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SCOTT M. STRINGER
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MEMORANDUM

TO: Trustees
New York City Employees' Retirement System

FROM: Scott C. Evans

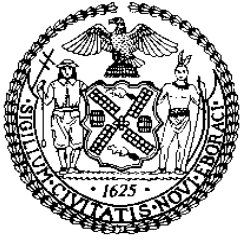
DATE: March 9, 2016

RE: **NYC EMPLOYEES' RETIREMENT SYSTEM INVESTMENT MEETING –
MARCH 16, 2016**

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

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

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



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

Scott M. Stringer
COMPTROLLER

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

COMMON INVESTMENT MEETING

MARCH 16, 2016

LOCATION:

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

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

(CIM) COMMON INVESTMENT MEETING

MARCH 16, 2016

PUBLIC AGENDA MATERIALS

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PUBLIC AGENDA MATERIALS:

Performance Reporting:

- ETI Quarterly Report:

NYCERS Pension Fund - Economically Targeted Investments Quarterly Report

Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	BOA		CCD		CFSB		CPC		JPM		LIIF		NCBCI		NHS		WF		LISC		BE	
Contractual Commitment	\$80.00 MM		\$40.00 MM		\$10.00 MM		\$290.00 MM		\$145.00 MM		\$25.00 MM		\$17.00 MM		\$3.00 MM		\$70.00 MM		\$12.00 MM		\$12.00 MM	
Current Market Value	\$35.87 MM		\$16.04 MM		\$2.78 MM		\$169.37 MM		\$70.91 MM		\$5.91 MM		\$2.19 MM		\$1.24 MM		\$0.00 MM		\$0.00 MM		\$0.00 MM	
	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units
Commitments 4Q 15																						
(included in total)																						
Bronx	\$1,080,000	90	\$0	0	\$0	0	\$2,746,085	185	\$294,201	128	\$0	0	\$0	0	\$0	0	\$0	0	\$1,274,127	48	\$0	0
Brooklyn	0	0	4,900,118	111	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,478,796	359
Manhattan	0	0	0	0	0	0	0	0	0	0	1,657,260	92	0	0	0	0	3,308,724	100	0	0	0	0
Queens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	494,050	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$1,080,000	90	\$4,900,118	111	\$0	0	\$3,240,135	208	\$294,201	128	\$1,657,260	92	\$0	0	\$0	0	\$3,308,724	100	\$1,274,127	48	\$2,478,796	359
Delivered 4Q 15																						
(included in total)																						
Bronx	\$0	0	\$0	0	\$0	0	\$340,665	42	\$9,279,070	188	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	0	0	0	0	0	0	1,353,296	57	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manhattan	0	0	0	0	0	0	0	0	730,080	72	0	0	0	0	0	0	0	0	0	0	0	0
Queens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	4,038,090	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$0	0	\$0	0	\$0	0	\$5,732,051	149	\$10,009,150	260	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Total Commitments																						
Bronx	\$1,080,000	90	\$4,888,159	193	\$0	0	\$23,700,312	1,096	\$39,900,666	1,116	\$986,700	74	\$0	0	\$0	0	\$0	0	\$1,274,127	48	\$0	0
Brooklyn	13,458,175	400	5,768,118	161	0	0	20,693,908	933	2,681,280	127	4,184,388	251	0	0	0	0	0	0	0	0	2,478,796	359
Manhattan	6,048,000	100	0	0	0	0	29,720,475	1,256	6,924,311	214	7,397,474	430	0	0	0	0	16,892,460	203	2,252,832	90	0	0
Queens	1,620,000	54	0	0	0	0	10,880,580	406	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,260,000	67	0	0	0	0
Outside of NYC	1,606,500	39	0	0	0	0	4,553,050	159	5,548,882	122	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$23,812,675	683	\$10,656,277	354	\$0	0	\$89,548,325	3,850	\$55,055,140	1,579	\$12,568,562	755	\$0	0	\$0	0	\$18,152,460	270	\$3,526,959	138	\$2,478,796	359
Historical Investments																						
Bronx	\$18,313,893	1,276	\$6,124,800	452	\$0	0	\$108,157,282	6,960	\$53,238,654	1,964	\$527,001	43	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	1,909,395	88	3,962,323	252	0	0	115,492,584	4,638	24,884,184	700	2,684,121	245	0	0	660,425	7	0	0	0	0	0	0
Manhattan	1,189,310	48	3,701,658	283	3,223,614	197	89,684,788	5,046	46,387,877	1,481	2,759,905	122	1,995,989	123	504,891	15	0	0	0	0	0	0
Queens	13,553,136	239	800,000	54	0	0	20,757,831	793	16,091,260	687	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	260,000	8	1,282,000	35	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	11,423,420	288	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$34,965,734	1,651	\$14,588,781	1,041	\$3,223,614	197	\$345,775,904	17,733	\$141,883,975	4,867	\$5,971,027	410	\$1,995,989	123	\$1,165,316	22	\$0	0	\$0	0	\$0	0

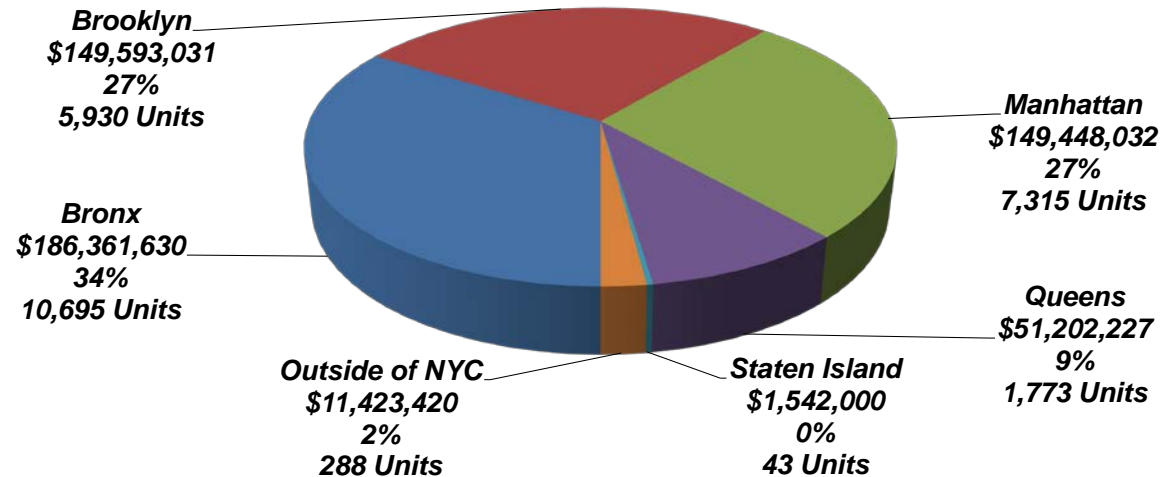
*Lenders : Bank of America Citibank Community Development Carver Federal Savings Bank The Community Preservation Corp JP Morgan Chase Low Income Investment Fund NCB Capital Impact Neighborhood Housing Service Wells Fargo Local Initiatives Support Corp Bellwether Enterprise

NYCERS Pension Fund - Economically Targeted Investments Quarterly Report

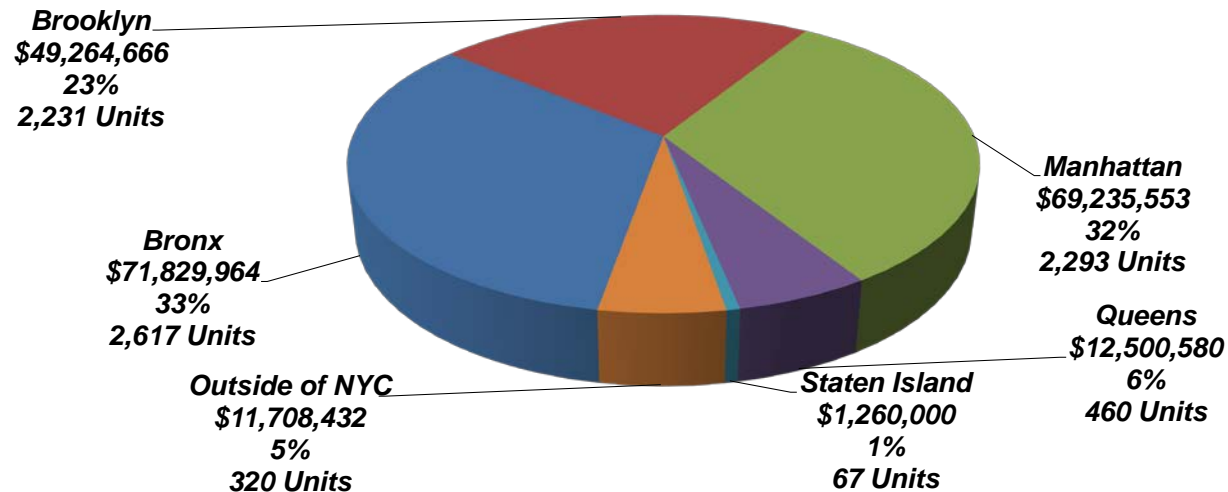
Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	All Lender Totals	
Contractual Commitment	\$704.00 MM	
Current Market Value	\$304.31 MM	
	Dollars	Units
Commitments 4Q 15 (included in total)		
Bronx	\$5,394,413	451
Brooklyn	7,378,914	470
Manhattan	4,965,984	192
Queens	0	0
Staten Island	0	0
Outside of NYC	494,050	23
Total	\$18,233,361	1,136
Delivered 4Q 15 (included in total)		
Bronx	\$9,619,735	230
Brooklyn	1,353,296	57
Manhattan	730,080	72
Queens	0	0
Staten Island	0	0
Outside of NYC	4,038,090	50
Total	\$15,741,200	409
Total Commitments		
Bronx	\$71,829,964	2,617
Brooklyn	49,264,666	2,231
Manhattan	69,235,553	2,293
Queens	12,500,580	460
Staten Island	1,260,000	67
Outside of NYC	11,708,432	320
Total	\$215,799,195	7,988
Historical Investments		
Bronx	\$186,361,630	10,695
Brooklyn	149,593,031	5,930
Manhattan	149,448,032	7,315
Queens	51,202,227	1,773
Staten Island	1,542,000	43
Outside of NYC	11,423,420	288
Total	\$549,570,341	26,044

Historical Investments Since Inception All PPAR Lenders



Current Commitments All PPAR Lenders



NYCERS Pension Fund - Economically Targeted Investments Quarterly Report

AFL-CIO Housing Investment Trust (HIT)
Market Value \$293.43 million*
NYC Community Investment Initiative (NYCCII)

NYCCII Phase II 2006-2013 Multifamily Investments Detail

<u>Borough</u>	<u>4Q Investments</u>	<u>Investments Since Inception</u>	<u>4Q Housing Units</u>	<u>Housing Units Since Inception</u>
Bronx	\$0	\$52,827,900	0	802
Brooklyn	0	103,890,446	0	5,616
Manhattan	0	174,075,200	0	926
Queens	0	17,760,000	0	1,260
Staten Island	0	6,414,554	0	693
Outside NYC	0	100,000,000	0	137
Total	\$0	\$454,968,100	0	9,434

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

NYCCII Phase I 2002-2005

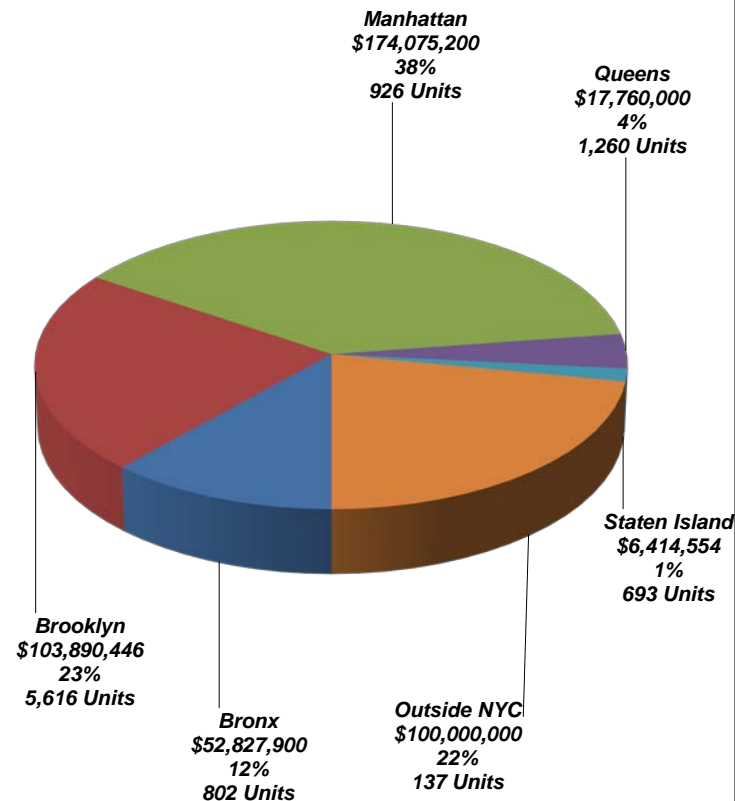
	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$249,123,500	12,337	n/a	n/a
HIT Home Investments	348,300,563	n/a	131	446
Total NYCCII Phase I	\$597,424,063	12,337	131	446

NYCCII Phases I & II

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

*Interest is reinvested

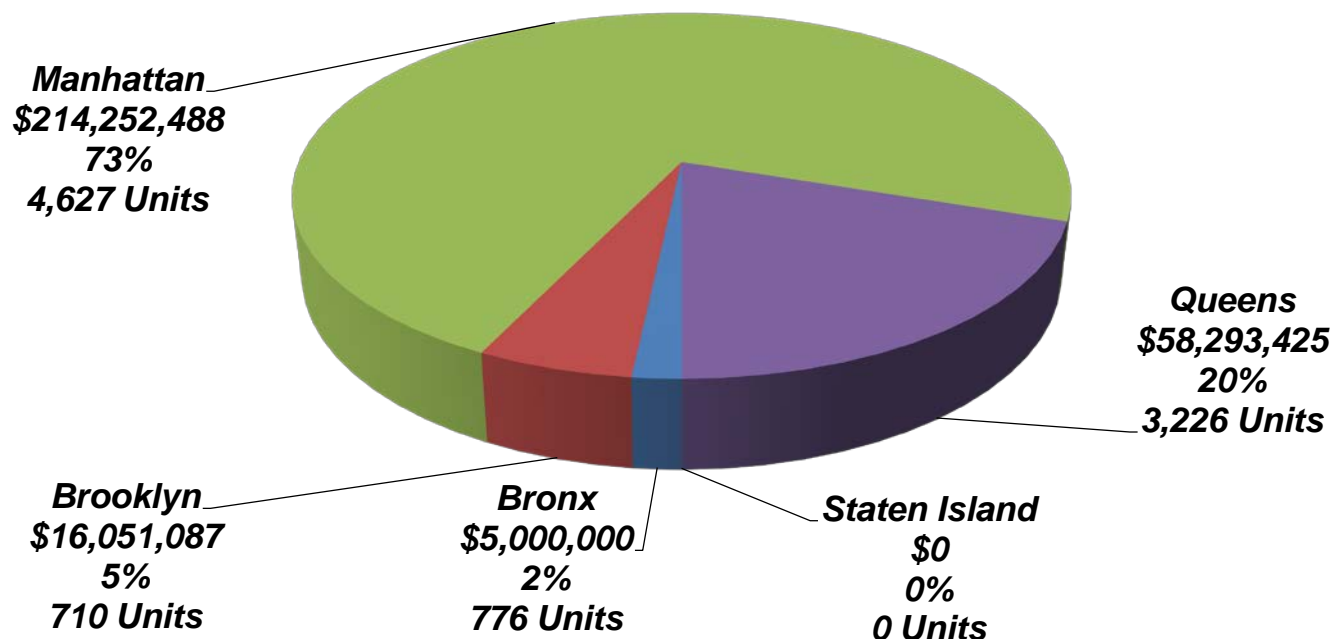
HIT Multifamily Investments



NYCERS Pension Fund - Economically Targeted Investments Quarterly Report

AFL-CIO Housing Investment Trust (HIT)				
NYC Workforce Housing Initiative				
Investments From 2009 Through Q4 2015				
Workforce Investments Detail				
<u>Borough</u>	<u>4Q Investments</u>	<u>Investments Since Inception</u>	<u>4Q Housing Units</u>	<u>Housing Units Since Inception</u>
Bronx	\$0	\$5,000,000	0	776
Brooklyn	0	16,051,087	0	710
Manhattan	0	214,252,488	0	4,627
Queens	0	58,293,425	0	3,226
Staten Island	0	0	0	0
Total	\$0	\$293,597,000	0	9,339

