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## MEMORANDUM

TO: Trustees  
New York City Fire Department Pension Fund

FROM: Larry Schloss

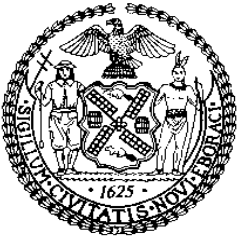
DATE: September 12, 2013

RE: New York City Fire Department Pension Fund Investment Meeting –  
September 18, 2013

Enclosed is a copy of the **public agenda** for the Wednesday, September 18, 2013 Investment Meeting. The meeting will be held at our location – NYC Comptroller's Office, Executive Board Room, 5<sup>th</sup> Floor – Rm. 530 (beginning @ 9:30am).

Please remember to bring all (3) Quarterly Performance Overview books with you to the meeting; they will be mailed to you.

If you have questions about any agenda item, please contact me at 212.669.8318.



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OFFICE OF THE COMPTROLLER  
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NEW YORK, N.Y. 10007-2341

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John C. Liu  
COMPTROLLER

## NEW YORK CITY FIRE DEPARTMENT PENSION FUND

### INVESTMENT MEETING

September 18, 2013

#### LOCATION:

One Centre Street  
Executive Board Room  
5<sup>th</sup> Floor, Rm. 530  
New York, NY

# NEW YORK CITY FIRE DEPARTMENT PENSION FUND

## INVESTMENT MEETING

SEPTEMBER 18, 2013

### PUBLIC AGENDA

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I. <u>Performance Reviews:</u> (30 Minutes)	
• Quarterly Review/Annual Review – June 30, 2013 (To be distributed)	....
• ETI Quarterly Report – June 30, 2013	6
• Private Equity Quarterly Report – March 31, 2013	15
• Real Estate Quarterly Report – March 31, 2013	46
II.   July Monthly Performance Review: (30 Minutes)	57
III.   IPS Conforming Update: (30 Minutes)	111

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### NEW YORK CITY VARIABLE SUPPLEMENTS FUNDS PUBLIC AGENDA

	<u>FFVSF:</u>	
I.    Performance Review: (5 Minutes)		
• Quarterly Report – June 30, 2013 (To be distributed)		357
	<u>FOVSF:</u>	
II.   Performance Review: (5 Minutes)		
• Quarterly Report – June 30, 2013 (To be distributed)		359

## PUBLIC AGENDA

## I. Performance Reviews:

## Quarterly Reports:

## ETI Quarterly Report

# FIRE Economically Targeted Investments Quarterly Report

## Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	CCD		CFSB		NCBCI		LIIF		All Lender Totals	
	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units
Contractual Commitments	\$2,400,000	n/a	\$6,000,000	n/a	\$1,500,000	n/a	\$4,500,000	n/a	\$14,400,000	n/a
Current Market Value	\$969,006	n/a	\$386,681	n/a	\$251,708	n/a	\$524,016	n/a	\$2,131,410	n/a
<b>Commitments 2Q 13</b> <b>(included in total)</b>										
Bronx	\$0	0	\$0	0	\$0	0	\$29,400	20	\$29,400	20
Brooklyn	0	0	0	0	0	0	308,458	70	308,458	70
Manhattan	0	0	0	0	0	0	223,397	82	223,397	82
Queens	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$561,255</b>	<b>172</b>	<b>\$561,255</b>	<b>172</b>
<b>Delivered 2Q 13</b> <b>(included in total)</b>										
Bronx	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	0	0	0	0	0	0	0	0	0	0
Manhattan	104,940	49	124,024	30	41,040	19	0	0	270,004	98
Queens	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$104,940</b>	<b>49</b>	<b>\$124,024</b>	<b>30</b>	<b>\$41,040</b>	<b>19</b>	<b>\$0</b>	<b>0</b>	<b>\$270,004</b>	<b>98</b>
<b>Total Commitments</b>										
Bronx	\$758,220	376	\$0	0	\$0	0	\$287,400	117	\$1,045,620	493
Brooklyn	370,680	128	0	0	114,381	54	627,002	188	1,112,063	370
Manhattan	52,200	30	0	0	357,927	173	704,631	258	1,114,758	461
Queens	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$1,181,100</b>	<b>534</b>	<b>\$0</b>	<b>0</b>	<b>\$472,308</b>	<b>227</b>	<b>\$1,619,032</b>	<b>563</b>	<b>\$3,272,440</b>	<b>1,324</b>
<b>Historical Investments</b>										
Bronx	\$160,500	76	\$0	0	\$0	0	\$0	0	\$160,500	76
Brooklyn	243,348	124	0	0	0	0	324,628	174	567,976	298
Manhattan	399,774	253	483,542	197	252,371	103	229,140	70	1,364,827	623
Queens	120,000	54	0	0	0	0	0	0	120,000	54
Staten Island	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$923,622</b>	<b>507</b>	<b>\$483,542</b>	<b>197</b>	<b>\$252,371</b>	<b>103</b>	<b>\$553,768</b>	<b>244</b>	<b>\$2,213,303</b>	<b>1,051</b>

\*Lenders :

Citibank Community  
DevelopmentCarver Federal  
Savings Bank

NCB Capital Impact

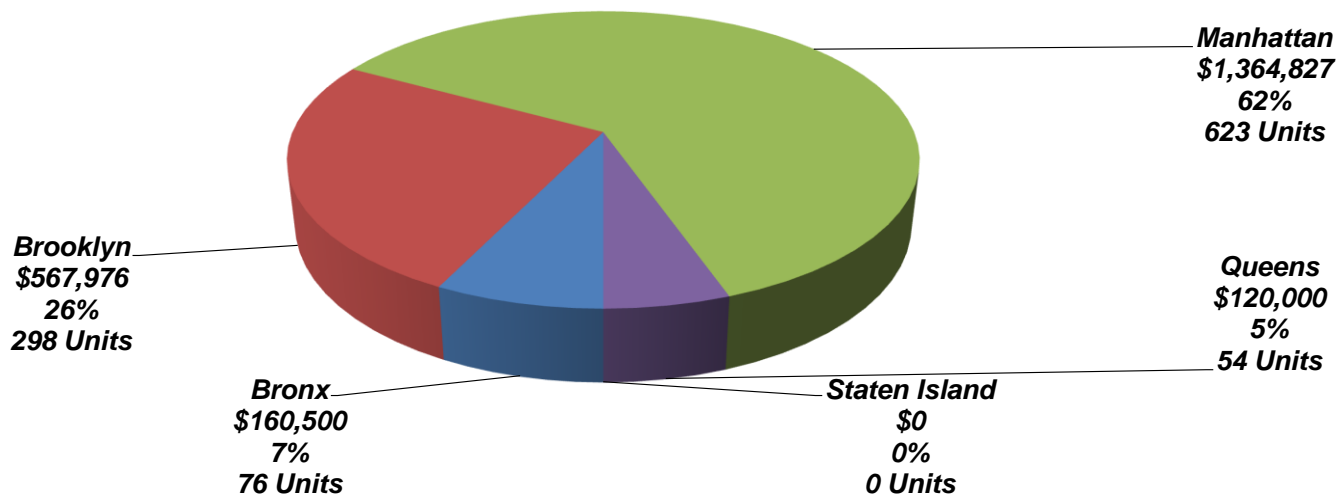
Low Income  
Investment Fund



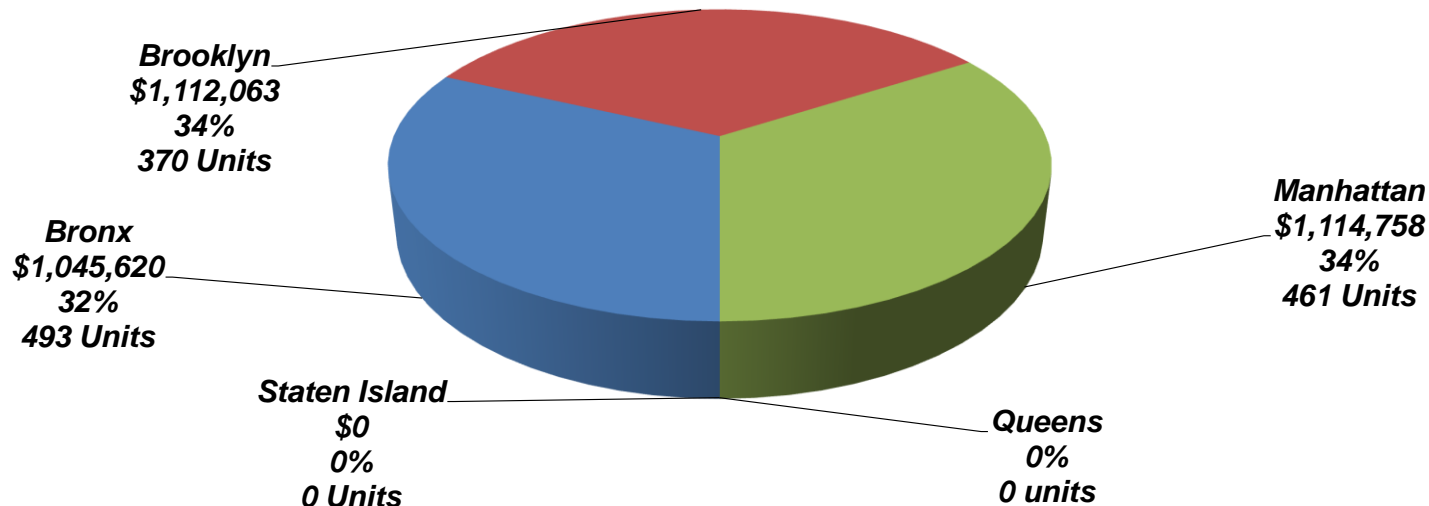
## FIRE Economically Targeted Investments Quarterly Report

Public/Private Apartment Rehabilitation Program (PPAR)

### *Historical Investments Since Inception All PPAR Lenders*



### *Current Commitments All PPAR Lenders*



# Fire Economically Targeted Investments Quarterly Report

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AFL-CIO Housing Investment Trust (HIT)

Market Value \$39.8 million\*

NYC Community Investment Initiative (NYCCII)

NYCCII Phase II 2006-2012

Multifamily Investments Detail

<u>Borough</u>	<u>2 Q Investments</u>	<u>Investments Since Inception</u>	<u>2Q Housing Units</u>	<u>Housing Units Since Inception</u>
Bronx	\$0	\$52,827,900	0	802
Brooklyn	0	103,890,446	0	5,616
Manhattan	0	134,075,200	0	926
Queens	0	17,760,000	0	1,260
Staten Island	0	6,414,554	0	693
<b>Total</b>	<b>\$0</b>	<b>\$314,968,100</b>	<b>0</b>	<b>9,297</b>

Grand Total NYCCII Phase II \$314,968,100

NYCCII Phase I 2002 - 2005

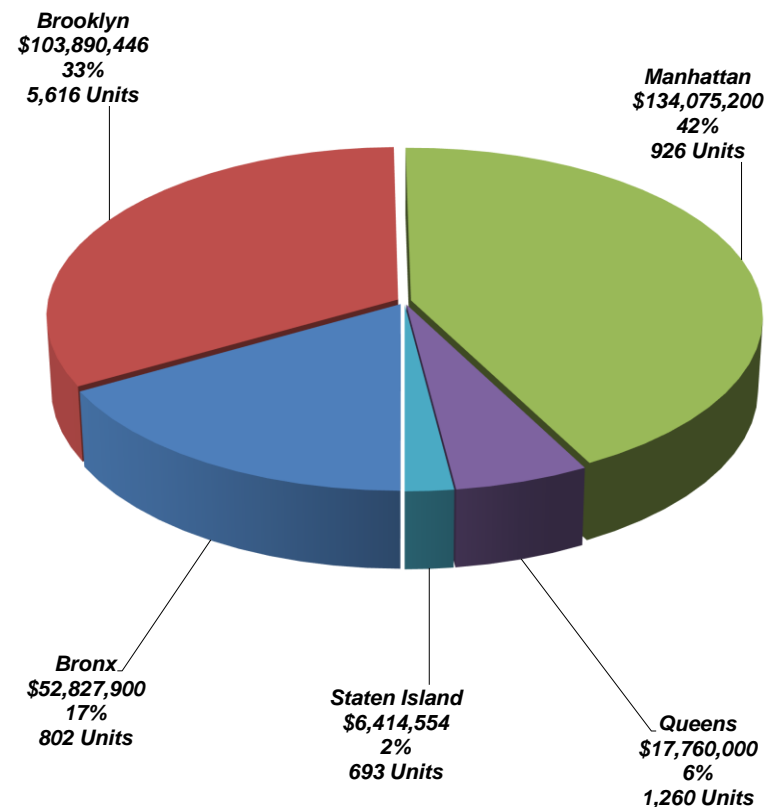
	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$249,123,500	12,337	n/a	n/a
HIT Home Investments	348,300,563	n/a	48	446
<b>Total NYCCII Phase I</b>	<b>\$597,424,063</b>	<b>12,337</b>	<b>48</b>	<b>446</b>

NYCCII Phases I & II

	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$564,091,600	21,634	n/a	n/a
HIT Home Investments	2,899,899,500	n/a	48	446
<b>Grand Total NYCCII Phases I &amp; II</b>	<b>\$3,463,991,100</b>	<b>21,634</b>	<b>48</b>	<b>446</b>

\*Interest is reinvested

**HIT Multifamily Investments**



# Fire Economically Targeted Investments Quarterly Report

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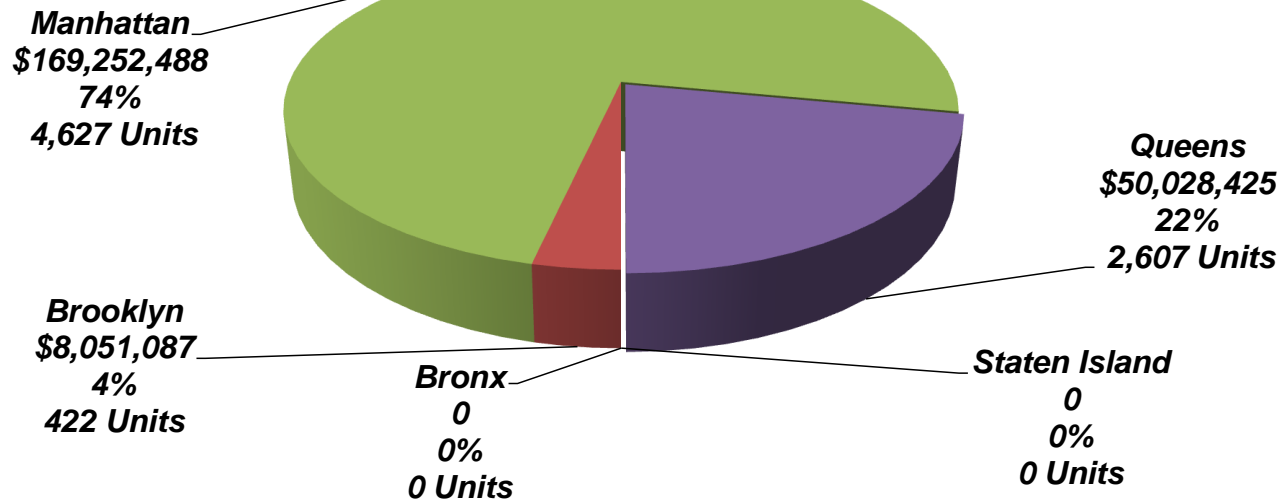
AFL-CIO Housing Investment Trust (HIT)  
NYC Workforce Housing Initiative 2009-2014

Investments Through 06/30/2013

## Workforce Investments Detail

<u>Borough</u>	<u>2 Q Investments</u>	<u>Investments</u> <u>Since Inception</u>	<u>2Q Housing Units</u>	<u>Housing Units</u> <u>Since Inception</u>
Bronx	\$0	\$0	0	0
Brooklyn	0	8,051,087	0	422
Manhattan	0	169,252,488	0	4,627
Queens	0	50,028,425	0	2,607
Staten Island	0	0	0	0
<b>Total</b>	<b>\$0</b>	<b>\$227,332,000</b>	<b>0</b>	<b>7,656</b>

## HIT Workforce Housing Initiative



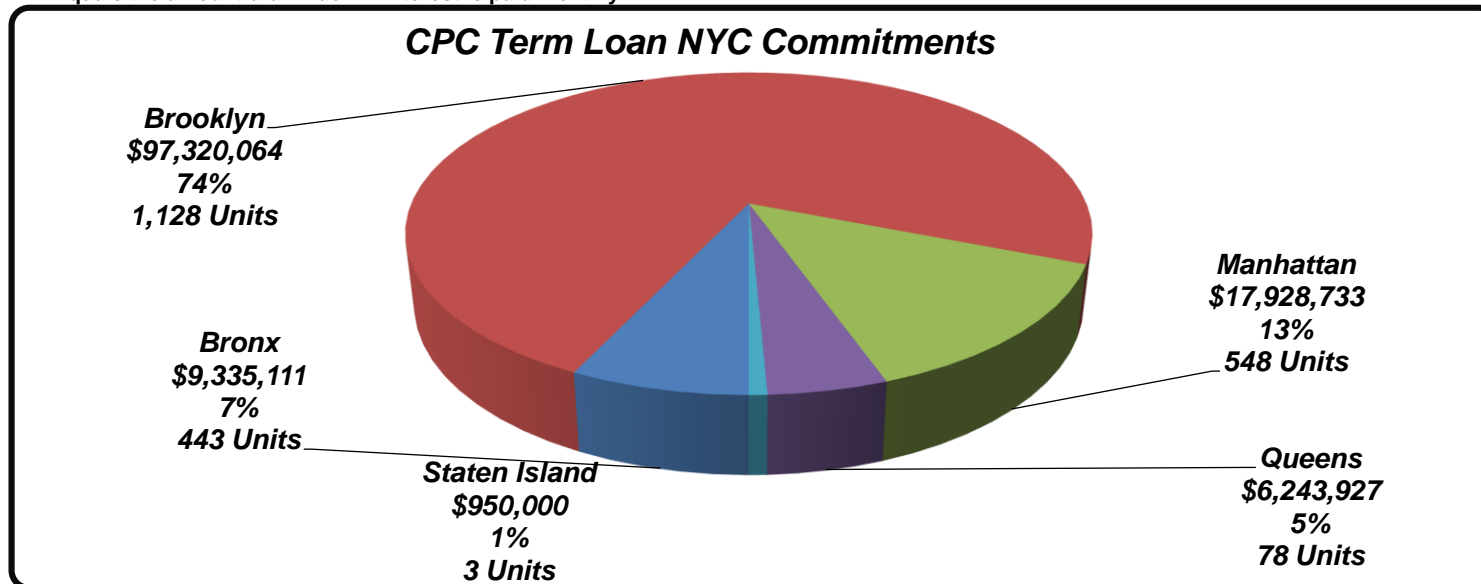
# Fire Economically Targeted Investments Quarterly Report

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<b>CPC Term Loan</b>	
Commitments All Lenders as of 1Q	\$175,483,667
2Q Paydown	-\$43,705,832
Commitments All Lenders as of 2Q	\$131,777,835
<hr/>	
Fire Commitment Share/Market Value* as of 1Q 2013	\$2,420,492
2Q Paydown	-\$449,160
Fire Commitment Share/Market Value* as of 2Q 2013	\$1,971,332
<hr/>	

	# Loans		\$ Committed (MM)		# Res. Units		# Comm. Units	
	1Q	2Q	1Q	2Q	1Q	2Q	1Q	2Q
Bronx	17	12	\$19.1	\$9.3	823	443	23	21
Brooklyn	38	33	127.2	97.3	1,274	1,128	33	29
Manhattan	30	24	22.0	17.9	636	548	28	20
Queens	4	4	6.2	6.2	78	78	3	3
Staten Island	1	1	1.0	1.0	3	3	0	0
Grand Total NYC	90	74	\$175.5	\$131.8	2,814	2,200	87	73
Other NY State	32	27	\$89.7	\$58.7	980	909	19	16

\*Equals the amount drawn down. Interest is paid monthly.



