growth Equity	94.3	12.2%	35.7	7.5%	130.0	10.4%
Special Situations	47.1	6.1%	27.1	5.7%	74.3	6.0%
Energy	20.0	2.6%	3.0	0.6%	23.0	1.8%
Secondaries	72.9	9.5%	87.7	18.5%	160.6	12.9%
Co-Investment	12.0	1.6%	22.4	4.7%	34.4	2.8%
Other	67.4	8.7%	4.8	1.0%	72.2	5.8%
Total	\$770.4	100.0%	\$474.4	100.0%	\$1,244.8	100.0%

By Fund Geographic Focus

As of September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
North America	\$550.7	71.5%	\$265.0	55.9%	\$815.6	65.5%
Global	148.5	19.3%	151.9	32.0%	300.4	24.1%
Western Europe	61.8	8.0%	57.1	12.0%	118.8	9.5%
Rest of World	9.5	1.2%	0.5	0.1%	10.0	0.8%
Total	\$770.4	100.0%	\$474.4	100.0%	\$1,244.8	100.0%

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

Global equities declined in the third quarter amid decelerating growth in China. In August, the People's Bank of China devalued the yuan relative to the dollar by 3% in an attempt to combat the country's economic slowdown. The yuan devaluation rattled investors and triggered a wave of volatility, with emerging markets experiencing the steepest declines. In September, the Federal Reserve opted to delay its much-anticipated rate hike, citing global economic risks, low inflation, and the strength of the US dollar as reasons to hold rates steady. Investors interpreted the delay as confirmation of the global economy's weakness. The S&P 500 Total Return Index declined 6.4% in the third quarter, erasing its gains for the year. Non-U.S. stocks suffered deeper declines due to weaker economic fundamentals. The MSCI Europe, MSCI Asia, and MSCI Emerging Markets indices declined 9.1%, 15.2%, and 18.5% during the quarter, respectively.

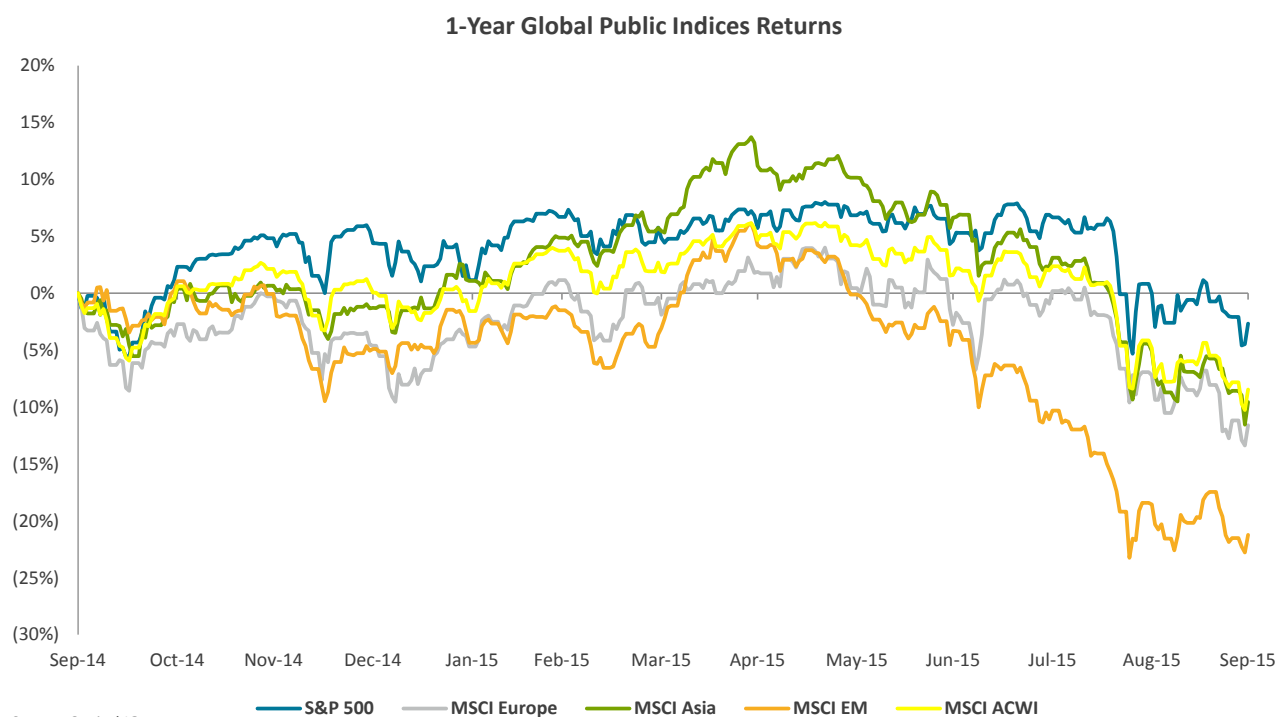
In private markets, US LBO debt volume totaled US\$22.5 billion in the third quarter, an 11% increase from the prior quarter, and above the 10-year quarterly average of US\$18.7 billion. According to data from S&P, purchase price multiples for US LBOs rose to 11.2x EBITDA in the third quarter, compared to the second quarter's multiple of 10.3x and the annual weighted multiple of 9.7x throughout 2014. The increase was driven by large deals for companies with EBITDA greater than US\$500 million, which accounted for 86% of the data. Average debt multiples of large corporate US LBO loans rose from 5.8x to 6.3x EBITDA quarter-over-quarter. Equity contributions for US LBOs decreased slightly, from 41.8% in the second quarter to 41.5% in the third quarter. Global private equity fundraising activity fell 23% quarter-over-quarter, while private equity investment activity fell 13%.

Following an active second quarter, the IPO market slumped in the third quarter of 2015. NYSE and NASDAQ IPO transaction volume reached US\$2.9 billion for 20 private equity-backed companies in the third quarter, representing a 72% decrease in value compared to the prior quarter. The largest IPO of the quarter was Surgery Center Holdings Inc, which raised US\$301.2 million. M&A volume totaled US\$162.9 billion in deals closed during the third quarter, down 4% from the prior quarter. The largest deal that closed during the quarter was Pfizer's US\$17.1 billion acquisition of Hospira Inc.

Capital Markets Overview

Public Equity Markets

Public equity markets contracted sharply during the third quarter due to widespread concerns about global growth. The S&P 500 Total Return Index declined 6.4%, falling into negative territory for the year. International developed and emerging market stocks fared worse, with the MSCI Asia, MSCI Europe, and MSCI Emerging Markets indices posting losses of 15.2%, 9.1%, and 18.5% in USD terms during the quarter, respectively.



The following table shows the returns of four major MSCI indices, as well as the S&P 500 and the S&P 500 Total Return Index, over various time horizons through September 30, 2015. Returns for time periods greater than one year are annualized. The U.S. market outperformed the Asian, European, and emerging markets across all periods.

Regional Indices					
	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
MSCI Asia	(15.2%)	(9.6%)	1.9%	0.3%	1.0%
MSCI Europe	(9.1%)	(11.6%)	3.2%	1.3%	0.3%
MSCI EM	(18.5%)	(21.2%)	(7.6%)	(5.9%)	1.8%
MSCI ACWI	(9.9%)	(8.4%)	4.8%	4.6%	2.4%
S&P 500	(6.9%)	(2.6%)	10.0%	11.0%	4.6%
S&P 500 Total Return*	(6.4%)	(0.6%)	12.4%	13.3%	6.8%

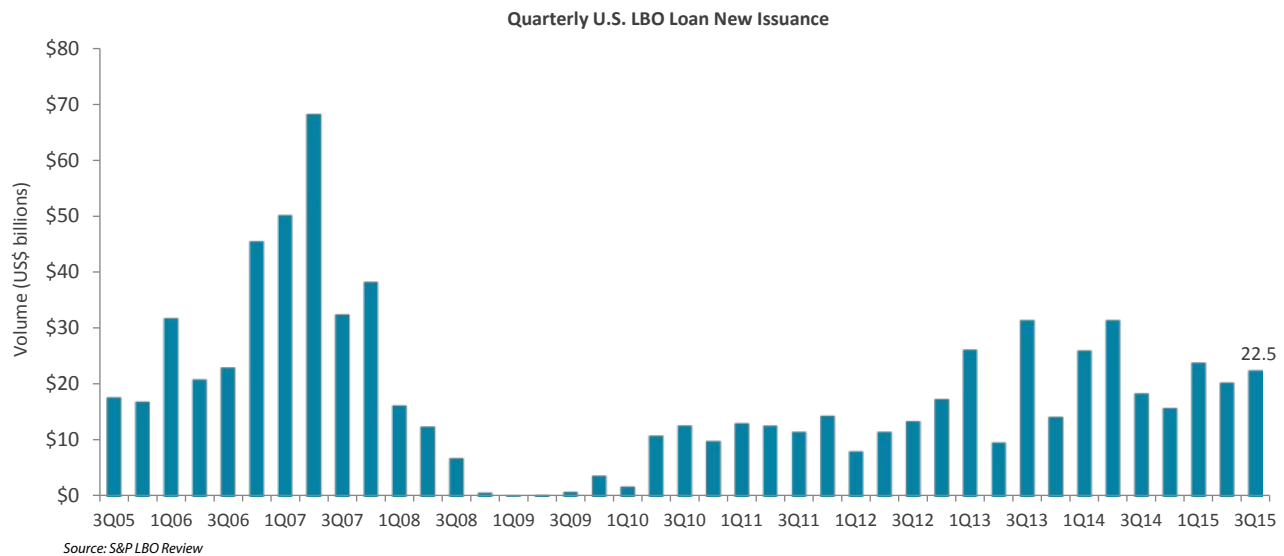
For the period ended September 30, 2015

*Includes reinvestment of dividends.

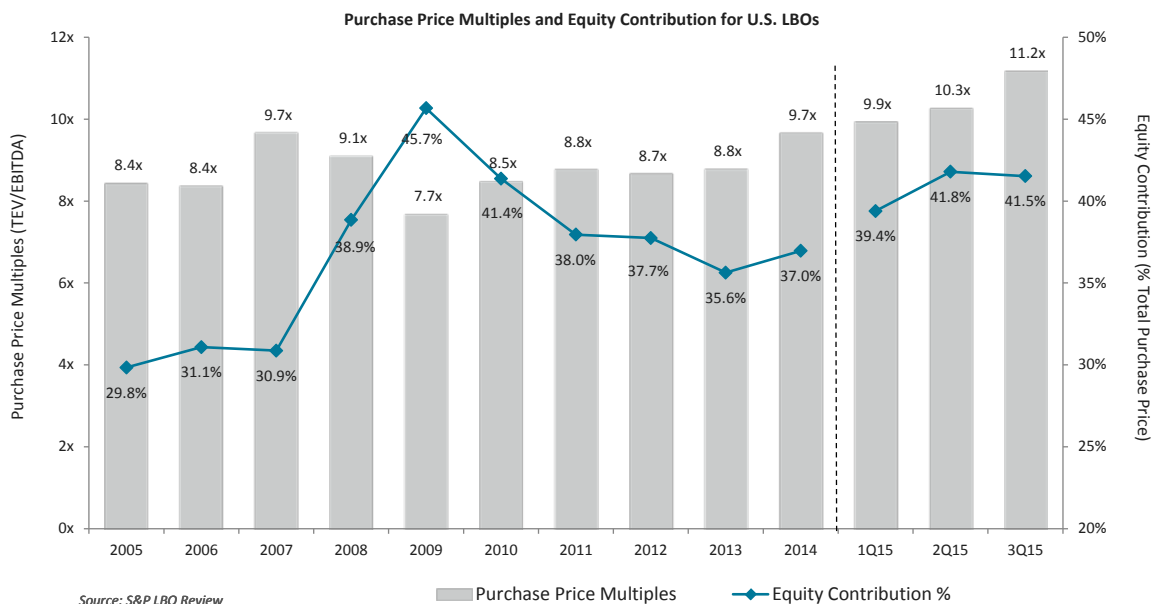
Source: Capital IQ

Debt Markets

During the third quarter of 2015, U.S. LBO new loan issuance totaled US\$22.5 billion, representing an increase of 11% from the prior quarter, and 20% higher than the 10-year quarterly average of US\$18.7 billion. The following chart shows the quarterly volume of U.S. LBO new loan issuance for the past ten years.



In the third quarter, weighted average purchase price multiples for U.S. LBO deals increased to 11.2x total enterprise value ("TEV") to EBITDA, notably higher than 2014's annual weighted multiple of 9.7x and the previous quarter's multiple of 10.3x. The increase was driven by large deals for companies with EBITDA greater than US\$500 million, which accounted for 86% of the data. The following chart compares purchase price multiples and equity contribution percentages for LBO deals in the U.S.



Private Equity Market Overview

All Private Equity

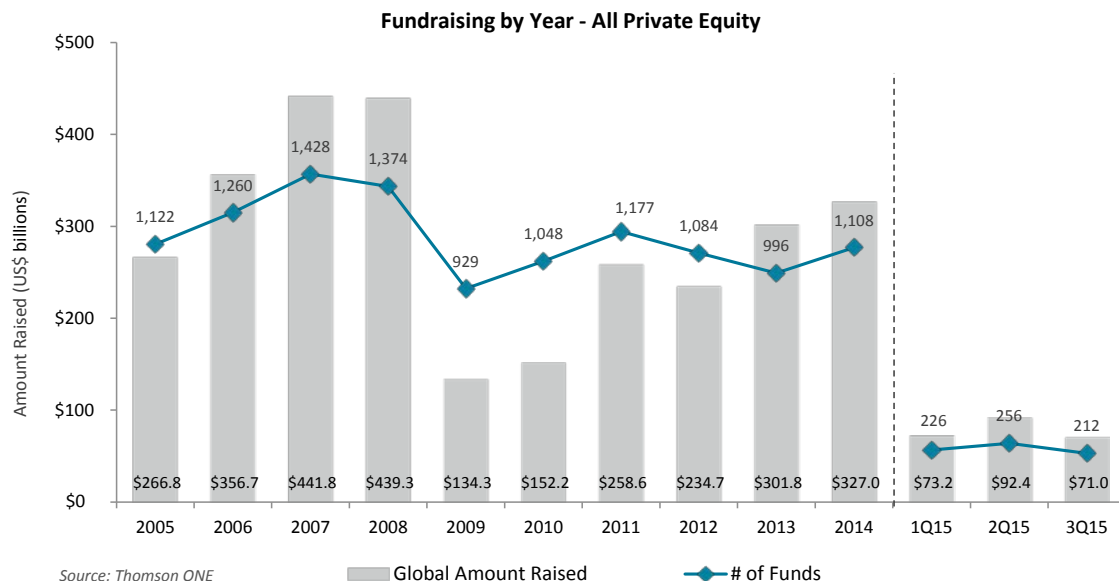
The All Private Equity benchmark posted a loss of 1.1% during the third quarter, as shown in the table below. Energy suffered the steepest decline, with a quarterly loss of 7.6%. The table below shows the pooled Internal Rate of Return ("IRR") performance of global private equity investments by sector over various investment horizons through September 30, 2015.

Sector	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Small/Middle Buyouts (<\$3bn)	(0.9%)	6.9%	11.7%	11.9%	12.1%
Large Buyouts (>\$3bn)	(0.2%)	10.3%	15.6%	14.8%	10.8%
Mezzanine	0.4%	4.8%	8.6%	9.3%	8.2%
Energy	(7.6%)	(19.5%)	0.0%	4.8%	7.3%
Venture Capital	(0.2%)	21.5%	19.9%	17.3%	11.3%
All Private Equity	(1.1%)	7.6%	13.2%	12.9%	10.8%

Source: Burgiss PrivateIQ

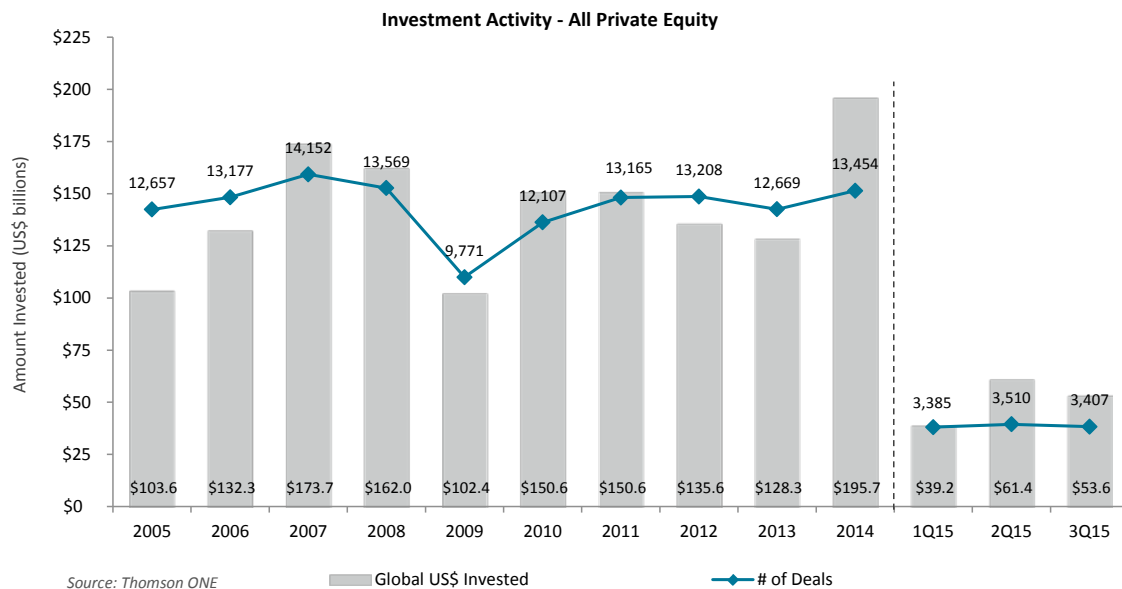
Fundraising

Global private equity fundraising totaled US\$71.0 billion in the third quarter of 2015, representing a 23% decrease from the prior quarter. Buyout fundraising fell 17% quarter-over-quarter, raising US\$47.1 billion, while Venture Capital fundraising fell 26%, raising US\$11.0 billion. Geographically, U.S. fundraising represented 51% of the total amount raised in the third quarter, while Europe, Asia, and the rest of the world accounted for 38%, 9%, 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\$53.6 billion globally during the third quarter, representing a quarter-over-quarter decrease of 13%. The largest deal during the third quarter was Tesco's sale of Homeplus Stores Co Ltd to a consortium of investors for US\$4.6 billion. The average investment size during the quarter was US\$15.7 million, down 10% quarter-over-quarter.



The graphs below depict the percentage of invested capital by industry and geography for the third quarter of 2015 and over the last ten years. The Information Technology sector attracted the most capital, accounting for US\$25.1 billion of transactions, or 47% of total capital invested during the third quarter by private equity firms, compared to a 10-year pro rata average of 23%. In the third quarter of 2015, investment activity in the Asia/Pacific region was above the historical average, representing 38% of total invested capital during the quarter compared to 19% over the last ten years.



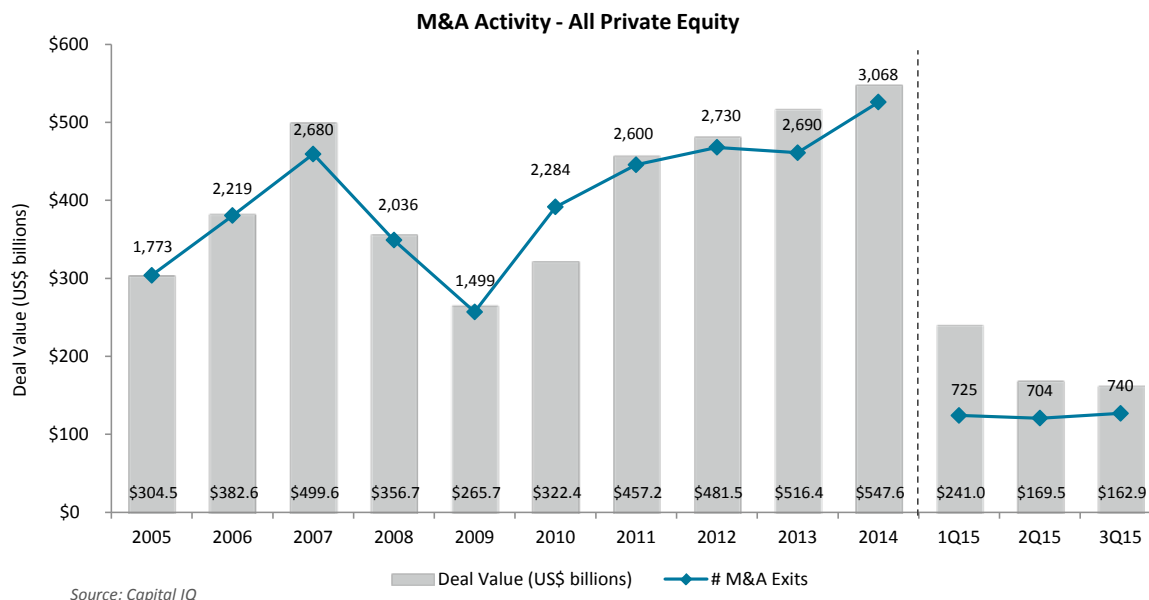
*Note: Invested Capital is for all private equity from Q4 2005 – Q3 2015.

Deal Environment

Following an active second quarter, the IPO market slumped in the third quarter of 2015. During the third quarter, there were 20 private equity-backed IPOs which raised a total of US\$2.9 billion, compared to 49 IPOs which raised US\$10.4 billion in the previous quarter. The largest IPO of the quarter was Surgery Center Holdings Inc, which raised US\$301.2 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 fell 4% quarter-over-quarter, with deal value totaling US\$162.9 billion. The largest deal that closed during the quarter was Pfizer’s US\$17.1 billion acquisition of Hospira Inc., representing 11% of the quarter’s aggregate M&A volume.



III. Portfolio Review

Quarterly Highlights

- Cash Flow Activity** – During the third quarter of 2015, the Portfolio made US\$37.0 million of contributions and received US\$27.6 million of distributions, for a net cash outflow of US\$9.4 million, compared to a net cash inflow of US\$26.6 million during the prior quarter and a net cash outflow of US\$9.2 million during the third quarter of 2014. Contributions increased 22.6% from the prior quarter and decreased 18.3% from the third quarter of 2014. The most recent four quarter average of the Program's contributions is US\$34.7 million. Distributions decreased 51.4% from the prior quarter and decreased 23.4% from the third quarter of 2014. The most recent four quarter average of the Program's distributions is US\$38.0 million.
- Recent Portfolio Activity** – During the third quarter of 2015, net of cash flow activity, the valuation of the Portfolio increased by US\$0.9 million, or 0.1%, 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\$5.4 million increase in valuation from the prior quarter-end. During the last twelve months, net of cash flow activity, the valuation of the Portfolio increased by US\$65.7 million, or 9.3%, from the quarter ended September 30, 2014.
- New Investment Commitments** – During the third quarter of 2015, the Program closed on one new investment commitment, totaling US\$27.9 million.

As of September 30, 2015 (US\$ in millions)

	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
EQT VII, L.P.	July 2015	Mega Buyout	Western Europe	\$ 27.9
Total				\$ 27.9

- Subsequent Investment Commitments** – Subsequent to quarter-end through February 18, 2016, the Program closed on five new investment commitments, totaling US\$83.0 million.