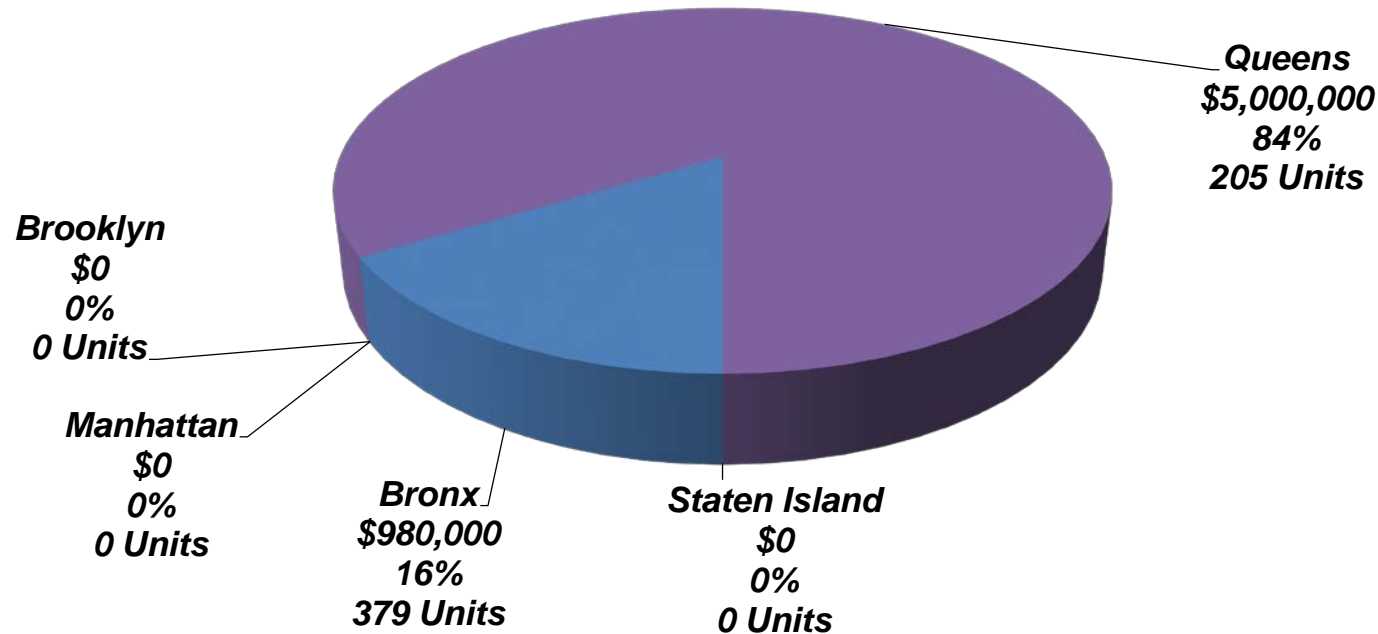
HIT Workforce Housing Initiative



NYCERS Pension Fund - Economically Targeted Investments Quarterly Report

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

HIT Housing Investment Strategy



NYCERS Pension Fund - Economically Targeted Investments Quarterly Report

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

\$108 million Allocated (36% of total account)
Market Value \$114.47 million

<u>Multifamily Investments Detail</u>	<u>\$ Invested¹</u>		<u>Units²</u>	
	<u>4Q</u>	<u>Total</u>	<u>4Q</u>	<u>Total</u>
Bronx	\$0	\$20,094,799	0	17,328
Brooklyn	0	\$8,496,441	0	8,904
Manhattan	0	\$25,554,423	0	6,285
Queens	0	\$5,994,000	0	873
Staten Island	0	\$0	0	0
Total NYCERS Multifamily Investments	0	\$60,139,663	0	33,390
Multifamily Total All Systems	0	\$167,054,619	0	33,390

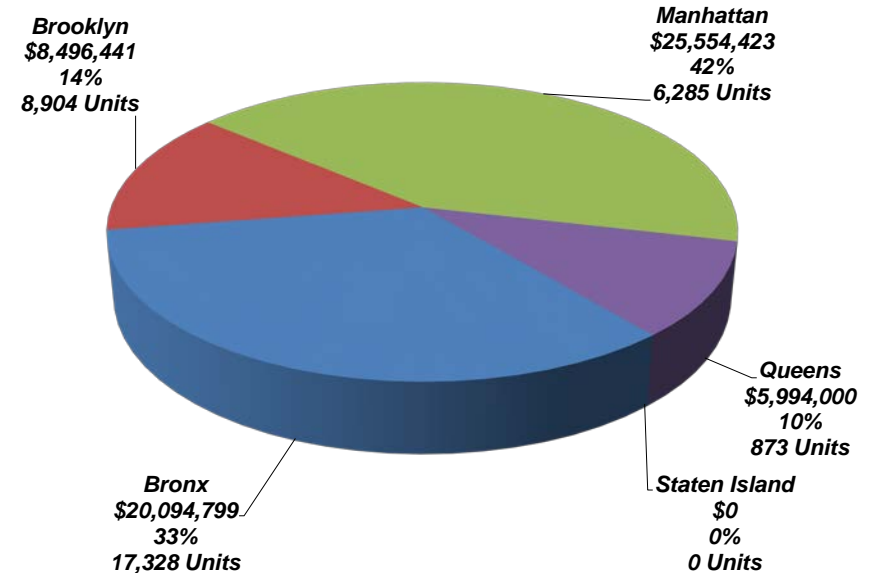
<u>Single Family Investments Detail</u>	<u>\$ Invested</u>		<u>Units</u>	
	<u>4Q</u>	<u>Total</u>	<u>4Q</u>	<u>Total</u>
Bronx	0	\$12,350,932	0	200
Brooklyn	0	\$35,193,549	0	501
Manhattan	0	\$3,074,114	0	39
Queens	0	\$50,727,436	0	654
Staten Island	0	\$28,364,169	0	371
Total NYCERS Single Family Investment	0	\$129,710,200	0	1,765
Single Family Total All Systems	0	\$360,306,111	0	1,765

<u>Other Investments Detail</u>	<u>\$ Invested</u>		<u>Units</u>	
	<u>4Q</u>	<u>Total</u>	<u>4Q</u>	<u>Total</u>
Bronx	0	\$243,000	0	1
Brooklyn	0	\$1,940,545	0	8
Manhattan	0	\$875,846	0	5
Queens	0	\$195,636	0	3
Staten Island	0	\$0	0	0
Total NYCERS Other Investments	0	\$3,255,026	0	17
Other Investments Total All Systems	0	\$9,041,740	0	17
Grand Total NYCERS	\$0	\$193,104,889		
Grand Total All Systems	\$0	\$536,402,470		

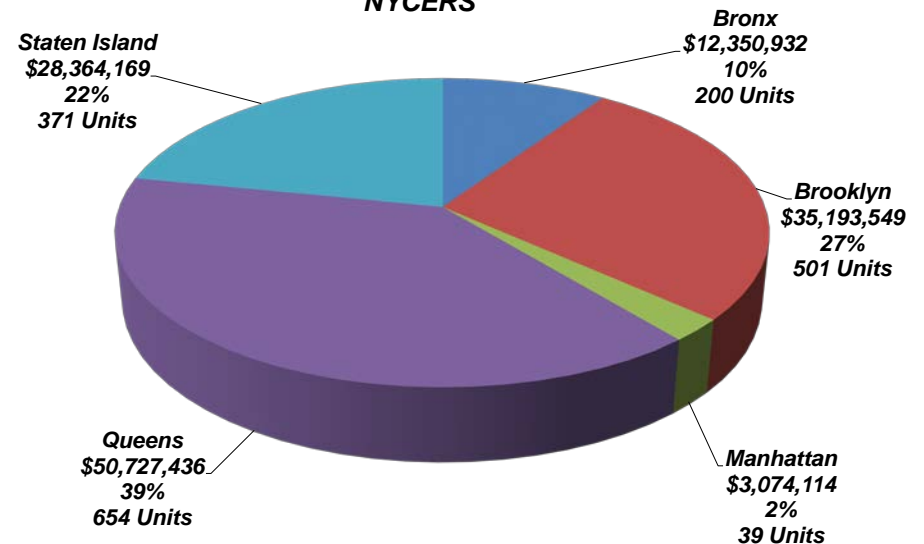
¹ Certain bond investment amounts are allocated pro rata across boroughs based upon unit count.

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

Access Multifamily Investments Since Inception NYCERS



Access Single Family Investment Since Inception NYCERS



- Private Equity Quarterly Report:



Private Equity Monitoring Report

For the period ended September 30, 2015

Report Prepared For:

New York City Employees' Retirement System



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Important Information

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

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

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

I. Executive Summary

The New York City Employees' Retirement System ("NYCERS") 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 NYCERS on September 1, 2011 to provide private equity advisory services for prospective investment opportunities and monitoring and reporting services for existing and new investments.

Since inception through September 30, 2015, the Program has committed US\$8.0 billion to 173 partnership investments (the "Portfolio"). This quarterly monitoring report covers the performance of the Portfolio as of September 30, 2015 as well as significant activity that occurred during the third quarter of 2015.

Performance Summary

US\$ in millions	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Number of Managers	106	106	98	-	8
Number of Investments	173	172	160	1	13
Committed Capital ¹	\$7,963.0	\$7,803.3	\$7,483.5	\$159.6	\$479.5
Contributed Capital	\$6,818.9	\$6,650.8	\$6,225.4	\$168.1	\$593.5
Distributed Capital	\$5,148.6	\$4,970.6	\$4,247.6	\$177.9	\$901.0
Market Value	\$4,065.5	\$4,074.1	\$4,077.0	(\$8.6)	(\$11.5)
Total Value	\$9,214.1	\$9,044.7	\$8,324.7	\$169.4	\$889.4
Total Gain/(Loss)	\$2,395.2	\$2,393.9	\$2,099.2	\$1.3	\$296.0
Unfunded Commitment ²	\$2,058.5	\$2,053.3	\$2,107.1	\$5.2	(\$48.6)
Total Exposure ³	\$6,124.0	\$6,127.4	\$6,184.1	(\$3.4)	(\$60.1)
DPI ⁴	0.76x	0.75x	0.68x	0.01x	0.07x
TVM ⁵	1.35x	1.36x	1.34x	-0.01x	0.01x
IRR ⁶	9.2%	9.4%	9.4%	-25 bps	-19 bps
TVM Net of StepStone Fees ⁷	1.35x	1.36x	1.34x	-0.01x	0.01x
IRR Net of StepStone Fees ⁷	9.2%	9.4%	9.4%	-25 bps	-20 bps

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

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

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

⁴ DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Distributed Capital divided by Contributed Capital.

⁵ TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Distributed Capital, divided by Contributed Capital.

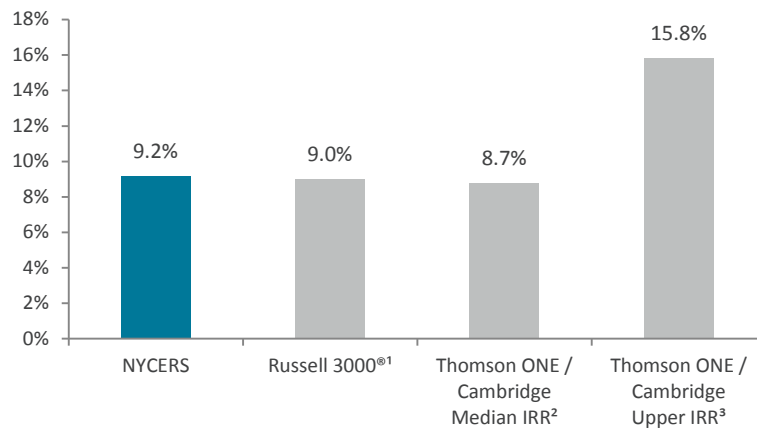
⁶ IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest.

⁷ TVM and IRR Net of StepStone fees represent TVM and IRR net of fees paid by NYCERS to StepStone.

Portfolio Performance vs. Benchmarks

The Portfolio's performance is measured against a dollar-weighted public benchmark, which produced the return that would have been earned if NYCERS's private equity cash flows were invested in the Russell 3000® Index¹.

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



¹Benchmark is a dollar-weighted PME+ calculation of quarterly changes in the Russell 3000® Index. Russell Investment Group is the source and owner of the trademark, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

² Benchmark is for informational purposes only and is NOT part of the Program's Policy Benchmarks. Benchmark is provided by Thomson ONE/Cambridge and reflects U.S. All Private Equity Funds Median Quartile IRR as of September 30, 2015 for funds with vintage years 1998 to 2015. Note: Thomson ONE/Cambridge data is continuously updated and is therefore subject to change.

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Portfolio Diversification

By Strategy

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
As of September 30, 2015 (US\$ in millions)						
Buyout	\$2,541.6	62.5%	\$1,441.8	70.0%	\$3,983.4	65.0%
Growth Equity	232.0	5.7%	71.7	3.5%	303.7	5.0%
Special Situations	302.6	7.4%	142.5	6.9%	445.1	7.3%
Energy	201.8	5.0%	29.1	1.4%	230.9	3.8%
Secondaries	281.9	6.9%	259.7	12.6%	541.6	8.8%
Co-Investment	64.7	1.6%	73.5	3.6%	138.2	2.3%
Other	441.0	10.8%	40.1	1.9%	481.1	7.9%
Total	\$4,065.5	100.0%	\$2,058.5	100.0%	\$6,124.0	100.0%

By Fund Geographic Focus

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
As of September 30, 2015 (US\$ in millions)						
North America	\$3,130.8	77.0%	\$1,222.3	59.4%	\$4,353.0	71.1%
Global	650.3	16.0%	535.4	26.0%	1,185.7	19.4%
Western Europe	282.2	6.9%	300.8	14.6%	583.0	9.5%
Rest of World	2.2	0.1%	-	0.0%	2.2	0.0%
Total	\$4,065.5	100.0%	\$2,058.5	100.0%	\$6,124.0	100.0%

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

II. Market Overview

Executive Summary

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

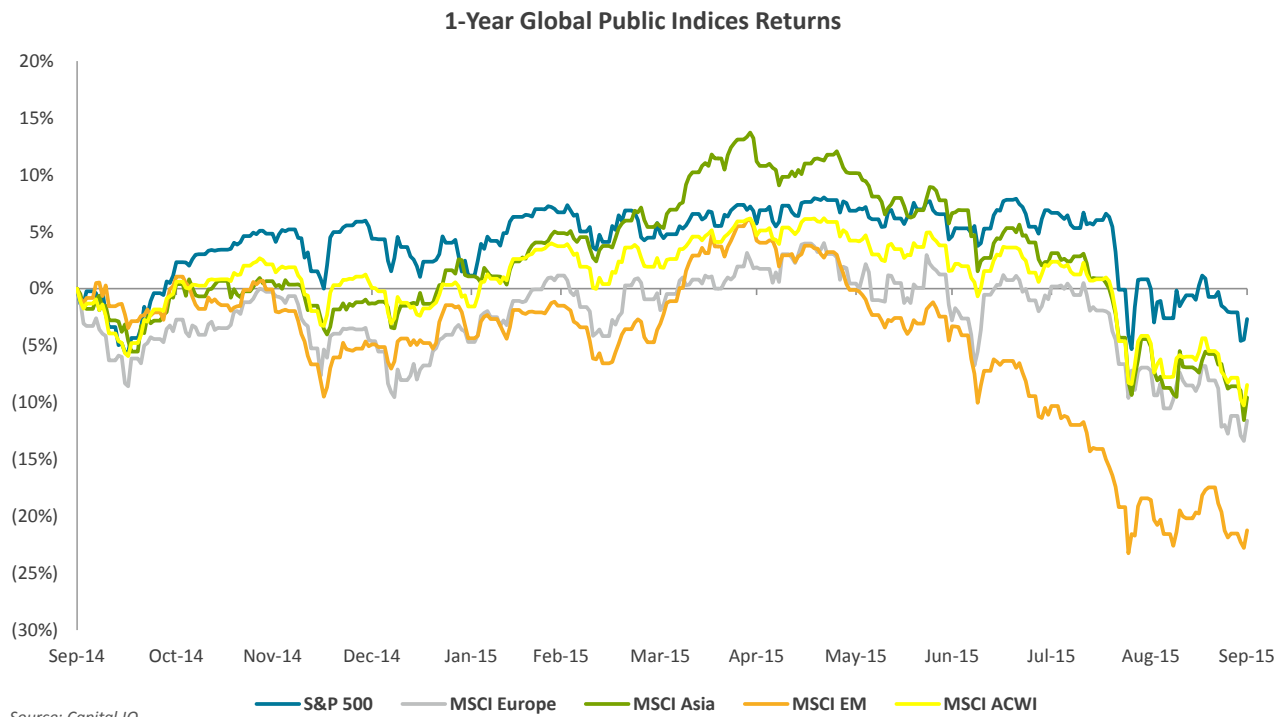
In private markets, US LBO debt volume totaled US\$22.5 billion in the third quarter, an 11% increase from the prior quarter, and above the 10-year quarterly average of US\$18.7 billion. According to data from S&P, purchase price multiples for US LBOs rose to 11.2x EBITDA in the third quarter, compared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

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

Capital Markets Overview

Public Equity Markets

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



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

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

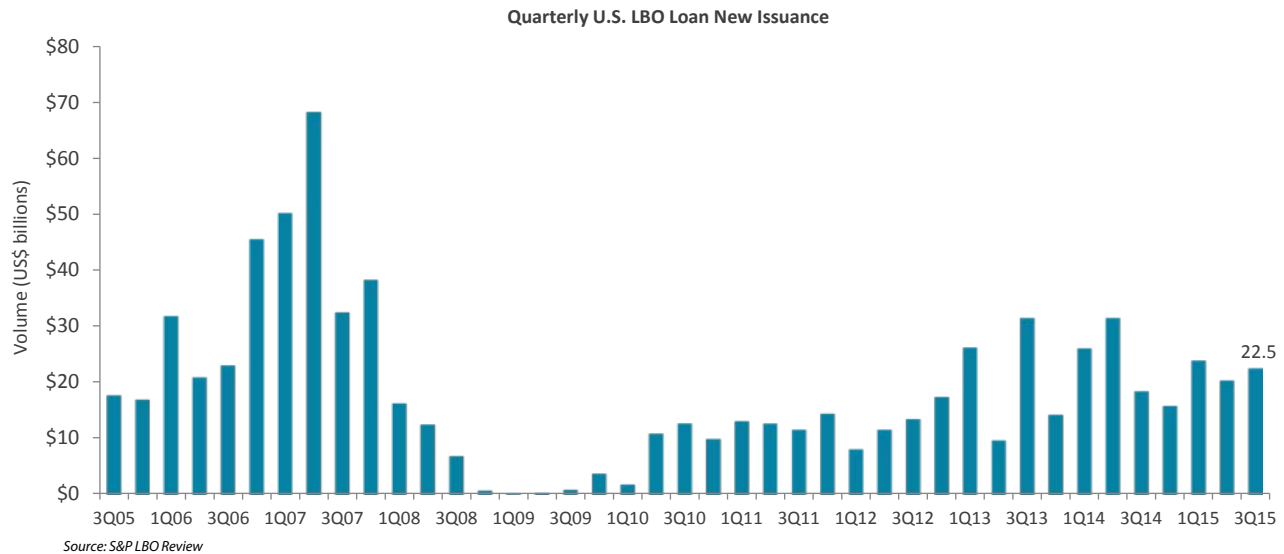
For the period ended September 30, 2015

*Includes reinvestment of dividends.