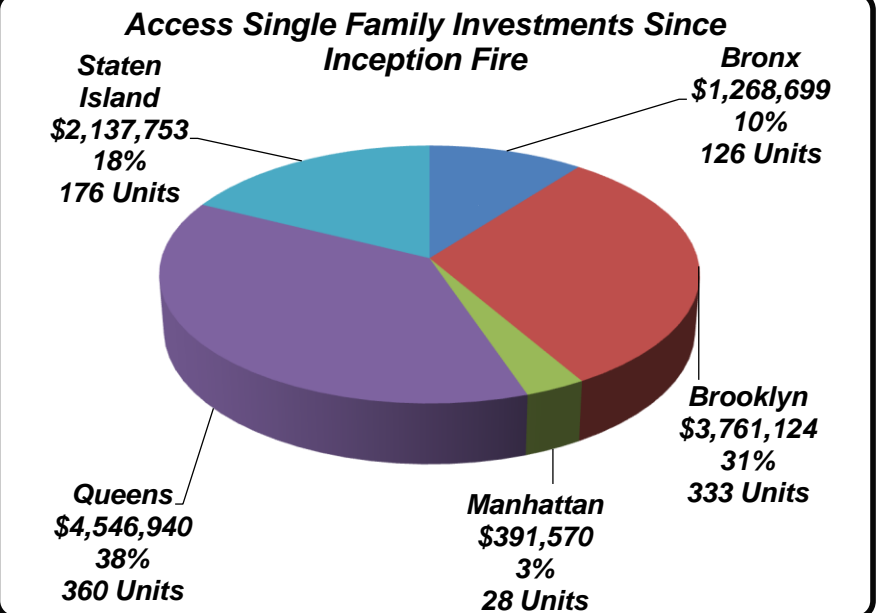
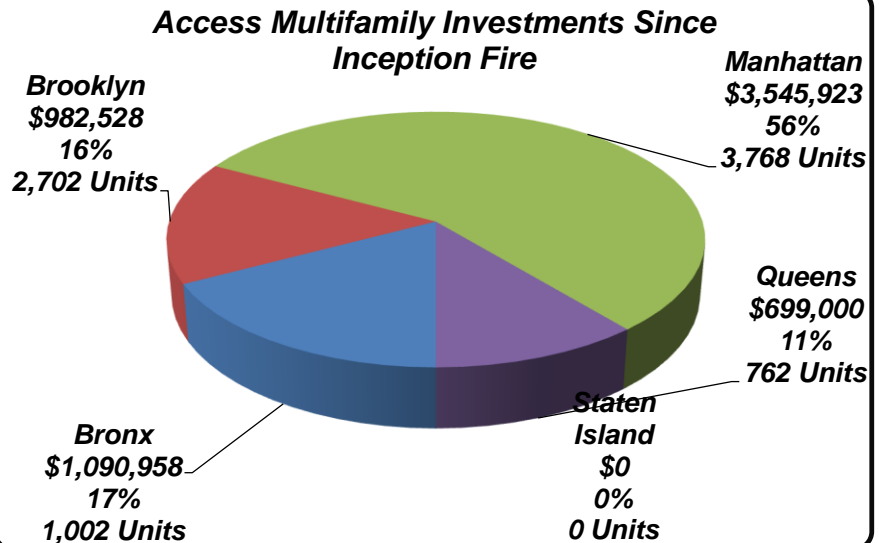
# Fire Economically Targeted Investments Quarterly Report

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

\$19.0 million Allocated (6% of total account)  
Market Value \$8.2 million

<u>Multifamily Investments Detail</u>	2Q \$ Invested (MMs)	Total	2Q Total Units	Total
Bronx	0.0	\$1.1	494	1,002
Brooklyn	0.2	1.0	2,298	2,702
Manhattan	0.1	3.5	953	3,768
Queens	0.0	0.7	0	762
Staten Island	0.0	0.0	0	0
<b>Total Fire Multifamily Investments</b>	<b>\$0.3</b>	<b>\$6.3</b>	<b>3,745</b>	<b>8,234</b>
<b>MultifamilyTotal All Systems</b>	<b>\$5.2</b>	<b>\$105.3</b>	<b>3,745</b>	<b>8,234</b>
<u>Single Family Investments Detail</u>	2Q \$ Invested (MMs)	Total	2Q Total Units	Total
Bronx	\$0.1	\$1.3	10	126
Brooklyn	0.4	3.8	29	333
Manhattan	0.0	0.4	0	28
Queens	0.3	4.5	24	360
Staten Island	0.1	2.1	11	176
<b>Total Fire Single Family Investments</b>	<b>\$0.87</b>	<b>\$12.1</b>	<b>74</b>	<b>1,023</b>
<b>Single Family Total All Systems</b>	<b>\$14.5</b>	<b>\$201.8</b>	<b>74</b>	<b>1,023</b>
<u>Other Investments Detail</u>	2Q \$ Invested (MMs)	Total	2Q # of Loans	Total
Bronx	\$0.0	0.04	0	1
Brooklyn	0.0	0.3	0	8
Manhattan	0.0	0.1	0	5
Queens	0.0	0.03	0	3
Staten Island	0.0	0.0	0	0
<b>Total Fire Other Investments</b>	<b>\$0.0</b>	<b>\$0.54</b>	<b>0</b>	<b>17</b>
<b>Other InvestmentsTotal All Systems</b>	<b>\$0.0</b>	<b>\$9.0</b>	<b>0</b>	<b>17</b>
<b>Grand Total Fire</b>	<b>\$1.2</b>	<b>\$19.0</b>		
<b>Grand Total All Systems</b>	<b>\$19.6</b>	<b>\$316.1</b>		



# Fire

## Economically Targeted Investments Quarterly Report

### Emmes ETI Real Estate Fund

#### 833-847 Flatbush Avenue, Brooklyn, NY

On June 26, 2013, the Emmes ETI Real Estate Fund made its inaugural acquisition, purchasing 833-847 Flatbush Avenue in Brooklyn for \$17.5 million (Fire portion \$564.5K). The property is currently 91% leased to a diverse tenant roster which includes a bank, fitness gym and convenience store. The Fund will be investing additional capital to make roof and exterior façade repairs. This investment is expected to preserve jobs and to create jobs through construction and the leasing up of remaining vacant space and is expected to further catalyze investment and development along the Flatbush Avenue retail corridor.



#### Key Statistics:

- 32,703 square foot retail center
- Purchase Price: \$17.5 million
- 8 Commercial Units
- 91% Leased
- Anchor Tenants: Carver Bank,
- 7- Eleven, Blink Fitness
- Preserves 22 Jobs

## Fire Economically Targeted Investment Quarterly Report

	Assets (\$MM)	Trailing 3 Months	6/30/2012 6/30/2013	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Trailing* 15 Years	Since Inception	Data Start Date
<b>FIRE</b>										
CCD-PPAR	0.97	2.48	10.30	10.30	9.22	10.04	****	****	9.15	11/30/06
CFSB-PPAR	0.39	0.31	5.55	5.55	6.83	7.81	****	****	7.24	09/30/06
LIIF	0.52	2.09	8.12	8.12	4.77	****	****	****	6.19	07/31/09
NCBCI	0.25	2.48	10.42	10.42	7.36	****	****	****	7.59	07/31/09
CITIGROUP GNMA +65 BP		-2.39	-1.53	-1.53	3.47	5.63	5.44	6.17	7.73	
CCD-PPAR +/-		4.87	11.83	11.83	5.75	4.41	****	****	****	
CFSB-PPAR +/-		2.70	7.09	7.09	3.36	2.18	****	****	****	
LIIF +/-		4.48	9.65	9.65	1.30	****	****	****	****	
NCBCI +/-		4.87	11.95	11.95	3.89	****	****	****	****	
 CPC - TERM LOAN	1.97	0.60	2.45	2.45	2.29	2.46	****	****	3.32	02/28/07
30 DAY LIBOR + 200 BPS WITH A FLOOR OF	+/-	0.05	0.21	0.21	0.24	0.47	2.30	3.00		
250 BPS per Annum		0.55	2.24	2.24	2.06	1.99	****	****	****	
 AFL-CIO HOUSING INV TRUST	39.77	-2.48	-1.06	-1.06	3.53	5.20	4.48	****	4.71	09/30/02
Barclay's Capital U.S. Aggregate Index	+/-	-2.32	-0.69	-0.69	3.51	5.19	4.52	5.52	8.01	
		(0.16)	(0.37)	(0.37)	0.03	0.02	(0.04)	****		
 ACCESS RBC	8.16	-2.13	-0.51	-0.51	3.17	6.11	****	****	5.66	02/28/07
Access/RBC: 60% MI 30 yrs Mortgage Index (MF30)	+/-	-1.75	-0.90	-0.90	2.55	4.53	****	****	4.91	02/28/07
plus 40% U.S. Treasury 1-10 Yr index (G502)		(0.38)	0.39	0.39	0.62	1.58	****	****		
 GNMA	0.01	3.06	9.91	9.91	4.54	5.56	7.05	****	6.51	10/31/01
CITIGROUP BIG 15 YR GNMA	+/-	-1.45	0.30	0.30	2.61	4.66	4.67	5.48	****	
		4.51	9.61	9.61	1.93	0.90	2.38	****	****	
 TOTAL FIRE ETI (w/o cash)**	51.87	-2.12	-0.46	-0.46	3.53	5.29	4.57	5.99	7.94	11/30/84
FIRE CUSTOM ETI BENCHMARK (no cash)	+/-	-2.11	-0.61	-0.61	3.23	4.88	4.41	5.46	****	
		(0.01)	0.15	0.15	0.29	0.41	0.17	0.53	****	
 ERASMUS	0.39	****	****	****	****	****	****	****	****	10/31/08

\* Historical returns prior to April 2004 provided by Citigroup.

\*Time periods greater than one year are annualized>Returns are net of fees and exclude Erasmus and Emmes.

## Private Equity Quarterly Report





## Private Equity Monitoring Report

For the period ended March 31, 2013

Report Prepared For:

New York City Fire Department Pension Fund, Subchapter 2



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## I. Executive Summary

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

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

Since inception through March 31, 2013, the Program has committed US\$1.3 billion to 136 partnership investments (the "Portfolio"). This quarterly monitoring report covers the performance of the Portfolio as of March 31, 2013 as well as significant activity that occurred during the first quarter of 2013.

### Performance Summary

US\$ in millions	March 31, 2013	December 31, 2012	March 31, 2012	Quarterly Change	Yearly Change
Number of Managers	88	87	84	1	4
Number of Investments	136	133	125	3	11
Committed Capital	\$1,267.0	\$1,232.3	\$1,097.3	\$34.7	\$169.7
Net Contributed Capital <sup>1</sup>	\$806.7	\$785.5	\$693.5	\$21.2	\$113.2
Net Distributed Capital <sup>2</sup>	\$493.1	\$472.7	\$382.2	\$20.4	\$110.9
Market Value <sup>3</sup>	\$591.5	\$574.3	\$529.3	\$17.2	\$62.2
Total Value	\$1,084.6	\$1,047.0	\$911.5	\$37.7	\$173.1
Total Gain/(Loss)	\$277.9	\$261.5	\$218.0	\$16.4	\$59.9
Unfunded Commitment <sup>4</sup>	\$433.3	\$420.3	\$377.3	\$13.0	\$56.0
Total Exposure <sup>5</sup>	\$1,024.9	\$994.6	\$906.7	\$30.3	\$118.2
DPI <sup>6</sup>	0.61x	0.60x	0.55x	0.01x	0.06x
TVM <sup>7</sup>	1.34x	1.33x	1.31x	0.01x	0.03x
IRR <sup>8</sup>	10.2%	10.3%	10.1%	- 13 bps	+ 13 bps
TVM Net of StepStone Fees <sup>9</sup>	1.34x	1.33x	1.31x	0.01x	0.03x
IRR Net of StepStone Fees <sup>9</sup>	10.2%	10.3%	10.1%	- 14 bps	+ 11 bps

<sup>1</sup> Net Contributed Capital represents total contributed capital net of distributions subject to recall.

<sup>2</sup> Net Distributed Capital represents total permanent (non-recallable) distributed capital. Please note that the Net Distributed Capital is presented Pro- Forma for the proceeds received and expected to be received from the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

<sup>3</sup> Please note that the Market Value is presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

<sup>4</sup> Unfunded Commitment represents the aggregate remaining commitments to partnership investments. Please note that the Unfunded Commitment is presented Pro-Forma for the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

<sup>5</sup> Total Exposure represents the sum of Market Value and Unfunded Commitment.

<sup>6</sup> DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Net Distributed Capital divided by Net Contributed Capital.

<sup>7</sup> TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Net Distributed Capital, divided by Net Contributed Capital.

<sup>8</sup> IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest.

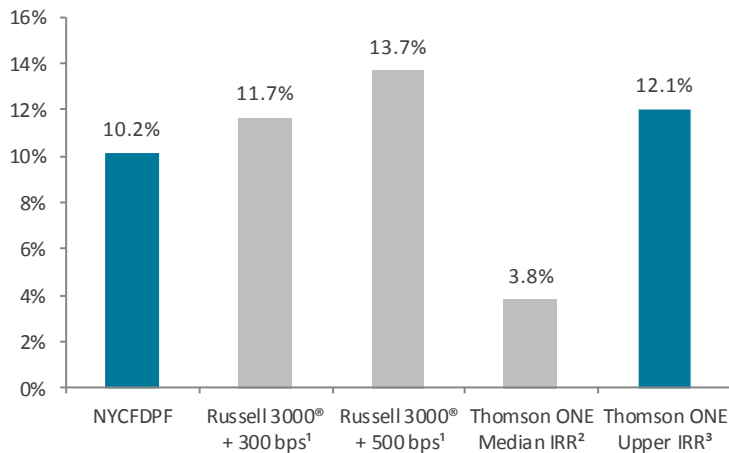
<sup>9</sup> TVM and IRR Net of StepStone fees represent TVM and IRR net of fees paid by NYCFDPF to StepStone.

## Portfolio Performance vs. Benchmarks

The Portfolio's performance is measured against two benchmarks:

1. A dollar-weighted public benchmark, which produced the return that would have been earned if NYCFDPF's private equity cash flows were invested in the Russell 3000® Index<sup>1</sup> plus a 300 and a 500 basis points liquidity premium (*the Opportunity Cost Benchmark*).
2. The Thomson ONE (formerly Venture Economics) Median Return (*the Relative Benchmark*).

The following graph illustrates Portfolio IRR performance versus benchmarks as of March 31, 2013.



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

<sup>2</sup>Benchmark is provided by Thomson ONE and reflects U.S. All Private Equity Funds Median Quartile IRR as of March 31, 2013 for funds with vintage years 1998 to 2012. Note: Thomson ONE data is continuously updated and is therefore subject to change.

<sup>3</sup>Benchmark is for informational purposes only and is NOT part of the Program's Policy Benchmarks. Benchmark is provided by Thomson ONE and reflects U.S. All Private Equity Funds Upper Quartile IRR as of March 31, 2013 for funds with vintage years 1998 to 2012. Note: Thomson ONE data is continuously updated and is therefore subject to change.

## Portfolio Diversification

### By Strategy

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
As of March 31, 2013 (US\$ in millions)						
Buyout	372.1	62.9%	203.4	46.9%	575.5	56.2%
Growth Equity	63.6	10.8%	95.5	22.0%	159.1	15.5%
Special Situations	20.5	3.5%	47.4	10.9%	68.0	6.6%
Energy	27.7	4.7%	5.3	1.2%	33.0	3.2%
Secondaries	40.7	6.9%	58.2	13.4%	98.9	9.7%
Co-Investment	1.4	0.2%	11.2	2.6%	12.6	1.2%
Other	65.5	11.1%	12.2	2.8%	77.7	7.6%
<b>Total</b>	<b>591.5</b>	<b>100.0%</b>	<b>433.3</b>	<b>100.0%</b>	<b>1,024.9</b>	<b>100.0%</b>

### By Fund Geographic Focus

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
As of March 31, 2013 (US\$ in millions)						
North America	367.7	62.2%	277.4	64.0%	645.0	62.9%
Global	166.5	28.1%	112.8	26.0%	279.3	27.2%
Western Europe	49.0	8.3%	40.2	9.3%	89.2	8.7%
Rest of World	8.3	1.4%	3.0	0.7%	11.3	1.1%
<b>Total</b>	<b>591.5</b>	<b>100.0%</b>	<b>433.3</b>	<b>100.0%</b>	<b>1,024.9</b>	<b>100.0%</b>

## II. Market Overview

### Executive Summary

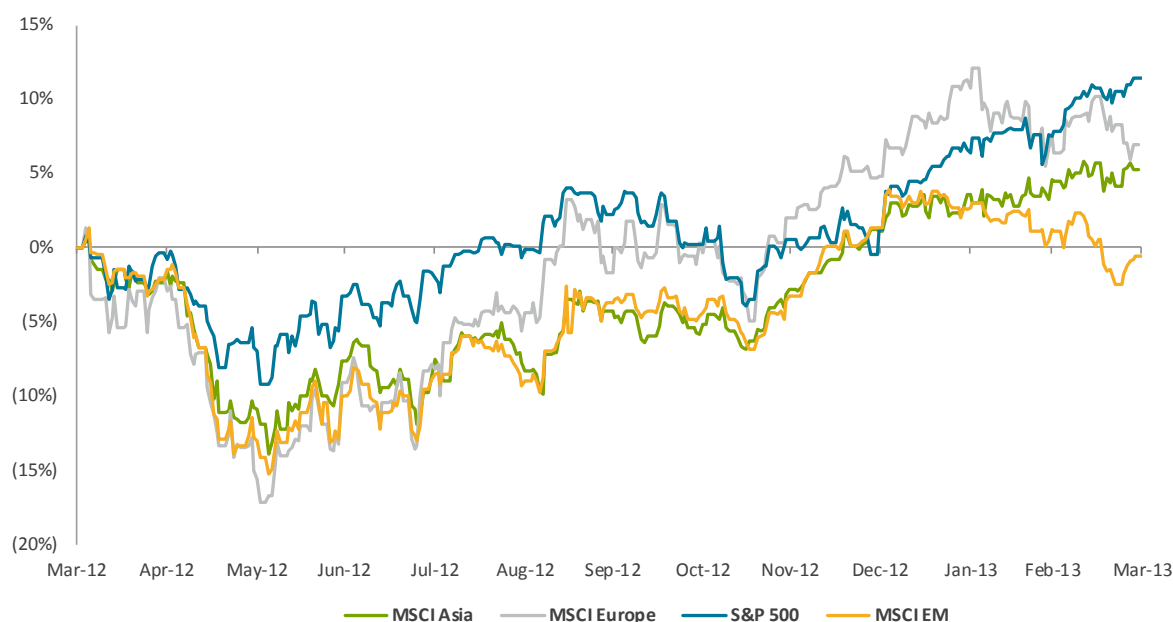
U.S. public equity markets posted strong gains during the first quarter of 2013, reflecting higher corporate profits, continued steady recovery of the U.S. economy, signs of improving labor and housing markets, and continued commitment of the U.S. Federal Reserve to fiscal stimulus. European and Asian public markets posted only modest positive returns during the quarter and remained approximately 50% below peak levels. Debt markets were robust in the first quarter, as U.S. LBO new loan issuance rose for the fourth consecutive quarter to \$25.8 billion, representing an increase of 47.6% from the prior quarter, and the highest quarterly total since the fourth quarter of 2007. Purchase price multiples for U.S. LBOs declined from 9.1x EBITDA in the fourth quarter of 2012 to 8.4x EBITDA in the first quarter of 2013. Fundraising and private equity investment activity in the first quarter were in line with prior quarter totals, yet there were fewer exits as transaction volumes were down for both IPOs and M&A activity.

### Capital Markets Overview

#### Public Equity Markets

The U.S. public equity market rose in the first quarter of 2013, lifting several major indices to all-time highs, while non-U.S. equities lagged behind. Developed Asian markets fared well, and despite an inconclusive election in Italy and a bank bailout in Cyprus, the MSCI Europe Index posted positive returns during the first quarter. Emerging market performance decreased due to slowing growth and currency weakness in some of the larger markets. For the one-year period ending March 31, 2013, each of the global indices below, with the exception of the MSCI Emerging Markets Index, posted positive returns, with the S&P 500 posting the largest increase at 11.4% (as seen on the chart below).

1-Year Global Public Indices



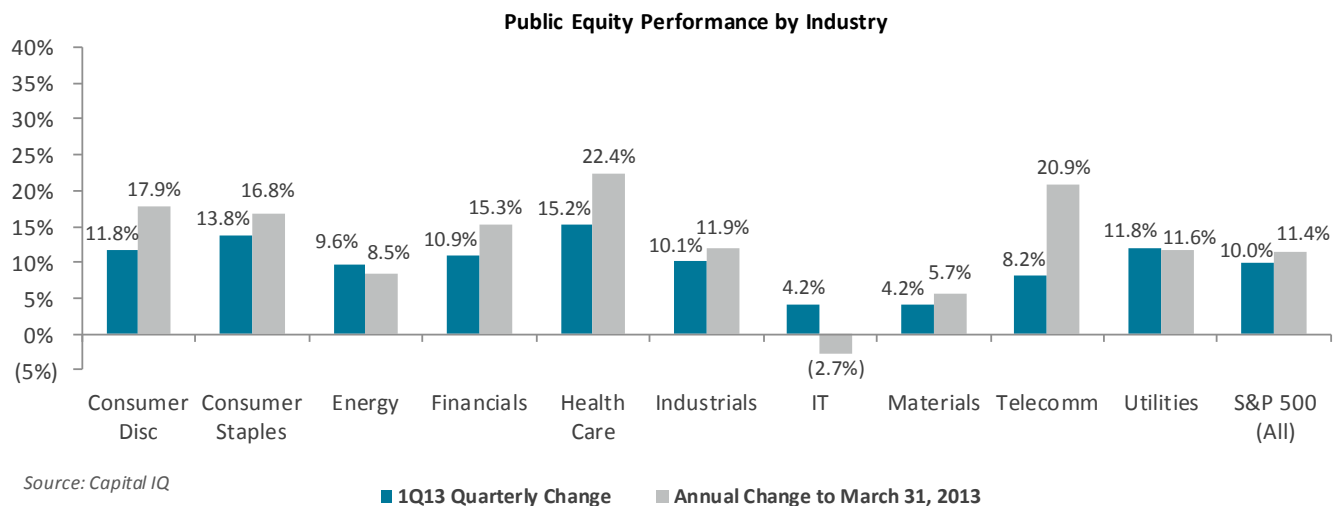
The following table shows the holding period returns of three MSCI indices and the S&P 500 over various time horizons from three months to ten years through March 31, 2013. Only the MSCI Emerging Market Index declined in value during the first quarter of 2013 while the other three indices posted moderate to strong gains, led by the S&P 500's quarterly return of 10.0%. On both a three-year and five-year horizon, the S&P 500 has significantly outperformed the other three indices. On the longer 10-year horizon, the MSCI Emerging Market Index grew by more than 280%, which was more than three times the growth of MSCI Europe or S&P 500 and more than twice the growth of MSCI Asia.