As of February 18, 2016 (US\$ in millions)

	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Warburg Pincus Private Equity XII, L.P.	November 2015	Growth Equity	Global	\$ 36.0
ASF VII B L.P.	December 2015	Secondaries	Global	17.0
ASF VII B NYC Co-Invest L.P.	December 2015	Co/Direct Investment	Global	9.0
Ares Corporate Opportunities Fund V, L.P.	December 2015	Special Situations	North America	17.0
Stellax Capital Partners LP	January 2016	Special Situations	Global	4.0
Total				\$ 83.0

Investment Performance

Since Inception Performance

<i>US\$ in millions</i>	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Active Investments					
Number of Managers	104	104	96	-	8
Number of Investments	166	165	155	1	11
Committed Capital ¹	\$1,487.9	\$1,459.8	\$1,427.8	\$28.0	\$60.1
Contributed Capital	\$1,160.5	\$1,123.5	\$1,048.7	\$37.0	\$111.8
Distributed Capital	\$843.1	\$815.5	\$740.9	\$27.6	\$102.2
Market Value	\$770.4	\$760.2	\$718.0	\$10.2	\$52.5
Total Value	\$1,613.5	\$1,575.7	\$1,458.8	\$37.9	\$154.7
Total Gain/(Loss)	\$453.0	\$452.1	\$410.1	\$0.9	\$42.9
Unfunded Commitment ²	\$474.4	\$481.1	\$516.1	(\$6.7)	(\$41.7)
Total Exposure ³	\$1,244.8	\$1,241.3	\$1,234.0	\$3.5	\$10.7
DPI ⁴	0.73x	0.73x	0.71x	0.00x	0.02x
TVM ⁵	1.39x	1.40x	1.39x	-0.01x	0.00x
IRR ⁶	11.1%	11.5%	11.7%	-32 bps	-55 bps
Exited Investments					
Number of Managers	13	13	11	-	2
Number of Investments	15	15	13	-	2
Committed Capital ¹	\$82.0	\$82.0	\$58.2	\$0.0	\$23.8
Contributed Capital	\$92.3	\$92.3	\$65.2	\$0.0	\$27.0
Distributed Capital	\$114.1	\$114.1	\$64.3	\$0.0	\$49.8
Total Value	\$114.1	\$114.1	\$64.3	\$0.0	\$49.8
Total Gain/(Loss)	\$21.8	\$21.8	(\$0.9)	\$0.0	\$22.8
Unfunded Commitment ²	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
DPI ⁴	1.24x	1.24x	0.99x	0.00x	0.25x
TVM ⁵	1.24x	1.24x	0.99x	0.00x	0.25x
IRR ⁶	7.1%	7.1%	-0.4%	+ 0 bps	+ 755 bps
Total Portfolio					
Number of Managers	114	114	106	-	8
Number of Investments	181	180	168	1	13
Committed Capital ¹	\$1,569.8	\$1,541.8	\$1,486.0	\$28.0	\$83.9
Contributed Capital	\$1,252.8	\$1,215.8	\$1,113.9	\$37.0	\$138.8
Distributed Capital	\$957.2	\$929.6	\$805.2	\$27.6	\$152.0
Market Value	\$770.4	\$760.2	\$718.0	\$10.2	\$52.5
Total Value	\$1,727.6	\$1,689.8	\$1,523.1	\$37.9	\$204.5
Total Gain/(Loss)	\$474.9	\$474.0	\$409.2	\$0.9	\$65.7
Unfunded Commitment ²	\$474.4	\$481.1	\$516.1	(\$6.7)	(\$41.7)
Total Exposure ³	\$1,244.8	\$1,241.3	\$1,234.0	\$3.5	\$10.7
DPI ⁴	0.76x	0.76x	0.72x	0.00x	0.04x
TVM ⁵	1.38x	1.39x	1.37x	-0.01x	0.01x
IRR ⁶	10.7%	11.0%	10.9%	-28 bps	-17 bps

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

² Unfunded Commitment represents the aggregate remaining commitments to partnership investments.

³ Total Exposure represents the sum of Market Value and Unfunded Commitment.

⁴ 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.

⁵ 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.

⁶ 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 September 30, 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.

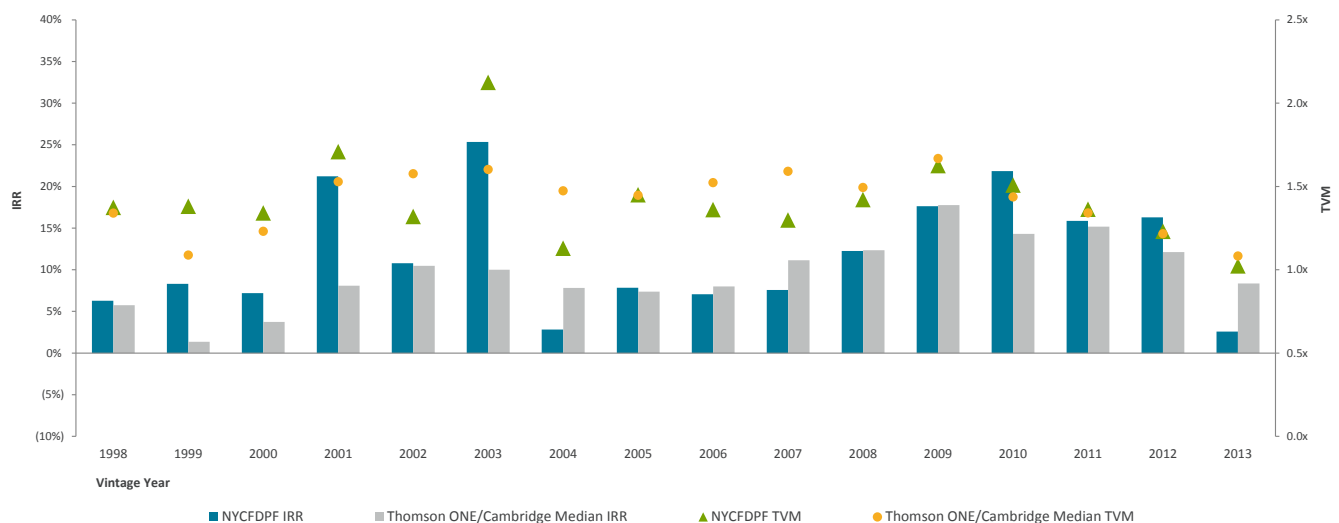
As of September 30, 2015 (US\$ in millions)

Vintage Year	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR	PME Benchmark ¹	PME Spread ²	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	\$13.8	\$0.0	\$0.0	\$0.0	1.37x	6.3%	3.4%	2.9%	1.34x	5.7%
1999	54.5	62.9	78.3	8.5	0.6	9.2	1.38x	8.3%	6.2%	2.1%	1.09x	1.4%
2000	28.8	33.8	41.1	4.2	-	4.2	1.34x	7.2%	6.2%	1.0%	1.23x	3.7%
2001	49.1	58.5	99.0	1.0	2.0	3.0	1.71x	21.2%	8.2%	13.0%	1.53x	8.1%
2002	10.0	12.2	13.4	2.7	0.3	3.0	1.32x	10.8%	8.5%	2.2%	1.58x	10.5%
2003	28.9	32.3	61.7	7.0	2.6	9.5	2.12x	25.3%	7.0%	18.3%	1.60x	10.0%
2004	49.3	51.2	47.7	10.2	2.7	12.9	1.13x	2.8%	6.2%	-3.4%	1.47x	7.8%
2005	69.0	75.9	72.5	37.6	3.8	41.4	1.45x	7.8%	7.1%	0.8%	1.45x	7.4%
2006	135.4	149.7	138.4	65.4	7.3	72.6	1.36x	7.1%	8.2%	-1.1%	1.52x	8.0%
2007	123.4	129.5	100.8	67.4	11.2	78.6	1.30x	7.6%	10.7%	-3.1%	1.59x	11.1%
2008	195.8	209.3	163.0	134.6	23.2	157.8	1.42x	12.3%	13.4%	-1.1%	1.49x	12.3%
2009	46.9	44.8	33.1	39.7	5.0	44.7	1.63x	17.6%	14.1%	3.6%	1.67x	17.8%
2010	42.5	39.6	22.4	37.3	11.1	48.4	1.51x	21.8%	11.9%	10.0%	1.44x	14.3%
2011	168.4	143.4	46.5	149.0	39.4	188.4	1.36x	15.9%	11.9%	4.0%	1.34x	15.2%
2012	158.8	99.7	19.8	102.8	63.6	166.5	1.23x	16.3%	7.2%	9.1%	1.22x	12.1%
2013	172.1	42.2	3.5	39.7	131.1	170.8	1.02x	2.6%	-0.4%	3.0%	1.08x	8.4%
2014	148.4	53.2	2.2	59.3	96.0	155.3	NM	NM	NM	N/A	NM	NM
2015	78.7	4.3	-	4.1	74.5	78.6	NM	NM	NM	N/A	NM	NM
Total	\$1,569.8	\$1,252.8	\$957.2	\$770.4	\$474.4	\$1,244.8	1.38x	10.7%	8.9%	1.8%	1.38x	8.7%

¹ Russell 3000 PME+

² PME Spread is calculated as IRR minus PME Benchmark.

As of September 30, 2015



Portfolio Periodic Returns vs. Russell 3000® Index

<i>As of September 30, 2015</i>	3 Month	1 Year	3 Year	5 Year	10 Year	Since Inception
NYCFDPF IRR	0.1%	9.2%	12.7%	12.0%	10.7%	10.7%
Russell 3000® ¹	-7.3%	-0.9%	12.6%	13.5%	9.3%	8.9%
Russell 3000® + 300 bps ²	-4.3%	2.1%	15.6%	16.5%	12.3%	11.9%
NYCFDPF Outperformance/(Underperformance)						
vs. Russell 3000® + 300 bps ²	4.4%	7.1%	(3.0%)	(4.6%)	(1.5%)	(1.2%)

¹Benchmark is a dollar-weighted PME+ 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.

²Benchmark is a dollar-weighted PME+ calculation of quarterly changes in the Russell 3000® Index plus a 300 basis point illiquidity premium (the Opportunity Cost Benchmark).

Performance by Strategy / Sub-Strategy

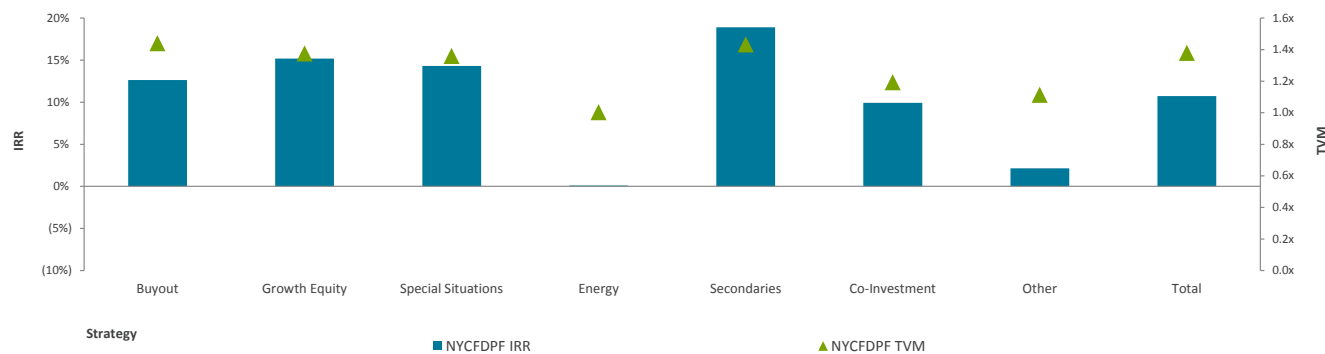
The following table and charts illustrate the Portfolio's since inception investment performance by strategy and sub-strategy as of September 30, 2015.

As of September 30, 2015 (US\$ in millions)

Strategy / Sub-Strategy	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR
Buyout	\$992.6	\$815.0	\$717.3	\$456.7	\$293.6	\$750.4	1.44x	12.6%
Mega Buyout	328.0	222.3	184.0	136.3	134.8	271.1	1.44x	13.9%
Large Buyout	217.3	178.8	166.3	115.3	66.7	182.0	1.57x	26.0%
Middle-Market Buyout	227.5	192.4	175.8	96.5	65.8	162.3	1.42x	8.6%
Small Buyout	219.7	221.4	191.2	108.7	26.2	135.0	1.35x	9.5%
Growth Equity	119.2	95.5	37.0	94.3	35.7	130.0	1.38x	15.2%
Special Situations	87.0	71.7	50.4	47.1	27.1	74.3	1.36x	14.3%
Energy	37.5	38.8	18.9	20.0	3.0	23.0	1.00x	0.1%
Secondaries	169.6	83.2	46.4	72.9	87.7	160.6	1.43x	18.9%
Co-Investment	34.7	12.6	3.0	12.0	22.4	34.4	1.19x	9.9%
Other	129.1	136.1	84.2	67.4	4.8	72.2	1.11x	2.1%
Venture Capital	112.6	115.9	60.2	63.8	3.5	67.3	1.07x	1.2%
Mezzanine	16.5	20.1	24.0	3.6	1.2	4.8	1.37x	11.9%
Total	\$1,569.8	\$1,252.8	\$957.2	\$770.4	\$474.4	\$1,244.8	1.38x	10.7%

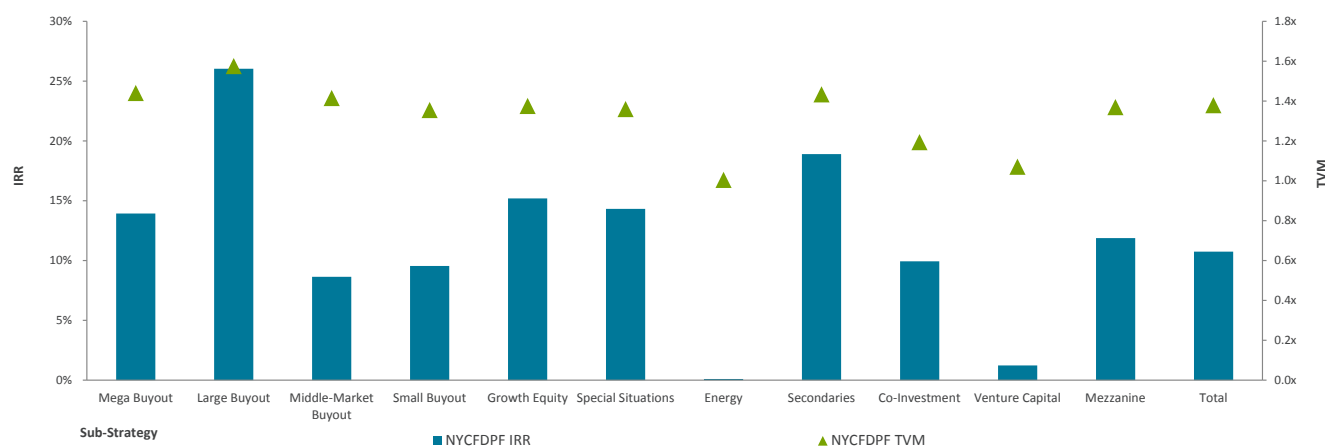
Performance by Strategy

As of September 30, 2015



Performance by Sub-Strategy

As of September 30, 2015



Portfolio Diversification

The following tables illustrate the Portfolio's diversification by strategy and fund geographic focus as of September 30, 2015.

By Strategy/Sub-Strategy

As of September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
Buyout	\$456.7	59.3%	\$293.6	61.9%	\$750.4	60.3%
Mega Buyout	136.3	17.7%	134.8	28.4%	271.1	21.8%
Large Buyout	115.3	15.0%	66.7	14.1%	182.0	14.6%
Middle-Market Buyout	96.5	12.5%	65.8	13.9%	162.3	13.0%
Small Buyout	108.7	14.1%	26.2	5.5%	135.0	10.8%
Growth Equity	94.3	12.2%	35.7	7.5%	130.0	10.4%
Special Situations	47.1	6.1%	27.1	5.7%	74.3	6.0%
Energy	20.0	2.6%	3.0	0.6%	23.0	1.8%
Secondaries	72.9	9.5%	87.7	18.5%	160.6	12.9%
Co-Investment	12.0	1.6%	22.4	4.7%	34.4	2.8%
Other	67.4	8.7%	4.8	1.0%	72.2	5.8%
Venture Capital	63.8	8.3%	3.5	0.7%	67.3	5.4%
Mezzanine	3.6	0.5%	1.2	0.3%	4.8	0.4%
Total	\$770.4	100.0%	\$474.4	100.0%	\$1,244.8	100.0%

By Fund Geographic Focus

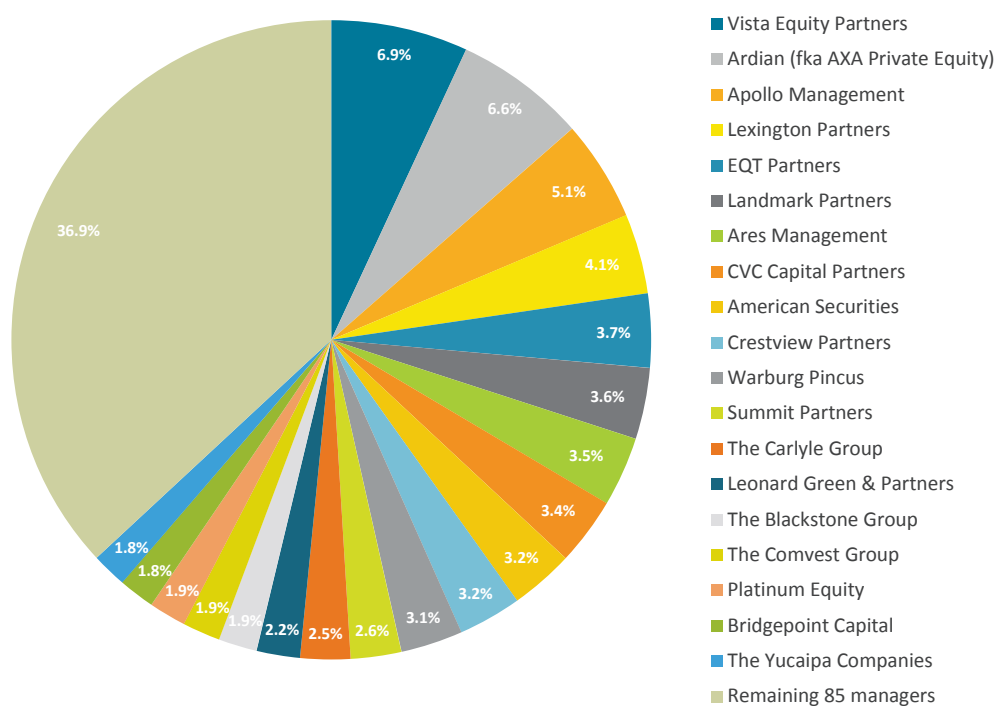
As of September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
North America	\$550.7	71.5%	\$265.0	55.9%	\$815.6	65.5%
Global	148.5	19.3%	151.9	32.0%	300.4	24.1%
Western Europe	61.8	8.0%	57.1	12.0%	118.8	9.5%
Rest of World	9.5	1.2%	0.5	0.1%	10.0	0.8%
Total	\$770.4	100.0%	\$474.4	100.0%	\$1,244.8	100.0%

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 September 30, 2015, the Portfolio was highly diversified by investment manager, with 19 managers comprising US\$785.2 million, or 63.1% of total exposure. The remaining 85 managers comprised 36.9% of total exposure as of quarter-end.

Portfolio Total Exposure by Investment Manager
As of September 30, 2015

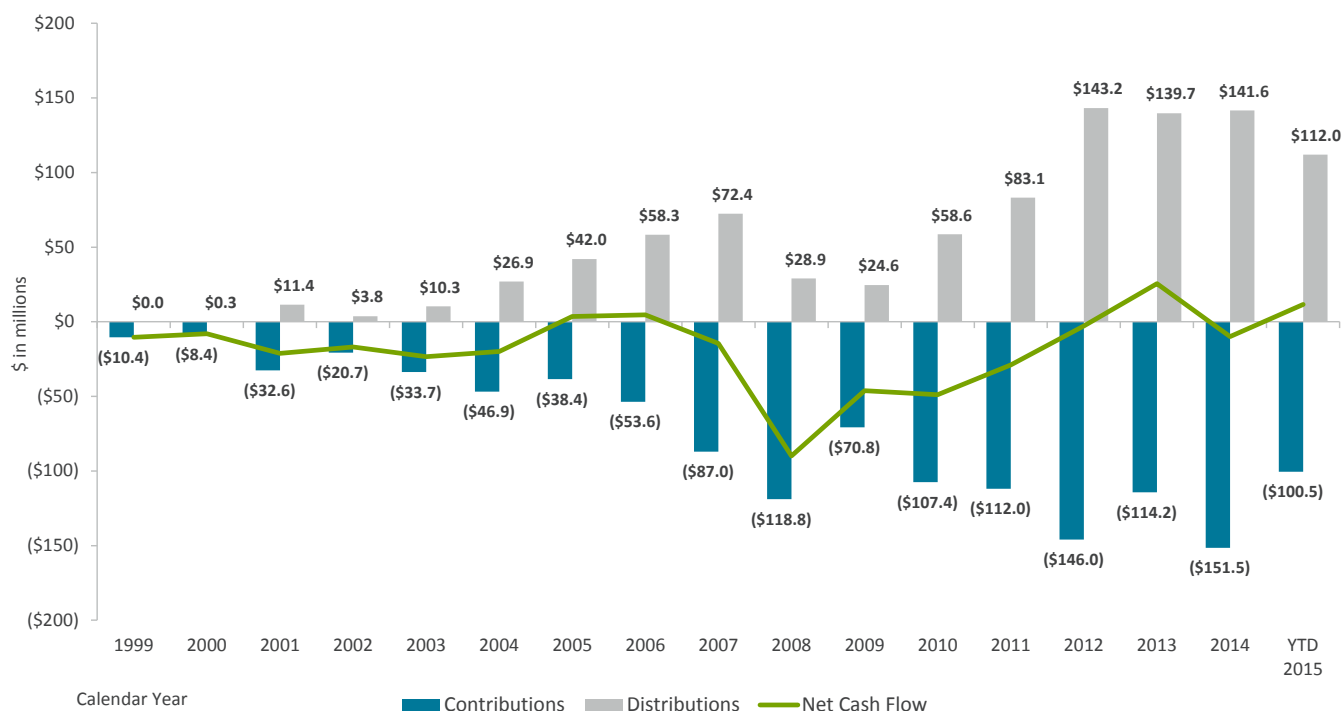


Portfolio Cash Flow Analysis

The following yearly and quarterly cash flow analysis is based on actual Portfolio cash flows during those time periods.