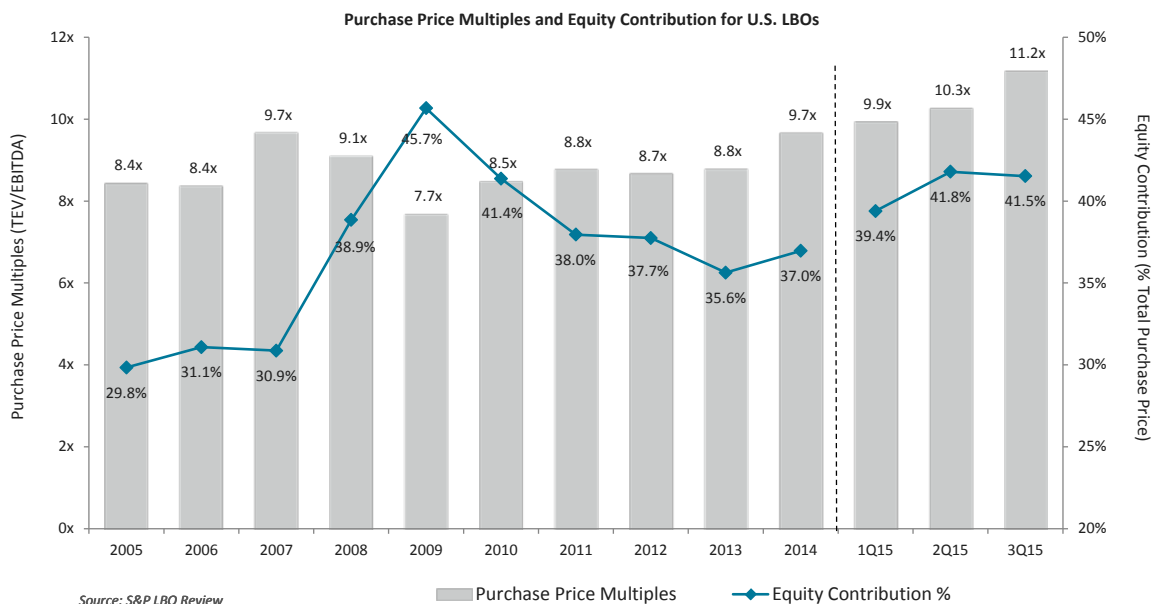
Source: Capital IQ

Debt Markets

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



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



Private Equity Market Overview

All Private Equity

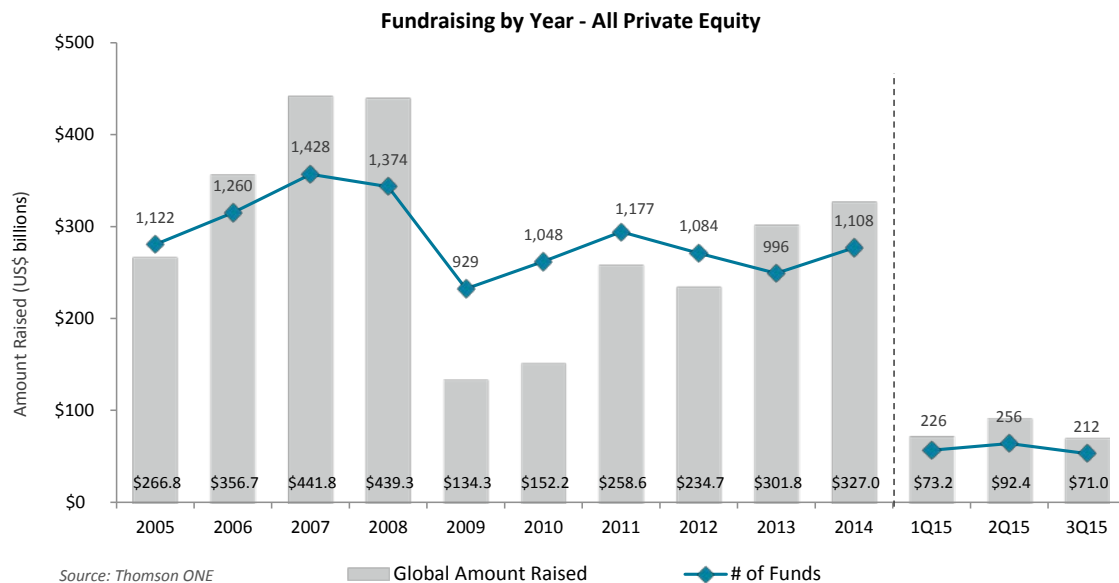
The All Private Equity benchmark posted a loss of 1.1% during the third quarter, as shown in the table below. Energy suffered the steepest decline, with a quarterly loss of 7.6%. The table below shows the pooled Internal Rate of Return (“IRR”) performance of global private equity investments by sector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

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

Source: Burgiss PrivateIQ

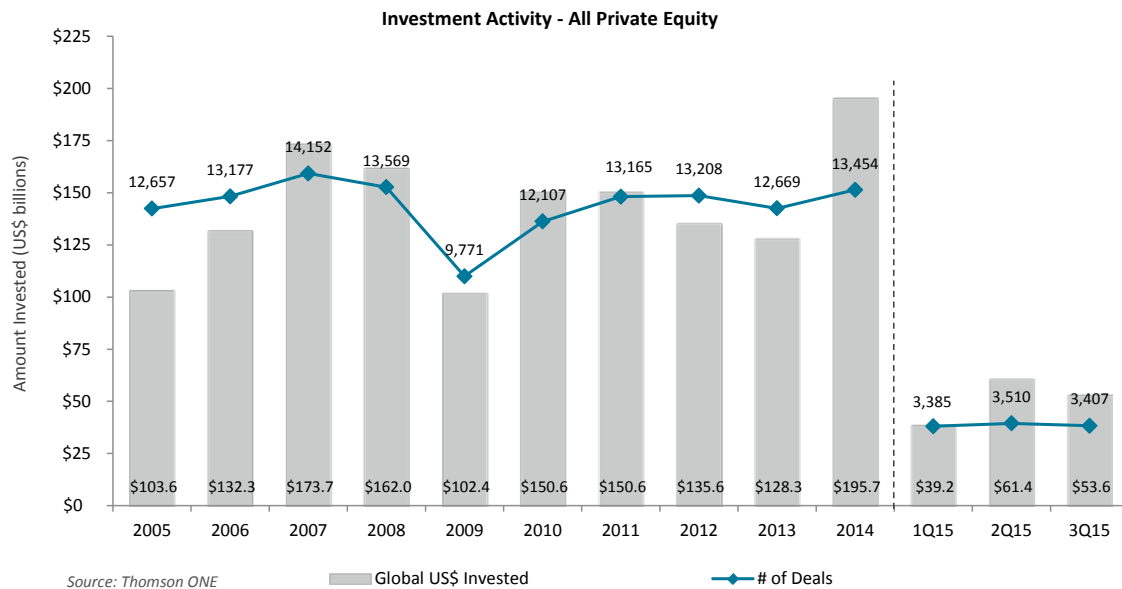
Fundraising

Global private equity fundraising totaled US\$71.0 billion in the third quarter of 2015, representing a 23% decrease from the prior quarter. Buyout fundraising fell 17% quarter-over-quarter, raising US\$47.1 billion, while Venture Capital fundraising fell 26%, raising US\$11.0 billion. Geographically, U.S. fundraising represented 51% of the total amount raised in the third quarter, while Europe, Asia, and the rest of the world accounted for 38%, 9%, and 2% of the total capital raised, respectively. The chart below shows private equity fundraising activity over the past ten years.

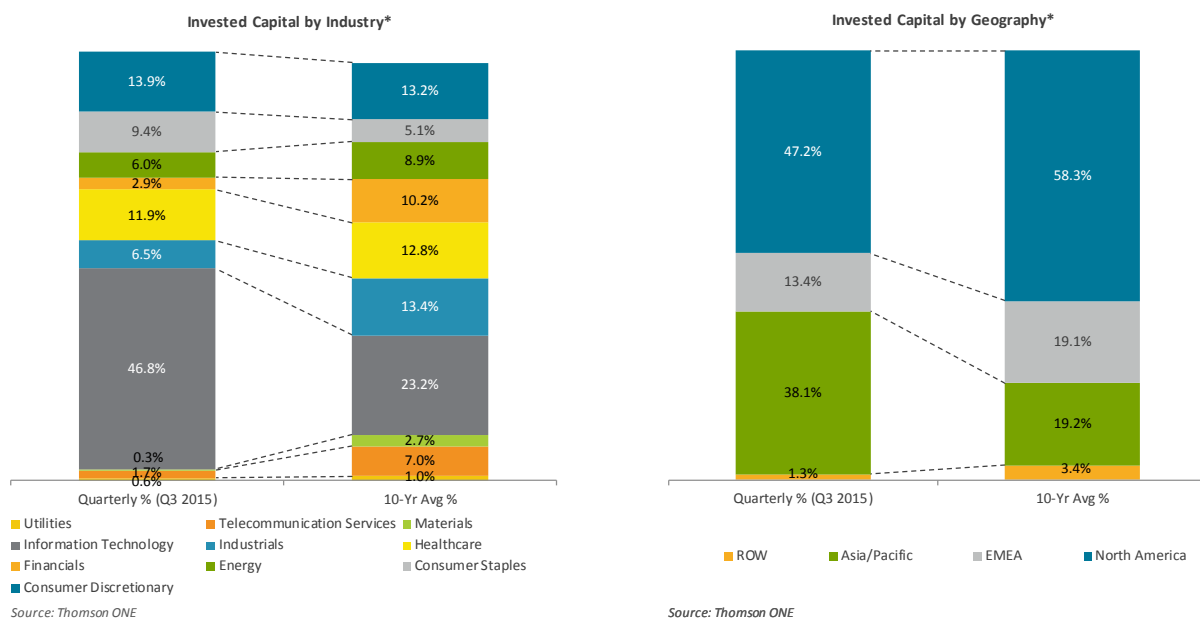


Investment Activity

Private equity funds invested US\$53.6 billion globally during the third quarter, representing a quarter-over-quarter decrease of 13%. The largest deal during the third quarter was Tesco's sale of Homeplus Stores Co Ltd to a consortium of investors for US\$4.6 billion. The average investment size during the quarter was US\$15.7 million, down 10% quarter-over-quarter.



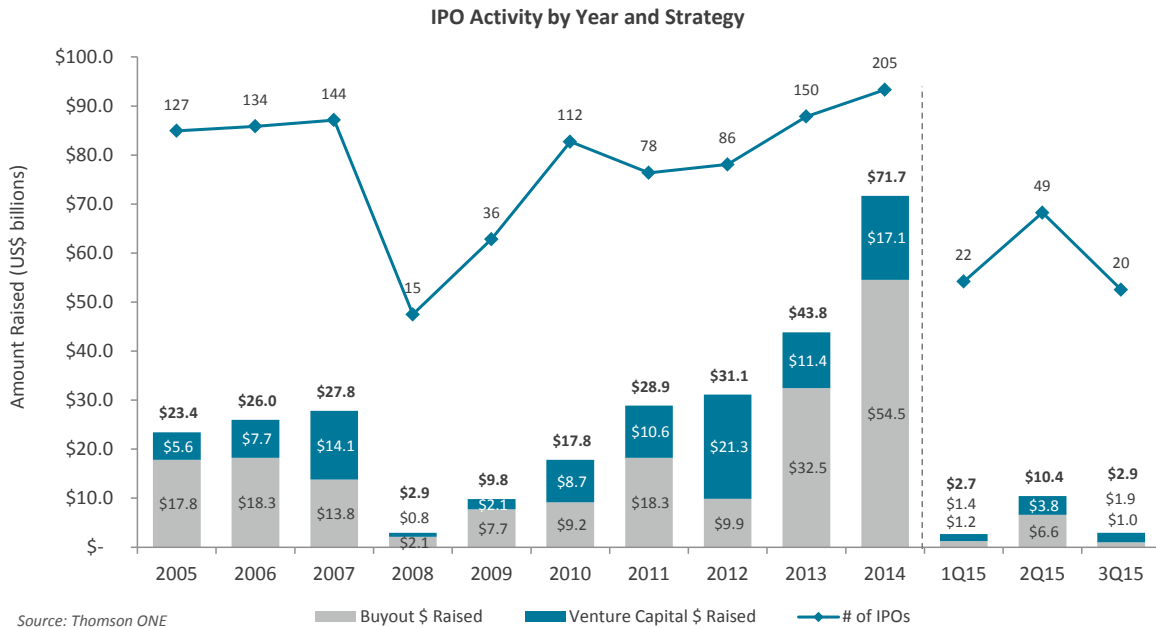
The graphs below depict the percentage of invested capital by industry and geography for the third quarter of 2015 and over the last ten years. The Information Technology sector attracted the most capital, accounting for US\$25.1 billion of transactions, or 47% of total capital invested during the third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



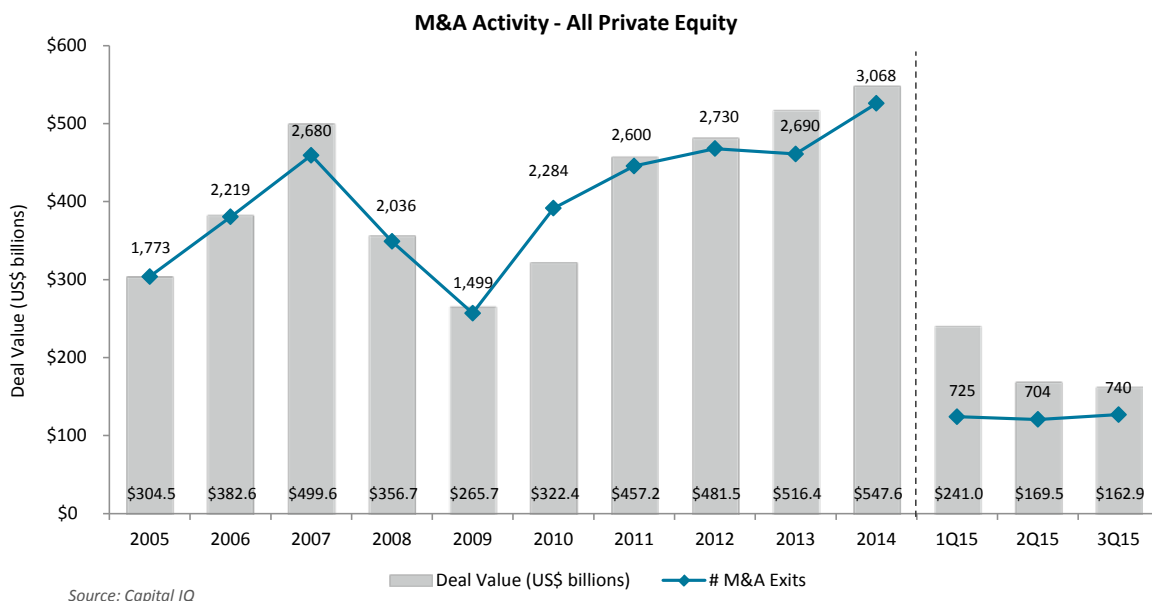
*Note: Invested Capital is for all private equity from Q4 2005 – Q3 2015.

Deal Environment

Following an active second quarter, the IPO market slumped in the third quarter of 2015. During the third quarter, there were 20 private equity-backed IPOs which raised a total of US\$2.9 billion, compared to 49 IPOs which raised US\$10.4 billion in the previous quarter. The largest IPO of the quarter was Surgery Center Holdings Inc, which raised US\$301.2 million. The following graph shows the amount raised and the number of Buyout and Venture Capital IPOs on the NYSE and NASDAQ over the past ten years.



Private equity-backed Mergers and Acquisitions (“M&A”) activity fell 4% quarter-over-quarter, with deal value totaling US\$162.9 billion. The largest deal that closed during the quarter was Pfizer’s US\$17.1 billion acquisition of Hospira Inc., representing 11% of the quarter’s aggregate M&A volume.