Regional Indices					
	Current Qtr	1 Yr	3 Yr	5 Yr	10 Yr
MSCI Asia	4.2%	5.3%	7.2%	(4.9%)	119.3%
MSCI Europe	2.1%	6.9%	4.8%	(23.4%)	88.7%
MSCI EM	(1.9%)	(0.6%)	2.4%	(6.3%)	280.1%
S&P 500	10.0%	11.4%	34.2%	18.6%	85.0%

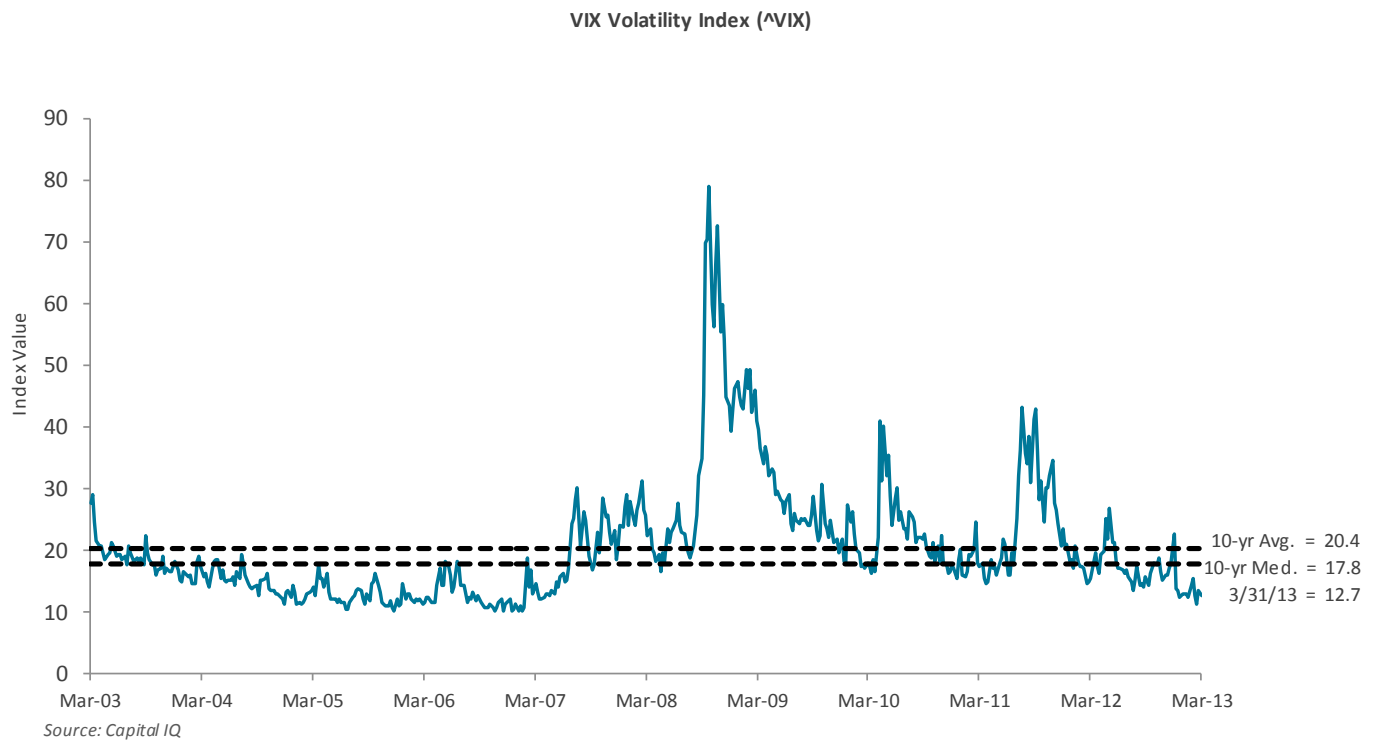
For the period ended March 31, 2013

Source: Capital IQ

During the first quarter of 2013, weighted average stock prices increased in all ten industry sectors in the S&P 500, with the index as a whole increasing 10.0%. The best performing sector was Health Care, which increased by 15.2% over the quarter, helping to drive a strong 1-year return of 22.4%. Over the past 12 months, nine out of ten sectors exhibited positive performance, with Information Technology posting the only decline of 2.7%. The chart below details the capitalization-weighted average change in stock prices for the S&P 500 by industry during the first quarter of 2013 and last 12 months ended March 31, 2013.



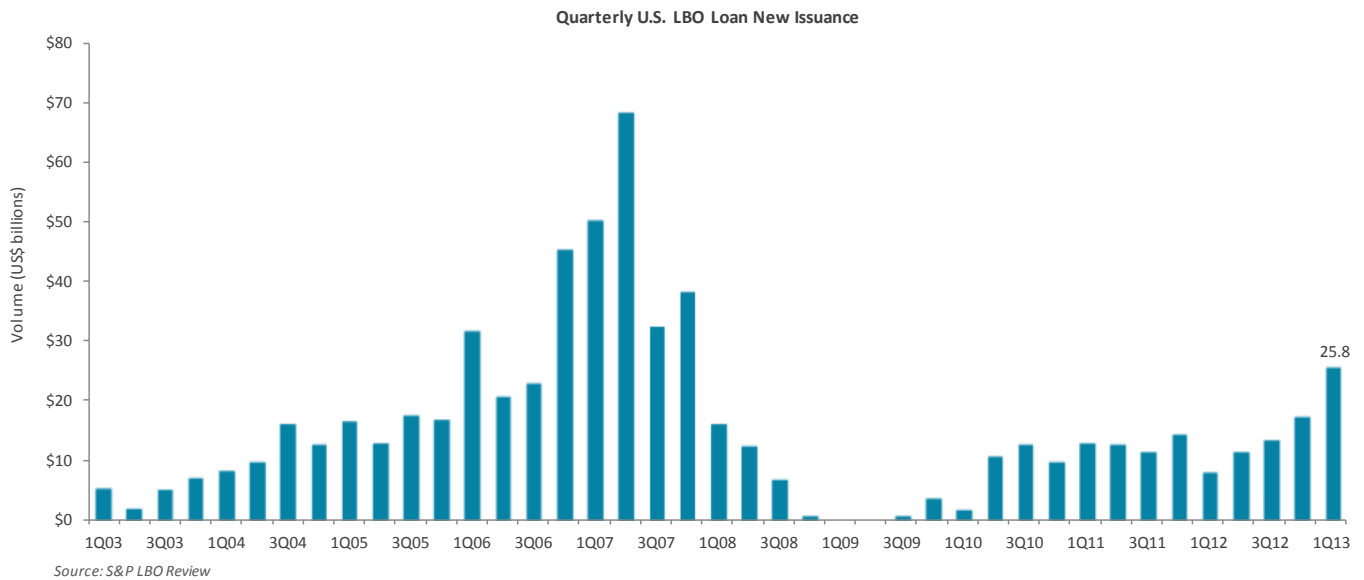
The CBOE Volatility Index (“VIX”), maintained by the Chicago Board Options Exchange, is a popular indicator of investor sentiment and public market volatility. VIX measures the market's expectation of 30-day volatility based on S&P 500 index option prices. At the end of the first quarter of 2013 the VIX was trading at 12.7, significantly below the 10-year historical average of 20.4 and the 10-year median of 17.8, returning to the low levels not seen since 2007. The graph below depicts the historical level of the VIX over the last ten years through March 31, 2013.



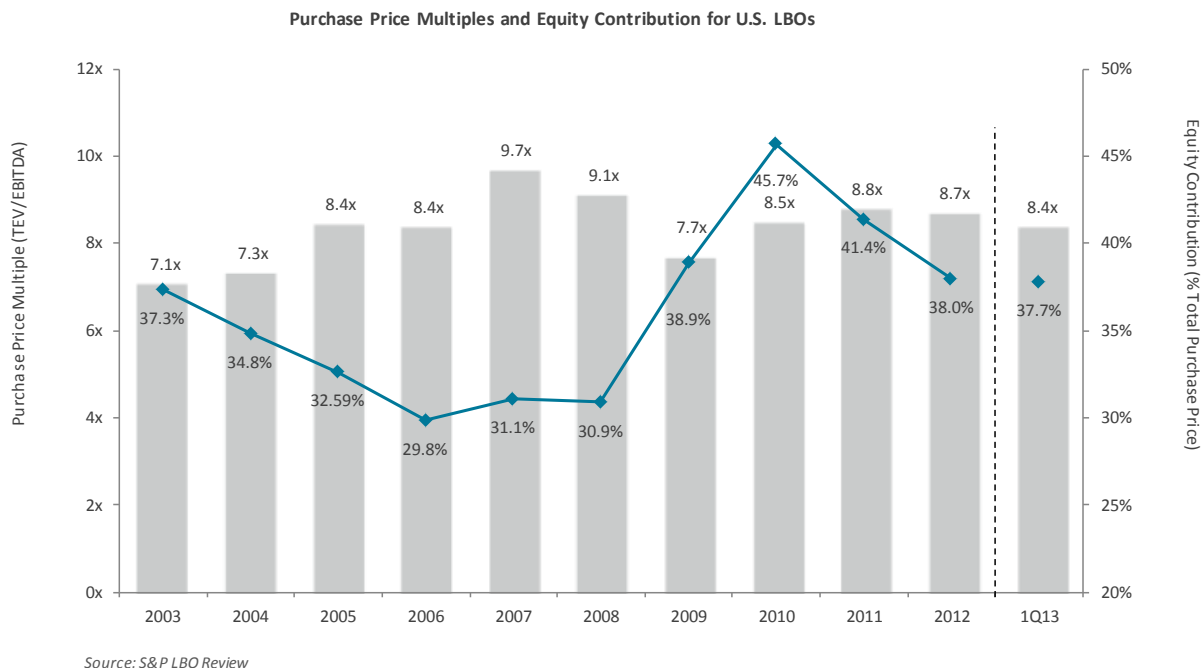


## Debt Markets

During the first quarter of 2013, U.S. LBO new loan issuance rose for the fourth consecutive quarter, totaling \$25.8 billion, representing an increase of 47.6% from the prior quarter, and the highest quarterly total since the fourth quarter of 2007. Debt markets, benefiting from historically low interest rates, are providing an ample source of low-cost capital for buyout deals. The following chart shows the quarterly volume of U.S. LBO new loan issuance for the past ten years.



The average purchase price multiple for LBO deals in the first quarter of 2013 was 8.4x total enterprise value (“TEV”) to earnings before interest, tax, depreciation, and amortization (“EBITDA”), notably lower than the fourth quarter of 2012 multiple of 9.1x. The average equity contribution for LBOs increased slightly to 37.7% in the first quarter of 2013, up from 37.4% in the fourth quarter of 2012.



## Private Equity Market Overview

### All Private Equity

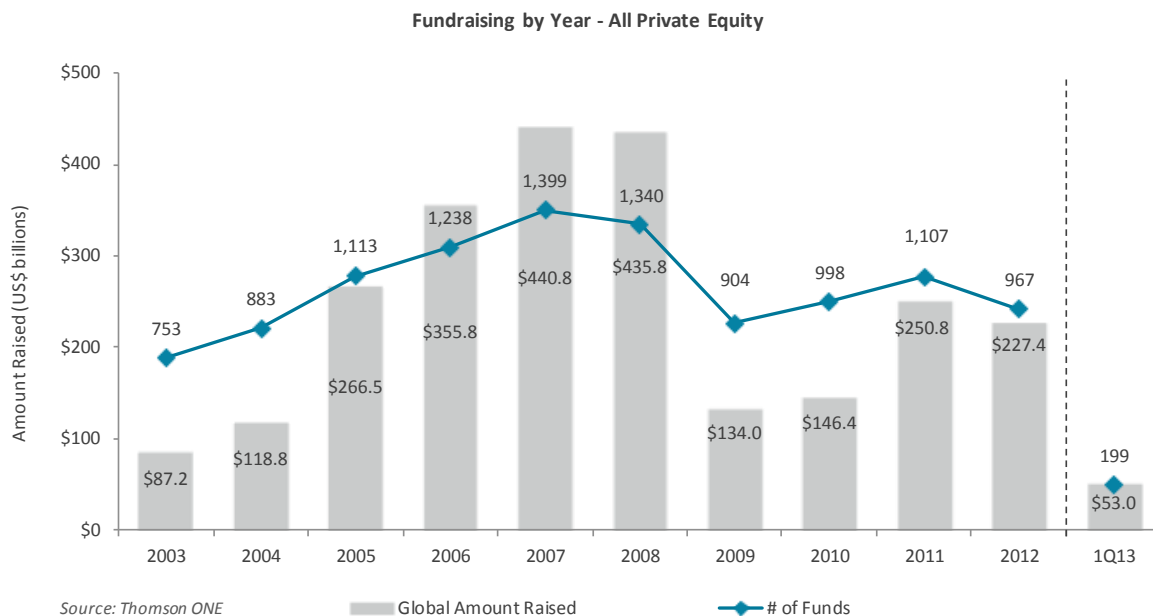
During the first quarter of 2013, private equity fund performance increased 4.9% compared to the S&P 500 which saw an increase of 10.0% during the same period. Of note, the Large/Mega Buyouts sector increased 6.5% during the quarter, the largest single-sector increase during the first quarter. The table below shows the pooled Internal Rate of Return ("IRR") performance of global private equity investments by sector over various investment horizons from 3 months to 20 years through March 31, 2013.

Sector	3 Mo	6 Mo	1 Yr	3 Yr	5 Yr	10 Yr	20 Yr
<b>Venture Capital</b>	<b>2.7%</b>	<b>2.4%</b>	<b>5.0%</b>	<b>4.3%</b>	<b>0.6%</b>	<b>4.7%</b>	<b>16.0%</b>
<b>All Buyouts</b>	<b>5.6%</b>	<b>9.4%</b>	<b>14.5%</b>	<b>10.8%</b>	<b>3.8%</b>	<b>11.0%</b>	<b>10.5%</b>
Small/Middle Buyouts (<\$3bn)	3.0%	6.8%	9.6%	8.5%	3.2%	11.1%	10.8%
Large/Mega Buyouts (>\$3bn)	6.5%	10.2%	16.2%	12.3%	4.3%	11.0%	10.0%
<b>Mezzanine</b>	<b>(2.5%)</b>	<b>(2.4%)</b>	<b>(3.6%)</b>	<b>5.9%</b>	<b>2.5%</b>	<b>6.7%</b>	<b>7.5%</b>
<b>All Private Equity</b>	<b>4.9%</b>	<b>8.4%</b>	<b>12.7%</b>	<b>9.6%</b>	<b>3.7%</b>	<b>9.7%</b>	<b>11.3%</b>

Source: Thomson ONE

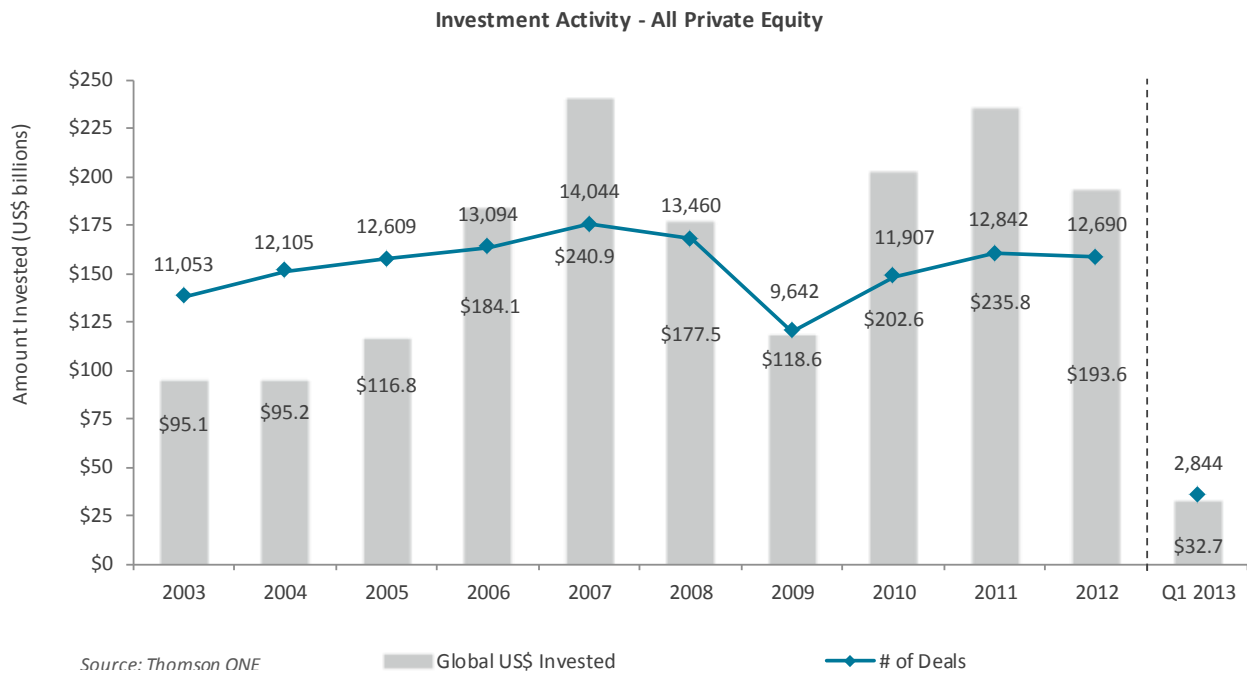
### Fundraising

Private equity fundraising totaled \$53.0 billion in the first quarter of 2013, representing a decrease of 1.9% from the prior quarter's total of \$54.0 billion and a decrease of 5.7% from the same period in the prior year. Buyout funds accounted for 71.3% of the amount raised during the first quarter of 2013, higher than the 10-year average of 66.2%. Venture Capital fundraising was up for the quarter, raising \$6.3 billion, an increase from \$5.4 billion last quarter. The chart below shows private equity fundraising activity by calendar year over the last ten years through the first quarter of 2013.

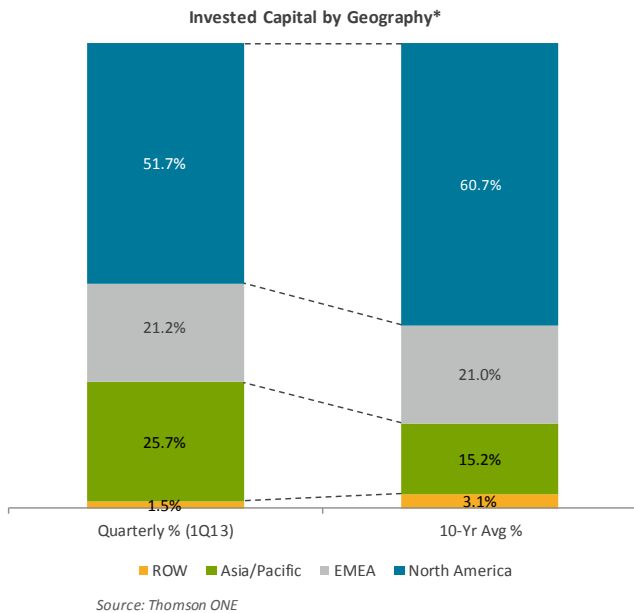
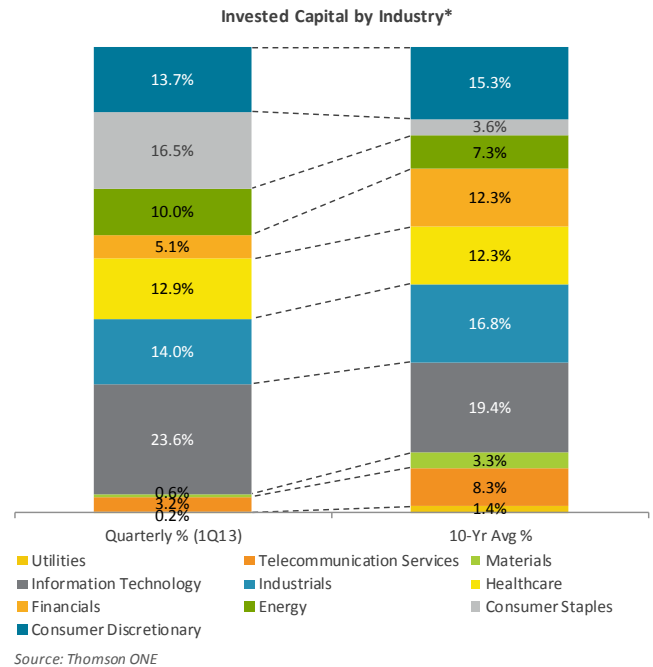


## Investment Activity

During the first quarter of 2013, private equity funds invested \$32.7 billion in 2,844 investments, compared to \$50.8 billion invested in the fourth quarter of 2012 and \$36.3 billion invested in the first quarter of 2012, representing a decrease of 9.9% and 35.6%, respectively. Additionally, the average investment size during the quarter decreased to \$11.5 million, representing a decline of 23.9%, quarter-over-quarter.



The Information Technology sector was the most active industry in terms of investment activity during the first quarter of 2013. Private equity funds invested \$7.7 billion, or 23.6% of total capital invested during the quarter, in 1,109 information technology companies. On a pro-rata basis, investments in the Consumer Staples sector were up considerable during the quarter compared to its 10-year average of 3.6%. The chart on the right details the percentage of invested capital by industry for the first quarter of 2013 and over the last ten years.



The graph to the left shows invested capital by geography based on the geographic region in which portfolio companies are located. In the first quarter of 2013, investment activity in the Asia/Pacific region was well above the historical average, representing 25.7% of total invested capital during the quarter compared to 15.2% over the last ten years.