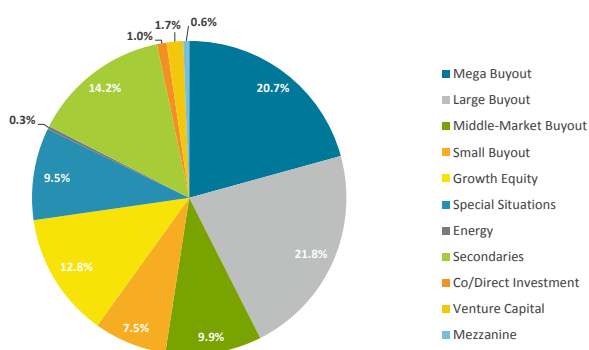
Year to Date Cash Flow Activity

During the nine months ended September 30, 2015, the Portfolio made US\$100.5 million of contributions and received US\$112.0 million of distributions, for a net cash inflow of US\$11.5 million, compared to a net cash outflow of US\$11.5 million during the same period in the prior year. The graph below illustrates cash flow activity since inception by calendar year.

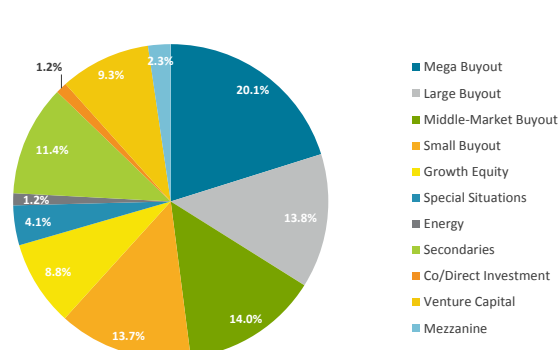


Buyout funds were the most active in terms of cash flow activity during the first nine months of 2015. Buyout funds drew down US\$60.2 million, or 59.9% of total contributions during first nine months of 2015, and distributed US\$69.1 million, or 61.7% of total distributions during the first nine months of 2015.

YTD 2015 Total Contributed by Sub-Strategy

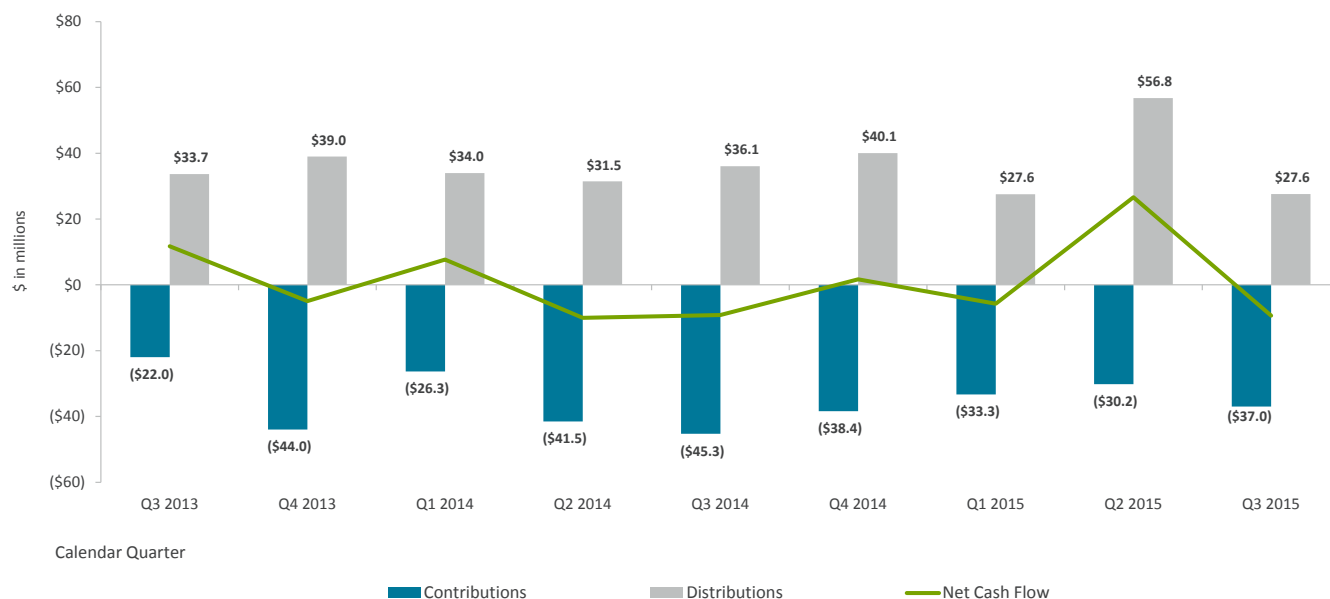


YTD 2015 Total Distributed by Sub-Strategy



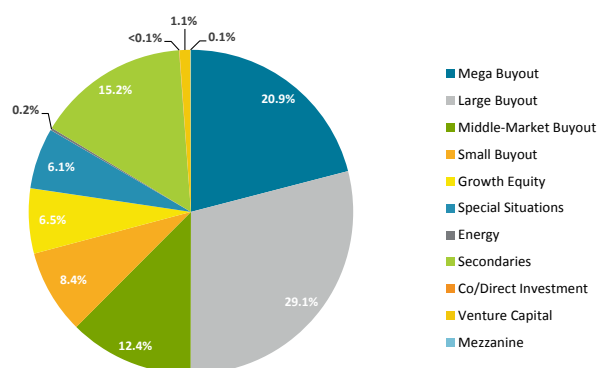
Quarterly Cash Flow Activity

During the third quarter of 2015, the Portfolio made US\$37.0 million of contributions and received US\$27.6 million of distributions, for a net cash outflow of US\$9.4 million. The graph below illustrates recent cash flow activity by quarter.

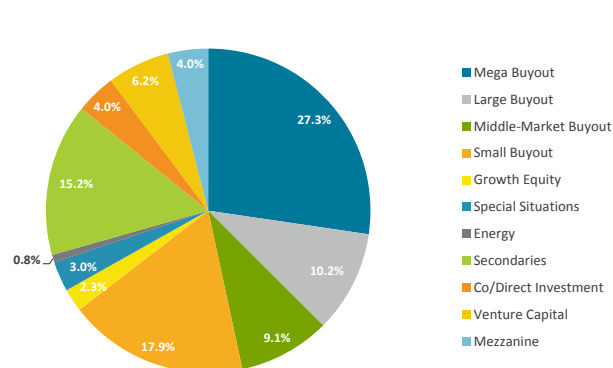


Buyout funds were the most active in terms of cash flow activity during the third quarter of 2015. Buyout funds drew down US\$26.2 million, or 70.9% of total contributions during the quarter, and distributed US\$17.8 million, or 64.6% of total distributions during the quarter.

Q3 2015 Total Contributed by Sub-Strategy

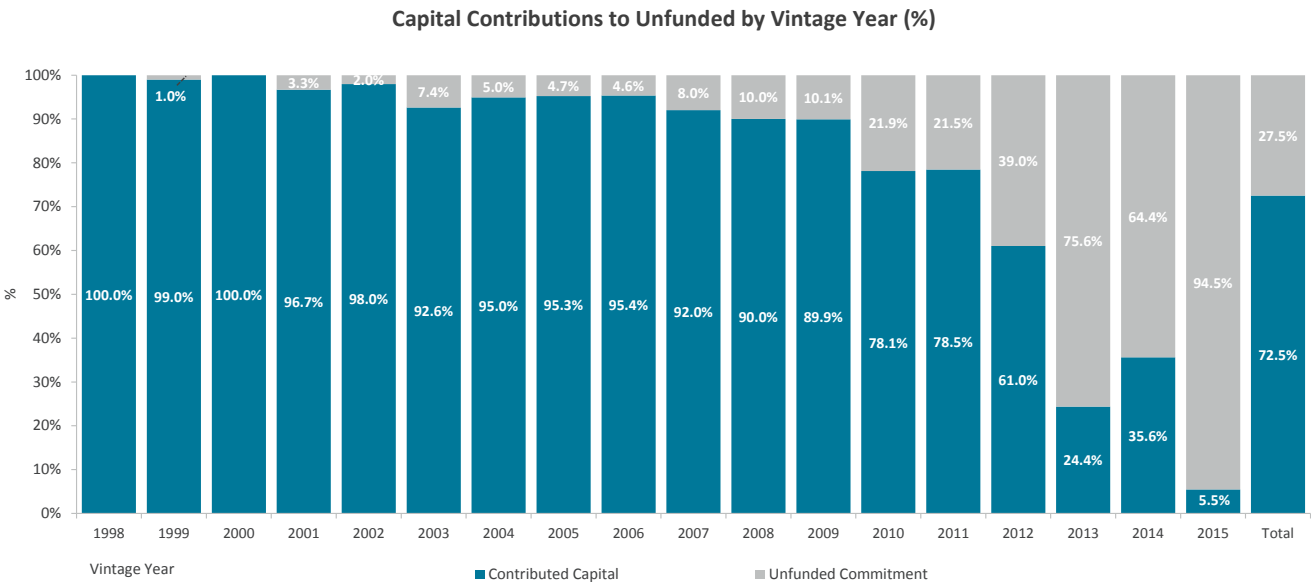


Q3 2015 Total Distributed by Sub-Strategy

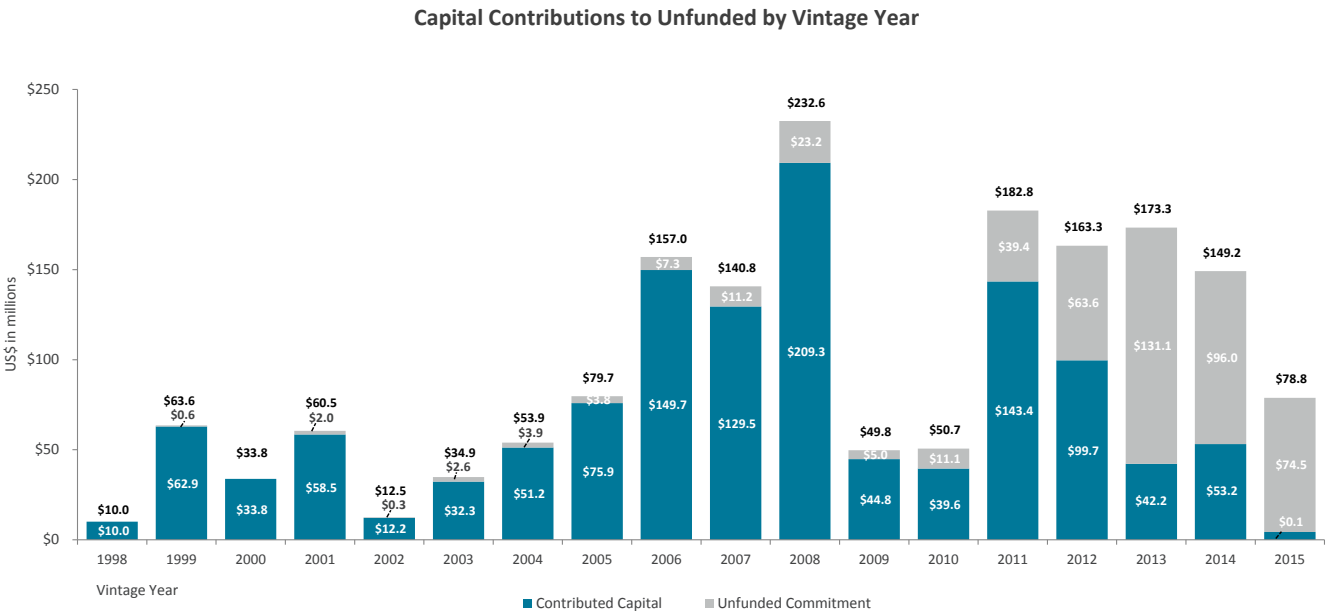


Invested Capital by Vintage Year

The following chart illustrates cumulative net capital contributions as a percentage of total capital commitments, by fund vintage year, as of September 30, 2015.



The following chart illustrates cumulative net capital contributions relative to unfunded commitment, by fund vintage year, as of September 30, 2015.



Portfolio Company-Level Analysis

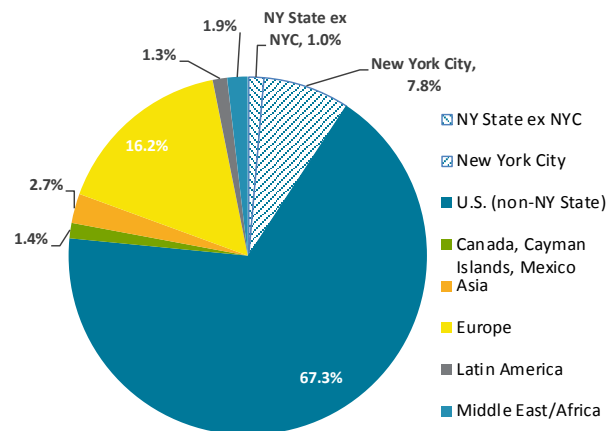
Geographic Exposure

The following charts illustrate the Portfolio's current exposure by geography at the portfolio company level as of September 30, 2015. Please note that the geography is based upon the corporate headquarters of each portfolio company.

Geographic Exposure by Current Cost

As of September 30, 2015 (US\$ in millions)

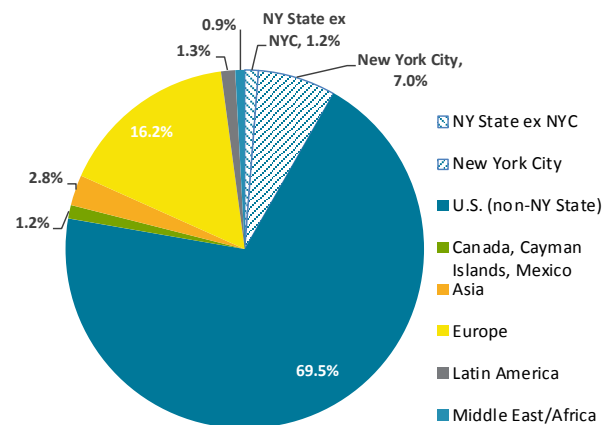
	Sum of Current Cost	% of Total
North America	\$475.0	77.9%
New York	\$56.2	9.2%
NY State ex NYC	8.3	1.4%
New York City	47.9	7.9%
U.S. (non-NY State)	410.4	67.3%
Canada, Cayman Islands, Mexico	8.4	1.4%
Asia	16.3	2.7%
Europe	99.1	16.2%
Latin America	7.9	1.3%
Middle East/Africa	11.3	1.9%
Total	\$609.6	100.0%



Geographic Exposure by Current Market Value

As of September 30, 2015 (US\$ in millions)

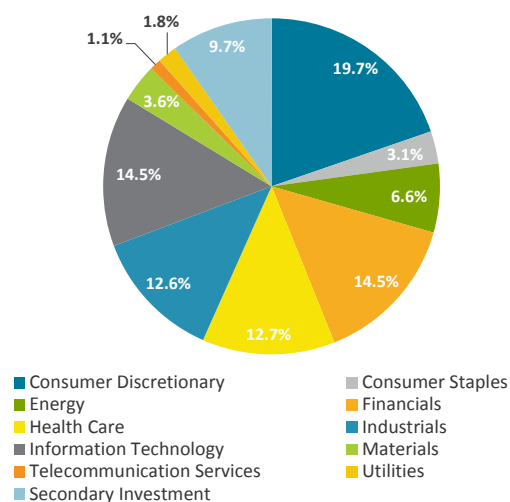
	Sum of Current Market Value	% of Total
North America	\$649.3	79.0%
New York	\$67.8	8.2%
NY State ex NYC	10.1	1.2%
New York City	57.7	7.0%
U.S. (non-NY State)	571.6	69.5%
Canada, Cayman Islands, Mexico	9.9	1.2%
Asia	22.7	2.8%
Europe	132.9	16.2%
Latin America	10.5	1.3%
Middle East/Africa	7.0	0.9%
Total	\$822.4	100.0%



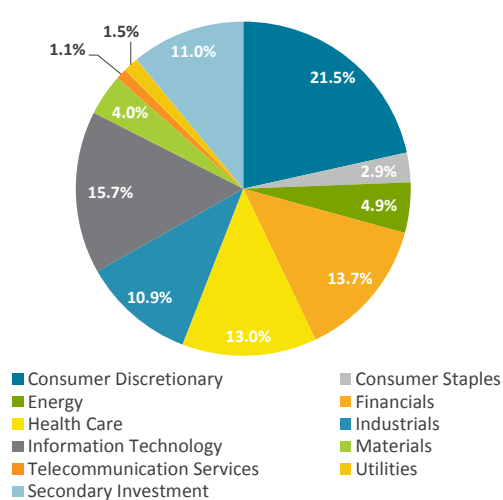
Industry Exposure

The following charts illustrate the Portfolio's current exposure by industry at the portfolio company level as of September 30, 2015. Please note that the Financials category includes investments in various debt securities.

Industry Exposure by Current Cost



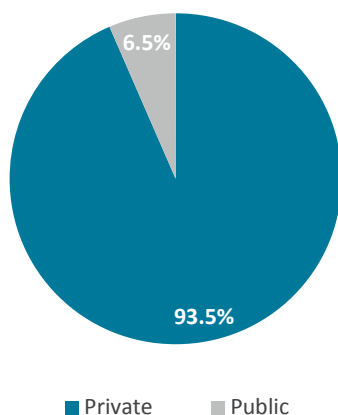
Industry Exposure by Current Market Value