III. Portfolio Review

Quarterly Highlights

- Cash Flow Activity** – During the third quarter of 2015, the Portfolio made US\$168.1 million of contributions and received US\$177.9 million of distributions, for a net cash inflow of US\$9.8 million, compared to a net cash inflow of US\$189.4 million during the prior quarter and a net cash inflow of US\$36.9 million during the third quarter of 2014. Contributions increased 43.8% from the prior quarter and decreased 22.1% from the third quarter of 2014. The most recent four quarter average of the Program's contributions is US\$148.4 million. Distributions decreased 41.9% from the prior quarter and decreased 29.6% from the third quarter of 2014. The most recent four quarter average of the Program's distributions is US\$225.2 million.
- Recent Portfolio Activity** – During the third quarter of 2015, net of cash flow activity, the valuation of the Portfolio increased by US\$1.3 million, or less than 0.1%, from the prior quarter. The increase in Portfolio value is primarily attributable to strong performance of large buyout funds during the quarter, which generated a US\$21.3 million increase in valuation from the prior quarter-end. During the last twelve months, net of cash flow activity, the valuation of the Portfolio increased by US\$296.0 million, or 7.9%, from the quarter ended September 30, 2014.
- New Investment Commitments** – During the third quarter of 2015, the Program closed on one new investment commitment, totaling US\$159.0 million.

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

	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
EQT VII, L.P.	July 2015	Mega Buyout	Western Europe	\$ 159.0
Total				\$ 159.0

- Subsequent Investment Commitments** – Subsequent to quarter-end through February 18, 2016, the Program closed on five new investment commitments, totaling US\$466.5 million.

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

	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Warburg Pincus Private Equity XII, L.P.	November 2015	Growth Equity	Global	\$ 205.5
ASF VII B L.P.	December 2015	Secondaries	Global	94.5
ASF VII B NYC Co-Invest L.P.	December 2015	Co/Direct Investment	Global	46.0
Ares Corporate Opportunities Fund V, L.P.	December 2015	Special Situations	North America	95.0
Stellax Capital Partners LP	January 2016	Special Situations	Global	25.5
Total				\$ 466.5

Investment Performance

Since Inception Performance

US\$ in millions	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Active Investments					
Number of Managers	94	94	86	-	8
Number of Investments	157	156	146	1	11
Committed Capital ¹	\$7,461.7	\$7,302.1	\$7,077.6	\$159.6	\$384.1
Contributed Capital	\$6,247.6	\$6,079.4	\$5,760.0	\$168.1	\$487.6
Distributed Capital	\$4,459.4	\$4,281.4	\$3,736.3	\$177.9	\$723.1
Market Value	\$4,065.5	\$4,074.1	\$4,077.0	(\$8.6)	(\$11.5)
Total Value	\$8,524.9	\$8,355.5	\$7,813.3	\$169.4	\$711.6
Total Gain/(Loss)	\$2,277.3	\$2,276.1	\$2,053.3	\$1.3	\$224.0
Unfunded Commitment ²	\$2,058.5	\$2,053.3	\$2,107.1	\$5.2	(\$48.6)
Total Exposure ³	\$6,124.0	\$6,127.4	\$6,184.1	(\$3.4)	(\$60.1)
DPI ⁴	0.71x	0.70x	0.65x	0.01x	0.07x
TVM ⁵	1.36x	1.37x	1.36x	-0.01x	0.01x
IRR ⁶	9.6%	9.9%	10.0%	-29 bps	-41 bps
Exited Investments					
Number of Managers	14	14	12	-	2
Number of Investments	16	16	14	-	2
Committed Capital ¹	\$501.2	\$501.2	\$405.8	\$0.0	\$95.4
Contributed Capital	\$571.3	\$571.3	\$465.4	\$0.0	\$105.9
Distributed Capital	\$689.2	\$689.2	\$511.3	\$0.0	\$177.9
Total Value	\$689.2	\$689.2	\$511.3	\$0.0	\$177.9
Total Gain/(Loss)	\$117.9	\$117.9	\$45.9	\$0.0	\$72.0
Unfunded Commitment ²	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
DPI ⁴	1.21x	1.21x	1.10x	0.00x	0.11x
TVM ⁵	1.21x	1.21x	1.10x	0.00x	0.11x
IRR ⁶	5.8%	5.8%	2.8%	+ 0 bps	+ 299 bps
Total Portfolio					
Number of Managers	106	106	98	-	8
Number of Investments	173	172	160	1	13
Committed Capital ¹	\$7,963.0	\$7,803.3	\$7,483.5	\$159.6	\$479.5
Contributed Capital	\$6,818.9	\$6,650.8	\$6,225.4	\$168.1	\$593.5
Distributed Capital	\$5,148.6	\$4,970.6	\$4,247.6	\$177.9	\$901.0
Market Value	\$4,065.5	\$4,074.1	\$4,077.0	(\$8.6)	(\$11.5)
Total Value	\$9,214.1	\$9,044.7	\$8,324.7	\$169.4	\$889.4
Total Gain/(Loss)	\$2,395.2	\$2,393.9	\$2,099.2	\$1.3	\$296.0
Unfunded Commitment ²	\$2,058.5	\$2,053.3	\$2,107.1	\$5.2	(\$48.6)
Total Exposure ³	\$6,124.0	\$6,127.4	\$6,184.1	(\$3.4)	(\$60.1)
DPI ⁴	0.76x	0.75x	0.68x	0.01x	0.07x
TVM ⁵	1.35x	1.36x	1.34x	-0.01x	0.01x
IRR ⁶	9.2%	9.4%	9.4%	-25 bps	-19 bps

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

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

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

⁴ DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Distributed Capital divided by Contributed Capital.

⁵ TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Distributed Capital, divided by Contributed Capital.

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

Performance by Vintage Year

The following table and chart illustrate the Portfolio's since inception investment performance by vintage year as of September 30, 2015 relative to the median quartile U.S. All Private Equity TVM and IRR benchmarks as provided by Thomson ONE/Cambridge. Performance of funds that are less than two years old are not meaningful. Note that Thomson ONE/Cambridge data is continuously updated and is therefore subject to change.

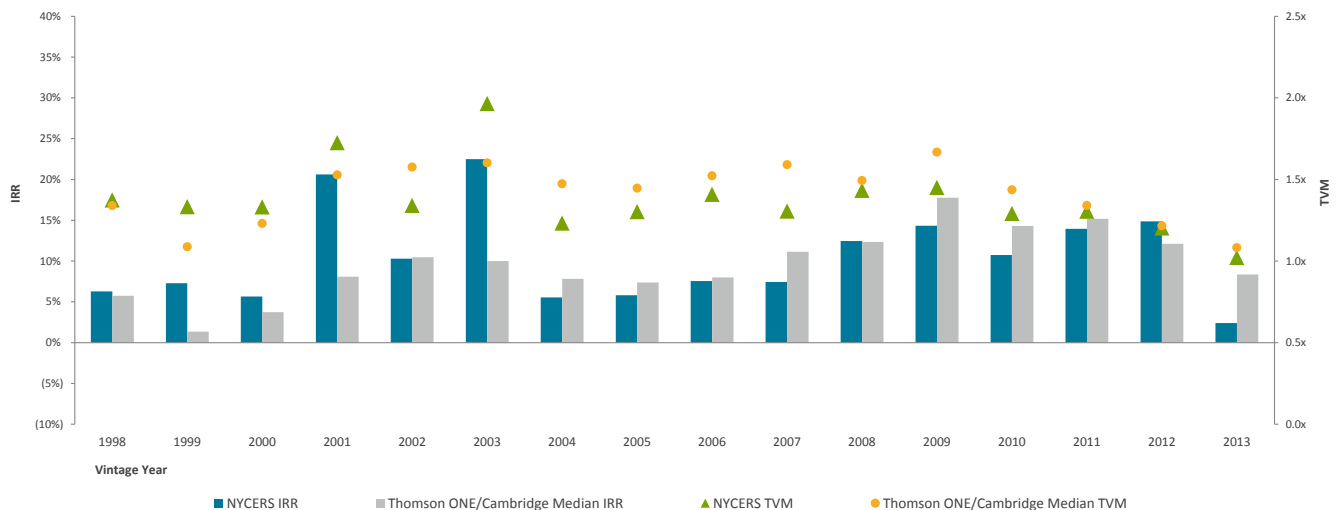
As of September 30, 2015 (US\$ in millions)

Vintage Year	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR	PME Benchmark ¹	PME Spread ²	Thomson ONE / Cambridge U.S. All PE Median Quartile TVM	Thomson ONE / Cambridge U.S. All PE Median Quartile IRR
1998	\$50.0	\$50.2	\$69.1	\$0.0	\$0.0	\$0.0	1.37x	6.3%	3.4%	2.9%	1.34x	5.7%
1999	88.6	101.9	122.9	12.9	0.6	13.5	1.33x	7.3%	6.1%	1.2%	1.09x	1.4%
2000	116.9	136.9	172.1	10.2	7.6	17.8	1.33x	5.7%	5.3%	0.3%	1.23x	3.7%
2001	98.1	128.3	216.2	5.2	3.8	9.0	1.73x	20.6%	7.7%	12.9%	1.53x	8.1%
2002	190.0	238.9	267.5	52.8	5.1	58.0	1.34x	10.3%	8.0%	2.3%	1.58x	10.5%
2003	104.4	115.7	213.8	13.6	11.9	25.6	1.96x	22.5%	6.8%	15.7%	1.60x	10.0%
2004	343.6	359.0	376.4	66.3	19.6	85.9	1.23x	5.6%	7.0%	-1.5%	1.47x	7.8%
2005	526.3	571.0	546.2	197.5	30.4	227.9	1.30x	5.8%	6.5%	-0.6%	1.45x	7.4%
2006	997.2	1,106.6	1,017.0	542.3	45.1	587.4	1.41x	7.6%	8.0%	-0.4%	1.52x	8.0%
2007	940.2	973.2	731.7	539.8	89.5	629.3	1.31x	7.5%	10.9%	-3.5%	1.59x	11.1%
2008	1,241.0	1,320.3	971.9	920.3	167.0	1,087.3	1.43x	12.5%	13.2%	-0.7%	1.49x	12.3%
2009	179.2	174.1	129.9	122.6	19.5	142.1	1.45x	14.3%	14.3%	0.0%	1.67x	17.8%
2010	175.0	168.5	44.9	172.9	24.8	197.7	1.29x	10.8%	11.3%	-0.5%	1.44x	14.3%
2011	789.1	666.4	184.4	685.7	192.9	878.5	1.31x	14.0%	11.4%	2.5%	1.34x	15.2%
2012	610.5	365.2	66.4	372.6	262.4	635.0	1.20x	14.9%	6.9%	7.9%	1.22x	12.1%
2013	569.1	143.1	9.4	136.7	429.1	565.8	1.02x	2.4%	-0.8%	3.2%	1.08x	8.4%
2014	499.7	174.4	8.9	190.0	329.4	519.3	NM	NM	NM	N/A	NM	NM
2015	444.2	25.0	-	24.1	419.7	443.8	NM	NM	NM	N/A	NM	NM
Total	\$7,963.0	\$6,818.9	\$5,148.6	\$4,065.5	\$2,058.5	\$6,124.0	1.35x	9.2%	9.0%	0.2%	1.38x	8.7%

¹ Russell 3000 PME+

² PME Spread is calculated as IRR minus PME Benchmark.

As of September 30, 2015



Portfolio Periodic Returns vs. Russell 3000® Index

<i>As of September 30, 2015</i>	3 Month	1 Year	3 Year	5 Year	10 Year	Since Inception
NYCERS IRR	0.0%	7.5%	10.9%	11.0%	9.0%	9.2%
Russell 3000® ¹	-7.3%	-0.4%	13.4%	13.9%	9.1%	9.0%
Russell 3000® + 300 bps ²	-4.3%	2.6%	16.4%	16.9%	12.1%	12.0%
NYCERS Outperformance/(Underperformance)						
vs. Russell 3000® + 300 bps ²	4.3%	5.0%	(5.5%)	(6.0%)	(3.2%)	(2.8%)

¹Benchmark is a dollar-weighted PME+ calculation of quarterly changes in the Russell 3000® Index. Russell Investment Group is the source and owner of the trademark, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

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

Performance by Strategy / Sub-Strategy

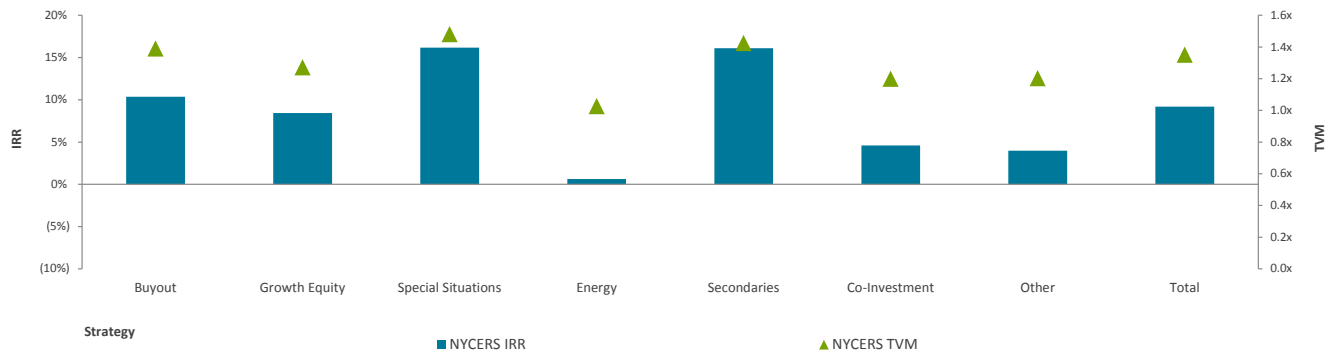
The following table and charts illustrate the Portfolio's since inception investment performance by strategy and sub-strategy as of September 30, 2015.

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

Strategy / Sub-Strategy	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	TVM	IRR
Buyout	\$5,209.2	\$4,415.1	\$3,599.1	\$2,541.6	\$1,441.8	\$3,983.4	1.39x	10.4%
Mega Buyout	1,714.3	1,239.2	914.6	778.1	629.9	1,408.0	1.37x	10.3%
Large Buyout	981.2	784.5	599.6	524.5	315.5	840.1	1.43x	16.8%
Middle-Market Buyout	1,383.8	1,250.8	1,161.0	647.5	334.2	981.6	1.45x	9.6%
Small Buyout	1,129.9	1,140.7	923.9	591.5	162.2	753.7	1.33x	8.6%
Growth Equity	293.0	246.9	82.1	232.0	71.7	303.7	1.27x	8.4%
Special Situations	539.7	511.5	455.2	302.6	142.5	445.1	1.48x	16.2%
Energy	355.0	371.6	179.9	201.8	29.1	230.9	1.03x	0.6%
Secondaries	652.1	396.6	283.4	281.9	259.7	541.6	1.43x	16.1%
Co-Investment	187.5	119.4	78.5	64.7	73.5	138.2	1.20x	4.6%
Other	726.5	757.8	470.4	441.0	40.1	481.1	1.20x	4.0%
Venture Capital	656.5	667.2	351.2	431.8	32.5	464.2	1.17x	3.2%
Mezzanine	70.0	90.6	119.2	9.2	7.6	16.9	1.42x	13.6%
Total	\$7,963.0	\$6,818.9	\$5,148.6	\$4,065.5	\$2,058.5	\$6,124.0	1.35x	9.2%

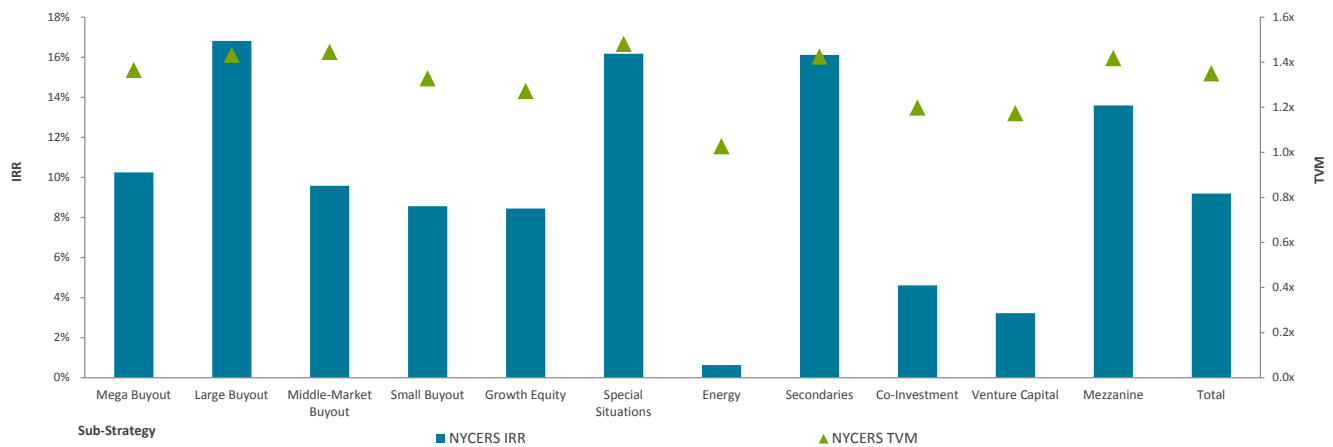
Performance by Strategy

As of September 30, 2015



Performance by Sub-Strategy

As of September 30, 2015



Portfolio Diversification

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

By Strategy/Sub-Strategy

As of September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
Buyout	\$2,541.6	62.5%	\$1,441.8	70.0%	\$3,983.4	65.0%
Mega Buyout	778.1	19.1%	629.9	30.6%	1,408.0	23.0%
Large Buyout	524.5	12.9%	315.5	15.3%	840.1	13.7%
Middle-Market Buyout	647.5	15.9%	334.2	16.2%	981.6	16.0%
Small Buyout	591.5	14.5%	162.2	7.9%	753.7	12.3%
Growth Equity	232.0	5.7%	71.7	3.5%	303.7	5.0%
Special Situations	302.6	7.4%	142.5	6.9%	445.1	7.3%
Energy	201.8	5.0%	29.1	1.4%	230.9	3.8%
Secondaries	281.9	6.9%	259.7	12.6%	541.6	8.8%
Co-Investment	64.7	1.6%	73.5	3.6%	138.2	2.3%
Other	441.0	10.8%	40.1	1.9%	481.1	7.9%
Venture Capital	431.8	10.6%	32.5	1.6%	464.2	7.6%
Mezzanine	9.2	0.2%	7.6	0.4%	16.9	0.3%
Total	\$4,065.5	100.0%	\$2,058.5	100.0%	\$6,124.0	100.0%