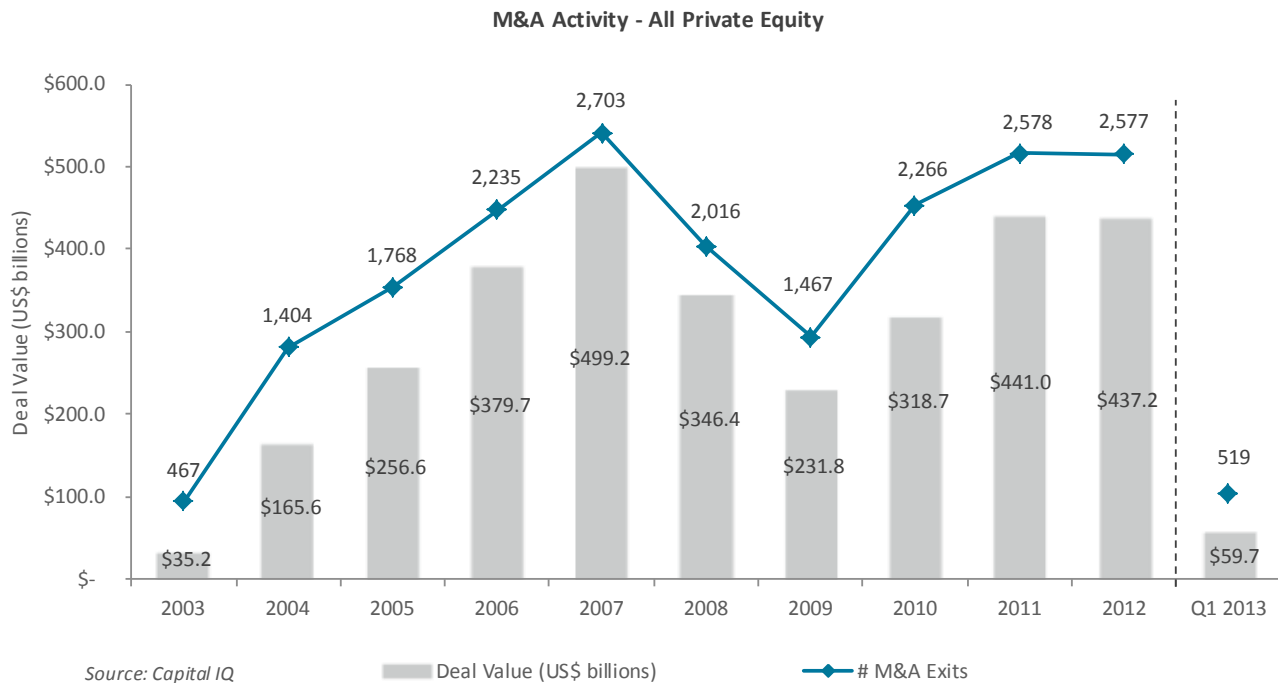
\*Note: Invested Capital is for all private equity from 1Q03 – 1Q13.

## Deal Environment

During the first quarter of 2013, there were 17 private equity-backed initial public offerings (“IPOs”) which raised a total of \$4.0 billion, compared to 16 IPOs which raised \$4.6 billion in the fourth quarter of 2012. On a year-over-year basis, first quarter 2013 activity was down 0.4% in terms of total dollars raised. The largest IPO of the quarter was Pinnacle Foods Group (NYSE: PF), a packaged foods distributor in North America, which raised \$580.0 million, and is backed by The Blackstone Group. Since the IPO on March 28, 2013 at \$22.26 per share, Pinnacle Foods Group’s share price has increased 8.5% to \$24.15 per share as of June 28, 2013. The second largest IPO was West Corp. (NASDAQ: WSTC), a communication services provider, which raised \$425.5 million, and is backed by Thomas H. Lee Partners and Quadrangle Group. Since the IPO on March 22, 2013, at \$19.00 per share, West Corp.’s share price has risen 16.5% to \$22.14 per share as of June 28, 2013.



Private equity-backed Mergers and Acquisitions (“M&A”) deal activity decreased relative to the fourth quarter of 2012 in terms of deal volume and total dollars raised. Specifically, 519 deals closed during the first quarter of 2013, totaling \$59.7 billion in deal value, representing a 57.3% quarter-over-quarter decrease in deal value. On a year-over-year basis, deal value declined 39.9%.



### III. Portfolio Review

#### Quarterly Highlights

- Cash Flow Activity** – During the first quarter of 2013, the Portfolio made US\$21.2 million of net contributions and received US\$20.4 million of net distributions, for a net cash outflow of US\$0.8 million, compared to a net cash inflow of US\$4.5 million during the prior quarter and a net cash outflow of US\$18.1 million during the first quarter of 2012. Net contributions decreased 42.1% from the prior quarter and decreased 38.3% from the first quarter of 2012. The most recent four quarter average of the Program's net contributions is US\$28.3 million. Net distributions decreased 50.4% from the prior quarter and increased 25.4% from the first quarter of 2012. The most recent four quarter average of the Program's net distributions is US\$31.9 million.
- Recent Portfolio Activity** – During the first quarter of 2013, net of cash flow activity and Pro-Forma for the Secondary Sale, the valuation of the Portfolio increased by US\$16.4 million, or 2.9%, from the prior quarter. The increase in Portfolio value is primarily attributable to strong performance of mega buyout funds during the quarter, which generated a \$6.2 million increase in valuation from the prior quarter-end. During the last twelve months, net of cash flow activity and Pro-Forma for the Secondary Sale, the valuation of the Portfolio increased by US\$59.9 million, or 11.3%, from the quarter ended March 31, 2012.
- New Investment Commitments** – During the first quarter of 2013, the Program closed on three new investment commitments, totaling US\$36.0 million.

<i>As of March 31, 2013 (US\$ in millions)</i>	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Landmark Equity Partners XV, L.P.	January 2013	Secondaries	North America	\$ 26.0
Landmark - NYC Fund I, L.P.	January 2013	Co-Investment	North America	9.0
ACON Equity Partners III, L.P.	March 2013	Small Buyout	North America	1.0
<b>Total</b>				<b>\$ 36.0</b>

- Subsequent Investment Commitments** – Subsequent to quarter-end through September 3, 2013, the Program closed on seven new investment commitments, totaling US\$101.3 million.

<i>As of September 3, 2013 (US\$ in millions)</i>	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Incline Equity Partners III, L.P.	May 2013	Small Buyout	North America	\$ 1.5
Grey Mountain Partners Fund III, L.P.	June 2013	Small Buyout	North America	1.0
Olympus Growth Fund VI, L.P.	June 2013	Middle-Market Buyout	North America	15.0
Altaris Health Partners III, L.P.	June 2013	Small Buyout	North America	1.5
Apollo Investment Fund VIII, L.P.	June 2013	Mega Buyout	Global	40.0
CVC Capital Partners VI, L.P.	June 2013	Mega Buyout	Global	40.0
Capital Partners Private Equity Income Fund II, L.P.	June 2013	Small Buyout	North America	1.3
<b>Total</b>				<b>\$ 100.3</b>

## Investment Performance

### Since Inception Performance

US\$ in millions	March 31, 2013	December 31, 2012	March 31, 2012	Quarterly Change	Yearly Change
<b>Active Investments</b>					
Number of Managers	80	79	76	1	4
Number of Investments	126	123	115	3	11
Committed Capital	\$1,204.8	\$1,170.1	\$1,035.0	\$34.7	\$169.8
Net Contributed Capital <sup>1</sup>	\$765.7	\$744.5	\$653.6	\$21.2	\$112.1
Net Distributed Capital <sup>2</sup>	\$447.9	\$427.5	\$337.9	\$20.4	\$110.0
Market Value <sup>3</sup>	\$591.5	\$574.3	\$529.3	\$17.2	\$62.2
Total Value	\$1,039.4	\$1,001.7	\$867.2	\$37.7	\$172.2
Total Gain/(Loss)	\$273.7	\$257.2	\$213.5	\$16.4	\$60.1
Unfunded Commitment <sup>4</sup>	\$433.3	\$420.3	\$376.2	\$13.0	\$57.1
Total Exposure <sup>5</sup>	\$1,024.9	\$994.6	\$905.5	\$30.3	\$119.3
DPI <sup>6</sup>	0.58x	0.57x	0.52x	0.01x	0.07x
TVM <sup>7</sup>	1.36x	1.35x	1.33x	0.01x	0.03x
IRR <sup>8</sup>	10.5%	10.6%	10.3%	- 14 bps	+ 14 bps
<b>Exited Investments</b>					
Number of Managers	8	8	8	-	-
Number of Investments	10	10	10	-	-
Committed Capital	\$62.2	\$62.3	\$62.3	(\$0.0)	(\$0.1)
Net Contributed Capital <sup>1</sup>	\$41.0	\$41.0	\$39.9	\$0.0	\$1.1
Net Distributed Capital <sup>2</sup>	\$45.2	\$45.2	\$44.3	\$0.0	\$0.9
Total Value	\$45.2	\$45.2	\$44.3	\$0.0	\$0.9
Total Gain/(Loss)	\$4.3	\$4.3	\$4.5	\$0.0	(\$0.2)
Unfunded Commitment <sup>4</sup>	\$0.0	\$0.0	\$1.1	\$0.0	(\$1.1)
DPI <sup>6</sup>	1.10x	1.10x	1.11x	0.00x	-0.01x
TVM <sup>7</sup>	1.10x	1.10x	1.11x	0.00x	-0.01x
IRR <sup>8</sup>	3.4%	3.5%	4.0%	- 6 bps	- 59 bps
<b>Total Portfolio</b>					
Number of Managers	88	87	84	1	4
Number of Investments	136	133	125	3	11
Committed Capital	\$1,267.0	\$1,232.3	\$1,097.3	\$34.7	\$169.7
Net Contributed Capital <sup>1</sup>	\$806.7	\$785.5	\$693.5	\$21.2	\$113.2
Net Distributed Capital <sup>2</sup>	\$493.1	\$472.7	\$382.2	\$20.4	\$110.9
Market Value <sup>3</sup>	\$591.5	\$574.3	\$529.3	\$17.2	\$62.2
Total Value	\$1,084.6	\$1,047.0	\$911.5	\$37.7	\$173.1
Total Gain/(Loss)	\$277.9	\$261.5	\$218.0	\$16.4	\$59.9
Unfunded Commitment <sup>4</sup>	\$433.3	\$420.3	\$377.3	\$13.0	\$56.0
Total Exposure <sup>5</sup>	\$1,024.9	\$994.6	\$906.7	\$30.3	\$118.2
DPI <sup>6</sup>	0.61x	0.60x	0.55x	0.01x	0.06x
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IRR <sup>8</sup>	10.2%	10.3%	10.1%	- 13 bps	+ 13 bps

<sup>1</sup> Net Contributed Capital represents total contributed capital net of distributions subject to recall.

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<sup>5</sup> Total Exposure represents the sum of Market Value and Unfunded Commitment.

<sup>6</sup> DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Net Distributed Capital divided by Net Contributed Capital.

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<sup>8</sup> IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest.



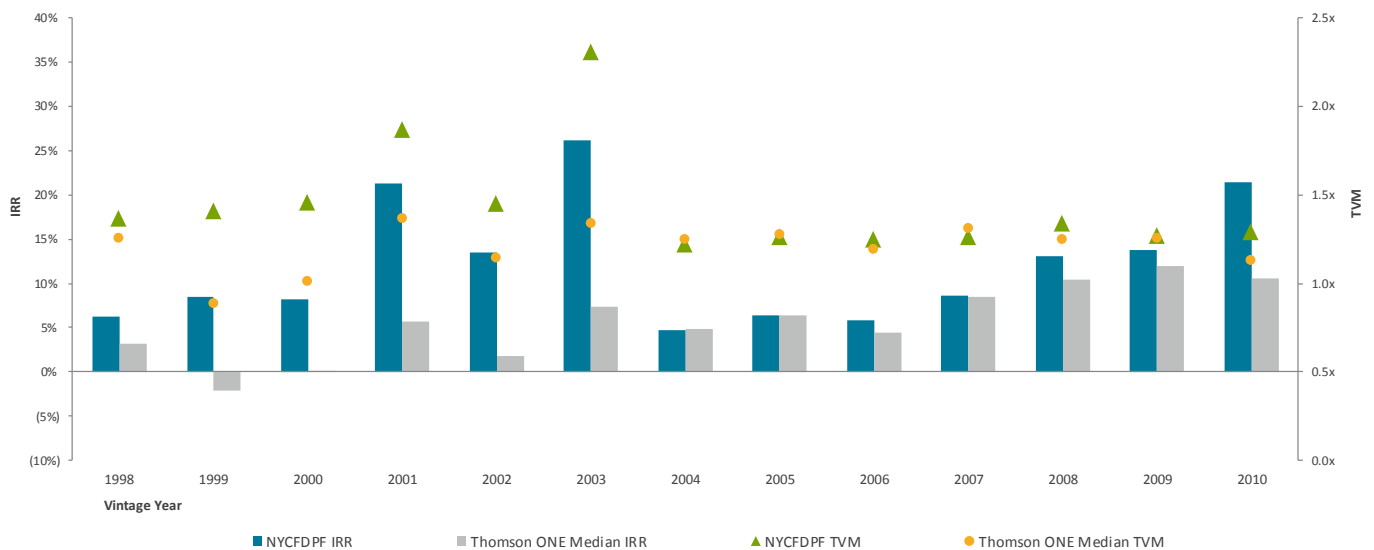
## Performance by Vintage Year

The following table and chart illustrate the Portfolio's since inception investment performance by vintage year as of March 31, 2013 Pro-Forma for the Secondary Sale relative to the median quartile U.S. All Private Equity TVM and IRR benchmarks as provided by Thomson ONE. Performance of funds that are less than two years old is not meaningful. Note that Thomson ONE data is continuously updated and is therefore subject to change.

As of March 31, 2013 (US\$ in millions)

Vintage Year	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR	Thomson ONE U.S. All PE Median Quartile TVM	Thomson ONE U.S. All PE Median Quartile IRR
1998	\$10.0	\$10.0	\$12.8	\$0.9	\$0.0	\$0.9	1.37x	6.3%	1.26x	3.1%
1999	57.5	56.3	70.1	9.1	0.7	9.8	1.41x	8.4%	0.89x	(2.2%)
2000	30.0	28.9	36.0	6.3	1.2	7.5	1.46x	8.1%	1.01x	0.1%
2001	50.0	47.1	80.5	7.7	2.0	9.7	1.87x	21.3%	1.37x	5.7%
2002	10.0	9.7	9.4	4.7	0.3	5.0	1.45x	13.5%	1.14x	1.8%
2003	30.0	26.4	48.8	12.3	2.7	14.9	2.31x	26.2%	1.34x	7.4%
2004	46.7	43.5	30.5	22.6	4.0	26.6	1.22x	4.7%	1.25x	4.9%
2005	115.4	107.5	55.8	79.6	8.4	88.0	1.26x	6.4%	1.28x	6.4%
2006	119.5	107.8	45.6	89.3	9.7	99.0	1.25x	5.8%	1.20x	4.5%
2007	118.6	101.3	51.7	76.4	14.1	90.5	1.26x	8.6%	1.31x	8.4%
2008	202.1	134.5	38.8	142.0	48.9	190.9	1.34x	13.1%	1.25x	10.4%
2009	50.0	32.4	9.9	31.4	14.5	45.9	1.27x	13.8%	1.25x	11.9%
2010	42.5	18.1	0.2	23.2	24.6	47.8	1.29x	21.5%	1.13x	10.5%
2011	169.7	60.9	2.0	65.8	108.9	174.7	1.11x	NM	1.02x	NM
2012	156.0	21.5	1.3	19.7	134.6	154.3	0.97x	NM	0.96x	NM
2013	59.2	0.6	-	0.6	58.6	59.2	0.97x	NM	N/A	N/A
<b>Total</b>	<b>\$1,267.0</b>	<b>\$806.7</b>	<b>\$493.1</b>	<b>\$591.5</b>	<b>\$433.3</b>	<b>\$1,024.9</b>	<b>1.34x</b>	<b>10.2%</b>	<b>1.16x</b>	<b>4.2%</b>

As of March 31, 2013



## Portfolio Periodic Returns vs. Russell 3000® Index

<i>As of March 31, 2013</i>	1 Year	3 Year	5 Year	10 Year	Since Inception
NYCFDPF IRR	11.0%	11.6%	7.4%	11.6%	10.2%
Russell 3000® <sup>1</sup>	14.3%	14.1%	11.0%	10.7%	8.7%
Russell 3000® + 300 bps <sup>1</sup>	17.3%	17.1%	14.0%	13.7%	11.7%
Russell 3000® + 500 bps <sup>1</sup>	19.3%	19.1%	16.0%	15.7%	13.7%
<b>NYCFDPF Outperformance/(Underperformance)</b>					
vs. Russell 3000® + 300 bps <sup>1</sup>	(6.4%)	(5.5%)	(6.6%)	(2.1%)	(1.5%)
vs. Russell 3000® + 500 bps <sup>1</sup>	(8.4%)	(7.5%)	(8.6%)	(4.1%)	(3.5%)

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

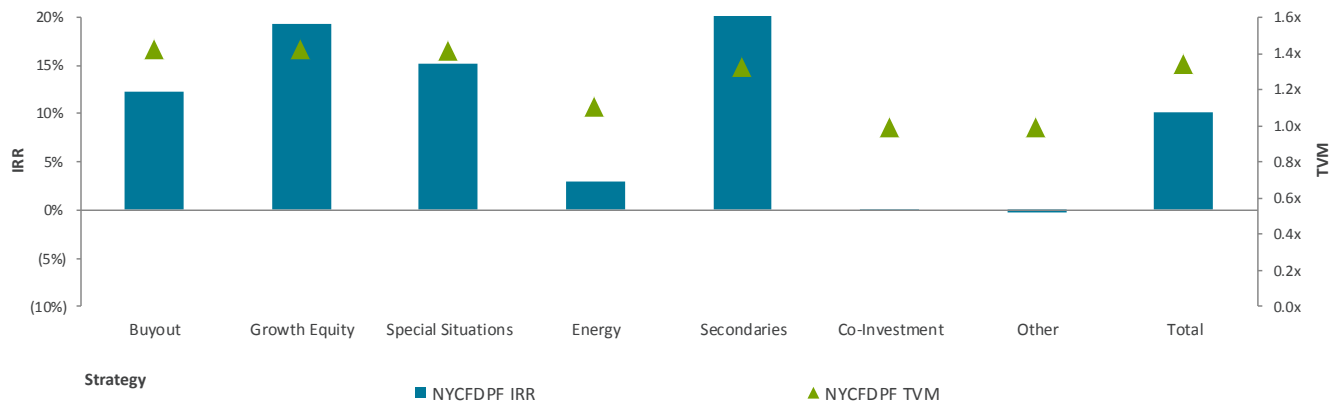
## Performance by Strategy / Sub-Strategy

The following table and charts illustrate the Portfolio's since inception investment performance by strategy and sub-strategy as of March 31, 2013 Pro-Forma for the Secondary Sale.

Strategy / Sub-Strategy	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR
<b>Buyout</b>	<b>\$752.0</b>	<b>\$539.5</b>	<b>\$395.0</b>	<b>\$372.1</b>	<b>\$203.4</b>	<b>\$575.5</b>	<b>1.42x</b>	<b>12.2%</b>
Mega Buyout	194.3	117.3	66.4	111.7	75.1	186.8	1.52x	15.0%
Large Buyout	133.4	85.0	111.2	42.2	44.5	86.7	1.80x	26.7%
Middle-Market Buyout	219.1	171.5	109.1	112.4	44.1	156.5	1.29x	6.9%
Small Buyout	205.2	165.7	108.3	105.8	39.7	145.5	1.29x	9.5%
<b>Growth Equity</b>	<b>151.2</b>	<b>56.2</b>	<b>16.0</b>	<b>63.6</b>	<b>95.5</b>	<b>159.1</b>	<b>1.42x</b>	<b>19.3%</b>
<b>Special Situations</b>	<b>85.0</b>	<b>28.2</b>	<b>19.2</b>	<b>20.5</b>	<b>47.4</b>	<b>68.0</b>	<b>1.41x</b>	<b>15.2%</b>
<b>Energy</b>	<b>37.5</b>	<b>32.2</b>	<b>7.7</b>	<b>27.7</b>	<b>5.3</b>	<b>33.0</b>	<b>1.10x</b>	<b>2.9%</b>
<b>Secondaries</b>	<b>99.6</b>	<b>41.7</b>	<b>14.2</b>	<b>40.7</b>	<b>58.2</b>	<b>98.9</b>	<b>1.32x</b>	<b>20.7%</b>
<b>Co-Investment</b>	<b>23.2</b>	<b>2.4</b>	<b>1.0</b>	<b>1.4</b>	<b>11.2</b>	<b>12.6</b>	<b>0.99x</b>	<b>-0.2%</b>
<b>Other</b>	<b>118.5</b>	<b>106.5</b>	<b>40.0</b>	<b>65.5</b>	<b>12.2</b>	<b>77.7</b>	<b>0.99x</b>	<b>-0.2%</b>
Venture Capital	108.0	96.4	31.1	59.1	11.2	70.3	0.93x	-1.5%
Mezzanine	10.5	10.1	8.9	6.5	1.0	7.5	1.52x	15.3%
<b>Total</b>	<b>\$1,267.0</b>	<b>\$806.7</b>	<b>\$493.1</b>	<b>\$591.5</b>	<b>\$433.3</b>	<b>\$1,024.9</b>	<b>1.34x</b>	<b>10.2%</b>

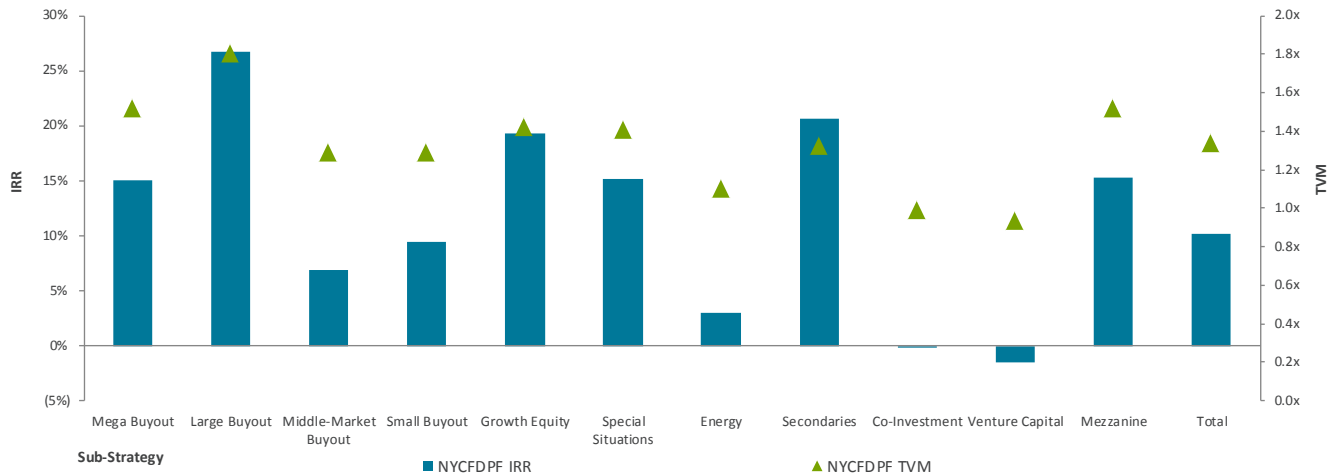
## Performance by Strategy

As of March 31, 2013



## Performance by Sub-Strategy

As of March 31, 2013



## Portfolio Diversification

The following tables illustrate the Portfolio's diversification by strategy and fund geographic focus as of March 31, 2013 Pro-Forma for the Secondary Sale.