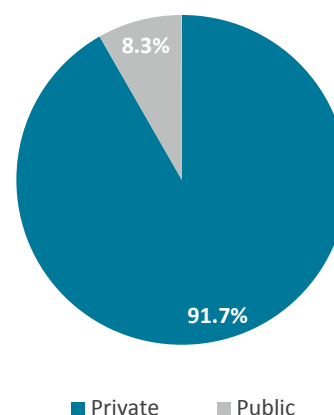
Public Market Exposure

As of quarter-end, publicly traded investments comprised 6.5% of the Portfolio's exposed cost and 8.3% 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 September 30, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
Active Investments										
1999	Cypress Merchant Banking Partners II, L.P.	3/29/1999	\$ 22,586,486	\$ 26,930,800	\$ 21,720,353	\$ 3,621,245	0.94x	(1.1%)	5.4%	(6.5%)
1999	FdG Capital Partners LLC	6/2/1999	25,000,000	28,756,836	42,947,884	4,464,066	1.65x	14.5%	6.6%	7.9%
1999	Lincolnshire Equity Fund II, L.P.	10/20/1999	6,899,005	7,223,050	13,673,658	448,969	1.96x	24.6%	6.8%	17.8%
2000	SCP Private Equity Partners II, L.P.	6/15/2000	15,000,000	16,834,296	5,125,651	4,206,098	0.55x	(7.4%)	5.2%	(12.6%)
2001	New Mountain Partners, L.P.	3/16/2001	9,070,967	8,558,234	12,215,748	220,743	1.45x	12.4%	6.2%	6.2%
2001	Apollo Investment Fund V, L.P.	4/13/2001	15,000,000	23,371,979	45,924,747	561,889	1.99x	38.8%	8.4%	30.4%
2001	CVC European Equity Partners III, L.P.	9/4/2001	10,000,000	11,579,021	29,775,858	266,871	2.59x	41.1%	10.8%	30.3%
2002	Yucaipa American Alliance Fund I, LP	7/1/2002	5,000,000	7,491,869	6,475,457	2,291,529	1.17x	4.7%	9.7%	(5.0%)
2002	Landmark Equity Partners XI, L.P.	10/23/2002	5,000,000	4,753,167	6,947,013	448,573	1.56x	23.7%	7.3%	16.4%
2003	FS Equity Partners V, L.P.	1/20/2003	10,000,000	9,165,934	15,963,872	2,241,711	1.99x	15.8%	5.0%	10.7%
2003	Blackstone Capital Partners IV, L.P.	2/26/2003	13,875,989	17,127,697	37,101,878	4,069,959	2.40x	36.5%	8.1%	28.4%
2003	Ares Corporate Opportunities Fund, L.P.	4/1/2003	5,000,000	6,000,993	8,592,476	641,903	1.54x	13.6%	7.3%	6.3%
2004	Markstone Capital Partners, LP	1/30/2004	5,000,000	5,862,384	2,446,015	276,301	0.46x	(44.8%)	18.5%	(63.4%)
2004	Euro Choice II (Delaware) L.P.	2/25/2004	6,751,352	6,714,168	7,877,820	2,038,109	1.48x	7.5%	6.0%	1.5%
2004	FdG Capital Partners II LP	8/30/2004	5,000,000	5,342,679	6,071,286	298,574	1.19x	3.5%	6.5%	(3.0%)
2004	Paladin Homeland Security Fund (NY City), L.P.	9/27/2004	7,500,000	8,118,461	2,459,828	1,501,800	0.49x	(10.1%)	6.0%	(16.1%)
2004	Lincolnshire Equity Fund III, L.P.	10/1/2004	5,000,000	4,842,915	6,306,704	2,575,548	1.83x	31.1%	9.8%	21.3%
2004	New York/Fairview Emerging Managers Fund, L.P.-Tranche 1	10/21/2004	2,000,000	2,028,276	1,178,380	1,235,749	1.19x	3.4%	8.3%	(5.0%)
2004	Aurora Equity Partners III L.P.	11/16/2004	5,000,000	5,411,986	8,623,720	527,232	1.69x	14.4%	9.8%	4.6%
2004	Trilantic Capital Partners III L.P.	11/18/2004	5,000,000	4,509,325	7,254,182	160,297	1.64x	14.7%	3.9%	10.8%
2004	Celtic Pharmaceutical Holdings L.P.	12/23/2004	2,500,000	2,540,209	40,209	397,602	0.17x	(20.3%)	9.5%	(29.8%)
2004	Medica III Investments (International) L.P.	8/21/2006	3,000,000	2,937,724	1,267,948	1,147,000	0.82x	(4.9%)	(3.1%)	(1.8%)
2005	Palladium Equity Partners III, L.P.	11/12/2004	10,000,000	10,376,898	13,979,841	6,666,141	1.99x	17.9%	10.8%	7.1%
2005	New Mountain Partners III L.P.	1/12/2005	2,580,650	2,320,910	4,316,039	239,014	1.96x	13.8%	4.5%	9.3%
2005	VSS Communications Partners IV, L.P.	3/14/2005	2,500,000	2,820,670	1,523,234	654,756	0.77x	(4.6%)	7.3%	(11.8%)
2005	Carlyle Partners IV, L.P.	4/29/2005	5,000,000	5,153,158	9,582,852	640,485	1.98x	13.2%	4.1%	9.1%
2005	Prism Venture Partners V-A, L.P.	7/14/2005	7,500,000	7,690,681	3,671,461	2,349,498	0.78x	(4.9%)	7.8%	(12.6%)
2005	Snow Phipps Group, L.P.	9/7/2005	5,000,000	5,747,760	4,456,499	3,129,056	1.32x	7.8%	10.0%	(2.2%)
2005	GI Partners Fund II L.P.	9/26/2005	2,500,000	2,527,512	2,933,972	945,877	1.54x	7.3%	5.3%	2.0%
2005	Blackstone Mezzanine Partners II, L.P.	10/10/2005	3,000,000	2,863,532	3,414,132	316,735	1.30x	7.3%	3.5%	3.8%
2005	Psilos Group Partners III, L.P.	10/24/2005	2,500,000	2,657,559	1,282,054	2,069,600	1.26x	4.9%	7.0%	(2.1%)
2005	FirstMark Capital I, L.P. (fka FirstMark IV)	11/21/2005	1,500,000	1,622,375	2,240,582	7,997,277	6.31x	44.1%	8.4%	35.7%
2005	USPF II Institutional Fund, L.P.	11/23/2005	5,000,000	6,594,940	4,440,544	4,187,897	1.31x	5.6%	6.6%	(0.9%)
2005	Bridgepoint Europe III	12/6/2005	5,398,017	4,993,430	2,929,136	2,820,503	1.15x	2.2%	5.3%	(3.1%)
2005	JP Morgan Fleming (Tranche A)	12/21/2005	3,000,000	2,884,548	2,042,097	1,899,213	1.37x	7.1%	9.9%	(2.8%)
2005	Arlington Capital Partners II, L.P.	4/20/2006	4,000,000	4,064,601	4,464,599	2,515,944	1.72x	11.5%	6.4%	5.0%
2005	Levine Leichtman Capital Partners Deep Value Fund, L.P.	1/16/2007	5,000,000	6,229,039	5,371,000	1,166,878	1.05x	1.3%	4.7%	(3.5%)
2006	Aisling Capital II, LP	1/12/2006	1,000,000	1,172,182	725,667	481,756	1.03x	0.6%	7.1%	(6.5%)
2006	InterMedia Partners VII, L.P.	1/20/2006	2,500,000	2,867,179	1,614,731	2,812,842	1.54x	6.8%	9.4%	(2.6%)
2006	Terra Firma Capital Partners III, L.P.	3/8/2006	5,222,663	5,246,995	260,574	2,648,931	0.55x	(10.0%)	7.0%	(17.0%)
2006	Fenway Partners Capital Fund III, L.P.	3/29/2006	5,000,000	5,636,655	4,274,025	1,901,092	1.10x	2.0%	6.7%	(4.7%)
2006	Blackstone Capital Partners V, L.P.	4/13/2006	9,481,463	10,016,960	10,721,215	5,238,191	1.59x	8.1%	8.0%	0.2%
2006	Avista Capital Partners, L.P.	4/27/2006	5,000,000	6,490,042	5,369,129	2,985,683	1.29x	5.8%	5.7%	0.1%
2006	Apollo Investment Fund VI, L.P.	5/10/2006	20,000,000	25,741,832	31,714,418	7,671,606	1.53x	9.7%	7.2%	2.5%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	5,000,000	5,475,968	8,274,212	1,045,610	1.70x	13.8%	3.8%	9.9%
2006	CCMP Capital Investors II, L.P.	8/17/2006	5,000,000	5,489,262	6,042,333	2,998,828	1.65x	13.9%	9.9%	4.0%
2006	CLP 2014 (fka Perseus Partners VII)	8/31/2006	5,000,000	5,829,005	1,669,494	65,539	0.30x	(36.6%)	12.9%	(49.5%)
2006	Euro Choice III L.P.	11/21/2006	5,321,990	5,135,935	2,744,686	3,030,810	1.12x	2.6%	11.7%	(9.0%)
2006	Thomas, McNerney & Partners II, L.P.	11/29/2006	3,000,000	2,845,794	4,841,963	1,356,132	2.18x	16.9%	11.2%	5.7%
2006	Catterton Partners VI, L.P.	12/14/2006	5,000,000	5,480,013	6,617,280	3,707,710	1.88x	13.5%	8.0%	5.6%
2006	First Reserve Fund XI, L.P.	12/14/2006	5,000,000	5,313,265	3,065,224	804,897	0.73x	(7.8%)	5.6%	(13.5%)
2006	Permira IV, L.P.	12/14/2006	5,515,183	5,817,661	5,651,188	2,554,466	1.41x	7.4%	8.8%	(1.4%)
2006	Arsenal Capital Partners II, LP	12/18/2006	4,000,000	4,888,657	4,459,731	3,095,939	1.55x	10.1%	11.0%	(0.9%)
2006	GF Capital Private Equity Fund, L.P.	12/18/2006	3,000,000	3,060,562	2,569,670	2,814,608	1.76x	14.9%	11.2%	3.7%
2006	RRE Ventures IV, L.P.	12/19/2006	2,500,000	3,063,159	747,422	3,973,426	1.54x	8.9%	9.7%	(0.8%)
2006	Coller International Partners V, L.P.	12/21/2006	5,000,000	4,303,737	4,466,796	1,896,690	1.48x	9.9%	10.3%	(0.4%)
2006	MidOcean Partners III, L.P.	12/21/2006	10,000,000	11,125,731	7,571,061	8,252,089	1.42x	8.2%	8.6%	(0.4%)
2006	The Fourth Civen Fund	1/22/2007	2,813,467	2,803,310	2,971,622	943,974	1.40x	7.0%	7.4%	(0.5%)
2006	Falconhead Capital Partners II, L.P.	3/23/2007	4,000,000	4,444,937	3,707,916	1,537,641	1.18x	3.7%	7.9%	(4.2%)
2006	Atlantic Equity Partners IV, L.P.	10/30/2007	3,768,757	3,286,844	-	2,259,318	0.69x	(6.3%)	8.0%	(14.3%)
2006	Capital Partners Private Equity Income Fund, L.P.	11/29/2007	2,000,000	1,910,800	2,705,853	1,280,108	2.09x	20.7%	11.0%	9.7%
2007	Pegasus Partners IV, L.P.	1/29/2007	7,500,000	8,701,260	3,969,234	5,049,340	1.04x	0.9%	10.6%	(9.7%)
2007	Olympus Capital Asia III, L.P.	1/31/2007	5,000,000	5,680,093	2,035,624	4,932,472	1.23x	6.3%	10.5%	(4.2%)
2007	FTVentures III, LP	3/1/2007	2,500,000	2,545,000	2,500,518	2,763,120	2.07x	16.7%	9.5%	7.2%
2007	Highland Consumer Fund I LP	3/16/2007	2,000,000	1,903,212	399,844	1,106,855	0.79x	(4.2%)	9.7%	(13.8%)
2007	Montreux Equity Partners IV, L.P.	3/27/2007	5,000,000	5,000,000	1,710,911	5,270,393	1.40x	7.6%	9.6%	(1.9%)
2007	Gleacher Mezzanine Fund II, L.P.	3/30/2007	3,000,000	2,746,577	3,253,328	273,538	1.28x	9.7%	12.0%	(2.3%)
2007	SCP Vitalife Partners II Fund	4/13/2007	5,000,000	5,002,424	395	4,291,022	0.86x	(3.3%)	9.9%	(13.3%)
2007	Constellation Venture Capital III, L.P.	5/22/2007	5,000,000	5,372,250	1,135,209	2,851,304	0.74x	(6.6%)	16.2%	(22.8%)
2007	United States Power Fund III, L.P.	6/28/2007	5,000,000	4,997,389	2,432,702	4,213,105	1.33x	5.9%	7.7%	(1.8%)

New York City Fire Department Pension Fund, Subchapter 2
Private Equity Portfolio
As of September 30, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
2007	Carlyle Partners V, L.P.	7/6/2007	10,000,000	10,134,640	10,165,596	6,515,645	1.65x	13.9%	10.3%	3.6%
2007	PCG Clean Energy & Technology Fund (East), LLC	7/6/2007	10,000,000	8,820,014	1,038,409	4,702,575	0.65x	(8.8%)	12.8%	(21.6%)
2007	GSO Capital Opportunities Fund LP	7/16/2007	7,500,000	11,189,363	15,139,105	1,083,781	1.45x	18.1%	10.1%	8.0%
2007	New Mountain Partners III, L.P.	8/9/2007	10,000,000	9,740,107	5,765,024	9,063,259	1.52x	11.0%	11.9%	(0.9%)
2007	Vista Equity Partners Fund III, L.P.	10/3/2007	7,500,000	7,965,052	16,952,865	3,410,242	2.56x	28.8%	9.6%	19.1%
2007	Trilantic Capital Partners IV L.P.	10/22/2007	7,236,332	7,244,739	8,349,375	3,147,338	1.59x	14.5%	10.4%	4.1%
2007	Pine Brook Capital Partners, L.P.	1/11/2008	7,500,000	7,572,682	4,458,953	5,033,701	1.25x	8.0%	10.6%	(2.7%)
2007	Capital Point Partners, L.P.	10/17/2008	3,000,000	3,339,064	2,182,562	1,912,935	1.23x	5.3%	15.9%	(10.6%)
2007	Post Capital Equity Partners II LP	2/10/2009	3,000,000	2,009,908	934,449	1,745,290	1.33x	8.0%	16.9%	(8.9%)
2008	Paladin III (NY City), L.P.	1/8/2008	7,500,000	8,208,054	4,130,878	6,100,245	1.25x	6.5%	10.8%	(4.2%)
2008	Relativity Fund, L.P.	1/8/2008	1,631,513	1,612,064	345,053	551,365	0.56x	(11.2%)	9.6%	(20.8%)
2008	Apollo Investment Fund VII, L.P.	1/28/2008	25,000,000	28,911,685	42,639,342	8,556,394	1.77x	25.1%	13.2%	11.9%
2008	NGN BioMed Opportunity II, L.P.	2/11/2008	5,000,000	4,662,955	986,553	2,507,962	0.75x	(7.1%)	15.6%	(22.7%)
2008	Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	3/3/2008	7,500,000	7,834,069	5,625,034	3,959,326	1.22x	6.9%	13.3%	(6.4%)
2008	Yucaipa American Alliance Fund II, LP	3/28/2008	15,000,000	20,183,641	11,939,866	16,872,034	1.43x	10.5%	11.6%	(1.1%)
2008	Levine Leichtman Capital Partners IV, L.P.	4/8/2008	5,000,000	5,004,549	5,761,896	2,626,354	1.68x	20.2%	14.2%	6.0%
2008	Lee Equity Partners Fund, L.P.	4/23/2008	7,500,000	8,887,916	4,178,956	7,443,883	1.31x	9.0%	13.1%	(4.0%)
2008	New York/Fairview Emerging Managers Fund, L.P.-Tranche 2	5/28/2008	5,000,000	4,314,500	2,051,046	4,317,778	1.48x	14.3%	12.3%	2.0%
2008	Yucaipa Corporate Initiatives Fund II, LP	6/23/2008	4,676,976	4,538,077	1,299,840	2,651,123	0.87x	(3.4%)	10.3%	(13.7%)
2008	CVC European Equity Partners V, L.P.	7/21/2008	13,695,523	14,178,953	11,771,338	7,686,367	1.37x	10.9%	12.0%	(1.2%)
2008	GI Partners Fund III L.P.	7/29/2008	7,500,000	7,977,024	7,586,466	4,382,428	1.50x	14.2%	15.0%	(0.8%)
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	10,000,000	11,637,982	10,482,033	9,407,961	1.71x	21.1%	11.3%	9.8%
2008	GCM Grosvenor NYCFDPF Emerging Manager Co-Investment Fund, L.P.	8/22/2008	990,607	1,251,931	1,519,547	419,125	1.55x	11.4%	11.5%	(0.1%)
2008	GCM Grosvenor NYCFDPF Emerging Manager Fund, L.P.	8/22/2008	8,979,798	9,017,915	4,673,671	6,564,185	1.25x	9.5%	12.7%	(3.2%)
2008	First Reserve Fund XII, L.P.	8/25/2008	5,000,000	5,191,313	2,305,273	2,116,827	0.85x	(4.5%)	16.3%	(20.8%)
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	13,630,000	12,442,713	9,404,758	7,865,020	1.39x	15.4%	13.7%	1.6%
2008	Crestview Partners II, L.P.	10/1/2008	7,500,000	7,870,065	5,291,259	6,386,257	1.48x	13.7%	14.2%	(0.6%)
2008	Erasmus New York City Growth Fund IA	10/17/2008	1,208,990	1,208,990	417,624	387,445	0.67x	(7.1%)	16.9%	(24.0%)
2008	Milestone Partners III, L.P.	10/17/2008	3,000,000	3,131,854	1,399,940	1,696,481	0.99x	(0.3%)	14.4%	(14.7%)
2008	Euro Choice IV L.P.	10/22/2008	6,467,598	5,452,241	850,649	5,394,063	1.15x	4.6%	12.8%	(8.2%)
2008	Avista Capital Partners II, L.P.	11/5/2008	10,000,000	11,832,217	11,942,497	9,856,757	1.84x	18.9%	14.2%	4.7%
2008	Bridgepoint Europe IV	11/14/2008	6,688,502	6,113,546	4,035,554	4,429,411	1.38x	10.0%	15.1%	(5.1%)
2008	Carpenter Community BancFund-A, L.P.	11/17/2008	3,000,000	2,922,576	1,685,841	2,741,406	1.51x	8.2%	15.9%	(7.6%)
2008	Blue Wolf Capital Fund II, L.P.	11/19/2008	3,000,000	3,201,786	1,194,630	2,394,476	1.12x	4.3%	17.1%	(12.8%)
2008	Aisling Capital III, LP	11/20/2008	3,500,000	3,535,550	3,176,358	2,610,421	1.64x	23.5%	13.9%	9.6%
2008	Onex Partners III LP	12/10/2008	5,000,000	5,393,057	3,065,283	4,644,856	1.43x	12.8%	14.8%	(2.0%)
2009	NorthBound Emerging Manager Custom Fund LP	1/29/2009	5,000,000	4,053,148	2,432,843	4,176,123	1.63x	17.1%	13.8%	3.3%
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	7,500,000	7,158,065	5,434,098	5,463,112	1.52x	14.4%	14.1%	0.3%
2009	Scale Venture Partners III, LP	5/1/2009	5,000,000	4,893,728	4,572,593	6,134,421	2.19x	24.7%	12.8%	11.9%
2009	FS Equity Partners VI, L.P.	7/27/2009	12,500,000	12,788,434	7,289,420	15,940,022	1.82x	21.2%	14.3%	6.8%
2009	Lincolnshire Equity Fund IV, L.P.	8/5/2009	2,500,000	2,416,781	876,260	2,042,863	1.21x	8.0%	12.7%	(4.6%)
2009	Lexington Capital Partners VII, L.P.	12/3/2009	10,000,000	8,169,595	6,423,980	5,912,959	1.51x	17.2%	13.8%	3.4%
2010	Snow Phipps II, L.P.	1/8/2010	7,500,000	5,922,515	3,375,910	5,211,907	1.45x	16.4%	12.5%	3.9%
2010	Trident V, L.P.	4/29/2010	15,000,000	15,607,243	3,042,147	16,049,718	1.22x	8.6%	10.5%	(2.0%)
2010	Comvest Investment Partners IV, L.P.	10/21/2010	20,000,000	18,069,512	15,981,792	16,038,343	1.77x	39.8%	12.9%	26.9%
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	10,000,000	7,526,213	1,440,815	7,687,455	1.21x	11.5%	9.8%	1.7%
2011	Ampersand 2011	3/11/2011	5,000,000	4,825,000	282,185	7,649,537	1.64x	17.9%	11.1%	6.7%
2011	BDCM Opportunity Fund III, L.P.	4/8/2011	10,000,000	12,505,357	4,606,283	9,917,363	1.16x	9.8%	10.3%	(0.6%)
2011	AXA Secondary Fund V B L.P.	6/16/2011	40,000,000	30,191,024	16,864,593	29,299,234	1.53x	20.2%	14.0%	6.2%
2011	Wellspring Capital Partners V, L.P.	7/1/2011	7,500,000	5,707,483	575,541	6,417,396	1.23x	11.7%	9.6%	2.1%
2011	EQT VI, L.P.	8/1/2011	17,680,577	14,794,471	366,111	15,440,932	1.07x	3.4%	9.6%	(6.2%)
2011	Pegasus Partners V, L.P.	8/16/2011	6,236,975	4,390,071	1,110,265	4,654,235	1.31x	10.7%	14.4%	(3.7%)
2011	BC European Capital IX	9/19/2011	22,024,610	17,115,972	3,223,224	15,219,277	1.08x	3.9%	12.4%	(8.5%)
2011	American Securities Partners VI, L.P.	11/18/2011	20,000,000	18,474,924	5,879,164	19,814,662	1.39x	22.3%	9.5%	12.8%
2011	Vista Equity Partners Fund IV, L.P.	11/30/2011	30,000,000	27,912,901	12,193,647	32,897,957	1.62x	22.3%	11.7%	10.7%
2012	Warburg Pincus Private Equity XI, L.P.	5/24/2012	35,000,000	27,181,277	5,385,555	29,046,515	1.27x	16.9%	8.2%	8.7%
2012	Summit Partners Growth Equity Fund VIII-A, L.P.	6/14/2012	30,000,000	20,072,255	3,334,891	21,450,907	1.23x	15.1%	6.5%	8.6%
2012	Trilantic Capital Partners V L.P.	9/20/2012	10,000,000	3,250,729	39,734	2,901,318	0.90x	(5.8%)	6.5%	(12.3%)
2012	Palladium Equity Partners IV, L.P.	10/10/2012	10,000,000	4,478,312	283,125	4,520,436	1.07x	5.2%	10.1%	(4.9%)
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	20,000,000	14,254,364	1,393,247	14,599,409	1.12x	9.9%	3.2%	6.8%
2012	Green Equity Investors VI, L.P.	11/30/2012	25,000,000	16,439,249	628,928	18,775,507	1.18x	13.3%	5.8%	7.5%
2012	Platinum Equity Capital Partners III, L.P.	1/14/2013	25,000,000	12,143,489	8,426,555	9,690,001	1.49x	45.4%	10.0%	35.4%
2012	NYCFDPF - 2012 Emerging Manager Program ⁴	6/21/2013	25,000,000	10,951,774	767,108	11,070,489	1.08x	8.8%	0.5%	8.2%
2013	Carlyle Partners VI, L.P.	7/3/2013	20,000,000	7,245,052	263,146	6,792,186	0.97x	(2.3%)	1.5%	(3.8%)
2013	Carlyle Partners VI, L.P. (Side Car)	9/23/2014	2,000,000	486,043	-	449,330	0.92x	N/A	N/A	N/A
2013	Landmark Equity Partners XV, L.P.	10/30/2013	26,000,000	8,231,408	1,945,716	7,923,055	1.20x	NM	NM	N/A
2013	Landmark - NYC Fund I, L.P.	12/24/2013	9,000,000	3,773,738	350,340	4,092,402	1.18x	NM	NM	N/A
2013	Apollo Investment Fund VIII, L.P.	12/11/2013	40,000,000	9,015,743	246,576	8,598,388	0.98x	NM	NM	N/A
2013	CVC Capital Partners VI, L.P.	2/18/2014	34,919,095	5,351,886	236,858	3,719,023	0.74x	NM	NM	N/A

New York City Fire Department Pension Fund, Subchapter 2
Private Equity Portfolio
As of September 30, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
2013	Crestview Partners III, L.P.	3/3/2015	24,000,000	3,256,257	66,068	3,031,067	0.95x	NM	NM	N/A
2013	Crestview Partners III (Co-Investment B), L.P.	12/17/2015	8,000,000	-	-	-	-	N/A	N/A	N/A
2014	Olympus Growth Fund VI, L.P.	1/24/2014	15,000,000	3,112,190	1,082,636	2,702,272	1.22x	NM	NM	N/A
2014	ASF VI B L.P.	5/9/2014	30,000,000	11,068,890	292,105	13,468,207	1.24x	NM	NM	N/A
2014	ASF VI B NYC Co-Invest L.P.	5/9/2014	10,000,000	5,840,326	750,000	6,603,674	1.26x	NM	NM	N/A
2014	Vista Equity Partners Fund V, L.P.	9/8/2014	40,000,000	25,563,366	3,118	27,108,478	1.06x	NM	NM	N/A
2014	Lexington Capital Partners VIII, L.P.	1/8/2015	40,000,000	4,035,396	6,983	6,079,621	1.51x	NM	NM	N/A
2014	Centerbridge Capital Partners III, L.P.	5/21/2015	4,200,000	668,363	-	674,672	1.01x	NM	NM	N/A
2015	Siris Partners III, L.P.	5/4/2015	5,500,000	55,182	-	(13,202)	(0.24x)	NM	NM	N/A
2015	Welsh, Carson, Anderson & Stowe XII, L.P.	8/26/2015	14,000,000	2,937,627	-	2,717,508	0.93x	NM	NM	N/A
2015	EQT VII, L.P.	1/8/2016	27,900,250	-	-	-	-	N/A	N/A	N/A
2015	American Securities Partners VII, L.P.	1/19/2016	14,000,000	-	-	-	-	N/A	N/A	N/A
2015	Bridgepoint Europe V L.P.	2/8/2016	11,160,100	-	-	(61,303)	-	N/A	N/A	N/A
2015	Bridgepoint Europe V Co-Invest	N/A	3,348,030	-	-	-	-	N/A	N/A	N/A
2016	NYCFDPF - 2015 Emerging Manager Program ⁵	2/22/2016	30,000,000	-	-	-	-	N/A	N/A	N/A
Total Portfolio⁶			\$ 1,601,136,836	\$ 1,252,776,330	\$ 957,195,389	\$ 770,441,869	1.38x	10.7%	8.9%	1.8%

¹ Performance for funds with less than eight (8) quarters of activity is not meaningful.

² Russell 3000 PME+

³ PME Spread is calculated as IRR minus PME Benchmark.

⁴ 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 February 18, 2016.

⁵ NYCFDPF - 2015 Emerging Manager Program total commitment amount includes the full amount allocated to the Program, of which \$4.0 million has been committed as of February 18, 2016.

⁶ 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 September 30, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
Commitments Closed Subsequent to as of Date										
2015	Warburg Pincus Private Equity XII, L.P.	12/21/2015	\$ 36,000,000	-	-	-	N/A	N/A	N/A	N/A
2015	ASF VII B L.P.	12/29/2015	17,000,000	-	-	-	N/A	N/A	N/A	N/A
2015	ASF VII B NYC Co-Invest L.P.	12/29/2015	9,000,000	-	-	-	N/A	N/A	N/A	N/A
2016	Stellex Capital Partners LP	2/22/2016	4,000,000	-	-	-	N/A	N/A	N/A	N/A
2016	Ares Corporate Opportunities Fund V, L.P.	N/A	17,000,000	-	-	-	N/A	N/A	N/A	N/A
Total Commitments Closed Subsequent to as of Date			\$ 83,000,000	\$ -	\$ -	\$ -	N/A	N/A	N/A	N/A

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: Third Quarter 2015 Performance Measurement Report Real Estate

12

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 (September 30, 2015)

Total Plan Assets	\$10.4 billion
Target Real Assets Allocation (%)	5%
Target Real Assets Allocation (\$)	\$522.4 million
Total Real Estate Market Value	\$448.7 million
Real Estate Unfunded Commitments	\$149.9 million
Total Real Estate Exposure	\$598.7 million
Number of Investments	47
Number of Managers	33

Net Returns (as of September 30, 2015)

3Q15 Time-Weighted Net Return:	2.7%
1 Year Time Weighted Net Return:	14.1%
3 Year Time Weighted Net Return:	14.7%
Inception-to-Date (ITD) Time-Weighted:	6.7%
ITD Net IRR:	7.1%
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%

Third Quarter Investment Activity

During the Quarter, the Board made a \$12.0 million commitment to an open end core fund, a \$10.0 million commitment to an European opportunistic closed-end fund and a \$8.0 million commitment to a value-add closed-end fund.