By Fund Geographic Focus

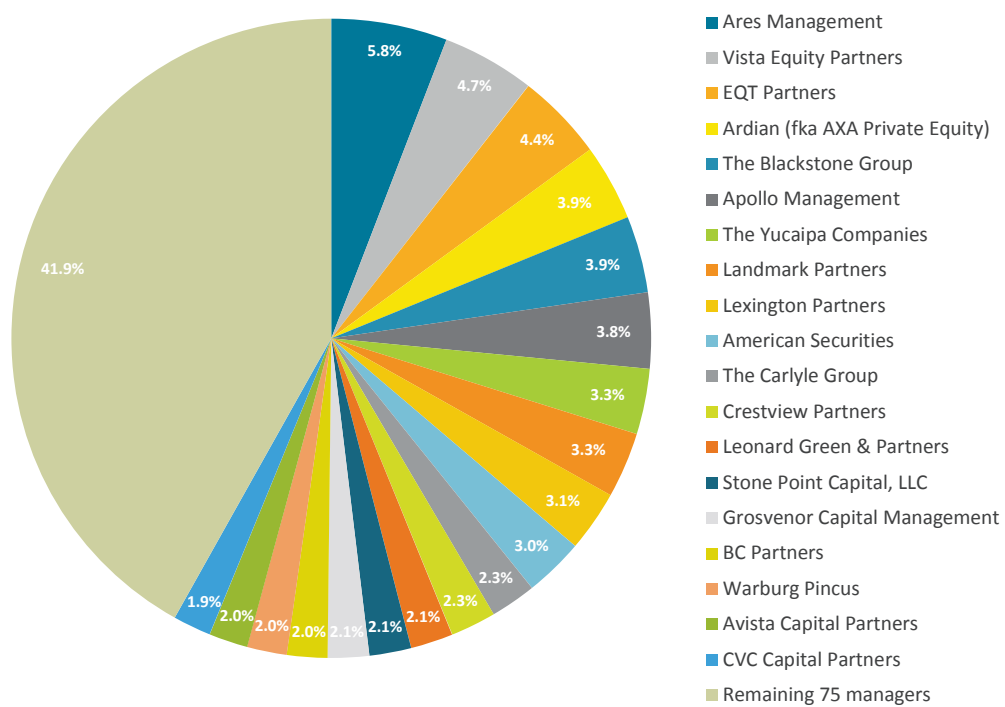
As of September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
North America	\$3,130.8	77.0%	\$1,222.3	59.4%	\$4,353.0	71.1%
Global	650.3	16.0%	535.4	26.0%	1,185.7	19.4%
Western Europe	282.2	6.9%	300.8	14.6%	583.0	9.5%
Rest of World	2.2	0.1%	-	0.0%	2.2	0.0%
Total	\$4,065.5	100.0%	\$2,058.5	100.0%	\$6,124.0	100.0%

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

By Investment Manager

As of September 30, 2015, the Portfolio was highly diversified by investment manager, with 19 managers comprising US\$3.6 billion, or 58.1% of total exposure. The remaining 75 managers comprised 41.9% of total exposure as of quarter-end.

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

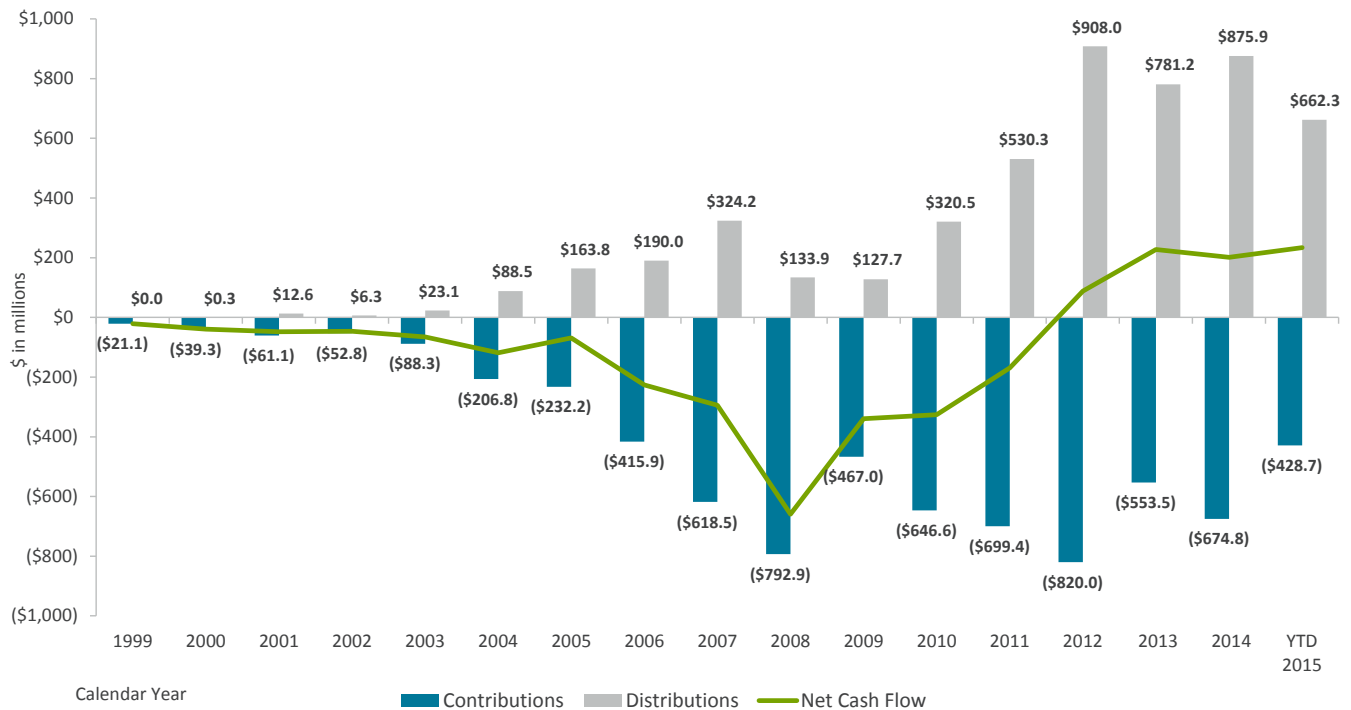


Portfolio Cash Flow Analysis

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

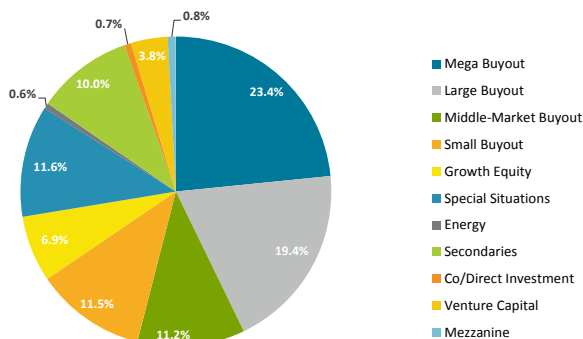
Year to Date Flow Activity

During the nine months ended September 30, 2015, the Portfolio made US\$428.7 million of contributions and received US\$662.3 million of distributions, for a net cash inflow of US\$233.6 million, compared to a net cash inflow of US\$127.2 million during the same period in the prior year. The graph below illustrates cash flow activity since inception by calendar year.

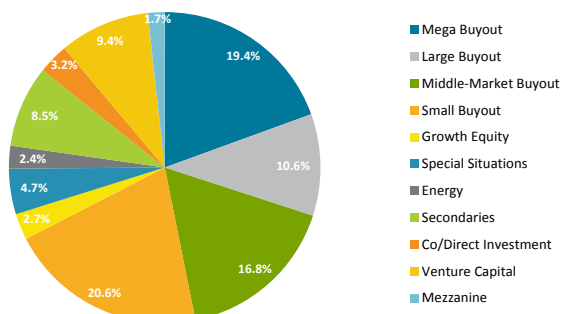


Buyout funds were the most active in terms of cash flow activity during the first six months of 2015. Buyout funds drew down US\$155.3 million, or 59.6% of total contributions during first six months of 2015, and distributed US\$320.7 million, or 66.2% of total distributions during the first six months of 2015.

YTD 2015 Total Contributed by Sub-Strategy

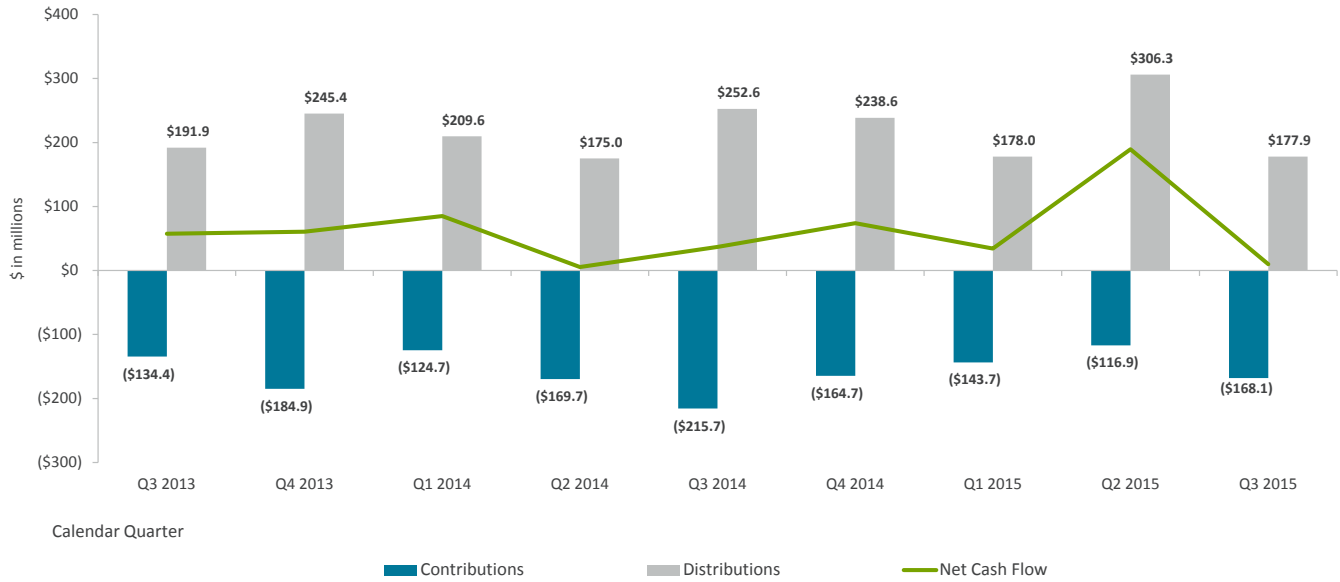


YTD 2015 Total Distributed by Sub-Strategy



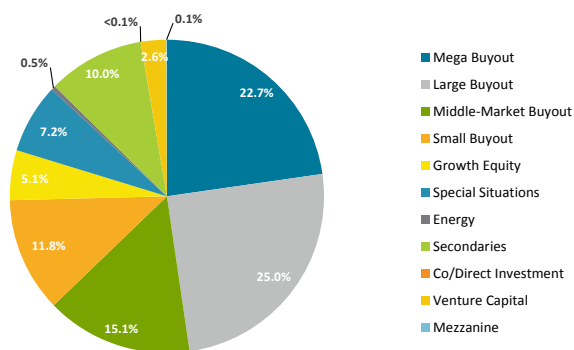
Quarterly Cash Flow Activity

During the third quarter of 2015, the Portfolio made US\$168.1 million of contributions and received US\$177.9 million of distributions, for a net cash inflow of US\$9.8 million. The graph below illustrates recent cash flow activity by quarter.

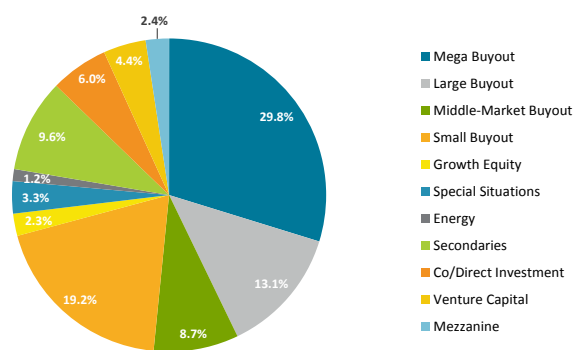


Buyout funds were the most active in terms of cash flow activity during the third quarter of 2015. Buyout funds drew down US\$125.4 million, or 74.6% of total contributions during the quarter, and distributed US\$126.0 million, or 70.8% of total distributions during the quarter.

Q3 2015 Contributed by Sub-Strategy



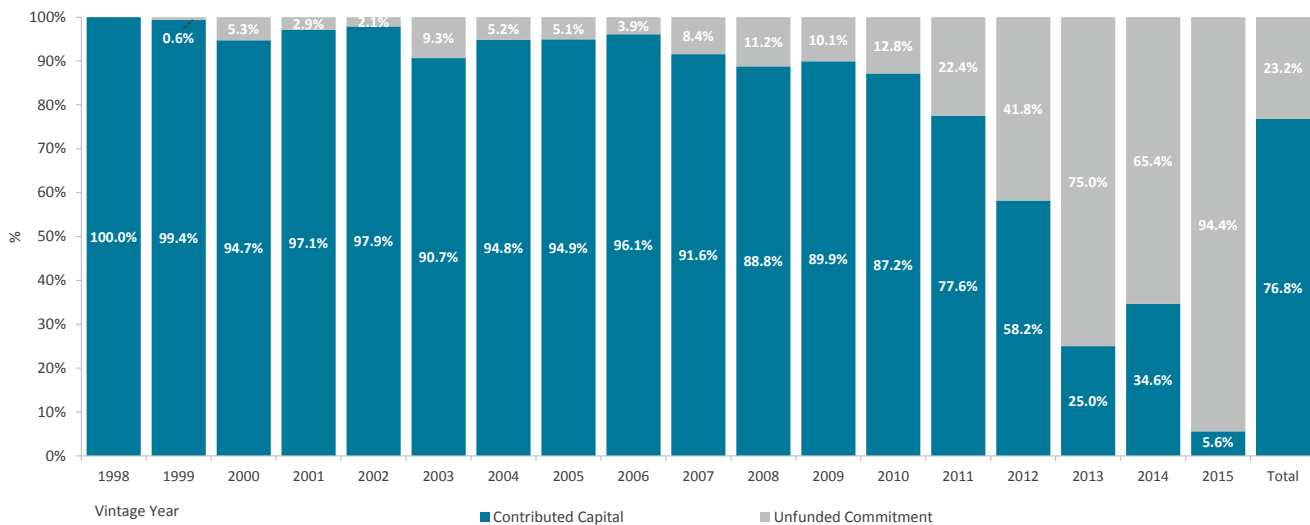
Q3 2015 Distributed by Sub-Strategy



Invested Capital by Vintage Year

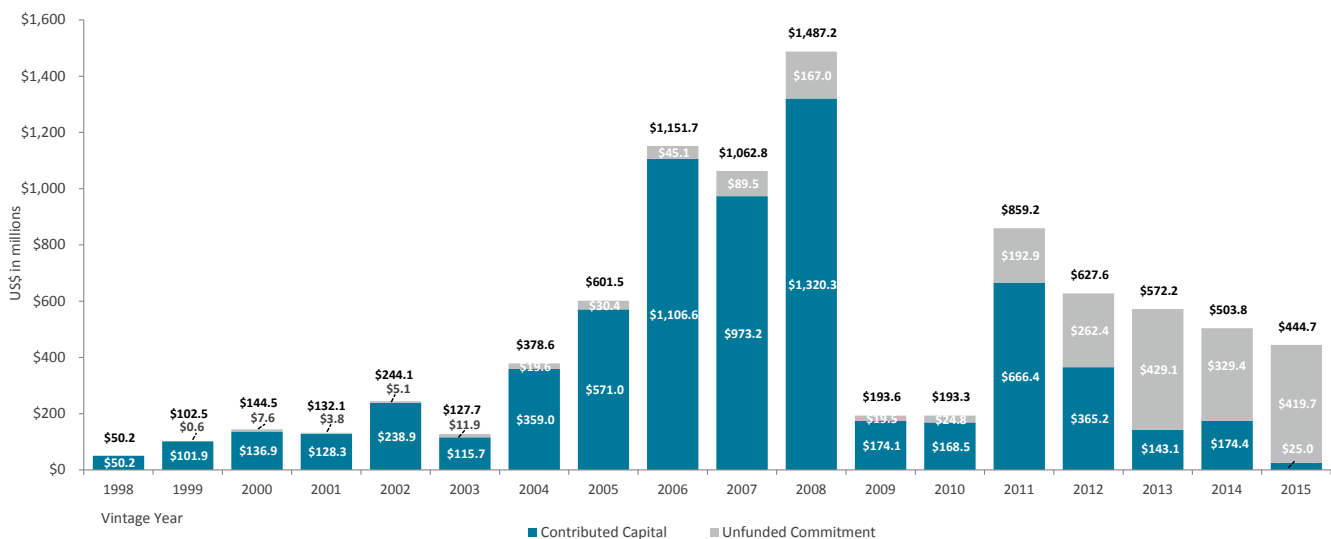
The following chart illustrates cumulative capital contributions as a percentage of total capital commitments, by fund vintage year, as of September 30, 2015.