### By Strategy/Sub-Strategy

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<i>As of March 31, 2013 (US\$ in millions)</i>						
<b>Buyout</b>	<b>372.1</b>	<b>62.9%</b>	<b>203.4</b>	<b>46.9%</b>	<b>575.5</b>	<b>56.2%</b>
Mega Buyout	111.7	18.9%	75.1	17.3%	186.8	18.2%
Large Buyout	42.2	7.1%	44.5	10.3%	86.7	8.5%
Middle-Market Buyout	112.4	19.0%	44.1	10.2%	156.5	15.3%
Small Buyout	105.8	17.9%	39.7	9.2%	145.5	14.2%
<b>Growth Equity</b>	<b>63.6</b>	<b>10.8%</b>	<b>95.5</b>	<b>22.0%</b>	<b>159.1</b>	<b>15.5%</b>
<b>Special Situations</b>	<b>20.5</b>	<b>3.5%</b>	<b>47.4</b>	<b>10.9%</b>	<b>68.0</b>	<b>6.6%</b>
<b>Energy</b>	<b>27.7</b>	<b>4.7%</b>	<b>5.3</b>	<b>1.2%</b>	<b>33.0</b>	<b>3.2%</b>
<b>Secondaries</b>	<b>40.7</b>	<b>6.9%</b>	<b>58.2</b>	<b>13.4%</b>	<b>98.9</b>	<b>9.7%</b>
<b>Co-Investment</b>	<b>1.4</b>	<b>0.2%</b>	<b>11.2</b>	<b>2.6%</b>	<b>12.6</b>	<b>1.2%</b>
<b>Other</b>	<b>65.5</b>	<b>11.1%</b>	<b>12.2</b>	<b>2.8%</b>	<b>77.7</b>	<b>7.6%</b>
Venture Capital	59.1	10.0%	11.2	2.6%	70.3	6.9%
Mezzanine	6.5	1.1%	1.0	0.2%	7.5	0.7%
<b>Total</b>	<b>591.5</b>	<b>100.0%</b>	<b>433.3</b>	<b>100.0%</b>	<b>1,024.9</b>	<b>100.0%</b>

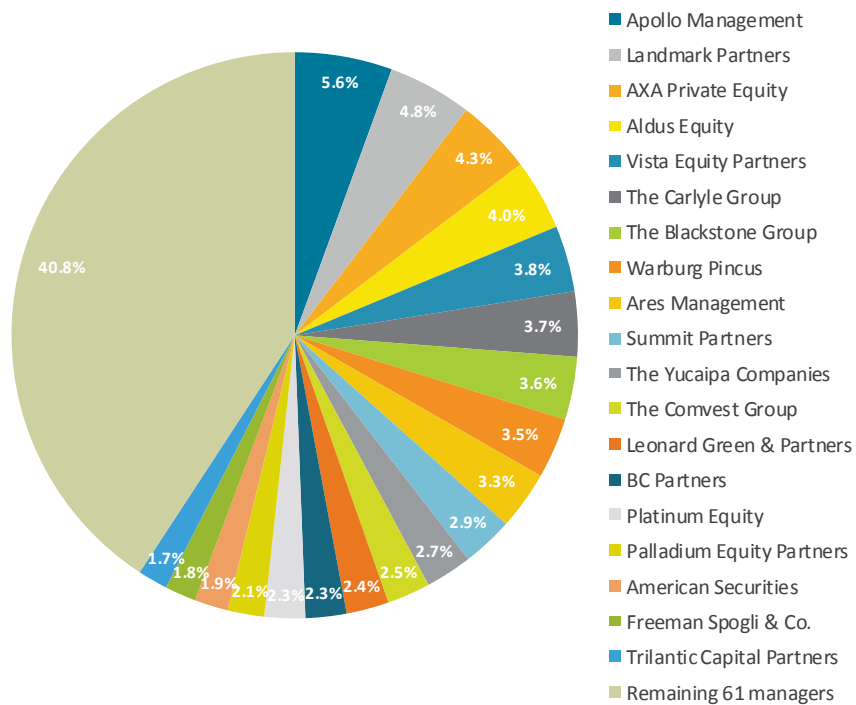
### By Fund Geographic Focus

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<i>As of March 31, 2013 (US\$ in millions)</i>						
North America	367.7	62.2%	277.4	64.0%	645.0	62.9%
Global	166.5	28.1%	112.8	26.0%	279.3	27.2%
Western Europe	49.0	8.3%	40.2	9.3%	89.2	8.7%
Rest of World	8.3	1.4%	3.0	0.7%	11.3	1.1%
<b>Total</b>	<b>591.5</b>	<b>100.0%</b>	<b>433.3</b>	<b>100.0%</b>	<b>1,024.9</b>	<b>100.0%</b>

## By Investment Manager

As of March 31, 2013 and Pro Forma for the Secondary Sale, the Portfolio was highly diversified by investment manager, with 19 managers comprising US\$606.3 million, or 59.2% of total exposure. The remaining 61 managers comprised 40.8% of total exposure as of quarter-end.

**Portfolio Total Exposure by Investment Manager**  
As of March 31, 2013

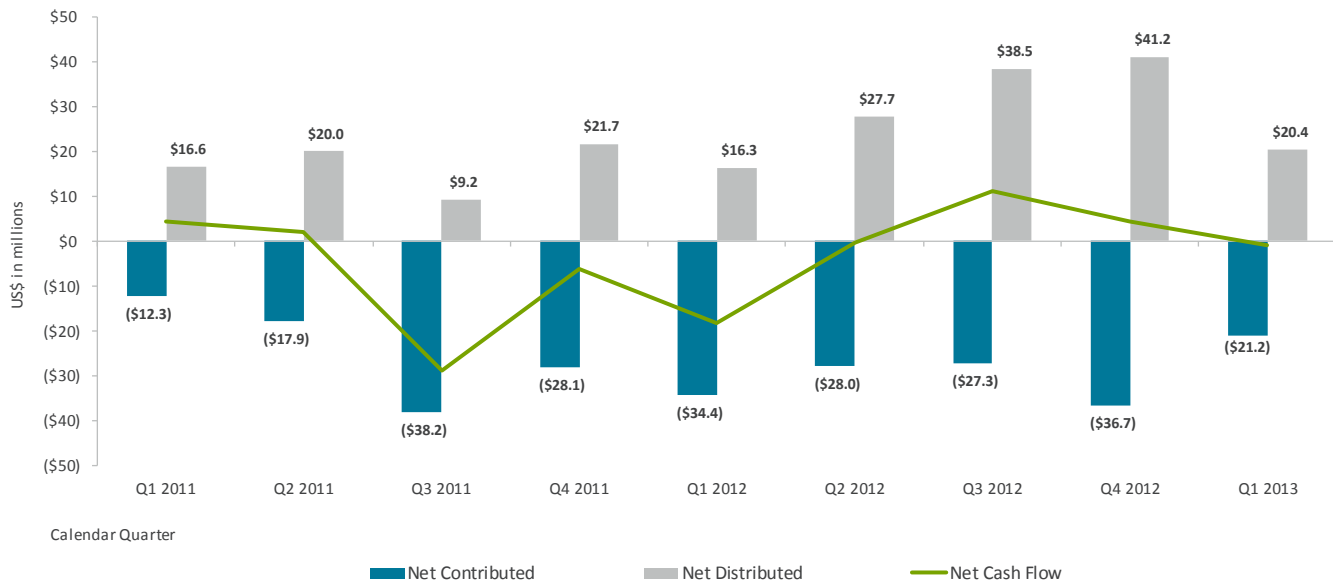


## Portfolio Cash Flow Analysis

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

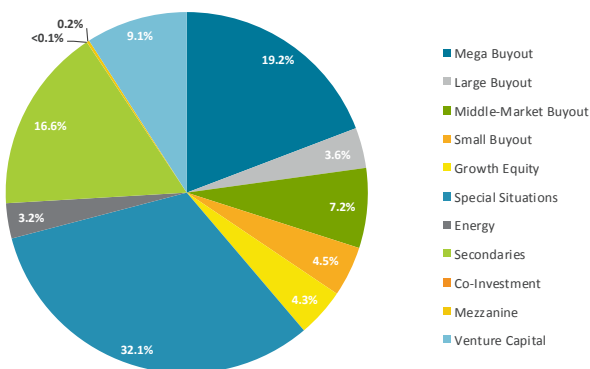
### Quarterly Cash Flow Activity

During the first quarter of 2013, the Portfolio made US\$21.2 million of net contributions and received US\$20.4 million of net distributions, for a net cash outflow of US\$0.8 million. The graph below illustrates recent cash flow activity by quarter.

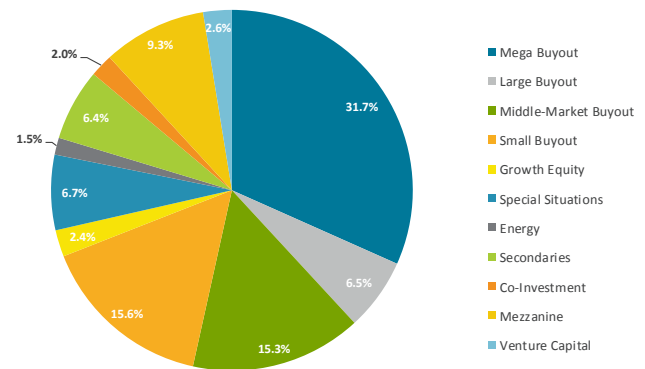


Buyout funds were the most active in terms of cash flow activity during the first quarter of 2013. Buyout funds drew down US\$7.3 million, or 34.5% of total net contributions during the quarter, and distributed US\$14.1 million, or 69.0% of total net distributions during the quarter.

### Q1 2013 Net Contributed by Sub-Strategy



### Q1 2013 Net Distributed by Sub-Strategy



## Yearly Cash Flow Activity

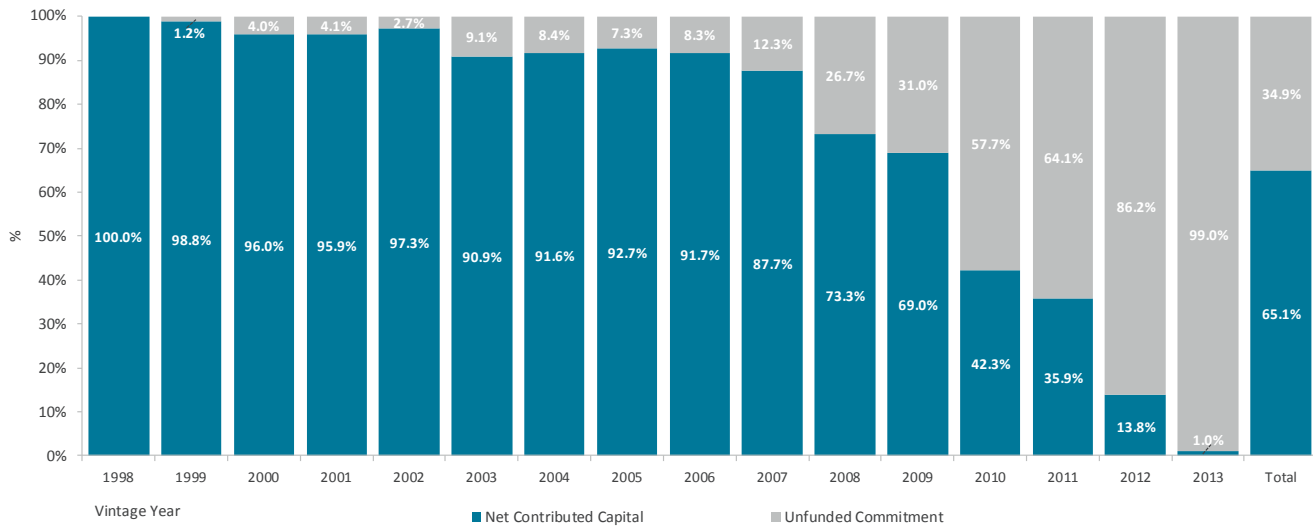
The graph below illustrates cash flow activity since inception by calendar year.



## Invested Capital by Vintage Year

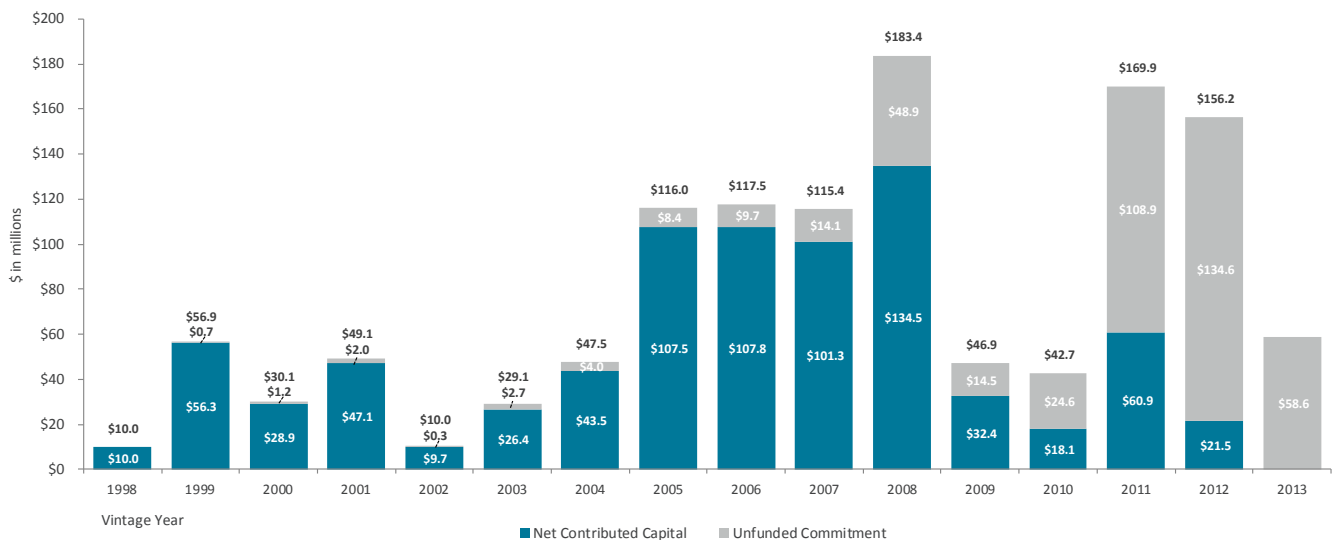
The following chart illustrates cumulative net capital contributions as a percentage of total capital commitments, by fund vintage year, as of March 31, 2013 Pro-Forma for the Secondary Sale.

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



The following chart illustrates cumulative net capital contributions relative to unfunded commitment, by fund vintage year, as of March 31, 2013 Pro-Forma for the Secondary Sale.

**Capital Contributions to Unfunded by Vintage Year**



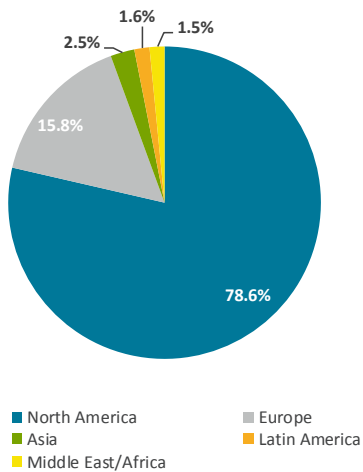


## Portfolio Company-Level Analysis

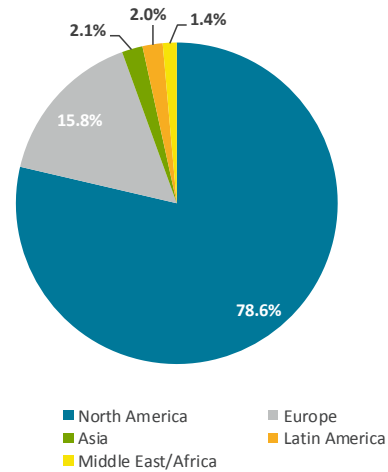
### Geographic Exposure

The following charts illustrate the Portfolio's current exposure by geography at the portfolio company level as of March 31, 2013.

Geographic Exposure by Current Cost



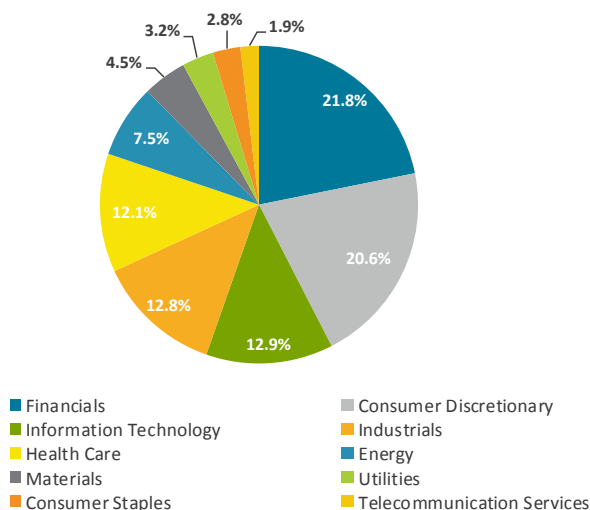
Geographic Exposure by Current Market Value



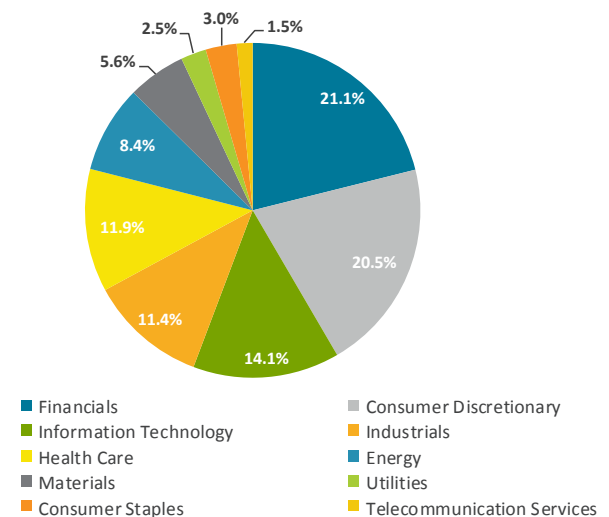
### Industry Exposure

The following charts illustrate the Portfolio's current exposure by industry at the portfolio company level as of March 31, 2013. Please note that the Financials category includes investments in various debt securities as well as certain undisclosed fund of funds investments.

Industry Exposure by Current Cost



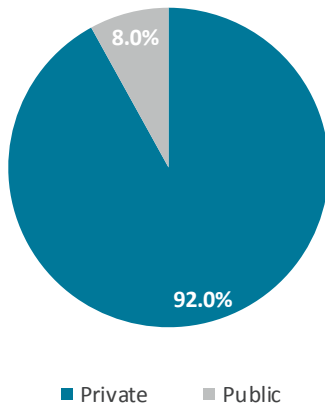
Industry Exposure by Current Market Value



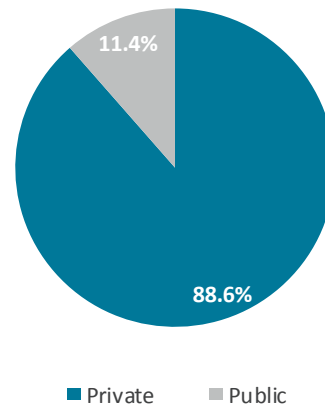
## Public Market Exposure

As of quarter-end, publicly traded investments comprised 8.0% of the Portfolio’s exposed cost and 11.4% of the Portfolio’s exposed market value. The following charts illustrate the current public market exposure at the portfolio company level.