OVERVIEW

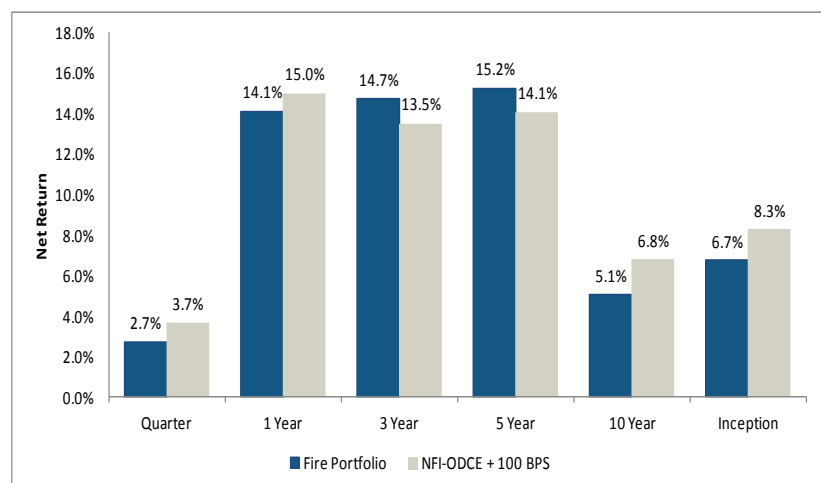
A robust and healthy commercial real estate market atmosphere was prevalent during the Third Quarter of 2015 as a result of a demand for expansion and improving lease growth across major markets in addition to affordable and available financing. Due to this environment leasing volumes increased to 7.0% year-to-date. Real estate transaction activity within the United States was \$173.0 billion for the Quarter. Transactional volume was led by New York City with \$37.0 billion in year-to-date sales volumes. Volumes are up 33.0% year over year for the New York market. Seven MSA's within the United States are in the top ten most active markets globally. In Europe, transactional volume was €66.1 billion. Belgium and Norway had investment levels double in 3Q15 versus 3Q14. Biggest declines within Europe include CEE, Finland and Spain down 55%, 49% and 32% from the prior year, respectively. Asia Pacific transactional volume was flat in relation to the prior year at \$89.0 billion. This was primarily due to the economic growth deceleration in China.

Direct Commercial Real Estate Investment - Regional Volumes, 2014-2015

			% Change		% Change		% Change	
\$ US Billions	Q2 15	Q3 15	Q2 15 - Q3 15	Q3 14	Q3 14 - Q3 15	YTD 2014	YTD 2015	YTD 2014 - YTD 2015
Americas	80	76	-5%	79	-4%	208	229	10%
EMEA	58	65	11%	63	2%	187	180	-4%
Asia Pacific	31	33	5%	32	1%	87	89	2%
Total	170	173	2%	174	-1%	482	497	3%

Source: Jones Lang LaSalle, October 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 117 basis points. At the end of the Third Quarter 2015, the Portfolio achieved a total gross return of 3.3% which was comprised of 1.4% income and 1.9% appreciation. The net return for the Quarter was 2.7%. 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: Third Quarter 2015 Performance Measurement Report Real Estate

FUNDING AND COMPOSITION

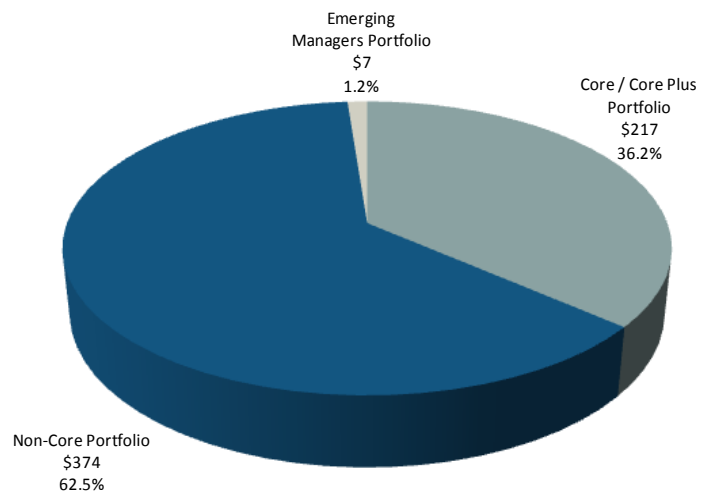
At the end of the Third Quarter, the Portfolio was funded at \$448.7 million, or 4.3% of total plan assets. A total of \$149.9 million in unfunded commitments are still outstanding. New commitment activity has accelerated over the past several months and the trend will continue throughout 2015.

New contributions for the Quarter totaled \$18.6 million, offset by just over \$20.2 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 36.2% of the Portfolio exposure during the Quarter. The Non-Core component accounts for 62.6% of the Portfolio exposure. The Emerging Manager component accounts for 1.2% 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	9/30/2015	10,448
Real Assets Allocation (%)		5.0
Real Assets Allocation (\$)		522

Style Sector Statistics

Funded (Market Value) Core / Core Plus Portfolio	\$214
Funded (Market Value) Non-Core Portfolio	\$229
Funded (Market Value) Emerging Managers Portfolio	\$6
Unfunded Core / Core Plus Portfolio	\$3
Unfunded Non-Core Portfolio	\$145
Unfunded Emerging Managers Portfolio	\$2

Funded (Market Value) and Committed Statistics

Core / Core Plus Portfolio	36.2%
Non-Core Portfolio	62.5%
Emerging Managers Portfolio	1.2%
\$ Committed	598.7
% Committed on Real Asset Allocation	114.7%
% Committed on Total Plan Assets	5.7%

Funded (Market Value) Statistics

% Funded (Market Value) of Total Plan Assets	4.3%
% Funded (Market Value) of Total Real Assets Allocation	86.0%

The New York City Fire Department Pension Fund

Executive Summary: Third Quarter 2015 Performance Measurement Report Real Estate

PERFORMANCE

During the Quarter under review, the Fire Real Estate Portfolio produced a 3.3% total gross return. The total net return for the Quarter was 2.7%. On a rolling one-year basis the total gross return of 17.3% was recorded. On a net basis the total return was 14.1%. On a gross basis the Fire Portfolio exceeds the NFI-ODCE in all relevant time periods except the Quarter. The benchmark return contemplates a 100 bps premium over the ODCE net return over full market cycles. This benchmark is exceeded over the 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 September 30, 2015 the market value of the Core/ Core Plus Portfolio was \$214.0 million, or 47.7% on an invested basis. On a funded and committed basis, the Core/ Core Plus Portfolio totaled \$216.9 million, or 36.2% of the total Portfolio. The Core/ Core plus Portfolio generated a 3.9% total gross return for the Quarter comprised of 1.2% in income and 2.7% in appreciation. The total net return for the Quarter was 3.7%.

The most significant contribution to the Quarterly return in the Core/Core Plus sector was PRISA II which added 0.15% to the overall performance of the Core/Core Plus sector. The largest detractor from the Core/Core Plus Portfolio was JP Morgan Strategic Property Fund, which took away (0.12)% from the total net return.

The Core/Core Plus Portfolio achieved a 12.5% net return over the three-year period ending September 30, 2015. Of the 13 Core/Core Plus Funds, PRISA II was the largest contributor, adding 0.18% to the overall performance of the Portfolio. UBS Trumbull Property Fund was the largest detractor, taking away (0.60)% from the overall performance of the Core/Core Plus Portfolio, however, with its low leverage target, UBS historically outperforms during down cycles.

Non-Core

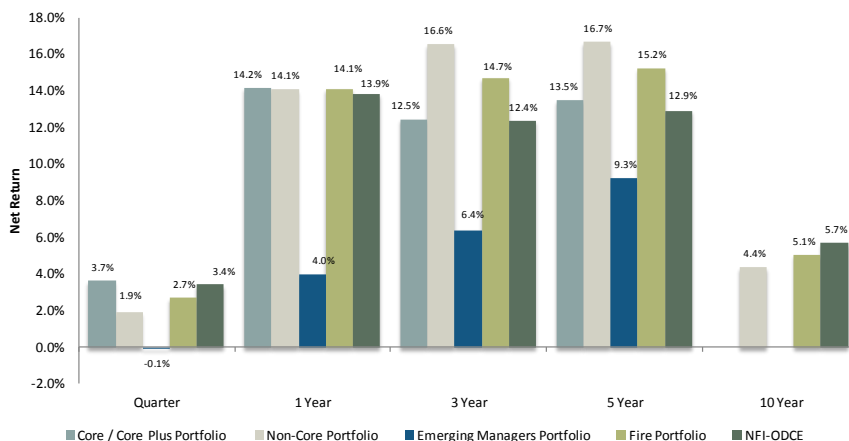
As of September 30, 2015 the market value of the Non-Core Portfolio was \$229.1 million, or 51.0% on an invested basis. On a funded and committed basis, the Non-Core Portfolio totaled \$374.4 million, or 62.5% of the total Portfolio. The Non-Core Portfolio generated a 2.8% total gross return for the Quarter comprised of 1.6% in income and 1.2% in appreciation. The total net return for the Quarter was 1.9%.

Of the 31 Funds contributing to the Quarterly return of the Non-Core Portfolio, Divco West Fund IV was the largest contributor, adding 0.84%. Stockbridge Real Estate Fund III was the largest detractor for the Quarter, taking away (1.03)% from the overall performance of the Non-Core Portfolio.

The Non-Core Portfolio generated a three-year net return of 16.6%. Of the 31 Non-Core Funds that contributed to the three-year performance of the Portfolio, Blackstone Real Estate Partners VII was the largest contributor, adding 0.87%. The largest detractor among these Funds was The City Investment Fund I, which took away (1.03)% from overall Non-Core performance.

Emerging Managers

As of September 30, 2015 the market value of the Emerging Managers Portfolio was \$5.7 million, or 1.3% on an invested basis. On a funded and committed basis, the Emerging Managers Portfolio totaled \$7.3 million, or 1.2% of the total Portfolio. The Emerging Managers Portfolio generated a 1.6% total gross return for the Quarter comprised of (0.7)% in income and 2.3% in appreciation. The total net return for the Quarter was (0.1)%. 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.



The New York City Fire Department Pension Fund

Executive Summary: Third Quarter 2015 Performance Measurement Report Real Estate

PERFORMANCE

Portfolio Performance

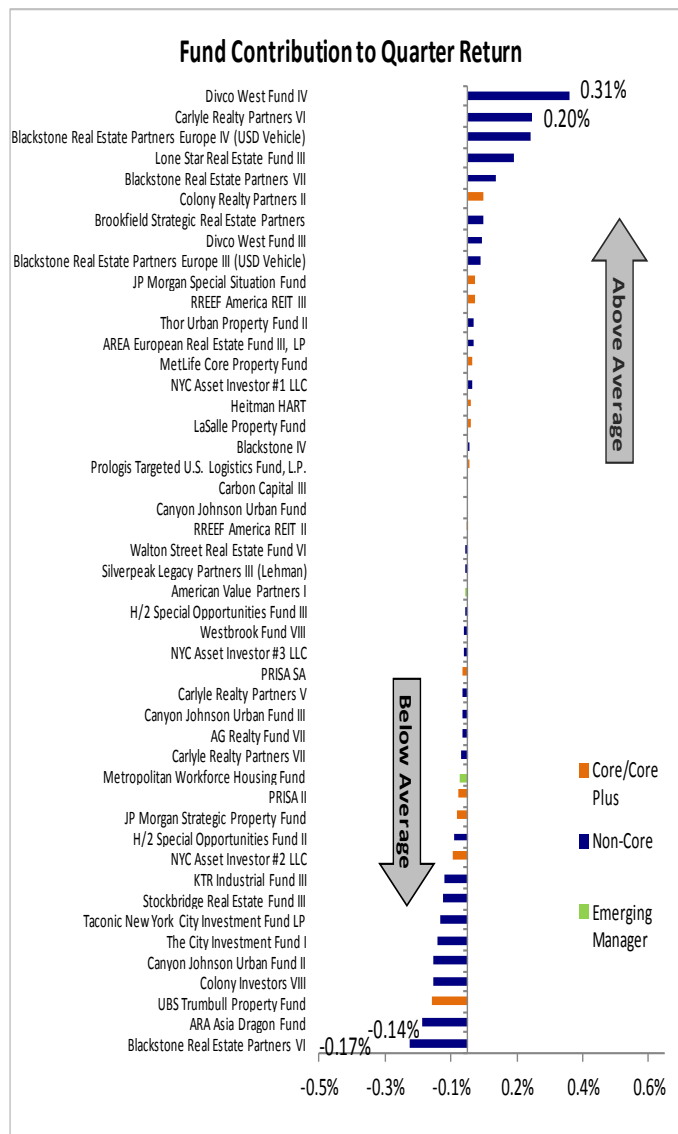
At the end of the Third Quarter 2015, the Portfolio had a cumulative market value of \$448.7 million. Total market value plus unfunded commitments was \$598.7 million, or 114.9% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 3.3% which was comprised of 1.4% income and 1.9% appreciation. The Portfolio achieved a total net return of 2.7%. Since inception, the Portfolio has a net IRR of 7.1% and an equity multiple of 1.3x as of September 30, 2015. Note, attached as Exhibit B are performance metrics relating to each investment within the Portfolio.

The Quarterly return was driven Divco West Fund IV, which contributed 0.37% to the overall performance. The primary laggards in the Portfolio were Colony Investors VIII and Stockbridge Real Estate Fund III detracting (0.26)% and (0.55)%, 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.

DivcoWest Fund IV (DWF IV). During the Quarter, the Fund recorded a total gross return of 11.0% comprised of 1.5% in income and 9.5% in appreciation. The net return after fees was 8.5%. As of September 30, 2015, the Fund has 17 unrealized investments with an acquisition cost of \$2.0 billion. During the Third Quarter an office property in El Segundo, California was refinanced with a \$56.5 million loan that matures in September 2020. \$9.7 million was drawn from the \$40.8 million construction loan for the a logistics center in Napa where construction activity began in August 2015. At an office asset located in Los Angeles, California, four new leases were executed during September 2015.

Carlyle Realty Partners VI (Carlyle VI). Carlyle VI had a total gross return of 7.8% comprised of 7.5% in income and 0.3% in appreciation. The net return after fees was 8.2%. As of September 30, 2015, Carlyle VI has closed on 129 investments requiring approximately \$2.08 billion of Fund equity. As of Quarter end the Fund has fully exited 63 investments and partially exited six investments. Significant activity for the Quarter includes the realization of several multi-family assets. A mid-rise apartment complex in Arlington, was sold in July 2015 to for \$167 million generating \$22.4 million, gross IRR of 17.1% and a 1.6x equity multiple. Also during the Third Quarter, a class A apartment community located in Los Angeles, was sold for \$99.0 million generating a gross profit of \$22.4 million and a 28% gross IRR. To date, all realizations have generated a gross IRR of 51%.

PRISA II. PRISA II generated a total gross return 5.0%, comprised of 1.2% in income and 3.7% appreciation. The net return after fees was 4.7%. 89% of Third Quarter appreciation was due to the office and apartment sectors. Office sector appreciation was driven by leasing activity and strong fundamentals in the San Francisco Bay area, Washington D.C. and Boston. Performance in the apartment sector was generated by market rents and occupancy increase in the Fund's developed assets. A luxury apartment tower located in East Cambridge, Massachusetts was acquired for \$197.4 million. \$370.5 million in dispositions were executed during the Quarter spread across nine investments.



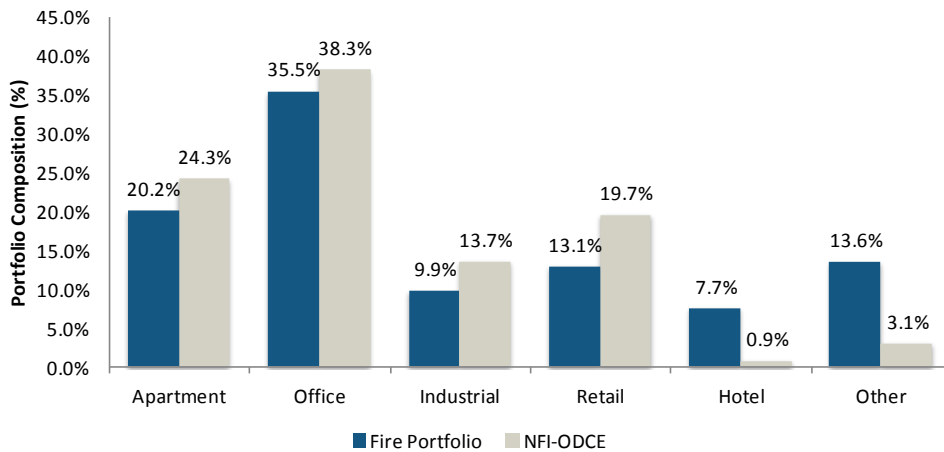
The New York City Fire Department Pension Fund

Executive Summary: Third 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 underweight to multifamily, office, industrial and retail. The Portfolio is overweight to hotel and other property types which includes debt-related investments and can include other investments within diversified funds in for sale residential, self storage, land, data centers, senior living, healthcare, medical office and student housing.

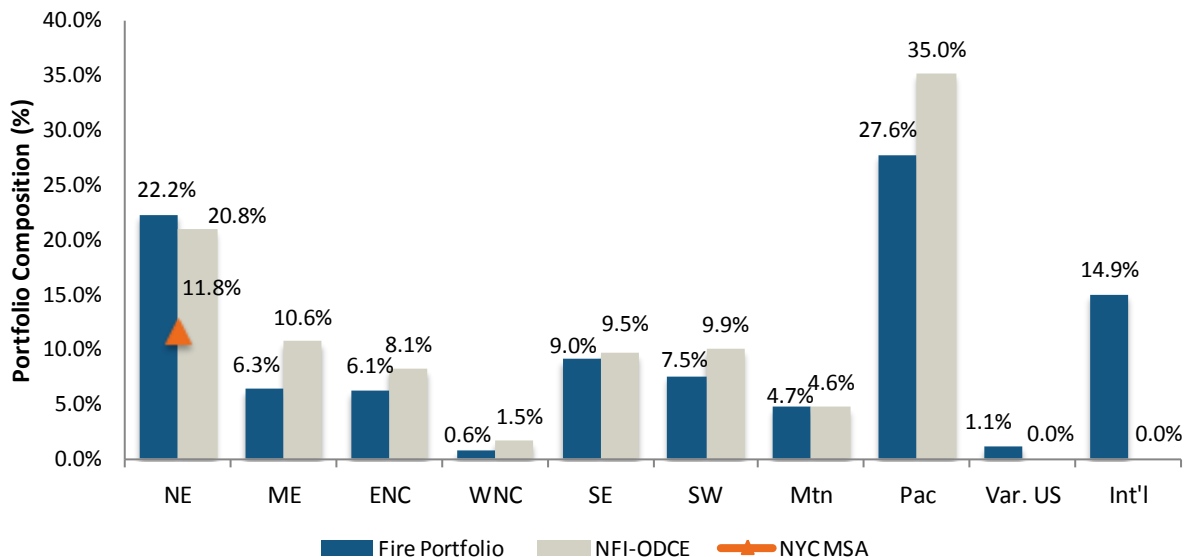
Property Type Diversification



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 14.9% international exposure is appropriate for the risk and return profile of Fire and consistent with our long-term target.

Geographic Diversification



The New York City Fire Department Pension Fund

Executive Summary: Third Quarter 2015 Performance Measurement Report Real Estate

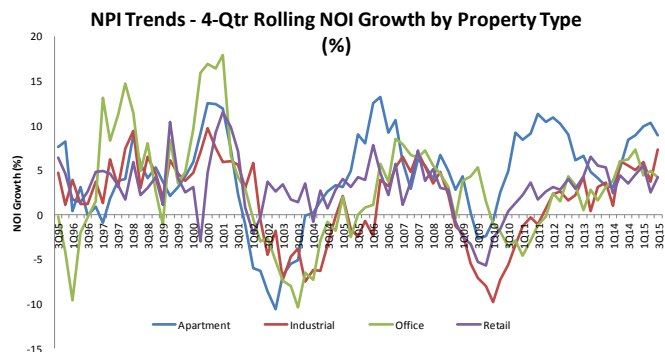
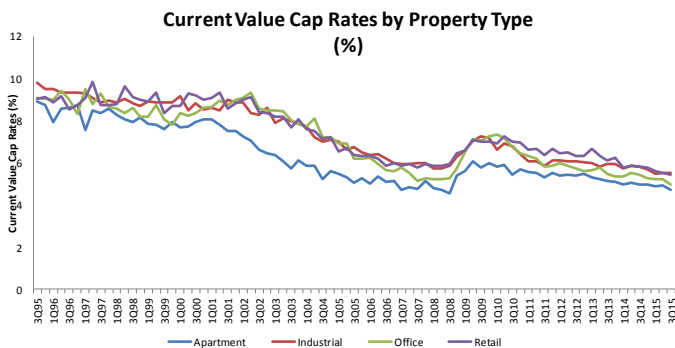
MARKET UPDATE

General

- As of 3Q15, real GDP rose 2.1%, 60 bps above initial expectations, however 180 bps below 2Q15. While growth was stimulated by positive contributions from consumer and government spending, business fixed investment, and residential investment, it was partially offset by lower inventory investment, especially in manufacturing, as well as lower net export due to lower global demand.
- During the quarter consumer spending, representing two-thirds of the GDP, remained strong at 3.0%, although 20 bps below previsions due to a decelerating job growth and turbulences in global trends. In addition to the 3.9% growth in disposable income, weak oil prices, lower household debt, healthy job market, and a strong US Dollar, continue to be important catalysts for household consumption.
- As of 3Q15, business investment (building and equipment) grew by 2.4%, while inventory decreased to \$90.2 billion, approximately 20% below 2Q15 due to a global economic slowdown. The US housing recovery continues as evidenced in a 7.3% rise in home construction. However, energy firms have been challenged by persistent decreases in energy prices.
- During the quarter a stronger US dollar led to lower foreign demand for US good and higher imports. The trade deficit of -1.2% partially offset the 3Q15 GDP growth by 20 bps. Corporate profits also fell 8.1% below levels last year, which is the largest decline since 4Q08.
- As of 3Q15, the lending environment remained strong and new CMBS issuance was expected to exceed 2014 year-end levels. However, year-to-date activities declined to \$81.6 billion, or 13.3%, below 2014 and credit spreads continued to widen due to (i) excess deal supply, (ii) low energy prices, (iii) expected Fed tightening, and (iv) global market volatility.

Commercial Real Estate

- As of 3Q15, the US commercial real estate sector remained the strongest among global peers, with \$307.1 billion of year-to-date transaction volumes, or 51.8% of global activity, led by New York, Chicago, and Los Angeles. Year-to-date, transactions grew by 30.1% and current economic indicators suggested ample room for continued potential expansion with projected annual sales growth of 20%.
- Year-to-date, office and multifamily remained the busiest real estate property sector in the US, representing 35.7% and 31.1% of total transaction activities, respectively.
- As of 3Q15, transaction cap rates from all traditional property sectors continued to decline. Year-to-date, industrial recorded the largest cap rate compression (-33 bps), with an average cap rate of 5.1%. Multifamily recorded the lowest average cap rate (4.3%), with core apartments trading only 20 bps above 2007 peak levels.
- Year-to-date, foreign capital represented 14.6% of total transaction activity, exceeding 2007 peak levels by 10.3%, with office, industrial, and hotels representing 29.0%, 25.6%, and 21.1% of total transactions, respectively. While the office sector has long represented more than half of total foreign acquisitions annually, foreign investors have progressively shown interest in large-scale, well located, multimarket industrial portfolios and iconic hotel assets.