Capital Contributions to Unfunded by Vintage Year (%)



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

Capital Contributions to Unfunded by Vintage Year (US\$)



Portfolio Company-Level Analysis

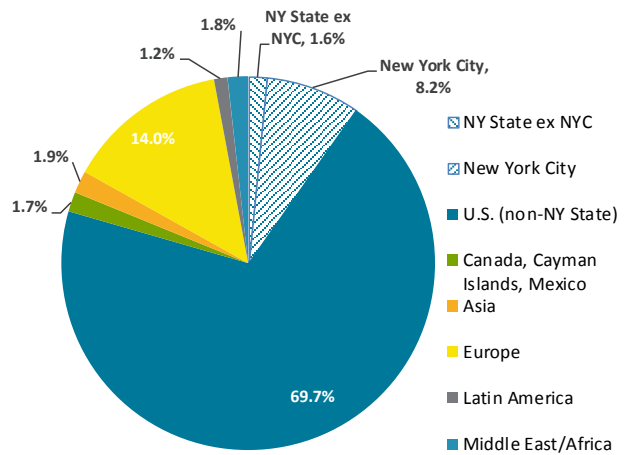
Geographic Exposure

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

Geographic Exposure by Current Cost

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

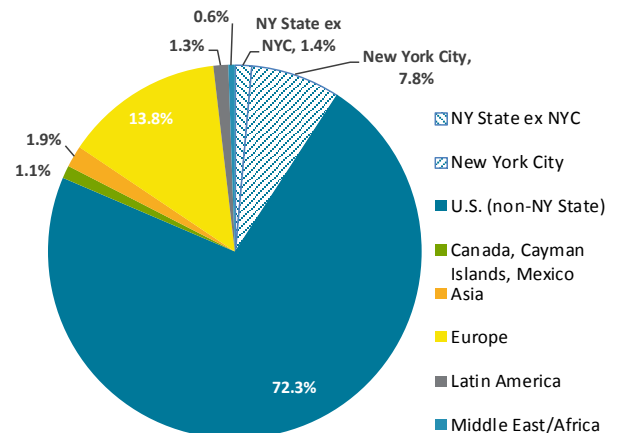
	Sum of Current Cost	% of Total
North America	\$2,656.8	81.2%
New York	\$319.4	9.8%
NY State ex NYC	51.0	1.6%
New York City	268.4	8.2%
U.S. (non-NY State)	2,281.5	69.7%
Canada, Cayman Islands, Mexico	55.9	1.7%
Asia	62.8	1.9%
Europe	457.0	14.0%
Latin America	38.2	1.2%
Middle East/Africa	58.1	1.8%
Total	\$3,272.9	100.0%



Geographic Exposure by Current Market Value

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

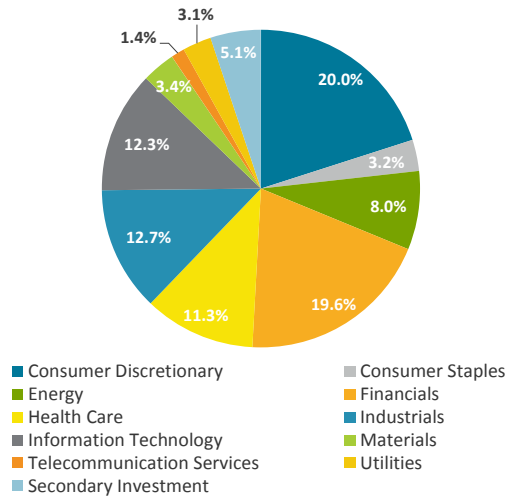
	Sum of Current Market Value	% of Total
North America	\$3,580.6	82.5%
New York	\$398.1	9.2%
NY State ex NYC	60.9	1.4%
New York City	337.2	7.8%
U.S. (non-NY State)	3,134.6	72.3%
Canada, Cayman Islands, Mexico	47.9	1.1%
Asia	80.8	1.9%
Europe	596.9	13.8%
Latin America	55.2	1.3%
Middle East/Africa	24.2	0.6%
Total	\$4,337.7	100.0%



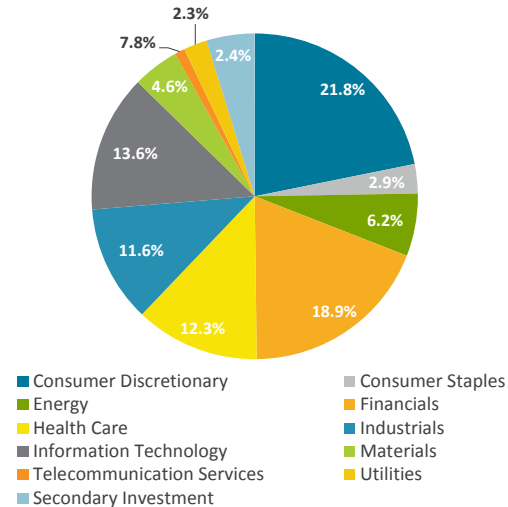
Industry Exposure

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

Industry Exposure by Current Cost



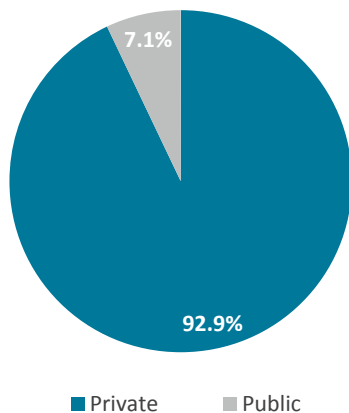
Industry Exposure by Current Market Value



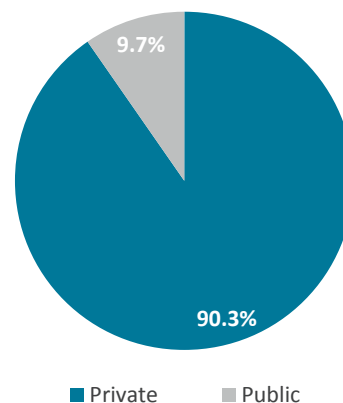
Public Market Exposure

As of quarter-end, publicly traded investments comprised 7.1% of the Portfolio's exposed cost and 9.7% 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 Employees' Retirement System
Private Equity Portfolio
As of September 30, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
Active Investments										
1999	Cypress Merchant Banking Partners II, L.P.	3/29/1999	\$ 45,172,972	\$ 53,861,600	\$ 43,440,706	\$ 7,242,488	0.94x	(1.1%)	5.4%	(6.5%)
1999	FdG Capital Partners LLC	6/2/1999	25,000,000	28,756,835	42,947,883	4,464,067	1.65x	14.5%	6.6%	7.9%
1999	Lincolnshire Equity Fund II, L.P.	10/20/1999	18,397,347	19,261,466	36,463,088	1,197,237	1.96x	24.6%	6.8%	17.8%
2000	Solera Partners, L.P.	5/26/2000	19,999,779	26,412,911	41,635,156	4,811,226	1.76x	8.8%	6.3%	2.5%
2000	SCP Private Equity Partners II, L.P.	6/15/2000	27,442,463	30,827,225	9,060,182	5,379,043	0.47x	(10.3%)	4.8%	(15.1%)
2001	New Mountain Partners, L.P.	3/16/2001	18,141,933	17,116,468	24,431,489	441,486	1.45x	12.4%	6.2%	6.2%
2001	Apollo Investment Fund V, L.P.	4/13/2001	40,000,000	62,509,880	122,768,943	1,499,534	1.99x	38.6%	8.3%	30.3%
2001	RRE Ventures III, L.P.	7/6/2001	19,999,999	26,200,206	33,075,548	3,262,292	1.39x	6.1%	6.5%	(0.5%)
2002	Yucaipa American Alliance Fund I, LP	7/1/2002	90,000,000	114,094,892	94,282,024	42,323,430	1.20x	4.6%	9.5%	(4.9%)
2002	Thomas, McNERNEY & Partners, L.P.	10/9/2002	20,000,000	20,000,000	7,003,139	5,198,848	0.61x	(10.1%)	10.4%	(20.4%)
2002	BDCM Opportunity Fund, L.P.	10/14/2002	25,000,000	52,554,619	89,778,751	371,408	1.72x	22.8%	6.2%	16.6%
2002	Landmark Equity Partners XI, L.P.	10/23/2002	55,000,000	52,284,778	76,417,080	4,934,314	1.56x	23.7%	7.3%	16.4%
2003	FS Equity Partners V, L.P.	1/20/2003	25,000,000	22,914,838	39,909,674	5,604,284	1.99x	15.8%	5.0%	10.7%
2003	Blackstone Capital Partners IV, L.P.	2/26/2003	34,418,762	38,818,072	96,545,606	2,260,454	2.55x	39.7%	7.5%	32.2%
2003	Ares Corporate Opportunities Fund, L.P.	4/1/2003	45,000,000	54,008,942	77,332,286	5,777,147	1.54x	13.6%	7.3%	6.3%
2004	Markstone Capital Partners, LP	1/30/2004	40,000,000	46,899,103	19,568,130	2,210,408	0.46x	(44.8%)	18.5%	(63.4%)
2004	FdG Capital Partners II LP	8/30/2004	35,000,000	37,398,788	42,499,038	2,090,030	1.19x	3.5%	6.5%	(3.0%)
2004	Paladin Homeland Security Fund (NY City), L.P.	9/27/2004	15,000,000	16,236,925	4,919,658	3,003,584	0.49x	(10.1%)	6.0%	(16.1%)
2004	Lincolnshire Equity Fund III, L.P.	10/1/2004	55,000,000	53,272,062	69,373,748	28,331,031	1.83x	31.1%	9.8%	21.3%
2004	New York/Fairview Emerging Managers Fund, L.P.-Tranche 1	10/21/2004	32,000,000	32,452,414	18,854,047	19,772,050	1.19x	3.4%	8.3%	(5.0%)
2004	Aurora Equity Partners III L.P.	11/16/2004	50,000,000	54,119,877	86,237,201	5,272,338	1.69x	14.4%	9.8%	4.6%
2004	Trilantic Capital Partners III L.P.	11/18/2004	45,088,848	40,021,959	58,694,581	1,633,400	1.51x	12.5%	4.8%	7.7%
2004	Celtic Pharmaceutical Holdings L.P.	12/23/2004	25,000,000	25,402,094	402,094	3,976,018	0.17x	(20.3%)	9.5%	(29.8%)
2005	Palladium Equity Partners III, L.P.	11/12/2004	35,000,000	35,700,350	48,905,493	23,517,660	2.03x	18.8%	11.2%	7.6%
2005	New Mountain Partners II, L.P.	1/12/2005	46,451,615	41,776,299	77,688,562	4,302,313	1.96x	13.8%	4.5%	9.3%
2005	VSS Communications Partners IV, L.P.	3/14/2005	25,000,000	28,201,361	15,227,011	6,547,316	0.77x	(4.6%)	7.3%	(11.8%)
2005	Prism Venture Partners V-A, L.P.	7/14/2005	30,000,000	30,762,722	14,685,847	9,398,065	0.78x	(4.9%)	7.8%	(12.6%)
2005	Erasmus New York City Growth Fund	8/16/2005	34,819,694	34,819,694	31,991,019	(1,875,661)	0.86x	(3.0%)	2.5%	(5.6%)
2005	Quadrangle Capital Partners II LP	8/29/2005	60,636,859	60,873,246	63,467,384	16,542,731	1.31x	5.7%	6.6%	(0.9%)
2005	Snow Phipps Group, L.P.	9/7/2005	20,000,000	22,991,038	17,825,994	12,516,236	1.32x	7.8%	10.0%	(2.2%)
2005	GI Partners Fund II L.P.	9/26/2005	35,000,000	35,385,288	41,075,544	13,242,388	1.54x	7.3%	5.3%	2.0%
2005	Blackstone Mezzanine Partners II, L.P.	10/10/2005	25,000,000	23,466,337	28,375,919	2,744,230	1.33x	7.5%	3.6%	3.9%
2005	Psilos Group Partners III, L.P.	10/24/2005	35,000,000	37,205,819	17,948,760	28,974,371	1.26x	4.9%	7.0%	(2.1%)
2005	USPF II Institutional Fund, L.P.	11/23/2005	65,000,000	85,734,194	57,727,010	54,442,663	1.31x	5.6%	6.6%	(0.9%)
2005	JP Morgan Fleming (Tranche A)	12/21/2005	43,000,000	41,147,918	29,151,049	27,138,750	1.37x	7.2%	10.0%	(2.8%)
2006	Aisling Capital II, LP	1/12/2006	6,680,102	7,814,346	5,070,342	3,242,692	1.06x	1.3%	7.3%	(6.0%)
2006	InterMedia Partners VII, L.P.	1/20/2006	25,000,000	28,671,799	16,147,308	28,128,418	1.54x	6.8%	9.4%	(2.6%)
2006	Terra Firma Capital Partners III, L.P.	3/8/2006	52,770,435	53,016,322	2,633,169	26,768,135	0.55x	(10.0%)	7.0%	(17.0%)
2006	BDCM Opportunity Fund II, L.P.	3/29/2006	25,000,000	36,038,045	33,989,275	34,151,435	1.89x	16.8%	10.1%	6.8%
2006	Blackstone Capital Partners V, L.P.	4/13/2006	122,052,590	128,937,557	138,011,858	67,430,149	1.59x	8.1%	8.0%	0.2%
2006	Avista Capital Partners, L.P.	4/27/2006	45,000,000	58,410,347	48,322,189	26,871,195	1.29x	5.8%	5.7%	0.1%
2006	GSC Recovery III, L.P.	5/4/2006	25,000,000	28,115,695	29,562,961	2,817,843	1.15x	3.7%	6.4%	(2.7%)
2006	Apollo Investment Fund VI, L.P.	5/10/2006	90,000,000	115,838,240	142,714,932	34,522,392	1.53x	9.7%	7.2%	2.5%
2006	Landmark Equity Partners XIII, L.P.	5/11/2006	50,000,000	47,830,446	42,503,564	20,150,636	1.31x	6.2%	5.8%	0.4%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	50,000,000	54,759,682	82,742,122	10,456,094	1.70x	13.8%	3.8%	9.9%
2006	Fairview Ventures Fund III, L.P.	6/29/2006	25,000,000	25,378,772	16,206,446	29,113,585	1.79x	15.6%	11.4%	4.2%
2006	Ampersand 2006	8/14/2006	25,000,000	25,000,000	25,032,244	23,020,014	1.92x	13.6%	7.6%	5.9%
2006	CCMP Capital Investors II, L.P.	8/17/2006	30,000,000	32,935,583	36,254,007	17,992,990	1.65x	13.9%	9.9%	4.0%
2006	CLP 2014 (fka Perseus Partners VII)	8/31/2006	30,000,000	34,974,032	10,016,974	393,234	0.30x	(36.6%)	12.9%	(49.5%)
2006	Thomas, McNERNEY & Partners II, L.P.	11/30/2006	25,000,000	23,769,167	40,366,658	11,301,100	2.17x	16.8%	11.1%	5.8%
2006	Catterton Partners VI, L.P.	12/14/2006	45,000,000	49,320,136	59,555,525	33,369,493	1.88x	13.5%	8.0%	5.6%
2006	First Reserve Fund XI, L.P.	12/14/2006	45,000,000	47,820,682	26,739,005	7,291,913	0.71x	(8.3%)	5.9%	(14.2%)
2006	Arsenal Capital Partners II, LP	12/19/2006	22,500,000	26,890,523	24,436,291	17,414,660	1.56x	10.1%	11.3%	(1.2%)
2006	RRE Ventures IV, L.P.	12/19/2006	35,000,000	42,884,278	10,463,907	55,627,961	1.54x	8.9%	9.7%	(0.8%)
2006	MidOcean Partners III, L.P.	12/21/2006	60,000,000	66,754,363	45,426,357	49,512,516	1.42x	8.2%	8.6%	(0.4%)
2006	GF Capital Private Equity Fund, L.P.	12/22/2006	20,000,000	20,626,154	17,106,190	18,764,061	1.74x	15.3%	11.9%	3.4%
2006	The Fourth Civen Fund	1/22/2007	71,472,848	71,209,741	75,477,506	23,980,576	1.40x	6.9%	7.4%	(0.5%)
2007	Pegasus Partners IV, L.P.	1/29/2007	30,000,000	34,805,032	15,876,945	20,196,909	1.04x	0.9%	10.6%	(9.7%)
2007	FTVentures III, LP	3/1/2007	24,201,990	26,252,186	23,527,842	23,527,842	2.02x	16.4%	9.3%	7.1%
2007	Co-Investment Partners Europe, L.P.	3/19/2007	39,930,472	41,853,743	23,735,861	30,068,281	1.29x	5.6%	15.4%	(9.8%)
2007	Montreux Equity Partners IV, L.P.	3/27/2007	20,000,000	20,000,000	6,843,774	21,081,452	1.40x	7.6%	9.6%	(1.9%)
2007	Quaker BioVentures II, L.P.	3/30/2007	20,000,000	17,658,740	10,437,474	12,998,807	1.33x	7.8%	11.9%	(4.1%)
2007	SCP Vitalife Partners II Fund	4/13/2007	20,000,000	20,009,698	1,579	17,164,078	0.86x	(3.3%)	9.9%	(13.3%)
2007	Craton Equity Investors I, L.P.	4/30/2007	20,000,000	20,089,805	71,125	7,146,665	0.36x	(17.7%)	N/A	N/A
2007	Nautic Partners VI, L.P.	5/14/2007	30,000,000	33,393,732	40,716,824	30,147,029	2.12x	18.4%	11.3%	7.1%
2007	Constellation Venture Capital III, L.P.	5/22/2007	25,000,000	26,861,250	5,676,045	14,256,523	0.74x	(6.6%)	17.8%	(24.4%)
2007	United States Power Fund III, L.P.	6/28/2007	65,000,000	64,966,042	31,625,128	54,770,345	1.33x	5.9%	7.7%	(1.8%)
2007	Halyard Capital Fund II, L.P.	7/2/2007	25,000,000	21,006,320	10,099,612	20,466,754	1.46x	7.7%	8.8%	(1.1%)
2007	Carlyle Partners V, L.P.	7/6/2007	70,000,000	70,942,512	71,159,143	45,609,571	1.65x	13.9%	10.3%	3.6%