Public Market Exposure by Current Cost



Public Market Exposure Current Market Value



## IV. Appendix

**New York City Fire Department Pension Fund, Subchapter 2**  
**Private Equity Portfolio**  
**As of March 31, 2013 (in USD)**

Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
<b>Active Investments</b>								
1998	VS&A Communications Partners III, L.P.	12/15/1998	\$ 10,000,000	\$ 10,012,724	\$ 12,822,024	\$ 878,821	1.37x	0.0627
1999	Cypress Merchant Banking Partners II, L.P.	3/29/1999	25,000,000	24,931,509	18,562,034	3,122,064	0.87x	(2.8%)
1999	FdG Capital Partners LLC	6/2/1999	25,000,000	24,302,766	38,113,544	5,169,592	1.78x	15.0%
1999	Lincolnshire Equity Fund II, L.P.	10/20/1999	7,500,000	7,016,851	13,383,372	809,652	2.02x	24.9%
2000	Carlyle Partners III, L.P.	3/1/2000	15,000,000	13,666,429	32,579,955	131,591	2.39x	23.3%
2000	SCP Private Equity Partners II, L.P.	6/15/2000	15,000,000	15,256,557	3,399,475	6,150,467	0.63x	(6.0%)
2001	Apollo Investment Fund V, L.P.	4/13/2001	15,000,000	13,963,491	32,892,047	4,508,274	2.68x	39.0%
2001	CVC European Equity Partners III, L.P.	9/4/2001	10,000,000	9,600,528	25,141,644	2,247,126	2.85x	41.0%
2001	New Mountain Partners, L.P.	3/16/2001	10,000,000	8,553,824	11,454,301	946,432	1.45x	12.6%
2001	Prism Venture Partners IV, L.P.	7/12/2001	15,000,000	15,022,654	11,017,733	20,797	0.73x	(6.5%)
2002	Landmark Equity Partners XI, L.P.	10/23/2002	5,000,000	4,736,655	6,279,264	922,519	1.52x	24.2%
2002	Yucaipa American Alliance Fund I, LP	7/1/2002	5,000,000	5,007,686	3,096,153	3,824,498	1.38x	8.2%
2003	Ares Corporate Opportunities Fund, L.P.	4/1/2003	5,000,000	4,838,245	7,102,319	998,190	1.67x	14.3%
2003	Blackstone Capital Partners IV, L.P.	2/26/2003	15,000,000	13,581,024	27,748,042	8,295,685	2.65x	37.2%
2003	FS Equity Partners V, L.P.	1/20/2003	10,000,000	8,025,555	13,991,720	2,994,379	2.12x	16.7%
2004	Aurora Equity Partners III L.P.	11/16/2004	5,000,000	5,058,772	4,587,207	3,195,846	1.54x	12.5%
2004	Celtic Pharmaceutical Holdings L.P.	12/23/2004	2,500,000	2,540,209	40,209	2,303,080	0.92x	(1.4%)
2004	Euro Choice II (Delaware) L.P.	2/25/2004	6,753,678	6,246,109	3,652,751	4,712,413	1.34x	6.4%
2004	FdG Capital Partners II LP	8/30/2004	5,000,000	4,013,064	2,729,934	1,746,360	1.12x	1.8%
2004	Lincolnshire Equity Fund III, L.P.	10/1/2004	5,000,000	4,708,296	5,465,474	3,335,451	1.87x	35.8%
2004	Markstone Capital Partners, LP	1/30/2004	5,000,000	4,912,516	2,100,539	2,074,584	0.85x	(4.2%)
2004	New York/Fairview Emerging Managers Fund, L.P.-Tranche 1	10/21/2004	2,000,000	1,775,000	464,549	1,341,973	1.02x	0.4%
2004	Paladin Homeland Security Fund (NY City), L.P.	9/27/2004	7,500,000	7,577,591	904,606	3,410,149	0.57x	(9.0%)
2004	Trilantic Capital Partners III L.P.	11/18/2004	5,000,000	4,167,106	6,717,803	447,440	1.72x	15.1%
2005	Aldus/New York Fire Fund, L.P.	8/19/2005	54,862,500	51,889,655	22,007,132	37,859,326	1.15x	4.7%
2005	Blackstone Mezzanine Partners II, L.P.	10/10/2005	3,000,000	2,663,474	2,190,416	1,368,713	1.34x	8.1%
2005	Bridgepoint Europe III	12/6/2005	5,458,033	4,993,430	1,982,848	3,356,221	1.07x	1.3%
2005	Carlyle Partners IV, L.P.	4/29/2005	5,000,000	4,701,894	5,208,861	3,716,838	1.90x	12.7%
2005	FirstMark Capital I, L.P. (fka FirstMark IV)	11/21/2005	1,500,000	1,491,817	1,229,321	3,454,912	3.14x	42.6%
2005	GI Partners Fund II L.P.	9/26/2005	2,500,000	2,517,219	1,339,946	2,462,096	1.51x	8.1%
2005	JP Morgan Fleming (Tranche A)	12/21/2005	3,000,000	2,466,668	816,594	2,130,784	1.19x	5.2%
2005	New Mountain Partners II, L.P.	1/12/2005	2,580,650	2,016,694	2,733,628	1,089,424	1.90x	12.8%
2005	Palladium Equity Partners III, L.P.	11/12/2004	10,000,000	8,401,141	4,958,480	9,928,420	1.77x	17.3%
2005	Prism Venture Partners V-A, L.P.	7/14/2005	7,500,000	7,500,000	1,758,970	3,285,442	0.67x	(10.9%)
2005	Psilos Group Partners III, L.P.	10/24/2005	2,500,000	2,312,406	1,224,401	1,806,533	1.31x	7.3%
2005	Snow Phipps Group, L.P.	9/7/2005	5,000,000	4,442,829	2,651,735	3,451,767	1.37x	10.2%
2005	USPF II Institutional Fund, L.P.	11/23/2005	5,000,000	5,000,000	1,866,206	4,243,277	1.22x	4.5%
2005	VSS Communications Partners IV, L.P.	3/14/2005	2,500,000	2,549,869	586,021	1,421,637	0.79x	(5.0%)
2006	Aisling Capital II, LP	1/12/2006	1,000,000	969,240	286,259	670,391	0.99x	(0.3%)
2006	Apollo Investment Fund VI, L.P.	5/10/2006	20,000,000	17,890,515	6,928,968	21,445,819	1.59x	9.6%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	5,000,000	4,380,454	5,499,252	2,292,096	1.78x	14.0%
2006	Avista Capital Partners, L.P.	4/27/2006	5,000,000	5,002,984	3,098,287	3,999,569	1.42x	7.9%
2006	Blackstone Capital Partners V, L.P.	4/13/2006	9,625,000	9,147,551	1,855,912	9,318,560	1.22x	4.3%
2006	Catterton Partners VI, L.P.	12/14/2006	5,000,000	4,812,064	1,218,079	6,327,802	1.57x	11.4%
2006	CCMP Capital Investors II, L.P.	8/17/2006	5,000,000	4,731,062	1,763,093	5,218,372	1.48x	13.8%
2006	Collier International Partners V, L.P.	12/21/2006	5,000,000	4,197,693	2,064,275	3,121,529	1.24x	7.2%
2006	Euro Choice III L.P.	11/21/2006	5,343,818	4,806,995	822,943	3,913,760	0.99x	(0.5%)
2006	Fenway Partners Capital Fund III, L.P.	3/29/2006	5,000,000	5,019,225	2,122,992	2,241,379	0.87x	(3.7%)
2006	First Reserve Fund XI, L.P.	12/14/2006	5,000,000	4,977,634	1,538,505	4,289,437	1.17x	4.3%
2006	InterMedia Partners VII, L.P.	1/20/2006	2,500,000	2,410,851	33,194	3,235,556	1.36x	5.9%
2006	MidOcean Partners III, L.P.	12/21/2006	10,000,000	8,159,770	631,671	8,701,087	1.14x	3.7%
2006	Permira IV, L.P.	12/14/2006	5,491,980	5,083,110	1,855,819	4,487,720	1.25x	5.7%
2006	Perseus Partners VII, L.P.	8/31/2006	5,000,000	4,750,023	16,450	1,977,002	0.42x	(21.6%)
2006	RRE Ventures IV, L.P.	12/19/2006	2,500,000	2,753,142	343,051	2,847,074	1.16x	4.7%
2006	Terra Firma Capital Partners III, L.P.	3/8/2006	5,210,265	4,889,146	111,215	2,617,924	0.56x	(15.5%)
2006	The Fourth Civen Fund	1/22/2007	2,808,320	2,472,553	717,806	2,571,365	1.33x	7.0%
2007	Carlyle Partners V, L.P.	7/6/2007	10,000,000	8,224,808	2,809,470	8,385,904	1.36x	11.4%
2007	Constellation Venture Capital III, L.P.	5/22/2007	5,000,000	4,777,517	-	4,478,456	0.94x	(2.3%)
2007	FTVentures III, LP	3/1/2007	2,500,000	1,774,827	954,095	2,964,858	2.21x	20.0%
2007	GSO Capital Opportunities Fund LP	7/16/2007	7,500,000	7,409,974	6,707,333	5,081,814	1.59x	19.5%
2007	Highland Consumer Fund I LP	3/16/2007	2,000,000	1,723,212	-	1,171,204	0.68x	(11.0%)
2007	Montreux Equity Partners IV, L.P.	3/27/2007	5,000,000	4,797,500	1,648,176	4,288,741	1.24x	7.9%
2007	New Mountain Partners III, L.P.	8/9/2007	10,000,000	8,981,853	1,770,534	9,090,764	1.21x	8.6%
2007	Olympus Capital Asia III, L.P.	1/31/2007	5,000,000	3,883,259	847,340	2,828,385	0.95x	(2.6%)
2007	PCG Clean Energy & Technology Fund (East), LLC	7/6/2007	10,000,000	8,089,195	457,324	5,384,622	0.72x	(11.1%)
2007	Pegasus Partners IV, L.P.	1/29/2007	7,500,000	7,519,924	3,164,597	6,862,607	1.33x	8.5%
2007	Pine Brook Capital Partners, L.P.	1/11/2008	7,500,000	5,517,834	2,086,988	5,836,052	1.44x	16.6%

**New York City Fire Department Pension Fund, Subchapter 2**  
**Private Equity Portfolio**  
**As of March 31, 2013 (in USD)**

Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
2007	SCP Vitalife Partners II Fund	4/13/2007	5,000,000	3,999,924	395	3,401,077	0.85x	(5.7%)
2007	Trilantic Capital Partners IV L.P.	10/22/2007	7,236,332	6,183,398	4,726,428	5,313,873	1.62x	18.4%
2007	United States Power Fund III, L.P.	6/28/2007	5,000,000	3,896,540	380,001	3,835,699	1.08x	2.0%
2007	Vista Equity Partners Fund III, L.P.	10/3/2007	7,500,000	6,787,166	9,754,966	7,470,386	2.54x	30.8%
2008	Aisling Capital III, LP	11/20/2008	3,500,000	1,802,921	58,934	1,523,969	0.88x	(8.2%)
2008	Apollo Investment Fund VII, L.P.	1/28/2008	25,000,000	18,936,947	11,261,784	21,742,894	1.74x	24.6%
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	10,000,000	7,866,727	5,055,742	8,014,365	1.66x	24.2%
2008	Avista Capital Partners II, L.P.	11/5/2008	10,000,000	6,618,596	1,703,435	9,035,029	1.62x	15.8%
2008	Bridgepoint Europe IV	11/14/2008	6,694,316	5,005,530	-	5,614,427	1.12x	6.1%
2008	Crestview Partners II, L.P.	10/1/2008	7,500,000	5,248,376	603,558	6,612,987	1.38x	15.3%
2008	CS NYCFDPF Emerging Manager Co-Investment Fund, L.P.	8/22/2008	2,020,202	1,185,965	592,332	983,992	1.33x	10.1%
2008	CS NYCFDPF Emerging Manager Fund, L.P.	8/22/2008	8,979,798	4,299,400	341,923	3,938,424	1.00x	(0.2%)
2008	CVC European Equity Partners V, L.P.	7/21/2008	13,509,967	9,429,523	3,153,181	8,300,625	1.21x	8.1%
2008	Erasmus New York City Growth Fund IA	10/17/2008	10,000,000	1,208,990	417,624	387,445	0.67x	(9.2%)
2008	Euro Choice IV L.P.	10/22/2008	6,568,811	3,366,958	18,965	3,179,206	0.95x	(3.0%)
2008	First Reserve Fund XII, L.P.	8/25/2008	5,000,000	3,998,003	277,094	4,166,131	1.11x	4.0%
2008	GI Partners Fund III L.P.	7/29/2008	7,500,000	7,080,049	2,157,686	7,455,412	1.36x	15.4%
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	13,630,000	8,700,804	2,832,578	8,010,657	1.25x	17.9%
2008	Lee Equity Partners Fund, L.P.	4/23/2008	7,500,000	5,556,166	508,630	5,431,924	1.07x	3.0%
2008	Levine Leichtman Capital Partners IV, L.P.	4/8/2008	5,000,000	3,733,919	781,142	5,629,021	1.72x	27.4%
2008	New York/Fairview Emerging Managers Fund, L.P.-Tranche 2	5/28/2008	5,000,000	2,702,000	427,507	2,735,200	1.17x	8.7%
2008	NGN BioMed Opportunity II, L.P.	2/11/2008	5,000,000	3,962,955	5,922	2,962,219	0.75x	(10.5%)
2008	Onex Partners III LP	12/10/2008	5,000,000	3,859,684	488,765	3,632,657	1.07x	4.3%
2008	Paladin III (NY City), L.P.	1/8/2008	7,500,000	5,008,220	844,705	4,839,373	1.13x	4.2%
2008	Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	3/3/2008	7,500,000	6,270,796	3,207,775	5,794,955	1.44x	15.3%
2008	Yucaipa American Alliance Fund II, LP	3/28/2008	15,000,000	13,787,314	3,498,961	19,373,226	1.66x	18.6%
2008	Yucaipa Corporate Initiatives Fund II, LP	6/23/2008	4,676,976	4,470,885	517,586	2,662,416	0.71x	(16.5%)
2009	FS Equity Partners VI, L.P.	7/27/2009	12,500,000	8,266,279	754,654	9,035,776	1.18x	9.4%
2009	Lexington Capital Partners VII, L.P.	12/3/2009	10,000,000	6,018,057	1,579,481	6,292,920	1.31x	19.2%
2009	Lincolnshire Equity Fund IV, L.P.	8/5/2009	2,500,000	1,302,390	19,214	1,090,935	0.85x	(11.2%)
2009	NorthBound Emerging Manager Custom Fund LP	1/29/2009	5,000,000	3,093,968	818,356	2,909,023	1.20x	10.5%
2009	Scale Venture Partners III, LP	5/1/2009	5,000,000	4,358,924	1,220,725	6,230,412	1.71x	31.3%
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	7,500,000	4,969,473	323,313	5,854,431	1.24x	11.4%
2010	Comvest Investment Partners IV, L.P.	10/21/2010	20,000,000	7,950,504	25,577	12,976,876	1.64x	49.5%
2010	Snow Phipps II, L.P.	1/8/2010	7,500,000	3,270,692	141,976	3,368,774	1.07x	5.4%
2010	Trident V, L.P.	4/29/2010	15,000,000	6,845,733	-	6,843,888	1.00x	(0.0%)
2011	American Securities Partners VI, L.P.	11/18/2011	20,000,000	6,298,802	-	5,916,719	0.94x	NM
2011	Ampersand 2011	3/11/2011	5,000,000	3,200,000	-	3,639,661	1.14x	NM
2011	AXA Secondary Fund V B L.P.	6/16/2011	40,000,000	18,039,824	1,459,023	22,351,003	1.32x	NM
2011	BC European Capital IX	9/19/2011	23,001,614	6,998,831	184,690	7,981,986	1.17x	NM
2011	BDCM Opportunity Fund III, L.P.	4/8/2011	10,000,000	2,925,857	296,614	3,030,750	1.14x	NM
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	10,000,000	2,468,767	11,740	2,654,852	1.08x	NM
2011	EQT VI, L.P.	8/1/2011	17,942,145	5,291,147	-	4,545,467	0.86x	NM
2011	Pegasus Partners V, L.P.	8/16/2011	6,236,975	3,165,713	-	3,058,654	0.97x	NM
2011	Vista Equity Partners Fund IV, L.P.	11/30/2011	30,000,000	10,571,816	-	10,890,951	1.03x	NM
2011	Wellspring Capital Partners V, L.P.	7/1/2011	7,500,000	1,983,253	-	1,756,554	0.89x	NM
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	20,000,000	756,407	-	616,696	0.82x	NM
2012	Green Equity Investors VI, L.P.	11/30/2012	25,000,000	2,407,942	63,532	2,246,603	0.96x	NM
2012	NYCFDPF - 2012 Emerging Manager Program	2/7/2013	25,000,000	983,670	38,819	882,775	0.94x	NM
2012	Palladium Equity Partners IV, L.P.	10/10/2012	10,000,000	1,503,994	-	1,329,235	0.88x	NM
2012	Platinum Equity Capital Partners III, L.P.	1/14/2013	25,000,000	7,046,550	1,217,597	5,592,570	0.97x	NM
2012	Summit Partners Growth Equity Fund VIII-A, L.P.	6/14/2012	30,000,000	2,100,000	-	1,900,806	0.91x	NM
2012	Trilantic Capital Partners V L.P.	9/20/2012	10,000,000	142,975	-	(29,699)	(0.21x)	N/A
2012	Warburg Pincus Private Equity XI, L.P.	5/24/2012	35,000,000	7,581,277	-	8,001,395	1.06x	NM
2013	Carlyle Partners VI, L.P.	7/3/2013	20,000,000	-	-	-	0.00x	N/A
2013	Carlyle Partners VI, L.P. (Side Car)	N/A	2,200,000	-	-	-	0.00x	N/A
2013	Landmark - NYC Fund I, L.P.	N/A	9,000,000	-	-	-	0.00x	N/A
2013	Landmark Equity Partners XV, L.P.	N/A	26,000,000	-	-	-	0.00x	N/A
<b>Total Portfolio<sup>1</sup></b>			<b>\$ 1,289,045,624</b>	<b>\$ 807,114,870</b>	<b>\$ 493,166,494</b>	<b>\$ 591,830,224</b>	<b>1.34x</b>	<b>10.2%</b>

<sup>1</sup>Please note that the Total Portfolio includes liquidated investments and is presented Pro-Forma for the proceeds received and expected to be received from the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

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

New York City Fire Department Pension Fund, Subchapter 2  
 Subsequent Commitments  
 As of March 31, 2013 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
<b>Commitments Closed Subsequent to as of Date</b>								
2013	Apollo Investment Fund VIII, L.P.	N/A	\$ 40,000,000	\$ -	\$ -	\$ -	0.00x	N/A
2013	CVC Capital Partners VI, L.P.	N/A	40,000,000	-	-	-	0.00x	N/A
2013	Olympus Growth Fund VI, L.P.	N/A	15,000,000	-	-	-	0.00x	N/A
<b>Total Commitments Closed Subsequent to as of Date</b>			<b>\$ 95,000,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>	<b>N/A</b>

<sup>1</sup>Please note that the Total Portfolio includes liquidated investments and is presented Pro-Forma for the proceeds received and expected to be received from the sale of nine partnership investments in secondary transactions that closed during the first half of 2012.

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 Estate Quarterly Report

# The New York City Fire Department Pension Fund

## Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

### Portfolio Profile

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

### Portfolio Statistics (March 31, 2013)

Total Plan Assets	\$9.2 billion
Target Real Assets Allocation (%)	5%
Target Real Assets Allocation (\$)	\$460.3 million
Total Real Estate Market Value	\$322.3 million
Real Estate Unfunded Commitments	\$99.8 million
Total Real Estate Exposure	\$422.1 million
Number of Investments	37
Number of Managers	28

### Net Returns (as of March 31, 2013)

1Q13 Time-Weighted Net Return:	2.5%
1 Year Time Weighted Net Return:	12.0%
3 Year Time Weighted Net Return:	15.5%
Inception-to-Date (ITD) Time-Weighted:	4.8%
ITD Net IRR:	2.1%
ITD Net Equity Multiple:	1.1x

### Investment Guidelines

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

### First Quarter Investment Activity

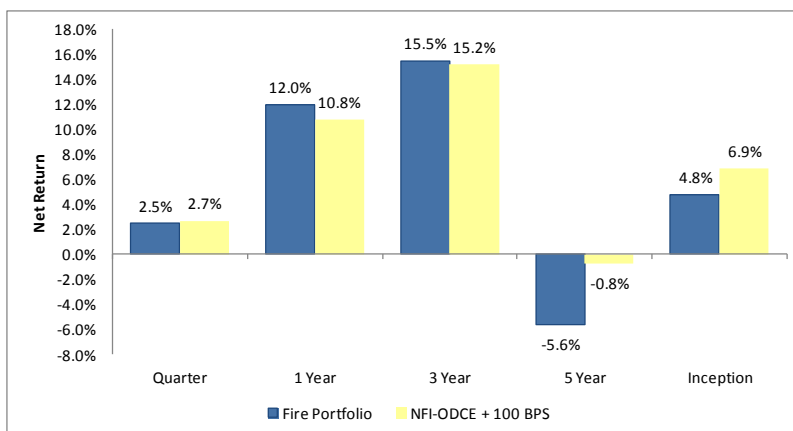
During the Quarter, the Board made commitments of \$15 million with two Managers for Superstorm Sandy related investments.