The New York City Fire Department Pension Fund

Executive Summary: Third 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	<i>Portfolio returns outperform the benchmark over the three and five year time periods.</i>
Portfolio Composition	Core/Core Plus (minimum of 40%)	<i>The portfolio is funded (market value) and committed at 114.7% of real asset allocation with a portfolio composition of 36.2% core, 62.5% non-core, and 1.2% 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 5.7% of total plan assets.</i>
	Currently Funded at 4.3%	
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 (42.7 %).</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: Third Quarter 2015 Performance Measurement Report Real Estate

EXHIBIT B: THIRD 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	2,031,200	0.4	-10.9
2007	Heitman HART	3/29/2007	9,000,000	12,010,445	-3,010,445	15,324,467	1.5	7.9
2007	JP Morgan Special Situation Property Fund	1/2/2007	5,000,000	5,640,622	-1,280,300	5,872,555	1.3	3.2
2007	JP Morgan Strategic Property Fund	12/5/2006	22,000,000	23,608,156	0	39,143,177	1.7	8.9
2010	LaSalle Property Fund	7/1/2010	30,000,000	30,000,000	-4,900,646	38,879,646	1.5	12.8
2014	MetLife Core Property Fund	7/1/2014	15,000,000	15,000,000	-527,113	16,254,091	1.1	20.2
2013	NYC Asset Investor #2 LLC	7/9/2013	9,000,000	6,211,658	-1,067,358	5,969,831	1.1	12.2
2007	PRISA II	6/30/2007	20,228,233	21,356,287	-3,409,456	25,426,458	1.4	4.6
2006	PRISA SA	9/29/2006	7,000,000	7,486,044	-1,563,966	8,742,635	1.4	3.9
2006	Prologis Targeted U.S. Logistics Fund	10/1/2006	5,000,000	6,250,325	-1,305,339	5,687,681	1.1	1.6
2006	RREEF America REIT II	10/1/2006	7,000,000	9,178,399	-3,690,979	8,703,855	1.4	4.5
2007	RREEF America REIT III - 1410	10/1/2007	5,000,000	5,000,000	-2,438,542	452,872	0.6	-7.5
2006	UBS Trumbull Property Fund	9/28/2006	27,000,000	34,123,296	-5,686,073	41,517,541	1.4	7.6
Core / Core Plus Portfolio			166,228,233	181,220,284	-29,046,743	214,006,009	1.3	5.9
2008	AG Realty Fund VII	5/20/2008	15,000,000	14,100,000	-17,438,211	4,277,130	1.5	13.8
2008	ARA Asia Dragon Fund	7/9/2008	10,000,000	9,284,000	-11,427,344	528,924	1.3	7.2
2008	AREA European Real Estate Fund III, LP	5/6/2008	15,000,000	15,243,750	-14,077,500	4,013,035	1.2	4.6
2004	Blackstone Fund IV	5/10/2004	5,000,000	6,406,782	-7,015,164	2,186,228	1.4	11.5
2010	Blackstone Real Estate Partners Europe III (USD V)	10/24/2008	5,000,000	5,085,956	-3,141,441	4,192,518	1.4	14.7
2014	Blackstone Real Estate Partners Europe IV (USD V)	12/23/2013	26,000,000	15,264,616	-1,573,040	15,193,498	1.1	10.5
2007	Blackstone Real Estate Partners VI	9/27/2007	10,000,000	11,047,417	-13,595,131	6,982,900	1.9	13.3
2012	Blackstone Real Estate Partners VII	3/31/2012	30,000,000	33,532,846	-18,134,111	31,630,229	1.5	25.6
2015	Blackstone Real Estate Partners VIII	8/18/2015	31,500,000	1,361,582	0	1,490,064	n/a	n/a
2012	Brookfield Strategic Real Estate Partners	9/20/2012	15,000,000	15,101,054	-3,731,133	15,372,227	1.3	17.8
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	2,547,040	0.5	-9.2
2010	Canyon Johnson Urban Fund III	3/29/2010	5,000,000	4,931,163	-6,331,307	437,364	1.4	12.7
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	6,225,338	-6,512,487	1,891,164	1.3	8.3
2011	Carlyle Realty Partners VI	9/14/2011	20,000,000	18,081,912	-14,919,773	13,844,428	1.6	29.8
2014	Carlyle Realty Partners VII	6/30/2014	15,000,000	3,699,503	0	3,537,964	1.0	-11.3
2007	Colony Investors VIII	9/18/2007	20,000,000	21,249,679	-5,553,373	4,377,150	0.5	-12.5
2012	Divco West Fund III	12/30/2011	30,000,000	29,429,127	-39,234,294	10,165,332	1.7	26.3
2014	Divco West Fund IV	1/15/2014	30,000,000	27,281,372	-3,688,144	30,744,721	1.3	27.3
2011	H/2 Special Opportunities Fund II	1/31/2011	10,000,000	10,000,001	-5,480,243	7,982,989	1.3	16.2
2015	H/2 Special Opportunities Fund III	12/29/2014	15,000,000	3,797,911	0	3,902,092	1.0	7.4
2013	KTR Industrial Fund III	6/28/2013	10,000,000	4,369,869	-6,854,322	55,427	1.6	40.6
2014	Lone Star Real Estate Fund III	5/20/2014	25,000,000	17,949,712	-2,989,012	17,544,646	1.1	20.0
2013	NYC Asset Investor #1 LLC	6/25/2013	5,000,000	3,963,972	-537,193	4,571,446	1.3	26.4
2013	NYC Asset Investor #3 LLC	9/20/2013	6,000,000	1,368,036	-23,481	1,393,660	1.0	3.4
2008	Silverpeak Legacy Partners III	5/28/2008	5,000,000	2,216,844	-200,380	728,168	0.4	-12.6
2008	Stockbridge Real Estate Fund III	9/9/2008	13,500,000	13,142,674	0	18,138,418	1.4	6.7
2012	Taconic New York City Investment Fund LP	7/5/2012	20,000,000	8,272,728	-181,818	11,264,733	1.4	12.8
2004	The City Investment Fund I	3/16/2004	35,000,000	34,515,181	-34,495,821	474,144	1.0	0.3
2009	Thor Urban Property Fund II	10/30/2008	5,000,000	6,469,583	-4,100,125	4,615,472	1.3	10.5
2009	Walton Street Real Estate Fund VI	4/27/2009	5,000,000	4,432,393	-3,149,175	3,487,963	1.5	10.6
2010	Westbrook Real Estate Fund VIII	12/28/2009	5,000,000	5,915,605	-6,231,140	1,495,203	1.3	12.9
2008	American Value Partners Fund I	10/18/2007	5,000,000	3,773,989	-2,217,249	1,632,282	1.0	0.4
2015	Avanath Affordable Housing Fund II	7/14/2015	2,220,000	1,809,963	0	1,702,017	0.9	-31.1
2007	Metropolitan Workforce Housing Fund	7/13/2007	3,500,000	3,503,257	-1,546,203	2,341,254	1.1	2.4
Non Core and Emerging Manager Portfolio			487,720,000	391,255,289	-259,616,429	234,741,831	1.3	8.1
New York City Fire Department Pension Fund			653,948,233	572,475,572	-288,663,172	448,747,840	1.3	7.1

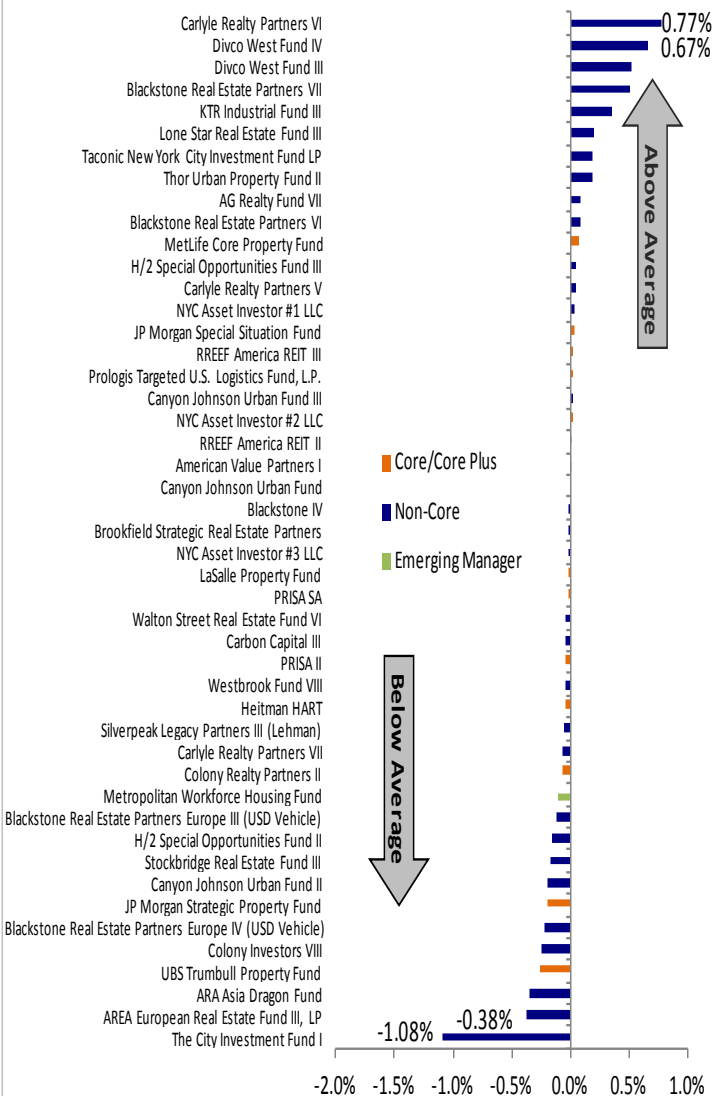
Source: PCG historical cash flow data. TTG cash flow data from Fund Managers, effective 2005. Note: The equity multiples and IRRs contained in this report are interim calculations based upon information provided by the investment managers of the New York City Retirement Systems, including cash flows 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 September 30, 2015. 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.

The New York City Fire Department Pension Fund

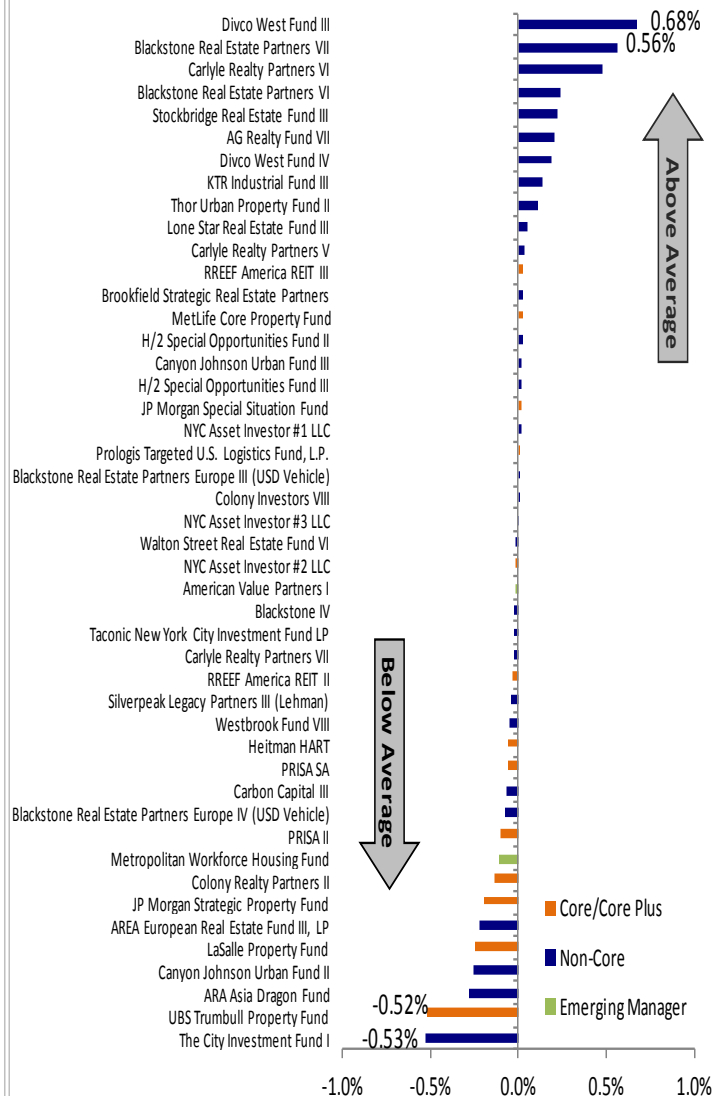
Executive Summary: Third Quarter 2015 Performance Measurement Report
Real Estate

EXHIBIT C : ATTRIBUTION

Fund Contribution to 1 Year Return



Fund Contribution to 3 Year Return





Infrastructure Monitoring Report

For the period ended September 30, 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.....	5
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.....	13
IV. Risk Management Matrix.....	14

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, StepStone Group Real Assets LP, StepStone Group Real Estate LP, or their 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.

Each of StepStone Group LP, StepStone Group Real Assets LP and StepStone Group Real Estate 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 September 30, 2015, the Program has committed US\$47.0 million to four partnership investments (the “Portfolio”). This quarterly monitoring report covers the performance of the Portfolio as of September 30, 2015 as well as significant activity that occurred during the third 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 September 30, 2015, the market value of NYCFDPF Real Assets Program represented approximately 4.5% of total pension assets. The market value of NYCFDPF Infrastructure Program represented approximately 0.2% 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 [*]	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Total Pension Assets [*]	\$10,448.0	\$10,927.0	\$10,596.0	(\$479.0)	(\$148.0)
Total Real Assets [*]	\$465.0	\$452.0	\$415.0	\$13.0	\$50.0
% Allocation to Real Assets (Target of 5% +/- 2%)	4.5%	4.1%	3.9%	+ 31 bps	+ 53 bps
Total Infrastructure Assets	\$19.1	\$17.7	\$5.1	\$1.4	\$14.0
% Allocation to Infrastructure vs. Total Pension Assets	0.2%	0.2%	0.0%	+ 2 bps	+ 13 bps
% Allocation to Infrastructure vs. Total Real Assets	4.1%	3.9%	1.2%	+ 18 bps	+ 287 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

Performance Summary

As of September 30, 2015, the Infrastructure Program has achieved a Total Value to Paid-In multiple of 1.1x invested capital and an IRR of 13.9%. Note that, given the relative immaturity of the Portfolio and underlying fund investments, the current performance to-date is not meaningful.

US\$ in millions *	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Number of Managers	4	4	3	0	1
Number of Investments	4	4	3	0	1
Committed Capital ¹	\$47.0	\$47.0	\$35.0	\$0.0	\$12.0
Contributed Capital	\$18.3	\$17.4	\$5.1	\$0.9	\$13.2
Distributed Capital	\$0.8	\$0.6	\$0.2	\$0.2	\$0.7
Market Value	\$19.1	\$17.7	\$5.1	\$1.4	\$14.0
Total Value	\$19.9	\$18.3	\$5.3	\$1.6	\$14.6
Total Gain/(Loss)	\$1.6	\$0.9	\$0.2	\$0.7	\$1.4
Unfunded Commitment	\$28.7	\$29.6	\$29.9	(\$0.8)	(\$1.2)
Exposure ²	\$47.8	\$47.2	\$35.0	\$0.5	\$12.8
DPI ³	0.0x	0.0x	0.0x	0.0x	0.0x
TVPI ⁴	1.09x	1.05x	1.03x	0.04x	0.06x
IRR ⁵	13.9%	12.3%	8.2%	1.6%	5.6%
TVPI Net of StepStone Fees ⁶	1.09x	1.05x	1.03x	0.04x	0.05x
IRR Net of StepStone Fees ⁶	13.7%	12.1%	8.2%	1.6%	5.5%

* Note that amounts may not total due to rounding. **Past performance is not necessarily indicative of future results.**

¹ 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 S&P Capital IQ as the source for quarter-end exchange rates to calculate committed capital.

² Exposure represents the sum of Market Value and Unfunded Commitment.

³ 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.

⁴ 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.

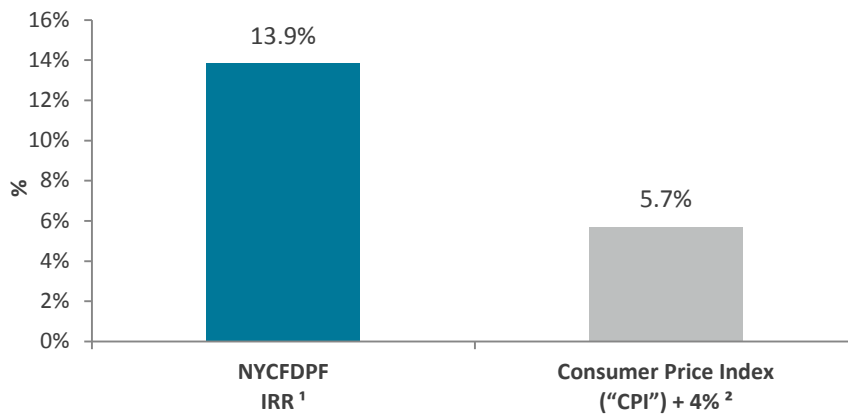
⁵ IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund managers' fees, expenses and carried interest.

⁶ TVPI and IRR Net of StepStone fees represent TVPI and IRR net of fees paid by NYCFDPF to StepStone through the quarter-end date.

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 September 30, 2015, the Program outperformed the benchmark by 8.2%. 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 September 30, 2015.



¹NYCFDPF 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. **Past performance is not necessarily indicative of future results.**

²Consumer 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 September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
By Strategy:						
Core	19.1	100.0%	28.7	100.0%	47.8	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
Total	19.1	100.0%	28.7	100.0%	47.8	100.0%
By Geographic Focus:						
Global	7.5	39.3%	8.1	28.2%	15.6	32.6%
OECD	11.6	60.7%	20.6	71.8%	32.2	67.4%
Total	19.1	100.0%	28.7	100.0%	47.8	100.0%
By Industry Focus:						
Diversified	18.6	97.6%	19.3	67.3%	37.9	79.4%
Energy	0.5	2.4%	9.4	32.7%	9.9	20.6%
Total	19.1	100.0%	28.7	100.0%	47.8	100.0%

II. Infrastructure Market Overview

Market Overview

Concerns about global growth triggered a wave of volatility in the third quarter. Public equity markets declined sharply amid concerns over slowing growth in China, weak commodity prices, and uncertainty over the timing of a US interest rate increase. In September, the Federal Reserve opted to delay its much-anticipated rate hike, citing global economic risks, low inflation, and the strength of the US dollar as reasons to hold rates steady. Meanwhile, the European Central Bank continued its €60-billion-a-month bond-buying program, and ECB President Mario Draghi confirmed that the central bank stands ready to provide additional monetary stimulus if inflation weakens further.

Infrastructure investment in the US and Canada has been concentrated in the energy sector, driven by the shale boom and growth in renewable energy projects. Low energy prices are creating opportunities to invest in midstream infrastructure, as oil and gas businesses divest assets in response to slowing cash flows. Interest in public-private partnerships (“P3s”) in the transport and social infrastructure sectors continues to grow. In the US, fiscal constraints on public-sector funding for these projects has been a significant factor in the increase in recent activity levels. Deal count is expected to increase as a growing number of states are entertaining legislation to allow private investment in infrastructure. Recently, the U.S. Department of Transportation unveiled its Build America Transportation Investment Center to serve as a centralized source for municipalities and states seeking federal transportation knowledge, applications for transportation credit programs and methods for accessing private capital for public-private partnerships.

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 Latin America remains strong. In Mexico, recent changes in government policy are driving 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. Infrastructure is a political and economic priority in many other parts of Latin America, including Brazil, Chile, Peru and Columbia, each of which continues to provide a range of potential investment opportunities. Recent economic volatility in Brazil has created rare opportunities to buy large-scale, core infrastructure assets from state-owned companies. In an effort to improve productivity, the Brazilian government recently unveiled a package of infrastructure projects for private-sector firms to build and operate.

While infrastructure investment in Japan has traditionally been dominated by government-related entities and infrastructure companies with limited private participation by institutional investors, the country recently announced the privatization act for infrastructure assets. The tender processes for two airports have been launched and up to 28 airports are being considered for privatization. Toll roads, ports, water, and sewerage assets will be tendered to the private sector following the airport sales. In Australia, fiscal constraints placed on the federal and state governments have increased the reliance on private sector capital in meeting the country’s infrastructure deficit. Government initiatives have encouraged a number of high profile opportunities including ports, energy and airport privatizations.

Infrastructure Fundraising

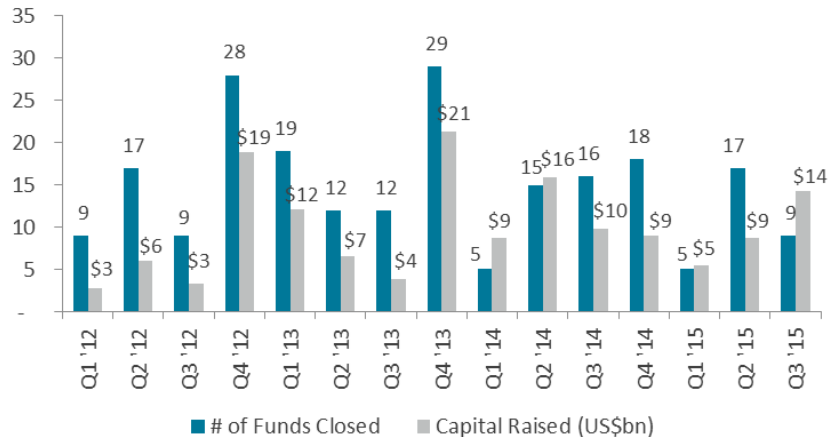
Fundraising for infrastructure strategies continues to be robust with a large number of funds in market. Fund managers that have closed infrastructure funds in 2015 have raised an average of 105% of their initial targets, the highest since 2008.

During the third quarter, nine funds held final closings. Aggregate capital raised was US\$14.2 billion. The amount represented a year over year increase of 45% compared to Q3 2014, when 16 funds held a final close raising US\$9.8 billion.

The largest fund to reach a final closing during Q3 was ArcLight Energy Partners Fund VI, which raised US\$5.6 billion of commitments. The fund will focus primarily on midstream energy and power assets in North America. Additionally, KKR raised US\$3.1 billion for its second infrastructure offering, which will target investments in core, economic infrastructure, primarily in North America and Europe.