New York City Employees' Retirement System
Private Equity Portfolio
As of September 30, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
2007	PCG Clean Energy & Technology Fund (East), LLC	7/6/2007	90,000,000	79,380,090	9,345,681	42,467,846	0.65x	(8.8%)	12.8%	(21.6%)
2007	GSO Capital Opportunities Fund LP	7/16/2007	45,000,000	67,136,185	90,834,689	6,502,667	1.45x	18.1%	10.1%	8.0%
2007	StarVest Partners II, L.P.	8/1/2007	25,000,000	24,134,957	1,166,983	19,786,354	0.87x	(3.6%)	15.2%	(18.9%)
2007	New Mountain Partners III, L.P.	8/9/2007	100,000,000	97,401,080	57,650,292	90,632,510	1.52x	11.0%	11.9%	(0.9%)
2007	Vista Equity Partners Fund III, L.P.	10/3/2007	30,000,000	31,860,199	67,811,388	13,641,005	2.56x	28.8%	9.6%	19.1%
2007	Trilantic Capital Partners IV L.P.	10/22/2007	69,028,637	68,953,720	79,906,986	29,466,739	1.59x	14.7%	10.6%	4.1%
2007	RJ Equity Partners Fund I, L.P.	11/30/2007	20,000,000	20,921,728	8,301,877	19,713,285	1.34x	9.6%	13.6%	(4.0%)
2007	Pine Brook Capital Partners, L.P.	1/11/2008	30,000,000	30,290,730	17,835,817	20,134,862	1.25x	8.0%	10.6%	(2.7%)
2008	Paladin III (NY City), L.P.	1/8/2008	30,000,000	32,832,220	16,523,491	24,401,008	1.25x	6.5%	10.8%	(4.2%)
2008	Relativity Fund, L.P.	1/17/2008	10,877,829	10,773,614	2,302,071	3,676,397	0.55x	(11.3%)	10.1%	(21.4%)
2008	Apollo Investment Fund VII, L.P.	1/28/2008	100,000,000	115,646,730	170,557,364	34,224,438	1.77x	25.1%	13.2%	11.9%
2008	NGN BioMed Opportunity II, L.P.	2/11/2008	20,000,000	18,651,821	3,946,209	10,031,849	0.75x	(7.1%)	15.6%	(22.7%)
2008	Carpenter Community BancFund-A, L.P.	2/12/2008	20,000,000	19,519,654	11,326,549	18,276,033	1.52x	8.3%	15.0%	(6.7%)
2008	Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	3/3/2008	45,000,000	47,004,475	33,750,235	23,755,986	1.22x	6.9%	13.3%	(6.4%)
2008	Yucaipa American Alliance Fund II, LP	3/28/2008	120,000,000	161,469,146	95,518,980	134,976,410	1.43x	10.5%	11.6%	(1.1%)
2008	Levine Leichtman Capital Partners IV, L.P.	4/8/2008	35,000,000	35,033,723	40,333,273	18,384,481	1.68x	20.2%	14.2%	6.0%
2008	Lee Equity Partners Fund, L.P.	4/23/2008	42,500,000	50,364,907	23,680,805	42,182,020	1.31x	9.0%	13.1%	(4.1%)
2008	New York/Fairview Emerging Managers Fund, L.P.-Tranche 2	5/28/2008	45,000,000	38,830,500	18,459,414	38,860,016	1.48x	14.3%	12.3%	2.0%
2008	Yucaipa Corporate Initiatives Fund II, LP	6/23/2008	42,092,788	40,842,713	11,698,560	23,860,084	0.87x	(3.4%)	10.3%	(13.7%)
2008	Leeds Equity Partners V, L.P.	7/28/2008	60,000,000	50,062,855	33,414,337	43,664,119	1.48x	14.8%	13.4%	1.4%
2008	GI Partners Fund III L.P.	7/29/2008	45,000,000	47,862,151	45,518,789	26,294,514	1.50x	14.2%	15.0%	(0.8%)
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	75,000,000	87,284,864	78,615,245	70,559,708	1.71x	21.1%	11.3%	9.8%
2008	GCM Grosvenor NYCERS Emerging Manager Co-Investment Fund, L.P.	8/22/2008	12,875,950	14,631,461	19,755,245	5,623,402	1.73x	13.8%	11.4%	2.5%
2008	GCM Grosvenor NYCERS Emerging Manager Fund, L.P.	8/22/2008	116,737,374	114,676,048	60,774,988	85,676,978	1.28x	10.6%	12.7%	(2.0%)
2008	First Reserve Fund XII, L.P.	8/25/2008	45,000,000	46,721,786	20,747,425	19,051,486	0.85x	(4.5%)	16.3%	(20.8%)
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	109,120,000	99,614,931	75,293,071	62,501,190	1.38x	15.4%	13.6%	1.8%
2008	Crestview Partners II, L.P.	10/1/2008	50,000,000	52,467,104	35,275,091	42,574,983	1.48x	13.7%	14.2%	(0.6%)
2008	Avista Capital Partners II, L.P.	11/5/2008	75,000,000	88,741,615	89,568,747	73,925,709	1.84x	18.9%	14.2%	4.7%
2008	Blue Wolf Capital Fund II, L.P.	11/14/2008	25,000,000	26,744,713	9,980,200	19,953,907	1.12x	4.3%	16.1%	(11.8%)
2008	Bridgepoint Europe IV	11/14/2008	26,754,008	24,454,185	16,142,217	17,717,657	1.38x	10.0%	15.1%	(5.1%)
2008	Aisling Capital III, LP	11/20/2008	14,000,000	14,142,218	12,705,241	10,441,568	1.64x	23.5%	13.9%	9.6%
2008	Onex Partners III LP	12/10/2008	75,000,000	80,895,903	45,979,174	69,672,840	1.43x	12.8%	14.8%	(2.0%)
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	40,000,000	38,176,343	28,981,847	29,136,583	1.52x	14.4%	14.1%	0.3%
2009	FS Equity Partners VI, L.P.	7/27/2009	32,500,000	33,249,926	18,952,494	41,444,055	1.82x	21.2%	14.3%	6.8%
2009	Lincolnshire Equity Fund IV, L.P.	8/5/2009	27,500,000	26,584,594	9,638,864	22,471,490	1.21x	8.0%	12.7%	(4.6%)
2009	Lexington Capital Partners VII, L.P.	12/3/2009	50,000,000	40,847,974	32,119,966	29,564,781	1.51x	17.2%	13.8%	3.4%
2010	Snow Phipps II, L.P.	1/8/2010	30,000,000	23,690,061	13,503,644	20,847,633	1.45x	16.4%	12.5%	3.9%
2010	JP Morgan Fleming (Tranche B)	2/26/2010	35,000,000	30,387,280	9,079,001	34,322,769	1.43x	13.6%	12.3%	1.3%
2010	Trident V, L.P.	4/29/2010	110,000,000	114,453,138	22,309,083	117,697,962	1.22x	8.6%	10.5%	(2.0%)
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	120,000,000	90,314,579	17,289,780	92,249,444	1.21x	11.5%	9.8%	1.7%
2011	Ampersand 2011	3/11/2011	25,000,000	24,125,000	1,410,929	38,235,005	1.64x	17.8%	11.1%	6.7%
2011	BDCM Opportunity Fund III, L.P.	4/8/2011	45,000,000	56,274,108	20,728,277	44,628,139	1.16x	9.8%	10.3%	(0.6%)
2011	AXA Secondary Fund V B L.P.	6/16/2011	120,000,000	90,573,064	50,593,784	87,897,700	1.53x	20.2%	14.0%	6.2%
2011	Wellspring Capital Partners V, L.P.	7/1/2011	40,000,000	30,439,913	3,069,548	34,226,104	1.23x	11.7%	9.6%	2.1%
2011	EQT VI, L.P.	8/1/2011	106,019,238	88,712,983	2,195,346	92,590,047	1.07x	3.4%	9.6%	(6.2%)
2011	Pegasus Partners V, L.P.	8/16/2011	20,789,916	14,633,567	3,700,886	15,514,105	1.31x	10.7%	14.4%	(3.7%)
2011	BC European Capital IX	9/19/2011	132,260,578	102,781,173	19,357,452	91,401,167	1.08x	3.9%	12.4%	(8.5%)
2011	American Securities Partners VI, L.P.	11/18/2011	80,000,000	73,899,688	23,516,623	79,258,659	1.39x	22.3%	9.5%	12.8%
2011	Vista Equity Partners Fund IV, L.P.	11/30/2011	100,000,000	94,600,542	42,497,664	109,659,869	1.61x	22.0%	11.6%	10.4%
2012	Warburg Pincus Private Equity XI, L.P.	5/24/2012	110,000,000	85,426,872	16,926,030	91,289,040	1.27x	16.9%	8.2%	8.7%
2012	Trilantic Capital Partners V L.P.	9/20/2012	70,000,000	22,755,101	278,137	20,309,224	0.90x	(5.8%)	6.5%	(12.3%)
2012	Palladium Equity Partners IV, L.P.	10/10/2012	55,000,000	24,630,717	1,557,188	24,862,400	1.07x	5.2%	10.1%	(4.9%)
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	125,000,000	89,089,778	8,707,794	91,246,307	1.12x	9.9%	3.2%	6.8%
2012	Green Equity Investors VI, L.P.	11/30/2012	120,000,000	78,908,405	3,018,863	90,122,432	1.18x	13.3%	5.8%	7.5%
2012	Platinum Equity Capital Partners III, L.P.	1/14/2013	100,000,000	48,573,953	33,706,195	38,760,010	1.49x	45.4%	10.0%	35.4%
2012	NYCERS - 2012 Emerging Manager Program ⁴	6/21/2013	150,000,000	62,400,760	2,830,708	65,316,384	1.09x	10.1%	(0.3%)	10.4%
2013	Carlyle Partners VI, L.P.	7/3/2013	75,000,000	27,168,938	986,795	25,470,696	0.97x	(2.3%)	1.5%	(3.8%)
2013	Carlyle Partners VI, L.P. (Side Car)	9/23/2014	8,250,000	1,820,910	-	1,683,368	0.92x	NM	NM	N/A
2013	Landmark Equity Partners XV, L.P.	10/30/2013	75,000,000	23,744,449	5,612,631	22,854,995	1.20x	NM	NM	N/A
2013	Landmark - NYC Fund I, L.P.	12/24/2013	25,000,000	10,482,609	973,165	11,367,770	1.18x	NM	NM	N/A
2013	Apollo Investment Fund VIII, L.P.	12/11/2013	140,000,000	31,555,100	863,017	30,094,357	0.98x	NM	NM	N/A
2013	CVC Capital Partners VI, L.P.	2/18/2014	122,299,217	18,744,229	829,561	13,025,342	0.74x	NM	NM	N/A
2013	Crestview Partners III, L.P.	3/3/2015	66,000,000	8,954,705	181,686	8,335,431	0.95x	NM	NM	N/A
2013	Crestview Partners III (Co-Investment B), L.P.	12/17/2015	22,000,000	-	-	-	-	N/A	N/A	N/A
2014	Olympus Growth Fund VI, L.P.	1/21/2014	75,000,000	15,560,952	5,413,183	13,511,359	1.22x	NM	NM	N/A
2014	ASF VI B L.P.	5/9/2014	83,000,000	30,623,929	808,159	37,262,042	1.24x	NM	NM	N/A
2014	ASF VI B NYC Co-Invest L.P.	5/9/2014	27,000,000	15,768,881	2,025,000	17,829,922	1.26x	NM	NM	N/A
2014	Vista Equity Partners Fund V, L.P.	9/8/2014	125,000,000	79,885,518	9,745	84,713,990	1.06x	NM	NM	N/A
2014	Lexington Capital Partners VIII, L.P.	1/8/2015	110,000,000	11,097,339	19,202	16,718,959	1.51x	NM	NM	N/A
2014	Centerbridge Capital Partners III, L.P.	5/21/2015	23,700,000	3,771,487	-	3,807,082	1.01x	NM	NM	N/A

New York City Employees' Retirement System
Private Equity Portfolio
As of September 30, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
2015	Siris Partners III, L.P.	5/4/2015	31,000,000	311,016	-	(74,408)	(0.24x)	NM	NM	N/A
2015	Welsh, Carson, Anderson & Stowe XII, L.P.	8/26/2015	78,500,000	16,471,687	-	15,237,447	0.93x	NM	NM	N/A
2015	EQT VII, L.P.	1/8/2016	159,031,425	-	-	-	-	N/A	N/A	N/A
2015	American Securities Partners VII, L.P.	1/19/2016	80,000,000	-	-	-	-	N/A	N/A	N/A
2015	Bridgepoint Europe V L.P.	2/8/2016	60,543,543	-	-	(332,579)	-	NM	NM	N/A
2015	Bridgepoint Europe V Co-Invest	N/A	17,577,158	-	-	-	-	N/A	N/A	N/A
2016	NYCERS - 2015 Emerging Manager Program ⁵	2/22/2016	180,000,000	-	-	-	-	N/A	N/A	N/A
Total Portfolio⁶			\$ 8,153,385,071	\$ 6,818,892,411	\$ 5,148,594,470	\$ 4,065,491,664	1.35x	9.2%	9.0%	0.2%

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

² Russell 3000 PME+

³ PME Spread is calculated as IRR minus PME Benchmark.

⁴ NYCERS - 2012 Emerging Manager Program total commitment amount includes the full amount allocated to the Program, of which \$139.6 million has been committed as of February 18, 2016.

⁵ NYCERS - 2015 Emerging Manager Program total commitment amount includes the full amount allocated to the Program, of which \$25.5 million has been committed as of February 18, 2016.

⁶ Total Portfolio includes liquidated investments.

Note: IRRs presented are interim estimates and may not be indicative of the ultimate performance of fund investments due to a number of factors, such as the lack of industry valuation standards and the differences in the investment pace and strategy of various funds. Until a fund is liquidated, typically over 10 to 12 years, the IRR is only an interim estimated return. The IRR calculated in early years of a fund is not meaningful given the J-curve effect. The actual IRR performance of any fund is not known until all capital contributed and earnings have been distributed to the investor. The IRRs contained in this report are calculated by StepStone Group LP ("StepStone"), a consultant to the New York City Employees' Retirement System, 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 Employees' Retirement System
Subsequent Commitments
As of September 30, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
Commitments Closed Subsequent to as of Date										
2015	Warburg Pincus Private Equity XII, L.P.	12/21/2015	\$ 205,500,000	-	-	-	N/A	N/A	N/A	N/A
2015	ASF VII B L.P.	12/29/2015	94,500,000	-	-	-	N/A	N/A	N/A	N/A
2015	ASF VIII B NYC Co-Invest L.P.	12/29/2015	46,000,000	-	-	-	N/A	N/A	N/A	N/A
2016	Stellex Capital Partners LP	2/22/2016	25,500,000	-	-	-	N/A	N/A	N/A	N/A
2016	Ares Corporate Opportunities Fund V, L.P.	N/A	95,000,000	-	-	-	N/A	N/A	N/A	N/A
Total Commitments Closed Subsequent to as of Date			\$ 466,500,000	\$ -	\$ -	\$ -	N/A	N/A	N/A	N/A

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

- Real Assets Quarterly Report:

The New York City Employees' Retirement System

Executive Summary: Third Quarter 2015 Performance Measurement Report Real Estate

Portfolio Profile

The New York City Employees' Retirement System has allocated 6.0% (+/- 2%) of the total plan to Real Assets. Real Estate investments are categorized under Real Assets. The Real Estate Portfolio's objective is to generate a total net return that exceeds the NFI-ODCE +100 bps total net return measured over full market cycles.