### OVERVIEW

During the First Quarter of 2013 the global real estate market experienced over \$100 billion in transaction volume for the first time in five years. Property markets continued to recover. Demand continued to grow and improve while supply remained constrained. Recovery is submarket specific, with primary cities and major markets prevailing.

Domestic investors continued to target core properties in prime gateway markets, however, pricing and limited supply has resulted in the focus shifting to high quality assets just outside of the prime gateway markets. Similarly in Europe, competition for high quality core assets in the primary markets continued. Higher pricing has caused some investors to target secondary markets to obtain higher yields. Cross-border investment flows remained slow throughout Europe as investors remained cautious. Importantly, we have observed greater optimism in the European banking community which should, over time, lead to improved lending conditions and greater liquidity. At \$27 billion in First Quarter, transaction volume in Asia rose some 26% when compared to the same period a year earlier. Investors in the major Asian markets of China, Japan and South Korea have continued to seek out investments in logistics. The region, and specifically these market driving nations, continue to suffer from inadequate and aging logistics stock. The Market Update section of this report provides additional information on global real estate conditions.

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. For example, the Board elected to increase its exposures to several Core/Core Plus Open-End Commingled funds after the recession began in an effort to fully capture the recovery that came domestically in the gateway markets. Fire has also been active on the international front through investment in global allocator funds whose opportunistic strategies are designed to exploit the recovery in the European and Asian markets. Post economic downturn, in the period reflected in the rolling three-year returns, Fire performance exceeds benchmark by 30 basis points. At the end of the First Quarter 2013, the Portfolio achieved a total gross return of 3.1% which was comprised of 0.9% income and 2.2% appreciation. The net return for the Quarter was 2.5%. A detailed analysis of the Portfolios real estate performance is found later in this Executive Summary.





# The New York City Fire Department Pension Fund

## Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

### FUNDING AND COMPOSITION

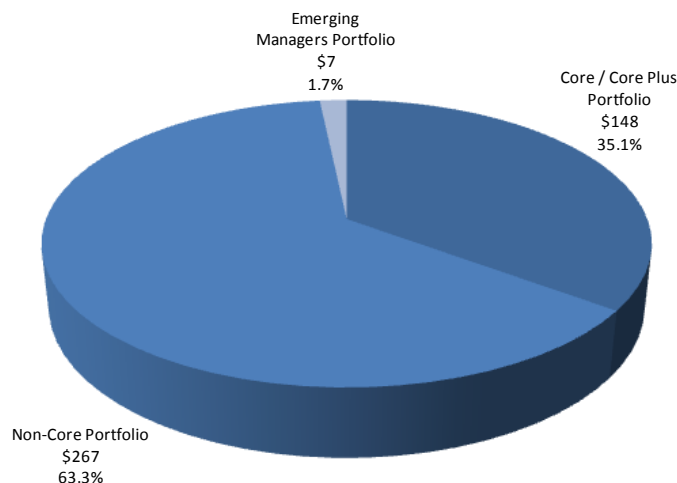
At the end of the First Quarter, the Portfolio was funded at \$322 million, or 3.5% of total plan assets. A total of \$99.8 million in unfunded commitments are still outstanding. Unfunded commitments are down from just over \$112.6 million as of Fourth Quarter 2012. However, new commitment activity has accelerated over the past several months and the trend will continue into the second half of 2013.

New contributions for the Quarter totaled \$13.1 million, offset by just over \$7.7 million in distributions and withdrawals. Distributions were weighted to the non-core sector.

Shown in the pie chart to the right is the current risk sector exposure calculated by Market Value + Unfunded Commitments. The Core/ Core Plus component accounts for 35.1% of the Portfolio exposure during the Quarter. The Non-Core component accounts for 63.3% of the Portfolio exposure. The Emerging Manager component accounts for 1.7% of the Portfolio exposure.

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

### Real Estate Exposure



New York City Fire Department Pension Fund		
Total Plan Assets	3/31/2013	\$9,206
Real Estate Allocation (%)		5.0%
Real Estate Allocation (\$)		\$460
Style Sector Allocation		
Core / Core Plus Portfolio	40.0%	\$184
Non-Core Portfolio	55.0%	\$253
Emerging Managers Portfolio	5.0%	\$23
Uncommitted Core / Core Plus Portfolio		\$36
Uncommitted Non-Core Portfolio		(\$14)
Uncommitted Emerging Managers Portfolio		\$16
Funded (Market Value) and Committed Statistics		
Core / Core Plus Portfolio		35.1%
Non-Core Portfolio		63.3%
Emerging Managers Portfolio		1.7%
\$ Committed		\$422
% Committed on Real Estate Allocation		91.8%
% Committed on Total Plan Assets		4.6%
Funded (Market Value) Statistics		
% Funded (Market Value) of Total Plan Assets		3.5%
% Funded (Market Value) of Total Real Estate Allocation		70.1%

## PERFORMANCE

During the Quarter under review, the Fire Real Estate Portfolio produced a 3.1% total gross return. The total net return for the Quarter was 2.5%. On a rolling one-year basis the total gross return of 15.0% was recorded. On a net basis the total return was 12.0%. On a gross basis the Fire Portfolio exceeds the NFI-ODCE in all but one time period (five-year). The benchmark return contemplates a 100 bps premium over the ODCE net return over full market cycles. This benchmark is exceeded over the one-year and three-year time periods. The various components of the Portfolio returns are depicted in the chart below.

### Core/Core Plus

As of March 31, 2013 the market value of the Core/ Core Plus Portfolio was \$139 million, or 43.0% on an invested basis. On a funded and committed basis, the Core/ Core Plus Portfolio totaled \$148 million, or 35.1% of the total Portfolio. The Core/ Core plus Portfolio generated a 2.5% total gross return for the Quarter comprised of 1.3% in income and 1.2% in appreciation. The total net return for the Quarter was 2.3%.

The most significant contribution to the Quarterly return in the Core/Core Plus sector was JP Morgan Strategic Property Fund, which contributed 0.2%. Additionally, JP Morgan Special Situation Fund contributed 0.1%. The largest detractor from the Core/Core Plus Portfolio was UBS Trumbull Property Fund, which detracted (0.3%) from the total net return. It is important to note that while UBS may have underperformed it still maintained positive performance with a 1.4% net return for the Quarter.

Post economic downturn, the Core/Core Plus Portfolio achieved a 15.5% net return over the three-year period ending March 31, 2013. Of the 11 Core/Core Plus Funds, PRISA II was the largest contributor, adding 0.9% to the overall performance of the Portfolio. UBS Trumbull Property Fund was the largest detractor, taking away (0.5%) from the overall performance of the Core/Core Plus Portfolio.

### Non-Core

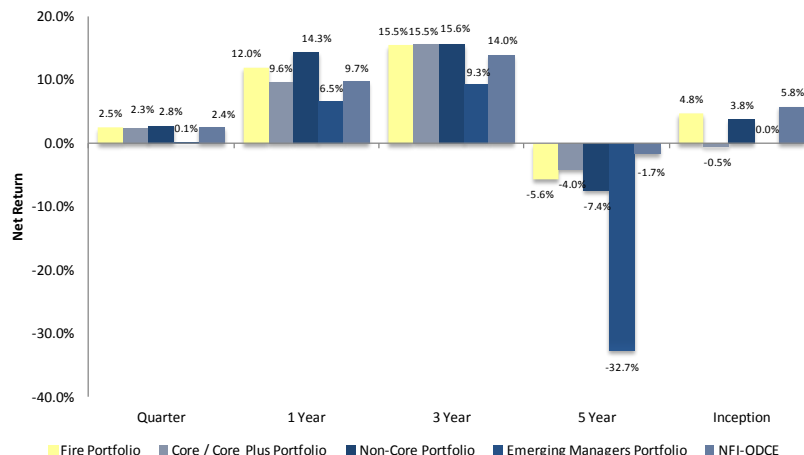
As of March 31, 2013 the market value of the Non- Core Portfolio was \$178 million, or 55.2% on an invested basis. On a funded and committed basis, the Non-Core Portfolio totaled \$267 million, or 63.3% of the total Portfolio. The Non-Core Portfolio generated a 3.7% total gross return for the Quarter comprised of 0.7% in income and 3.0% in appreciation. The total net return for the Quarter was 2.8%.

Of the 24 Non-Core Funds, Blackstone Real Estate Partners VII was the largest contributor to the Quarterly return, adding 0.4%. Apollo European Real Estate Fund III was the largest detractor for the Quarter, taking away (0.3%) from the overall performance of the Non-Core Portfolio.

The Non-Core Portfolio generated a three-year net return of 15.6%. Of the 24 non-core Funds, The City Investment Fund I was the largest contributor, adding 2.8% to the three-year performance of the Portfolio. The largest detractor among these Funds was Colony Investors VIII, which took away (1.5%) from overall Non-Core performance.

### Emerging Managers

As of March 31, 2013 the market value of the Emerging Managers Portfolio was \$5.7 million, or 1.8% on an invested basis. On a funded and committed basis, the Emerging Managers Portfolio totaled \$7.1 million, or 1.7% of the total Portfolio. The Emerging Managers Portfolio generated a 0.5% total gross return for the Quarter comprised of 0.9% in income and (0.4%) 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: First Quarter 2013 Performance Measurement Report

### Real Estate

## PERFORMANCE

### Portfolio Performance

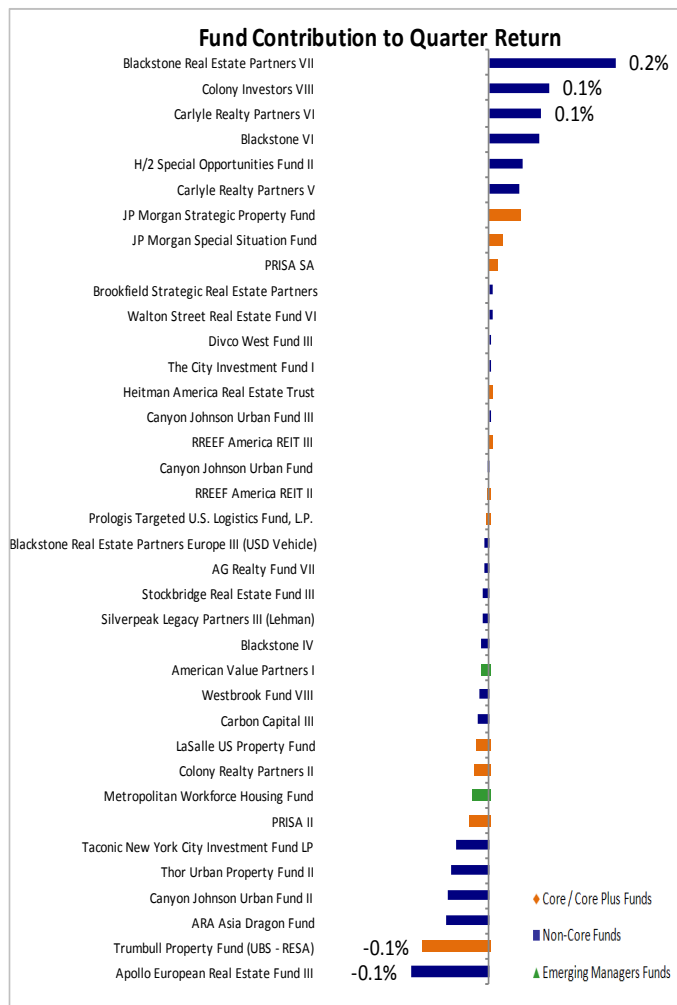
At the end of the First Quarter 2013, the Portfolio had a cumulative market value of \$322 million. Total market value plus unfunded commitments was \$422 million, or 91.8% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 3.1% which was comprised of 0.9% income and 2.2% appreciation. The Portfolio achieved a total net return of 2.5%. Since inception, the Portfolio has a net IRR of 2.1% and an equity multiple of 1.1x as of March 31, 2013. Note, attached as Exhibit B are performance metrics relating to each investment within the Portfolio.

The Quarterly return was driven by Blackstone Real Estate Partners VII which contributed 0.2% to the overall performance. In addition, Colony Investors VIII and Carlyle Realty Partners VI had substantial impacts on the Portfolio, each contributing 0.1%. The primary laggards in the Portfolio were UBS Trumbull Property Fund and Apollo European Real Estate Fund III, each detracting (0.1%), 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.

**Blackstone Real Estate Partners VII (BREP VII).** BREP VII had a total First Quarter return of 9.9% comprised of 0.6% in income and 9.3% in appreciation. The net return after fees was 7.4%. Since the Fund's inception, BREP VII has completed or committed to 64 transactions and invested \$6.7 billion in equity. As of the end of the Quarter, the valuation of BREP VII's portfolio was increased by \$609 million, or approximately 10.0% (including currency adjustments). BREP VII remained active in the market in the First Quarter, committing or investing a total of \$1.3 billion of equity in 20 transactions over the period. The Fund distributed \$318 million to investors during the Quarter, which included current income from existing investments, as well as proceeds relating to property sales.

**Colony Investors VIII (Colony VIII).** The Fund's total return for the Quarter was 8.5% comprised of 0.4% in income and 8.1% in appreciation. The net return after fees was 7.8%. As of March 31, 2013, four investments have been fully realized and three have been partially realized representing a combined 37% of originally invested equity. The Fund reported an increase in net assets resulting from operations of \$69.9 million during the Quarter. Included in this amount are net realized and unrealized gains totaling \$73.1 million. During the Quarter, the Fund closed on the sale of several investments that were accretive to the overall Portfolio.

**Carlyle Realty Partners VI (Carlyle VI).** Carlyle VI had a total quarter return of 9.0% comprised of 0.9% in income and 8.1% in appreciation. The net return after fees was 6.9%. As of March 31, 2013, Carlyle VI closed on 69 investments requiring approximately \$1.1 billion of Fund equity. In addition, subsequent to Quarter-end, Carlyle has placed under contract or closed on an additional 20 investments that would bring the total equity commitment amount to approximately \$1.5 billion. Carlyle has exited three investments in Fund VI. The Fund is seeing strongest demand trends in the multifamily rental market; as a result, this sector has represented the largest share of Fund VI investing to date.

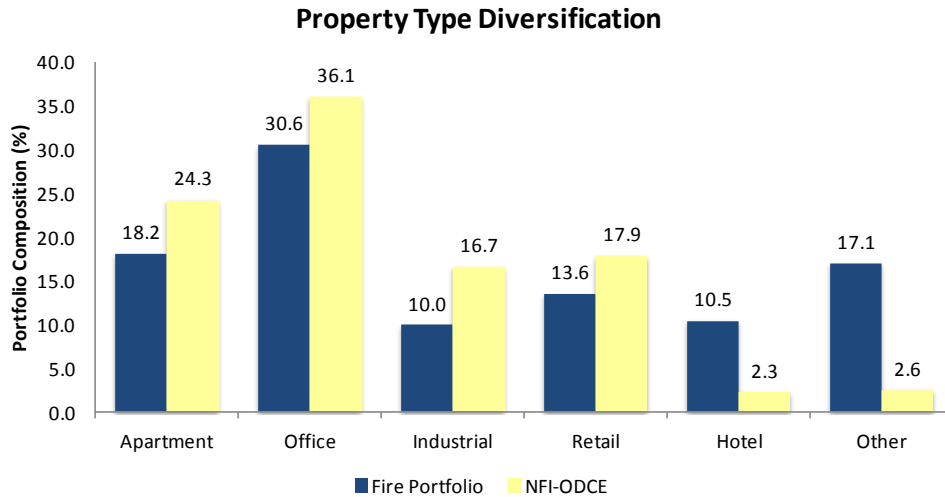


# The New York City Fire Department Pension Fund

Executive Summary: First Quarter 2013 Performance Measurement Report  
Real Estate

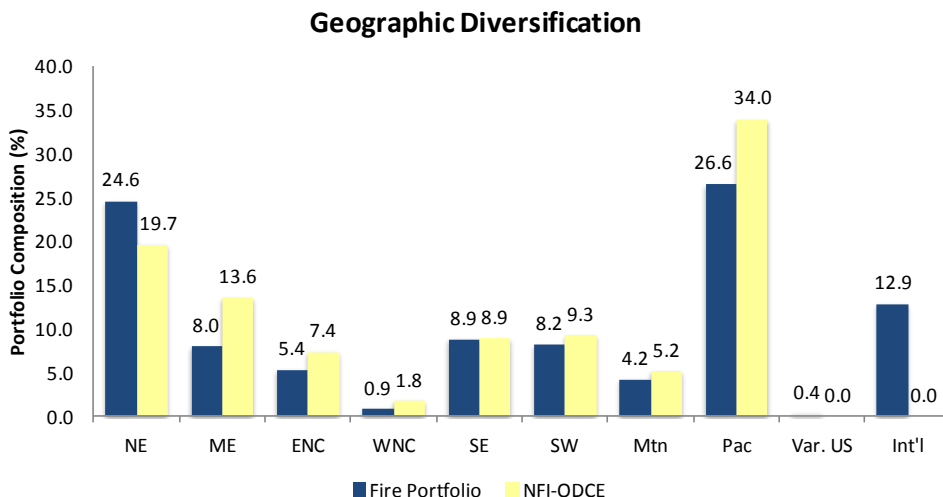
## PROPERTY TYPE DIVERSIFICATION

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



## GEOGRAPHIC DIVERSIFICATION

The diversification of the current funded Portfolio by geographic region is shown below and compared to the diversification of the NFI-ODCE at the end of the Quarter. The ODCE is a US-only index. The domestic portion of the Portfolio is well diversified relative to the ODCE with a slight overweight to the Northeast and a slight underweight to the Midwest, East North Central and Pacific. The 12.9% international exposure is appropriate for the risk and return profile of Fire and consistent with our long-term target. Non-US exposures are diversified across Developed Europe (5.4%), Emerging Asia (3.0%), Developed Asia (2.1%) and other international markets.



# The New York City Fire Department Pension Fund

## Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

### MARKET UPDATE

#### General Market Overview

The commercial real estate market continues to show positive signs with the First Quarter 2013 experiencing over \$100 billion in transaction volume for the first time in five years, up 20% from First Quarter 2012. Declining unemployment rates will translate directly into income growth and improved occupancy across all sectors. Property markets are recovering as demand continues to improve and overall supply remains constrained, however, recovery is submarket specific with gateway and primary cities prevailing.

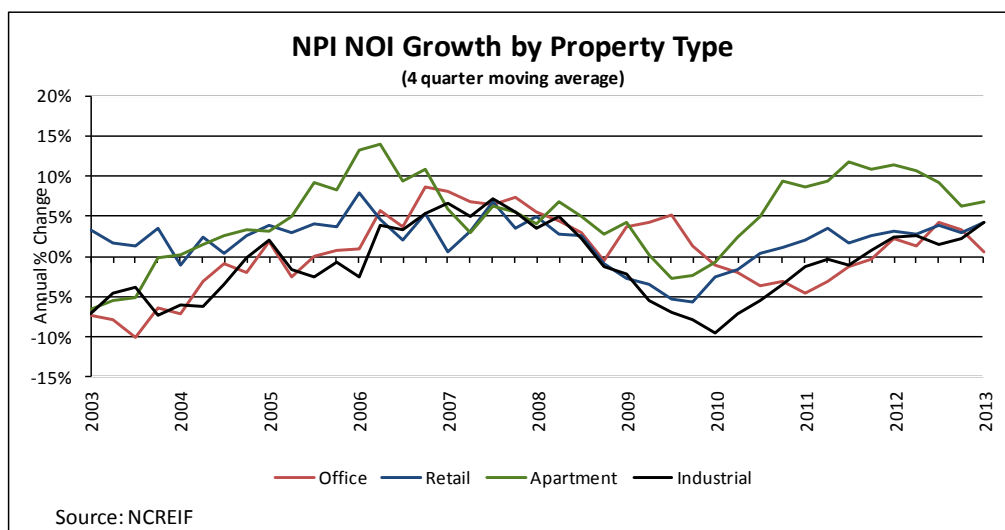
**Direct Commercial Real Estate Volumes, 1Q12 - 1Q13**

\$ US Billions	4Q12	1Q13	% Change 4Q12 - 1Q13	1Q12	% Change 1Q12 - 1Q13	2011	2012	% Change 2011 - 2012
Americas	64	38	-40%	35	9%	171	190	11%
EMEA	61	40	-34%	31	28%	166	160	-3%
Asia Pacific	27	27	0%	21	26%	99	99	0%
<b>Total</b>	<b>152</b>	<b>105</b>	<b>-31%</b>	<b>87</b>	<b>20%</b>	<b>436</b>	<b>449</b>	<b>3%</b>

Source: Jones Lang LaSalle

While yields have compressed for core real estate in prime markets, spreads to local government bonds remain at historic highs, providing strong relative performance. Lenders are beginning to return to the market and are providing attractive financing which will result in greater transaction volume and stronger investor demand. Leasing fundamentals have generally been strengthening as shown by increasing/stabilizing NOI growth in the chart below. Recovery in gateway markets and primary cities have been particularly strong as major CRE sectors have reported occupancy gains for two consecutive years.

Moving through 2013 and into 2014 the market will see tighter conditions of Grade A space. With new supply of high-quality space limited, the market will become more intense and tenants will find it difficult to gain leverage. Furthermore, demand for industrial and apartment properties is up, exceeding pre-recession levels.