Unlisted Infrastructure Fundraising

Source: Preqin

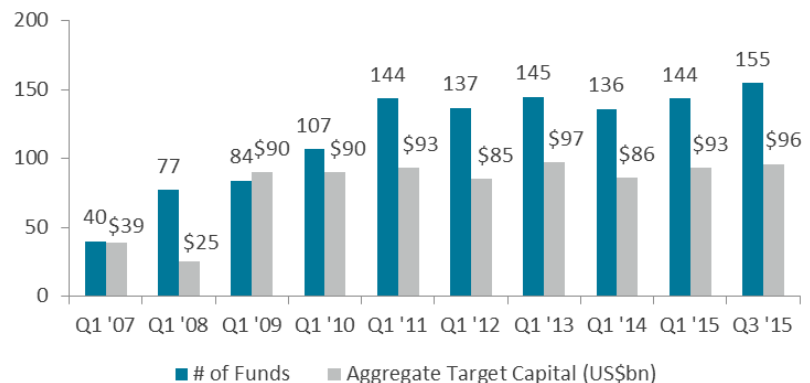


Fund	General Partner	Size	Final Close Date	Location Focus
ArcLight Energy Partners Fund VI	ArcLight Capital Partners	\$ 5,575	Jul-15	North America, West Europe
KKR Global Infrastructure Investors II	KKR	\$ 3,100	Jul-15	Global
Copenhagen Infrastructure II	Copenhagen Infrastructure Partners	€ 2,000	May-15	Europe, North America
Fondi Italiani Per Le Infrastrutture II	F2i SGR	€ 1,243	Jun-15	Italy
Guangdong Renewable Energy Industry Fund	Guangdong Oriental Millennium Renewable Energy Industry Fund Management	¥ 3,080	Apr-15	China

At the end of the third quarter, Preqin observed 155 funds in market targeting aggregate capital commitments of US\$96 billion. The largest funds in market include: Alinda Infrastructure Fund III, targeting US\$5.0 billion; North Haven Infrastructure Partners II, targeting US\$4.0 billion; West Street Infrastructure Partners III, targeting US\$3.0 billion; Ardian Infrastructure Fund IV, targeting €2.5 billion for a European-focused strategy; and The UK Technologies Media Telecommunications and Infrastructures Fund, targeting €2.5 billion to focus on investments in large-scale communications projects in the UK and disruptive European start-ups in the TMT industry.

Unlisted Infrastructure Fundraising

Source: Preqin



Major Transactions

During the third quarter, 158 infrastructure deals were completed with an estimated aggregate deal value of US\$99.4 billion, representing a 19% increase compared to the prior quarter. Several significant infrastructure transactions completed in the third quarter are presented below.

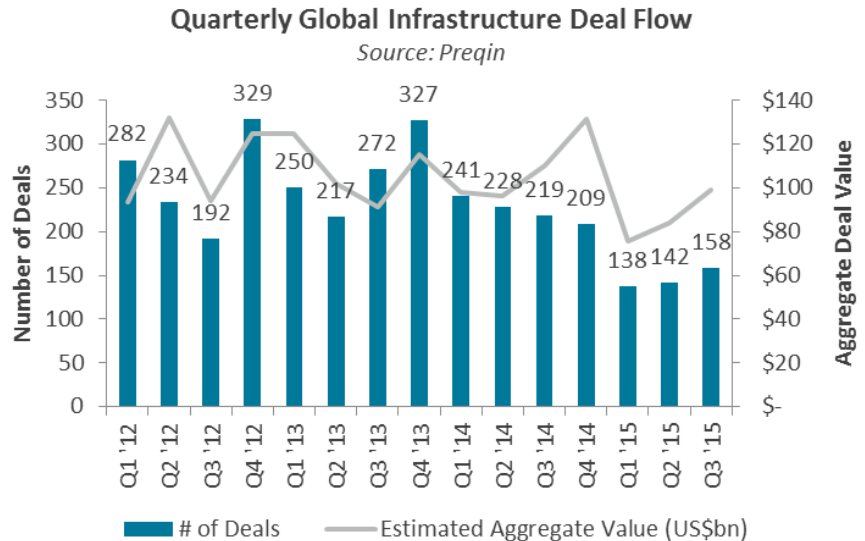
In July 2015, a consortium comprising Dalmore Capital, Allianz Capital Partners, Amber Infrastructure, International Public Partnerships (INPP), DIF and Swiss Life Asset Managers was selected as preferred bidder for the £4.2 billion Thames Tideway Tunnel project. The project involves the construction of a 25km sewerage tunnel over 70m beneath London.

In July 2015, Black Hills Corp. entered into an agreement to acquire SourceGas Holdings from Alinda Capital Partners and GE Energy Financial Services for US\$1.9 billion. SourceGas is a multi-state natural gas distribution company based in Colorado. The acquisition is slated for completion in the first half of 2016.

In August 2015, Southern Company acquired US natural resources storage facility AGL Resources in a deal valued at US\$12.0 billion. The acquisition doubled the number of Southern Company customers to nine million, making it the second largest utility in the United States.

In August 2015, a consortium comprising Allianz Capital Partners, Borealis, ADIA and MEAG agreed to acquire a 100% stake in Tank & Rast from Terra Firma Capital Partners and a fund managed by Deutsche Asset and Wealth Management for €3.5 billion. Tank & Rast is Germany's largest motorway service operator, owning 390 service areas, 350 petrol stations and 50 hotels on Germany's highway network.

In August 2015, NextEra Energy Partners LP agreed to buy seven natural gas pipelines in Texas from NET Midstream for US\$2.1 billion. The seven natural gas pipelines serve power producers and municipalities in South Texas, processing plants and producers in the Eagle Ford Shale, and residential, commercial and industrial customers in the Houston area.



III. Portfolio Review

Quarterly Highlights

- **No New Investment Commitments** – There were no new investment commitments made during the third quarter of 2015.
- **Subsequent Investment Commitments** – Subsequent to quarter-end through February 5, 2016, the Program has not closed on any additional investment commitments.
- **Cash Outflow Decreased** – During the third quarter of 2015, the Program made US\$0.9 million of contributions and received US\$0.2 million of distributions, for a net cash outflow of US\$0.7 million. This compared to a net cash outflow of US\$10.2 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 third quarter of 2015, net of cash flow activity, the valuation of the Portfolio increased by approximately US\$0.7 million, or 3.9%, from the prior quarter. The valuation increase reflects the increase in value of underlying investments in Brookfield Infrastructure Fund II, KKR Global Infrastructure Investors II, and IFM Global Infrastructure Fund.
- **One New Underlying Fund Investment** – During the third quarter of 2015, the Portfolio made a new investment in FR Warehouse Holdings LLC, a portfolio of renewable assets in North America.
- **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 September 30, 2015. Note that the performance of funds that are less than one year old is not meaningful.

As of September 30, 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	\$6.9	\$0.8	\$7.5	\$8.3	\$1.4	\$8.1	\$15.6	0.1x	1.2x	18.4%
2014	32.0	11.4	0.0	11.6	11.6	0.2	20.6	32.2	NM	NM	NM
Total	\$47.0	\$18.3	\$0.8	\$19.1	\$19.9	\$1.6	\$28.7	\$47.8	0.0x	1.1x	13.9%

Performance by Strategy and Industry Focus

The following table illustrates the Portfolio's since-inception investment performance by strategy and industry focus as of September 30, 2015.

As of September 30, 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
Core	\$47.0	\$18.3	\$0.8	\$19.1	\$19.9	\$1.6	\$28.7	\$47.8	0.0x	1.1x	13.9%
Diversified	37.0	17.7	0.8	18.6	19.4	1.7	19.3	37.9	0.0x	1.1x	15.4%
Energy	10.0	0.6	-	0.5	0.5	(0.1)	9.4	9.9	NM	NM	NM
Total	\$47.0	\$18.3	\$0.8	\$19.1	\$19.9	\$1.6	\$28.7	\$47.8	0.0x	1.1x	13.9%

Performance by Geographic Focus

The following table and charts illustrate the Portfolio's since-inception investment performance by geographic focus as of September 30, 2015.

As of September 30, 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	\$6.9	\$0.8	\$7.5	\$8.3	\$1.4	\$8.1	\$15.6	0.1x	1.2x	18.4%
OECD	32.0	11.4	0.0	11.6	11.6	0.2	20.6	32.2	NM	NM	NM
Total	\$47.0	\$18.3	\$0.8	\$19.1	\$19.9	\$1.6	\$28.7	\$47.8	0.0x	1.1x	13.9%

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:

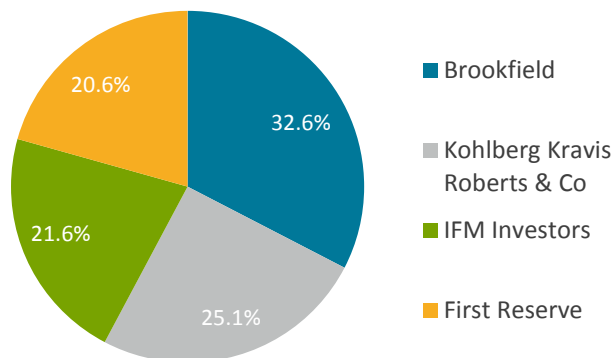
- Core Infrastructure Investments: 60% to 100%; and
- Non-Core Infrastructure Investments: 0% to 40%.

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 September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
By Strategy:						
Core	19.1	100.0%	28.7	100.0%	47.8	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
Total	19.1	100.0%	28.7	100.0%	47.8	100.0%
By Geographic Focus:						
Global	7.5	39.3%	8.1	28.2%	15.6	32.6%
OECD	11.6	60.7%	20.6	71.8%	32.2	67.4%
Total	19.1	100.0%	28.7	100.0%	47.8	100.0%
By Industry Focus:						
Diversified	18.6	97.6%	19.3	67.3%	37.9	79.4%
Energy	0.5	2.4%	9.4	32.7%	9.9	20.6%
Total	19.1	100.0%	28.7	100.0%	47.8	100.0%

By Investment Manager

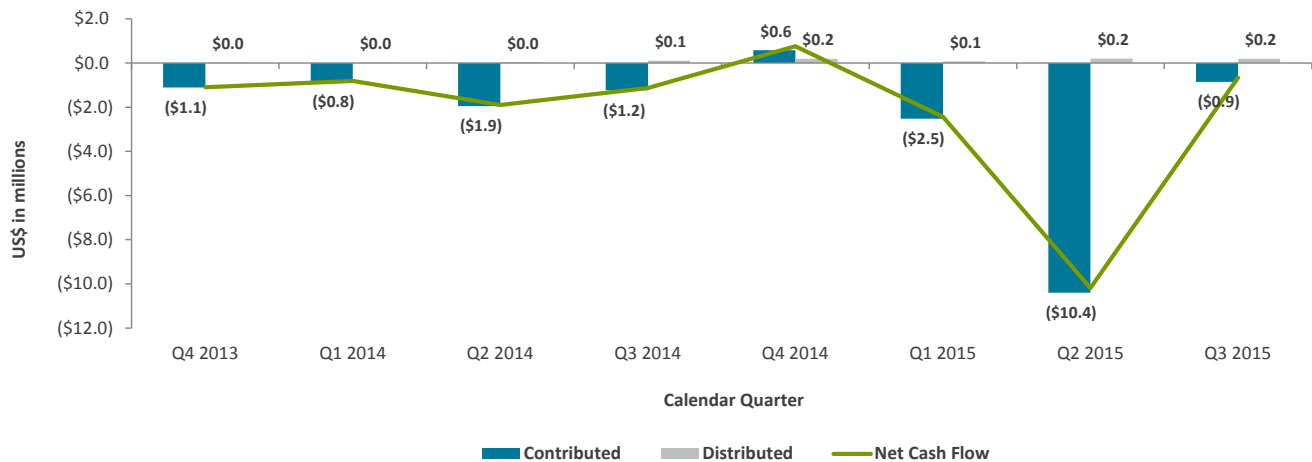
As of September 30, 2015, the Program had made four investment commitments to four managers. NYCDFPF seeks to limit its exposure to any single manager to no more than 10% of the total Real Assets Program when fully invested. As the Program matures and closes on additional commitments, the single manager exposure is expected to decline significantly. Below is the Portfolio's current exposure by manager.



Portfolio Cash Flow Analysis

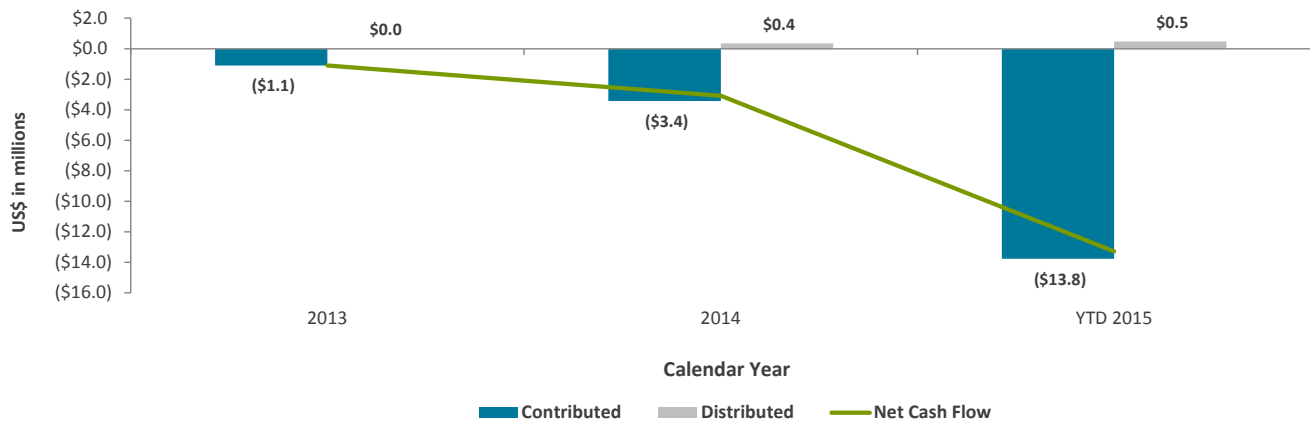
Quarterly Cash Flow Activity

During the third quarter of 2015, the Program made US\$0.9 million of contributions and received US\$0.2 million of distributions, for a net cash outflow of US\$0.7 million. As of September 30, 2015, four 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.



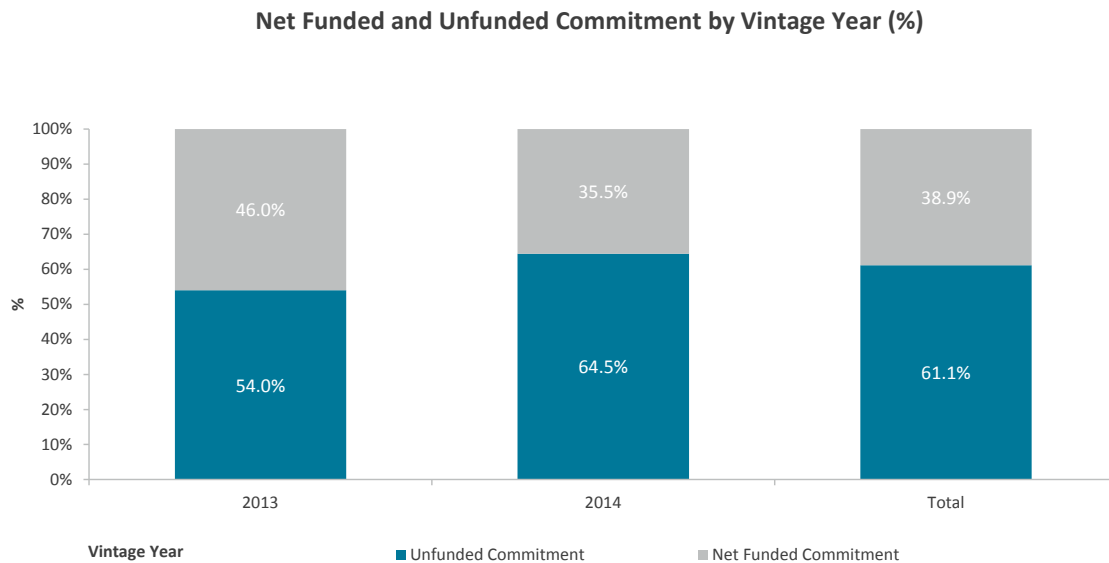
Annual Cash Flow Activity

During the first nine months of 2015, the Program made US\$13.8 million of contributions and received US\$0.5 million of distributions, for a net cash outflow of US\$13.3 million. The graph below illustrates cash flow activity since inception by calendar year.

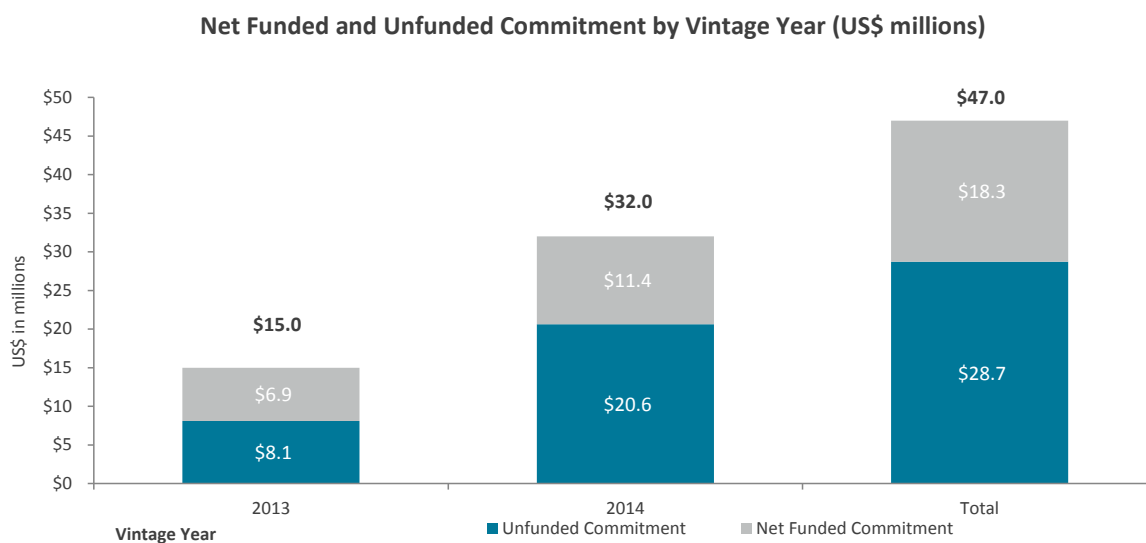


Net Funded and Unfunded Commitments by Vintage Year

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 September 30, 2015. Overall, the Portfolio was 61.1% 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 September 30, 2015. Overall, the Portfolio had US\$28.7 million of unfunded commitments as of quarter-end.

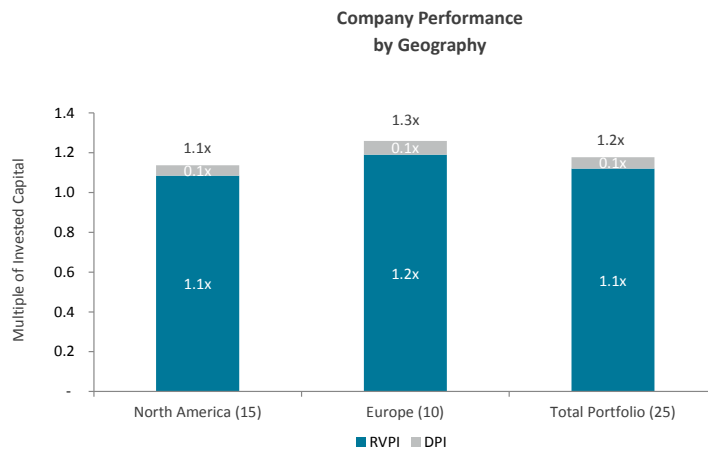
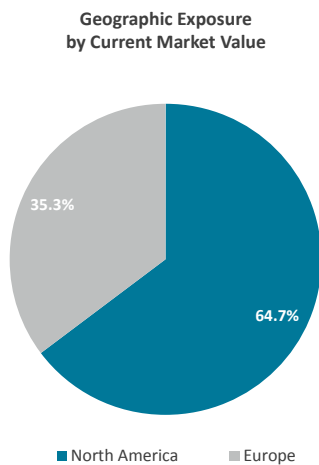


Portfolio Company-Level Analysis

As of quarter-end, the Portfolio had exposure to 25 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. The Program's individual portfolio investment exposure is relatively concentrated as a result of the relative immaturity of the Program.

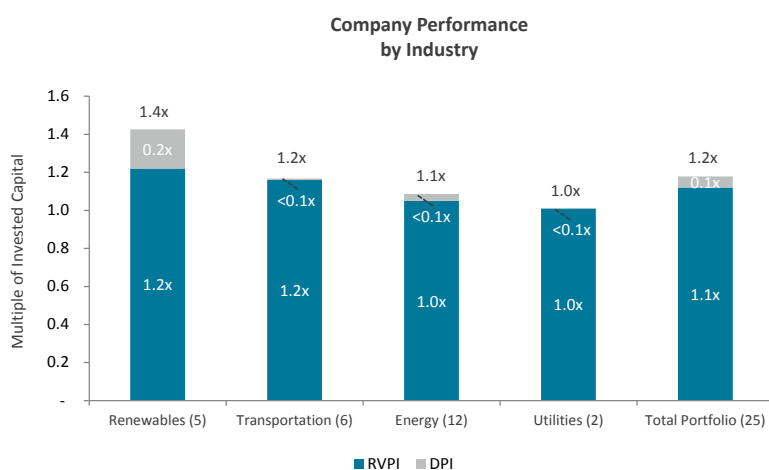
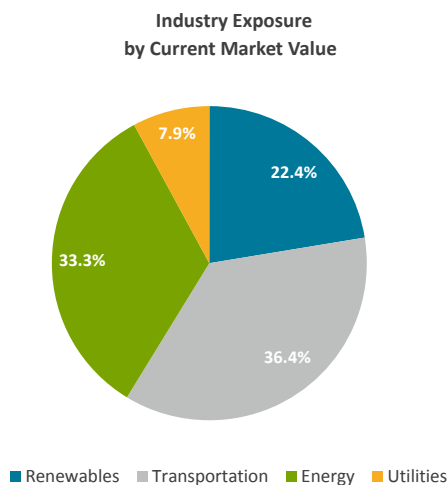
Geographic Exposure and Performance

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



Industry Exposure and Performance

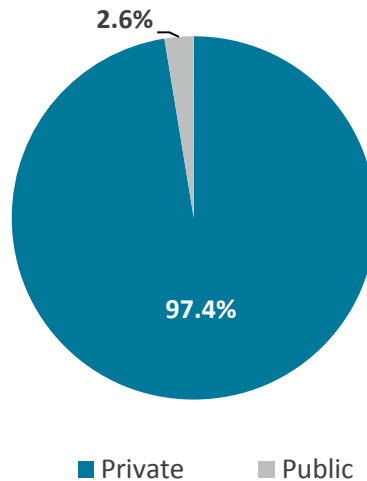
The following charts illustrate the Portfolio's current exposure and performance by industry at the portfolio company level.



Public Market Exposure

As of quarter-end, publicly traded investments comprised 2.6% of the Portfolio's exposed market value. The following chart illustrates the current public market exposure at the portfolio company level.

Public Market Exposure Current Market Value



IV. Risk Management Matrix

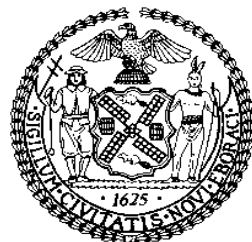
Category	Requirement	Status	Status Notes
Allocation	<p>NYCFDPF has a Real Assets allocation target of 5% (plus or minus 2%) of total pension assets.</p> <p>Infrastructure is a component asset class within the NYCFDPF Real Assets investment program.</p>	✓	<p>The market value of NYCFDPF Real Assets Program currently represents approximately 4.5% of total pension assets and the market value of NYCFDPF Infrastructure Program represents approximately 0.2% 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>
Performance vs. Benchmarks	<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 September 30, 2015, the Portfolio outperformed the benchmark by 8.2%.</p> <p>However, given the relative immaturity of the Portfolio, the current performance to-date versus benchmarks is not meaningful.</p>
Strategy Diversification	<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>
Asset Type & Location Diversification	<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>
Leverage	<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 39.5%*.</p>
Single Investment Size & Manager Diversification	<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 September 30, 2015.

- Trustee Education/Risk Report:



Risk Management



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER

March 16, 2016

2015 Priorities

Risk Management's Focus Was Operational Risk

Projects Included

- Performed analysis that led BAM to implement a new accounting system
- Automated public market fee calculations - which enabled net of fee performance reporting
- Analyzed private market returns by comparing them to public market benchmarks
- Established securities holdings database which will enable BAM to build a risk reporting platform



2016 Priorities: Operational Risk Initiatives

Risk Management will continue to focus on operational risk while developing market risk reporting capabilities

Holdings Reporting

- A new general ledger
- Daily mark-to-market of public market investments

Systems

- Trading system - enabling straight through processing of short term investments executed by BAM
- Customer Relationship Management System
- Cash Management System

Fee Transparency / Detailed Private Market Reporting

- BAM requires more detailed (ILPA) reporting from GPs
- BAM will build the infrastructure needed to consume this new level of detail
- Performance analysis dashboard
- Straight through processing of ILPA based reporting



2016 Priorities: Market Risk Initiatives

Enhance Risk Reporting Capabilities and Automate Rebalancing Analysis

Automate BAM's rebalancing analysis

Create daily flash P+L reports

Generate weekly risk reports

Extended Risk Reporting Framework

Further develop securities holdings database and reporting tools

Mark-to-market ETI rate locks

Evaluate 3-4 comprehensive market risk reporting packages based on needs of:

Asset Teams

Market Risk Team



RISK REPORT DISCUSSION



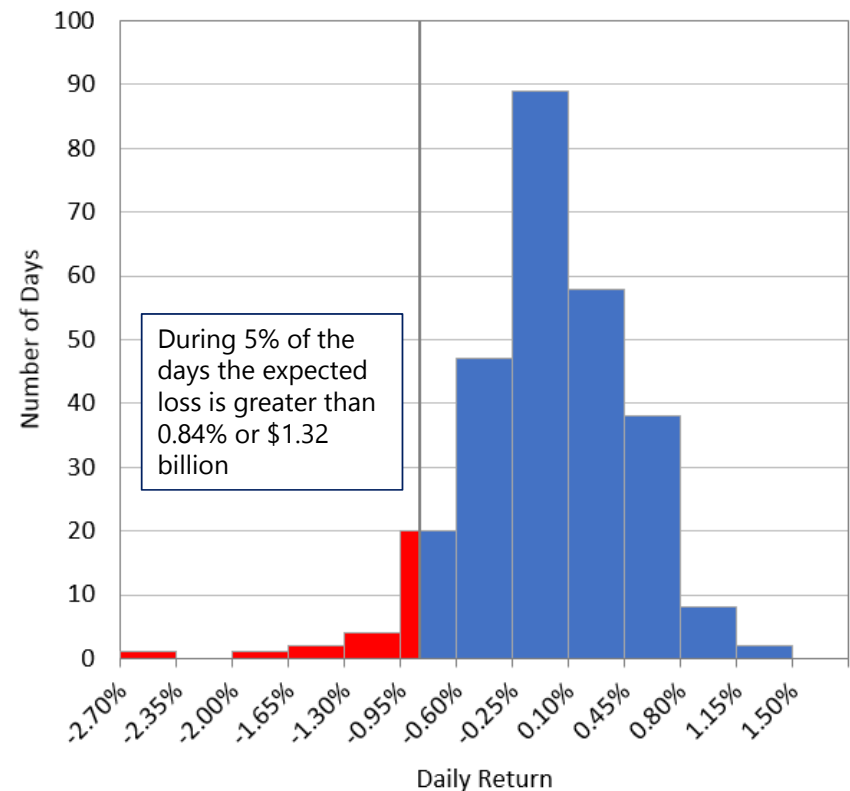
Value at Risk (VaR)

VaR estimates how much a given investment might lose in normal market conditions, in a given time period, 1 day in our case.

Example

If a portfolio has a 1-day 95%VaR of \$1.32B, that means that there is a 5% probability that the portfolio will lose more than \$1.32B in value in a single day. In other words a loss of \$1.32B or more will occur on average once every 20 days.

Simulated Return Distribution Over A Year



VaR (Continued)

	Combined Plan
NAV	158,156,478,435
95%VaR	1,321,051,696
95%VaR / NAV	0.84%

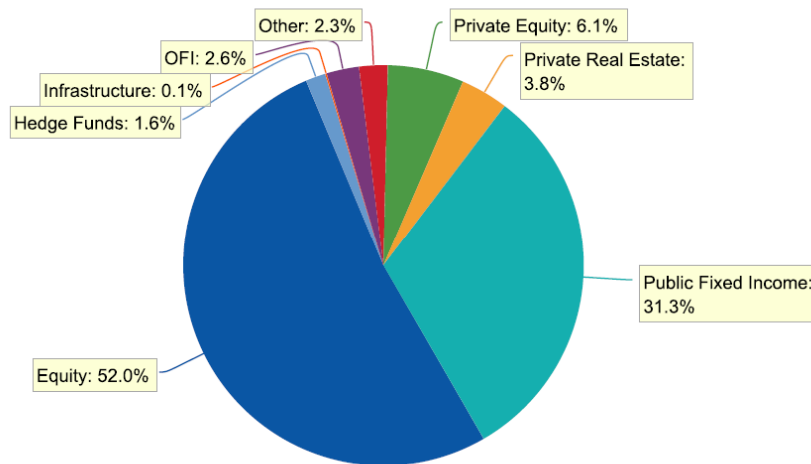
- Losses on a portfolio that exceed the VaR should be expected – such losses are referred to as a “VaR breaks”.
- VaR is not a “worst-case” loss.
- The probability of a loss larger than the 95% VaR is difficult to estimate accurately and should be analyzed with stress testing based on long-term and broad market data.



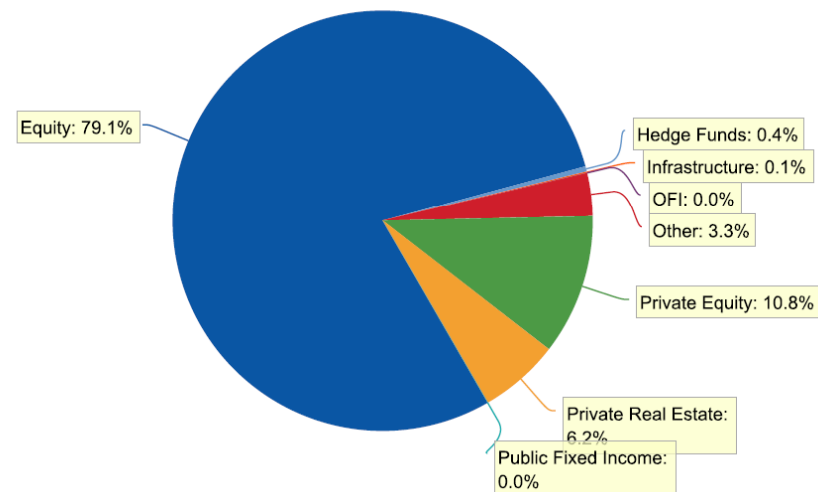
Component Value at Risk (VaR)

Component VaR is the change in a portfolio's total VaR that comes from removing a particular investment from the portfolio

Exposure



Component VaR

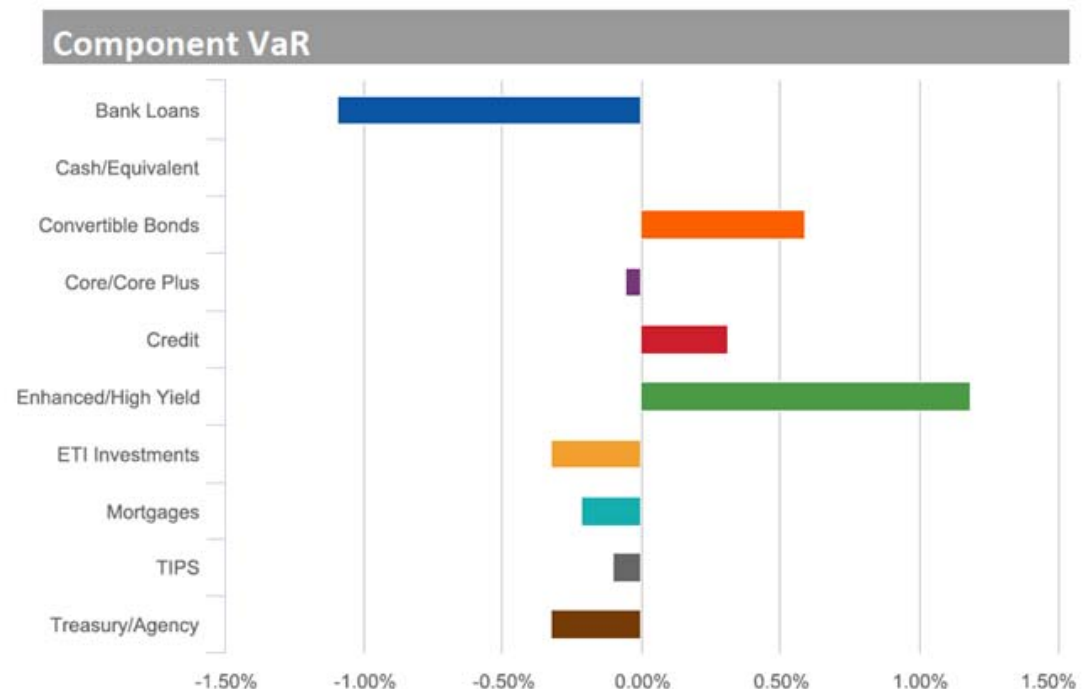


- Component VaR is calculated using the correlations between asset classes and their VaR



Component VaR (Continued)

- Negative Component VaR shows that the prices of certain fixed income investments are negatively correlated with the prices of other investments.
- Such investments diversify the portfolio and reduce its VaR.

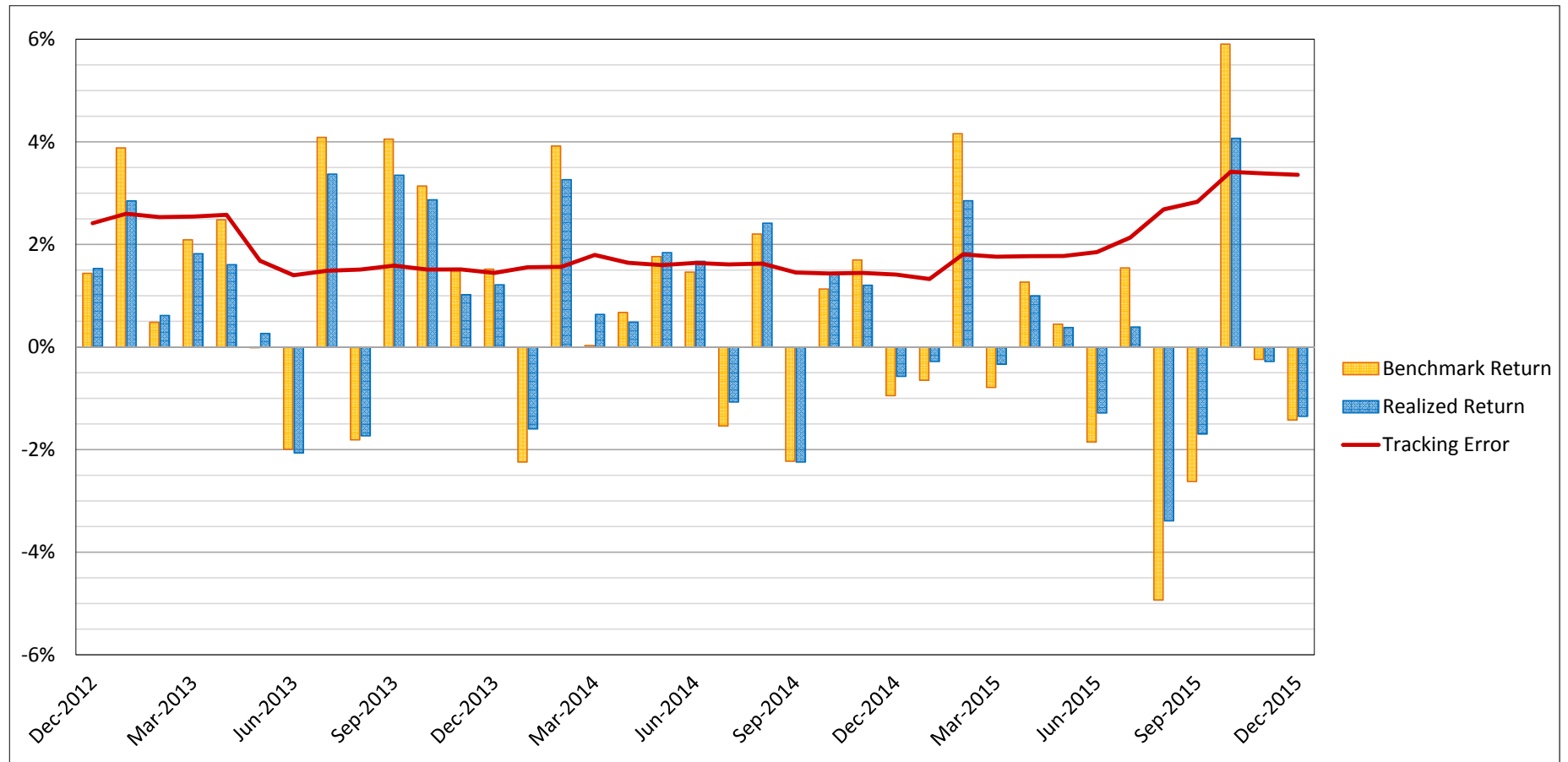


Tracking Error

- Tracking Error is a measure of active risk. It shows how closely a portfolio follows its benchmark.
- Excess Return is the portfolio return minus the benchmark return.
- Tracking error is the standard deviation of the Excess Return, in our case over the past year.



Total Fund Return and Tracking Error



Sharpe Ratio

- The Sharpe Ratio is a measure of risk adjusted return - a higher Sharpe Ratio is indicative of a higher risk adjusted return.
- The Sharpe Ratio is:

$$\frac{\text{Average of (Portfolio Return – Risk Free Return)}}{\text{Standard deviation of (Portfolio Return – Risk Free Return)}}$$

- The 1-year Sharpe Ratio of the combined investment portfolios of the five Systems is -0.03.
- Every percentage point of volatility is compensated by -3 bps of return over the Risk Free Rate.



Information Ratio

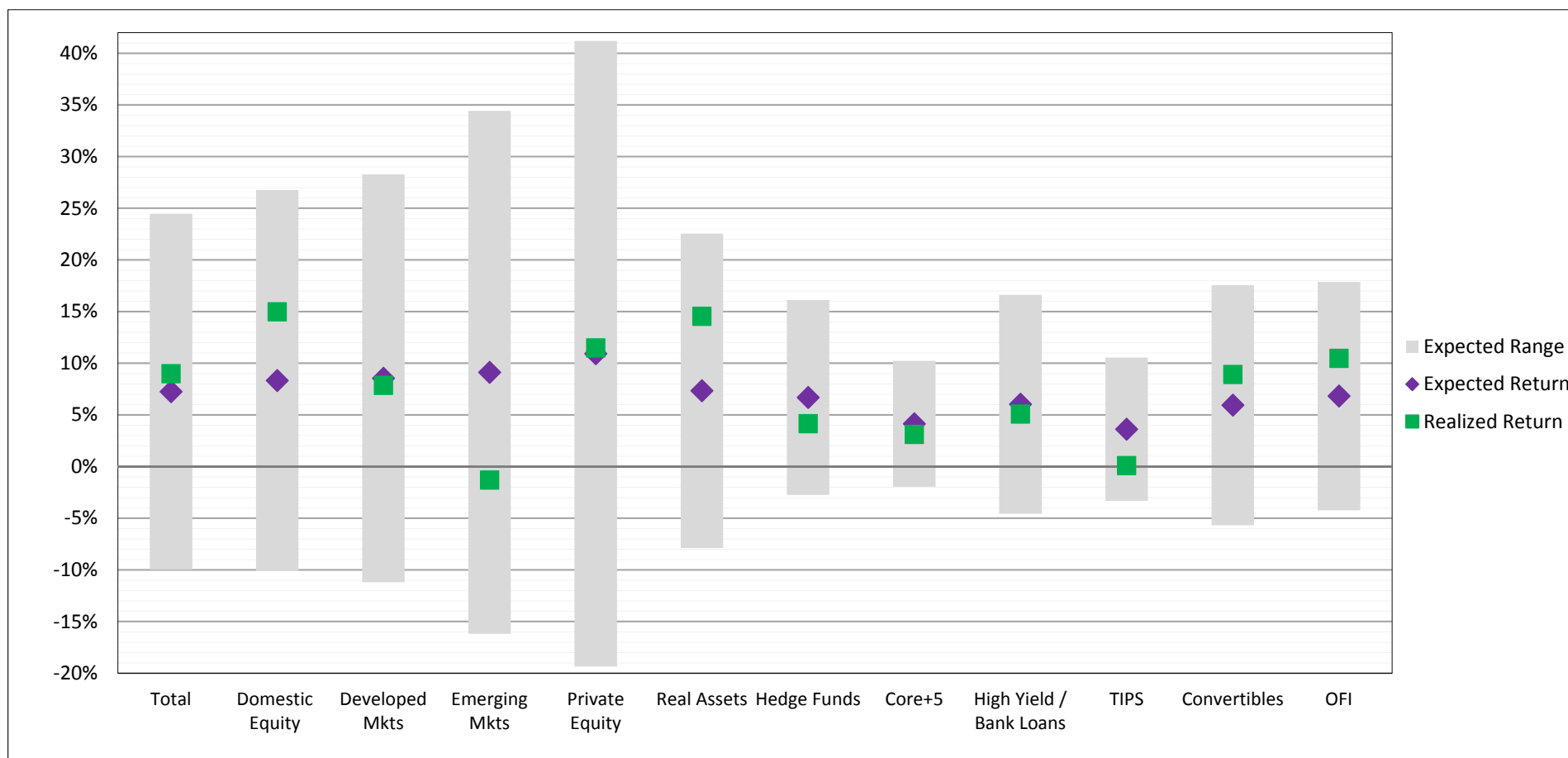
- The Information Ratio is a measure of the effectiveness of active management – a higher Information Ratio is indicative of a higher risk adjusted return.
- The Information Ratio measures the risk adjusted Excess Return earned as a result of choosing active management. The Information Ratio is:

$$\frac{\text{Average of (Portfolio Return – Benchmark Return)}}{\text{Standard Deviation of Excess Return}} \text{ or } \frac{\text{Average Excess Return}}{\text{Tracking Error}}$$

- The 1-year Information Ratio of the combined investment portfolios of the five Systems is -0.15.
- Every percentage point of Tracking Error is compensated by -15 bps of Excess Return.



Expectations* and Realized Returns: Jan 2012 – Dec 2015



*Weighted average of consultants' expectations



- BAM Strategic Plan Implementation Update (**Handout**):

APPENDICES:

- Basket Clause

FIRE - BASKET/NON BASKET SUMMARY

As of December 31st, 2015

	Adjusted Fund Policy			Fund Actual (PE & RE on an invested basis)		
<u>Equity</u>	Non Basket*	Basket*	Total	Non Basket*	Basket*	Total
Domestic Equity	30.1%	0.0%	30.1%	30.9%	0.0%	30.9%
Non-U.S. Equity	10.0%	6.5%	16.5%	10.0%	6.2%	16.2%
Private Equity	0.0%	7.0%	7.0%	0.0%	7.4%	7.4%
Real Assets	4.5%	0.0%	4.5%	4.5%	0.0%	4.5%
REITS	2.8%	0.2%	3.0%	3.2%	0.2%	3.4%
Hedge Funds	0.0%	3.2%	3.2%	0.0%	3.2%	3.2%
Total Equity	47.5%	16.9%	64.4%	48.6%	17.0%	65.6%
<u>Fixed Income</u>						
Core+5	21.3%	0.5%	21.8%	19.3%	0.5%	19.8%
<i>U.S. Gov't Sector</i>	4.5%	0.0%	4.5%	2.2%	0.0%	2.2%
<i>Mortgage Sector</i>	7.9%	0.0%	7.9%	7.8%	0.0%	7.8%
<i>Credit Sector</i>	8.9%	0.5%	9.4%	8.6%	0.5%	9.1%
High Yield	2.7%	0.7%	3.5%	2.9%	0.7%	3.6%
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%	2.8%
Convertibles	1.0%	0.0%	1.0%	0.5%	0.0%	0.5%
Opportunistic	0.0%	2.7%	2.7%	0.0%	2.7%	2.7%
Other Fixed Income	0.0%	0.0%	0.0%	3.5%	0.0%	3.5%
Total Fixed Income	29.5%	6.1%	35.6%	28.6%	5.9%	34.4%
Total Fund	77.0%	23.0%	100.0%	77.2%	22.9%	100.0%

Remaining Capacity

2.0%

2.1%



- Liquidity Analysis

FIRE Liquidity Profile - Static Analysis

3/7/16

AUM as of December 31, 2015

	Current MV	Liquid Assets		
		Today	1 Year	2 Years
Domestic Equity	\$3,272	\$3,272	\$3,272	\$3,272
International Equity	1,047	1,047	1,047	1,047
Emerging Markets	668	668	668	668
Hedge Funds	338	0	294	318
REITS	360	360	360	360
Private Equity	785	0	0	0
Private Real Estate	479	0	0	0
Core + 5	2,093	2,093	2,093	2,093
TIPS	295	295	295	295
Opportunistic Fixed Income	285	213	285	285
Enhanced Yield	385	385	385	385
Bank Loans	179	179	179	179
Convertible Bonds	52	52	52	52
ETI	84	19	71	71
Cash	277	277	277	277
Total Assets	\$10,597	\$8,858	\$9,277	\$9,300
Total Illiquid \$		\$1,739	\$1,321	\$1,297
Total Illiquid %		16.4%	12.5%	12.2%
Unfunded PE Commitments	\$494			
Unfunded RE Commitments	186			
Unfunded OFI Commitments	75			
Total commitments \$	\$755			
Total commitments %	7.1%			



FIRE Liquidity Profile - Static Analysis

3/7/16

AUM as of December 31, 2015

Denominator Effect - Decrease AUM by One-Third

Total Illiquid \$	\$1,739	\$1,321	\$1,297
Total Illiquid %	24.6%	18.7%	18.4%

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
Total Assets	\$10,597	\$8,858	\$9,277	\$9,300

Private Equity, Real Estate and Opportunistic Fixed Income Stress Case

Unfunded PE Commitments Drawn	\$99	\$198
Unfunded RE Commitments Drawn	37	74
Unfunded OFI Commitments Drawn	38	0
Total commitments \$	\$174	\$272
Total commitments %	1.6%	2.6%

Total Illiquid \$	\$1,494	\$1,569
Total Illiquid %	14.1%	14.8%

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

Denominator Effect - Decrease AUM by One-Third

Total Illiquid \$	\$1,739	\$1,494	\$1,569
Total Illiquid %	24.6%	21.1%	22.2%

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