## MARKET UPDATE cont.

### The United States

The U.S. real estate market experienced \$38 billion in transaction volume during the Quarter, up 9% from First Quarter 2012. During the Global Financial Crisis ("GFC"), real estate values declined 31% and 44% for the de-levered NCREIF Property Index ("NPI") and the levered NCREIF Open End Diversified Core Equity Index ("NFI-ODCE"), respectively. Since the market trough in 2010, both indices have recovered 22% and 30%, respectively. Increasing economic activity and improving employment conditions are stimulating tenant demand. Although demand for space is increasing, it is modest enough to keep a cap on new construction, thus driving down vacancy rates in existing properties. Vacancy rates continue to strengthen for the second straight year, translating into strong NOI growth. Additionally, real estate cap rate spreads are well above their long-term average relative to 10-year Treasuries. This healthy spread offers investors a cushion against bond yield increases in the near term. Furthermore, strong capital flows into real estate and improving NOI growth are expected to help offset the impact of higher Treasury rates.

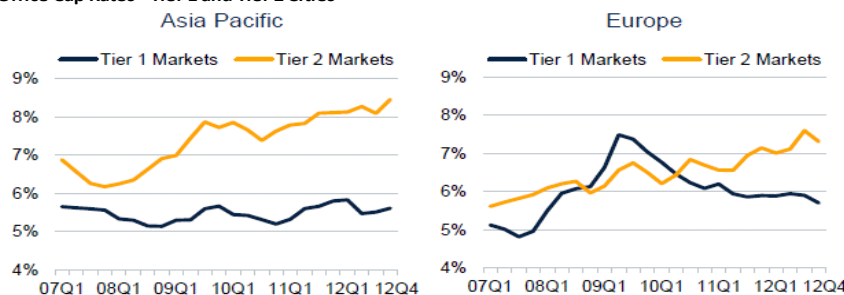
Investors continue to target core properties in prime gateway markets, however, pricing and limited supply have resulted in the focus shifting to high quality assets just outside of the prime gateway markets. Still, core real estate remains attractively priced relative to fixed-income alternatives. The spread to Treasuries and corporate bonds remains above their long-term averages, currently at 400 bps and 130 bps, respectively. Given the magnitude of the spreads we can gather that the Fed is not likely to act on interest rates soon and that real estate should maintain broad momentum moving through the coming periods. Even though primary markets remain the focal point, property values are starting to increase in secondary markets as financing availability improves and investors attempt to capture yield.

### Europe

The European commercial real estate market has shown hopeful signs thus far in 2013. Optimism among Europe's banks is improving, leading to liquidity in the financial markets and increasing the number of active lenders. However, international investors continue to be cautious and cross-border investment flow remains low.

The European core asset environment remains extremely competitive. Still, an increasing number of non-core opportunities exist, especially in secondary locations. Given the low returns on prime assets, investors are assessing the need to move into secondary assets and regional markets. These markets generally offer higher income returns and elevated yields imply scope for capital growth via yield compression. As economic growth stabilizes, investor demand will continue to move beyond CBD and core markets in search of more attractive yields. As investor interest in these markets grows, downward pressure will be put on yields outside of major CBD markets. Furthermore, vacancy rates are expected to continue rising in many markets, however, investor demand remains strong in the United Kingdom, Germany and Sweden, as these markets are likely to recover before others in Europe. Property values in the periphery remain depressed and could decline further as debt capital remains difficult to attain for risky assets.

Office Cap Rates - Tier 1 and Tier 2 Cities



Sources: Real Capital Analytics and Deutsche Asset & Wealth Management.  
As of April 2013.

### Asia

The Asian real estate market experienced \$27 billion in transaction volume during the Quarter, up 26% from First Quarter 2012. Transaction volume during the second half of 2013 is likely to curtail as investors become more concerned that rising interest rates will lead to higher property yields, resulting in reduced property values.

Logistics remains a focus with a shortage of quality supply in China, Japan, and South Korea. Although new stock began to be built in the 2000's, it only represents a small share of the overall stock. Additionally, the Chinese government continues to stress domestic consumption which favors retail and logistics sectors. Among other factors, the recovery in the region is less rapid than it has been in previous market cycles and the two major economies of the region, China and Japan, are undergoing structural changes that may affect the market. Given the current market environment we should expect to see a reduction in corporate investment and hiring, as well as slower leasing volumes.

# The New York City Fire Department Pension Fund

Executive Summary: First Quarter 2013 Performance Measurement Report  
Real Estate

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## EXHIBIT A: COMPLIANCE MATRIX

Category	Requirement	Portfolio Status
Benchmark	NFI-ODCE (net) +100 bps over full market cycles	<i>Portfolio returns underperform benchmark.</i>
Portfolio Composition	Core/Core Plus (minimum of 40%)	<i>The portfolio is funded (market value) and committed at 91.8% of real estate allocation with a portfolio composition of 35.1% core, 63.3% non-core, and 1.7% emerging.</i>
	Non Core (minimum of 40%)	
	Non Core Emerging (greater of \$14 million or 5% of the total real estate allocation)	
Real Estate Allocation	Target of 5.0%	<i>Funded (market value) and committed dollars place the portfolio at 4.6% of total plan assets.</i>
	Currently Funded at 3.5%	
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 early stages of funding, but is in compliance ( 44.6 %).</i>
Manager Exposure	15% of real estate allocation	<i>Manager exposure is within compliance ranges.</i>

# The New York City Fire Department Pension Fund

## Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

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### EXHIBIT B: FOIL

The Townsend Group<sup>®</sup>

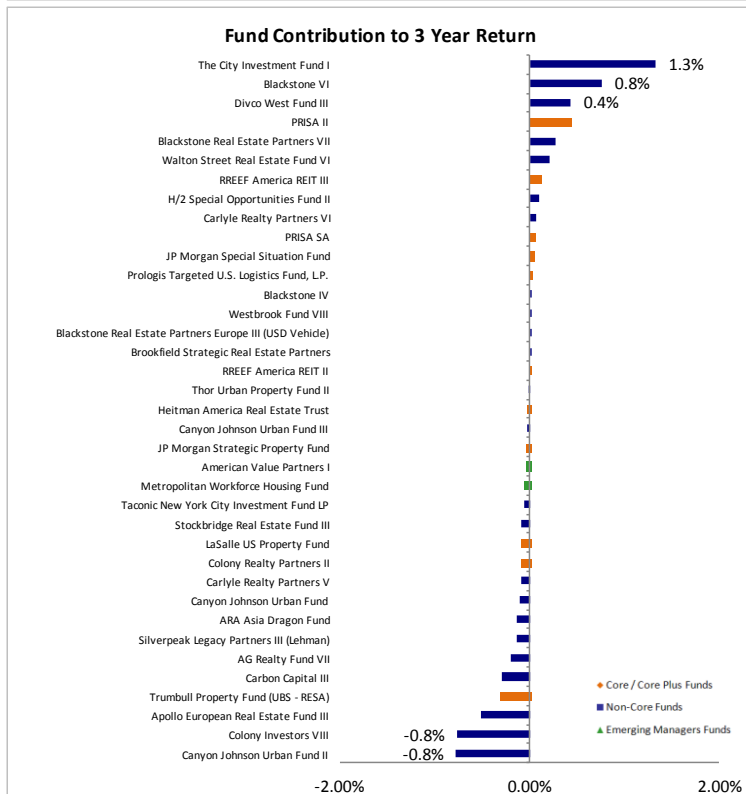
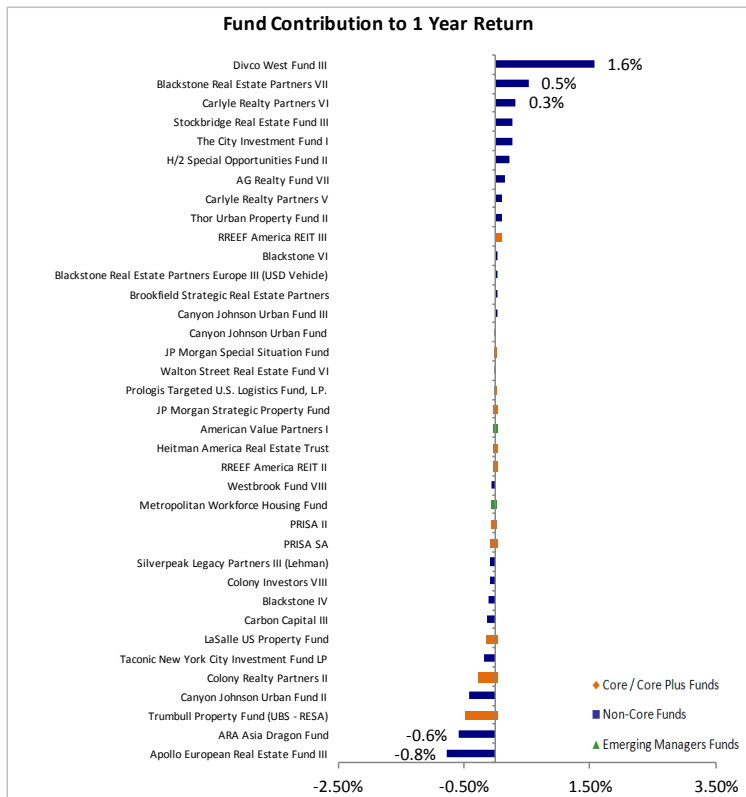
#### New York City Fire Department Pension Fund

Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2006	Prologis Targeted U.S. Logistics Fund	10/1/2006	\$5,000,000	\$5,847,278	(\$888,077)	\$3,887,380	0.8	-3.7%
2006	PRISA SA	9/29/2006	\$7,000,000	\$7,344,803	(\$805,377)	\$6,843,725	1.0	0.7%
2006	RREEF America REIT II	10/1/2006	\$7,000,000	\$9,241,449	(\$2,943,932)	\$6,906,809	1.1	1.3%
2006	UBS Trumbull Property Fund ("UBS-TPF")	9/28/2006	\$27,000,000	\$29,838,277	(\$2,220,767)	\$31,211,700	1.1	4.6%
2007	Colony Realty Partners II	12/20/2006	\$5,000,000	\$5,355,052	(\$166,526)	\$2,095,900	0.4	-14.8%
2007	JP Morgan Special Situation Property Fund	1/2/2007	\$5,000,000	\$5,441,410	(\$780,538)	\$4,201,938	0.9	-1.6%
2007	RREEF America REIT III - 1410	10/1/2007	\$5,000,000	\$5,000,000	(\$142,179)	\$2,031,635	0.4	-14.2%
2007	Heitman HART	3/29/2007	\$9,000,000	\$10,669,543	(\$1,669,543)	\$11,131,952	1.2	4.8%
2007	PRISA II	6/30/2007	\$20,228,233	\$20,900,783	(\$1,660,969)	\$18,948,434	1.0	-0.3%
2007	JP Morgan Strategic Property Fund	12/5/2006	\$22,000,000	\$22,759,433	\$0	\$28,184,388	1.2	6.3%
2010	LaSalle Property Fund	7/1/2010	\$30,000,000	\$20,669,758	(\$1,313,669)	\$23,258,413	1.2	12.1%
<b>Core / Core Plus Portfolio</b>			<b>\$142,228,233</b>	<b>\$143,067,785</b>	<b>(\$12,591,577)</b>	<b>\$138,702,274</b>	<b>1.1</b>	<b>1.5%</b>
2003	Canyon Johnson Urban Fund	12/6/2002	\$10,000,000	\$9,060,242	(\$10,582,954)	\$0	1.2	10.2%
2004	Blackstone Fund IV	5/10/2004	\$5,000,000	\$6,406,782	(\$5,595,766)	\$2,724,284	1.3	10.9%
2004	The City Investment Fund I	3/16/2004	\$35,000,000	\$34,515,181	(\$20,626,019)	\$16,447,049	1.1	2.0%
2005	Canyon Johnson Urban Fund II	5/11/2005	\$10,000,000	\$8,988,710	(\$6,000)	\$4,857,532	0.5	-10.9%
2007	Metropolitan Workforce Housing Fund	7/13/2007	\$3,500,000	\$3,503,257	(\$178,461)	\$3,312,399	1.0	-0.2%
2007	Carlisle Realty Partners V	8/27/2007	\$5,000,000	\$5,968,325	(\$3,972,393)	\$3,326,097	1.2	6.7%
2007	Blackstone Real Estate Partners VI	9/27/2007	\$10,000,000	\$10,618,982	(\$2,413,269)	\$12,299,398	1.4	10.0%
2007	Colony Investors VIII	9/18/2007	\$20,000,000	\$21,249,679	(\$1,926,829)	\$7,114,450	0.4	-19.5%
2008	American Value Partners Fund I	10/18/2007	\$5,000,000	\$3,634,947	(\$642,734)	\$2,393,637	0.8	-5.9%
2008	Silverpeak Legacy Partners III (Lehman)	5/28/2008	\$5,000,000	\$2,216,844	(\$68,839)	\$871,210	0.4	-18.3%
2008	ARA Asia Dragon Fund	7/9/2008	\$10,000,000	\$9,284,000	(\$3,704,144)	\$9,318,431	1.4	12.5%
2008	Stockbridge Real Estate Fund III	9/9/2008	\$13,500,000	\$13,142,674	\$0	\$13,104,480	1.0	-0.1%
2008	AG Realty Fund VII	5/20/2008	\$15,000,000	\$13,612,500	(\$7,687,500)	\$9,624,242	1.3	10.3%
2008	AREA European Real Estate Fund III, LP	5/6/2008	\$15,000,000	\$14,157,500	(\$3,252,500)	\$10,731,411	1.0	-0.5%
2009	Thor Urban Property Fund II	10/30/2008	\$5,000,000	\$6,246,750	(\$2,220,902)	\$3,982,512	1.0	-0.6%
2009	Walton Street Real Estate Fund VI	4/27/2009	\$5,000,000	\$4,232,393	(\$904,182)	\$4,135,712	1.2	8.3%
2009	Carbon Capital III	7/2/2009	\$10,000,000	\$10,939,291	(\$8,113,194)	\$4,815,429	1.2	8.4%
2010	Blackstone Real Estate Partners Europe III (USD Vehicle)	10/24/2008	\$5,000,000	\$3,407,974	(\$90,865)	\$3,906,640	1.2	13.7%
2010	Canyon Johnson Urban Fund III	3/29/2010	\$5,000,000	\$4,251,241	(\$755,883)	\$3,856,684	1.1	6.1%
2010	Westbrook Real Estate Fund VIII	12/28/2009	\$5,000,000	\$5,797,623	(\$1,932,618)	\$4,641,879	1.1	13.1%
2011	H/2 Special Opportunities Fund II	1/31/2011	\$10,000,000	\$3,048,131	\$0	\$4,293,555	1.4	30.3%
2011	Carlisle Realty Partners VI	9/14/2011	\$20,000,000	\$6,468,234	(\$451,718)	\$7,367,326	1.2	22.2%
2012	Brookfield Strategic Real Estate Partners	9/20/2012	\$15,000,000	\$1,821,449	\$0	\$1,977,041	1.1	17.0%
2012	Taconic New York City Investment Fund LP	7/5/2012	\$20,000,000	\$6,045,455	\$0	\$5,890,390	1.0	-4.8%
2012	Blackstone Real Estate Partners VII	3/31/2012	\$30,000,000	\$14,003,013	(\$1,749,823)	\$15,294,936	1.2	37.3%
2012	Divco West Fund III	1/6/2012	\$30,000,000	\$24,261,333	(\$2,161,788)	\$27,303,389	1.2	33.5%
<b>Non Core and Emerging Manager Portfolio</b>			<b>\$322,000,000</b>	<b>\$246,882,510</b>	<b>(\$79,038,379)</b>	<b>\$183,590,113</b>	<b>1.1</b>	<b>2.6%</b>
<b>New York City Fire Department Pension Fund</b>			<b>\$464,228,233</b>	<b>\$389,950,294</b>	<b>(\$91,629,956)</b>	<b>\$322,292,386</b>	<b>1.1</b>	<b>2.1%</b>

Source: PCG historical cash flow data. TTG cash flow data from Fund Managers, effective 2005. Note: The equity multiples and IRRs contained in this report are interim calculations based upon information provided by the investment managers of the New York City Retirement Systems, including cash flows and quarterly unaudited, or audited, valuations. The IRR calculated in early years of a fund life is not meaningful given the J-curve effect and can be significantly impacted by the timing of cash flows, investment strategy, investment pacing, and fund life. The calculations are not necessarily indicative of total fund performance, which can only be determined after the fund is liquidated and all capital contributed and earnings have been distributed to the investor. All data supplied is as of March 31, 2013. 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.



### EXHIBIT C : ATTRIBUTION



## II. July Monthly Performance Review:



# *Monthly Performance Review* *July 2013*

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

*9-18-2013*



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# **ECONOMIC INDICATORS**

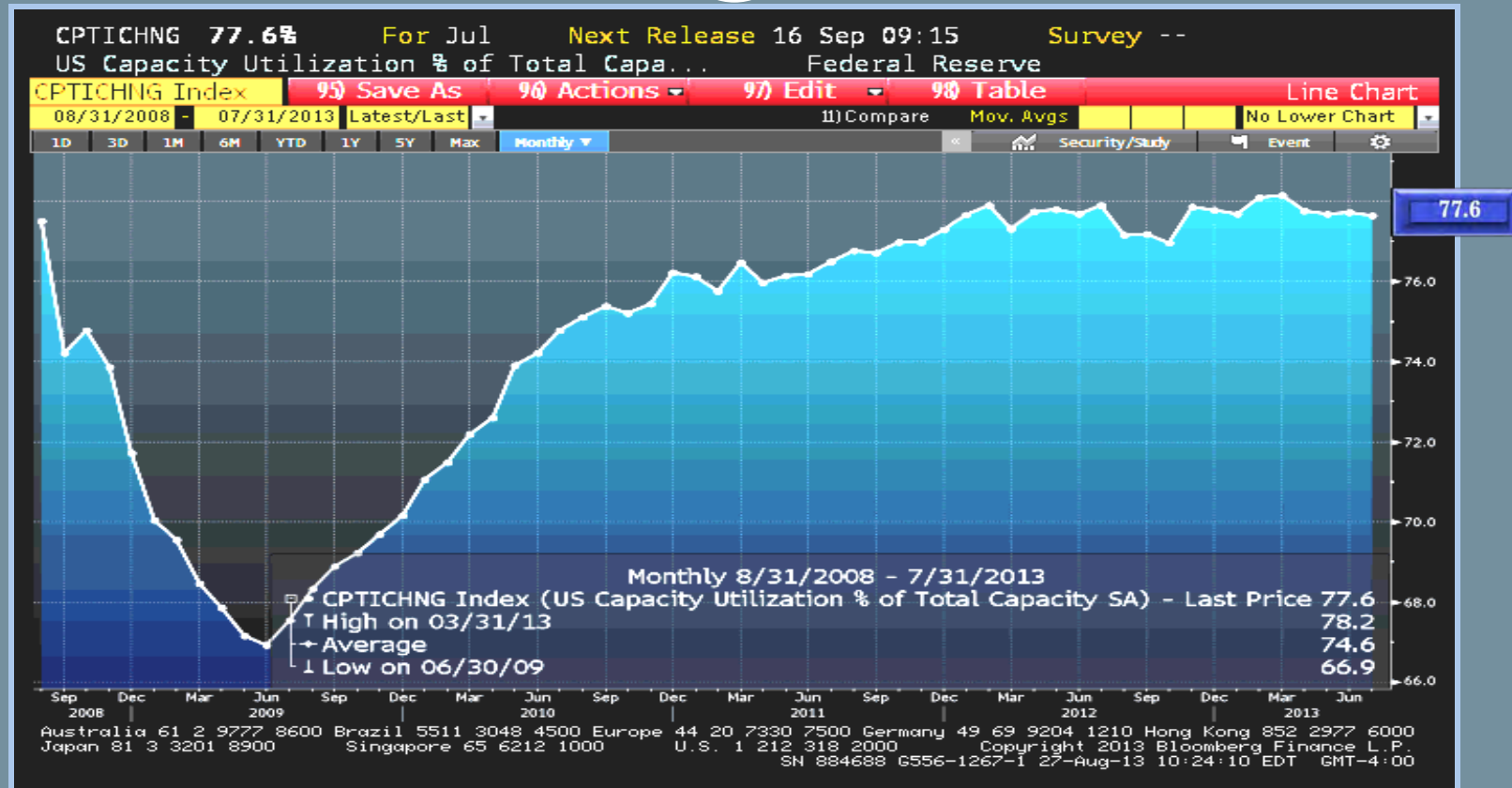
## ***AS OF SEPTEMBER 2013***



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

# CAPACITY UTILIZATION

2



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

# ISM MANUFACTURING INDEX

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

# WEEKLY UNEMPLOYMENT CLAIMS

4



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# UNEMPLOYMENT RATE

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# CONSUMER SENTIMENT

6



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# ARCHITECTURAL BILLINGS INDEX

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- A SCORE ABOVE 50 INDICATES AN INCREASE IN BILLINGS WHILE A READING BELOW 50 INDICATES A NEGATIVE OUTLOOK
- THIS INDEX IS CONSIDERED A LEADING INDICATOR FOR COMMERCIAL BUILDING CONSTRUCTION WITH A 6-9 MONTH LAG
- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCUSIVE INDICATORS.

# EXISTING HOME SALES

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

# NEW HOUSING STARTS

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# RETAIL SALES

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# US AUTO SALES

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

# INDEX OF LEADING ECONOMIC INDICATORS

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- THE INDEX OF LEI IS COMPOSED OF: AVE. WEEKLY MANUFACTURING HRS, AVE. WEEKLY JOBLESS CLAIMS, MANUFACTURERS' NEW ORDERS-CONSUMER & CAPITAL, VENDOR PERFORMANCE, NEW BUILDING PERMITS, STOCK PRICES, MONEY SUPPLY-M2, INT. RATE SPREADS & CONSUMER EXPECTATIONS
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# INFLATION- CPI

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