Portfolio Statistics (September 30, 2015)

Total Plan Assets	\$51.6 billion
Target Real Assets Allocation (%)	6%
Target Real Assets Allocation (\$)	\$3.1 billion
Total Real Estate Market Value	\$2.6 billion
Real Estate Unfunded Commitments	\$759.7 million
Total Real Estate Exposure	\$3.4 billion
Number of Investments	50
Number of Managers	35

Net Returns (as of September 30, 2015)

3Q15 Time-Weighted Net Return:	3.2%
1 Year Time Weighted Net Return:	14.3%
3 Year Time Weighted Net Return:	13.9%
Inception-to-Date (ITD) Time-Weighted:	7.5%
ITD Net IRR:	7.3%
ITD Net Equity Multiple:	1.3x

Investment Guidelines

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

Third Quarter Investment Activity

During the Quarter, the Board made a \$60.0 million commitment to an open end core fund, a \$48.0 million commitment to an European opportunistic closed-end fund and a \$36.0 million commitment to a value-add closed-end fund.

OVERVIEW

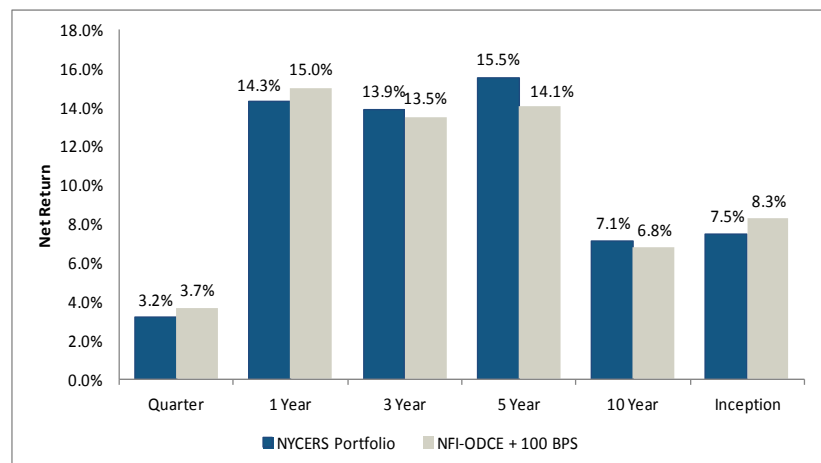
A robust and healthy commercial real estate market atmosphere was prevalent during the Third Quarter of 2015 as a result of a demand for expansion and improving lease growth across major markets in addition to affordable and available financing. Due to this environment leasing volumes increased to 7.0%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

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

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

Source: Jones Lang LaSalle, October 2015

The New York City Employees' Retirement System ("NYCERS") Real Estate Portfolio is, and has been, well positioned to take advantage of conditions in the real estate marketplace. Post economic downturn, in the period reflected in the rolling five-year returns, NYCERS performance exceeds the benchmark by 145 basis points. At the end of the Third Quarter 2015, the Portfolio achieved a total gross return of 3.6% which was comprised of 1.3% income and 2.3% appreciation. The net return for the Quarter was 3.2%. A detailed analysis of the Portfolio's real estate performance is found later in this Executive Summary.



The New York City Employees' Retirement System

Executive Summary: Third Quarter 2015 Performance Measurement Report Real Estate

FUNDING AND COMPOSITION

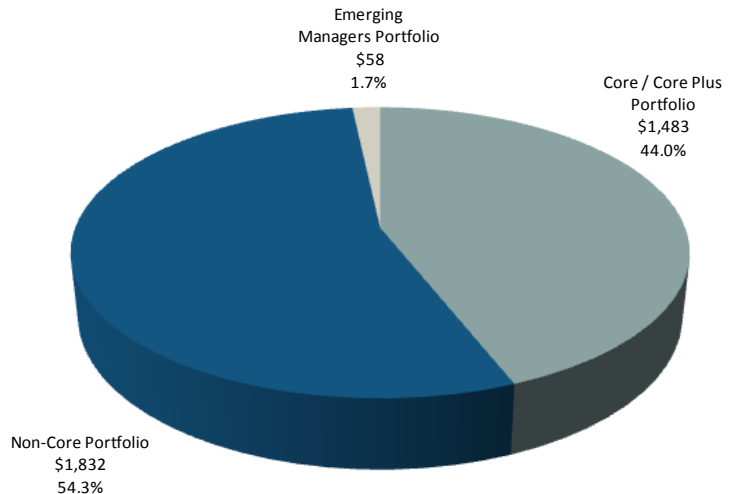
At the end of the Third Quarter, the Portfolio was funded at \$2.6 billion, or 5.1% of total plan assets. A total of \$759 million in unfunded commitments are still outstanding. Unfunded commitments are up from \$614 million as of second quarter 2015. New commitment activity has accelerated over the past several months and the trend will continue throughout 2015.

New contributions for the Quarter totaled \$88.3 million, offset by \$101.0 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 44.0% of the Portfolio exposure during the Quarter. The Non-Core component accounts for 54.3% 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 Employees' Retirement System

Total Plan Assets	9/30/2015	51,555
Real Assets Allocation (%)		6.0
Real Assets Allocation (\$)		3,093

Style Sector Statistics

Funded (Market Value) Core / Core Plus Portfolio	\$1,407
Funded (Market Value) Non-Core Portfolio	\$1,167
Funded (Market Value) Emerging Managers Portfolio	\$38
Unfunded Core / Core Plus Portfolio	\$76
Unfunded Non-Core Portfolio	\$665
Unfunded Emerging Managers Portfolio	\$19

Funded (Market Value) and Committed Statistics

Core / Core Plus Portfolio	44.0%
Non-Core Portfolio	54.3%
Emerging Managers Portfolio	1.7%
\$ Committed	3,373
% Committed on Real Asset Allocation	109.0%
% Committed on Total Plan Assets	6.5%

Funded (Market Value) Statistics

% Funded (Market Value) of Total Plan Assets	5.1%
% Funded (Market Value) of Total Real Assets Allocation	84.5%

The New York City Employees' Retirement System

Executive Summary: Third Quarter 2015 Performance Measurement Report Real Estate

PERFORMANCE

During the Quarter under review, the NYCERS Real Estate Portfolio produced a 3.6% total gross return. The total net return for the Quarter was 3.2%. On a rolling one-year basis the total gross return of 16.9% was recorded. On a net basis the total return was 14.3%. On a gross basis the NYCERS Portfolio exceeds the NFI-ODCE over the one-year, three-year, five-year, ten-year and since inception time periods. It underperformed on a gross basis during the Quarter. The benchmark return contemplates a 100 bps premium over the ODCE net return over full market cycles. This benchmark is exceeded over the three-year, five-year and ten-year time periods. The various components of the Portfolio returns are depicted in the chart below.

Core/Core Plus

As of September 30, 2015 the market value of the Core/ Core Plus Portfolio was \$1.4 billion, or 53.9% on an invested basis. On a funded and committed basis, the Core/ Core Plus Portfolio totaled \$1.5 billion, or 44.0% of the total Portfolio. The Core/ Core plus Portfolio generated a 3.9% total gross return for the Quarter comprised of 1.2% in income and 2.7% in appreciation. The total net return for the Quarter was 3.6%.

The most significant contributor to the Quarterly return in the Core/Core Plus sector was PRISA II, contributing 0.16% to the overall performance. The largest detractor from the Core/Core Plus Portfolio was RREEF America REIT III, which took away (0.11)% from the total net return.

Post economic downturn, the Core/Core Plus Portfolio achieved a 13.0% net return over the three-year period ending September 30, 2015. Of the 14 Core/Core Plus Funds, JP Morgan Special Situation Fund was the largest contributor, adding 0.30% to the overall performance of the Portfolio. UBS Trumbull Property Fund was the largest detractor, taking away (0.62)% from the overall performance of the Core/Core Plus Portfolio, however, with its low leverage target, UBS historically outperforms during down cycles.

Non-Core

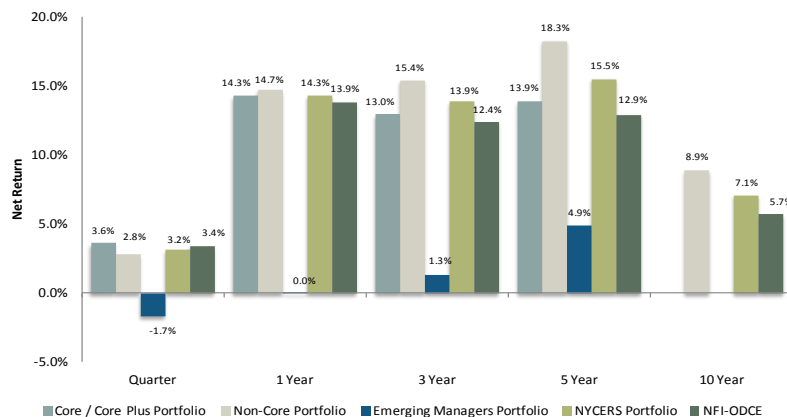
As of September 30, 2015 the market value of the Non- Core Portfolio was \$1.2 billion, or 44.7% on an invested basis. On a funded and committed basis, the Non-Core Portfolio totaled \$1.8 billion, or 54.3% of the total Portfolio. The Non-Core Portfolio generated a 3.4% total gross return for the Quarter comprised of 1.4% in income and 2.0% in appreciation. The total net return for the Quarter was 2.8%.

Of the 32 Non-Core Funds that contributed to the Quarterly return of the Portfolio, PRISA III was the largest contributor, adding 0.36%. Blackstone Real Estate Partners VI was the largest detractor for the Quarter, taking away (0.91)% from the overall performance of the Non-Core Portfolio.

The Non-Core Portfolio generated a three-year net return of 15.4%. Of the 32 non-core Funds that contributed to the three-year performance of the Portfolio, Blackstone Real Estate Partners VII was the largest contributor, adding 1.13%. The largest detractor among these Funds was The City Investment Fund, which took away (1.23)% from overall Non-Core performance.

Emerging Managers

As of September 30, 2015 the market value of the Emerging Managers Portfolio was \$38.4 million, or 1.5% on an invested basis. On a funded and committed basis, the Emerging Managers Portfolio totaled \$57.6 million, or 1.7% of the total Portfolio. The Emerging Managers Portfolio generated a (0.6)% total gross return for the Quarter comprised of 0.8% in income and (1.5)% in appreciation. The total net return for the Quarter was (1.7)%. 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.



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PERFORMANCE

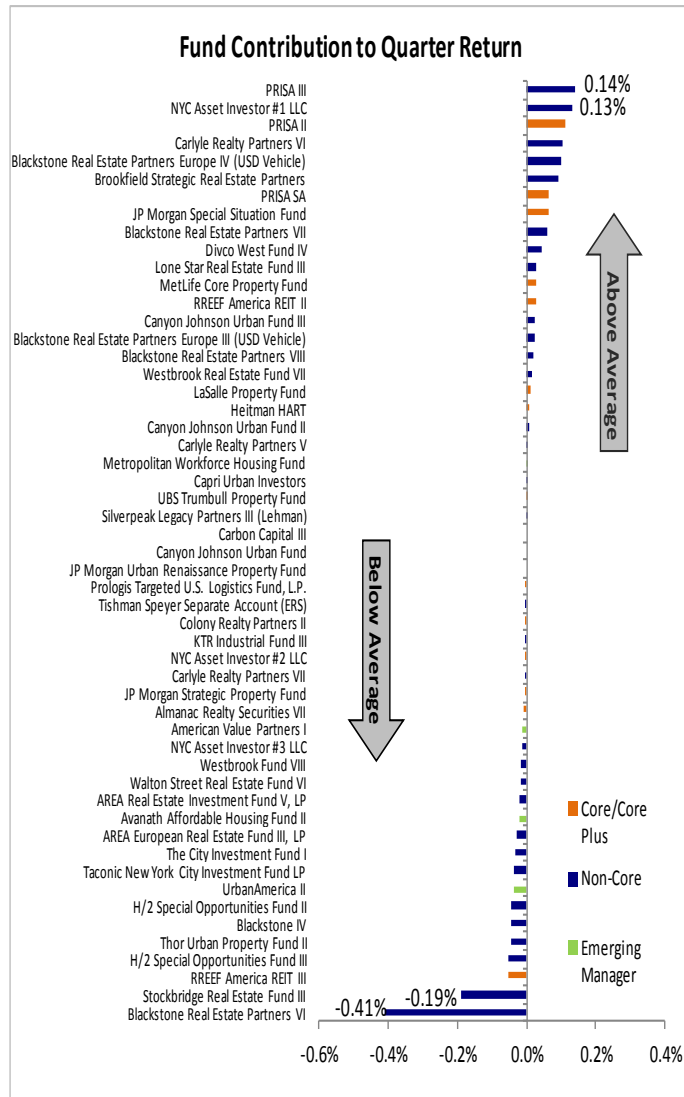
Portfolio Performance

At the end of the Third Quarter 2015, the Portfolio had a cumulative market value of \$2.6 billion. Total market value plus unfunded commitments was \$3.4 billion, or 109.1% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 3.6% which was comprised of 1.3% income and 2.3% appreciation. The Portfolio achieved a total net return of 3.2%. Since inception, the Portfolio has a net IRR of 7.3% and an equity multiple of 1.3x as of September 30, 2015. Note, attached as Exhibit B are performance metrics relating to each investment within the Portfolio.

The Quarterly return was driven PRISA III which contributed 0.14% to the overall performance. The primary laggard in the Portfolio was Blackstone Real Estate Partners VI detracting (0.41)%. 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.

PRISA III. PRISA III generated a 7.0% gross return during the Quarter, comprised of 1.8% in income and 5.2% in appreciation. The net return after fees was 6.6%. Appreciation for the Quarter was driven by the apartment sector contributing \$81.4 million or 97% of total appreciation. The apartment asset located in Santa Monica, California generated \$17.1 million in appreciation due to the lease rate of 64% and rental rates 21% above pro-forma at the end of the Quarter. An Apartments asset in Charleston, South Carolina was near completion as of the end of the Quarter and generated \$10.4 million in appreciation. The office sector in the Fund had relatively flat performance for the Quarter with only \$3.6 million in appreciation. Income return was generated by a termination payment of \$14 million from a tenant at an office asset in San Diego. This payment was offset by a \$8.4 million decline in value due to a single tenant vacancy. Acquisitions for the Quarter totaled \$69.2 million in equity for a multifamily asset in Plano, Texas and additional equity used for funding for existing projects. For the Quarter ending September 30, 2015 \$7.4 million was distributed to partners.

NYC Asset Investor #1 LLC (VanBarton). The Fund's total gross return for the Quarter was 11.6% comprised of 0.5% in income and 11.0% in appreciation. The net return after fees was 11.3%. As of September 30, 2015 total fund capitalization was \$251.0 million consisting of \$143.0 million in equity. Overall, the portfolio experienced a 6.5% increase in realized valuations during the Third Quarter. Unrealized value at the retail/office property located in Queens New York increased 37.1% for the Quarter. This was due to the WeWork lease signed resulting in the property being 100% occupied, broker opinion-of-values and the recent purchase offer of \$67 million. The retail/office asset in Brooklyn experienced operating performance approximately 13% higher than budgeted net performance with \$218,000 in net operating income.



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

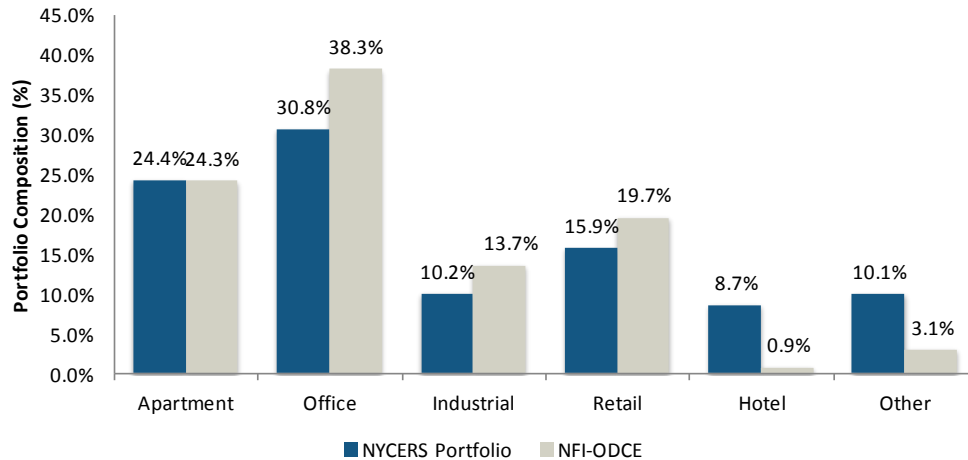
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PROPERTY TYPE DIVERSIFICATION

The diversification of the current Portfolio by property type is shown below and compared to the diversification of the NCREIF-ODCE at the end of the Quarter. Relative to the ODCE, the Portfolio is underweight to office, industrial and retail. The Portfolio is overweight to hotel and other property types which includes debt-related investments and can include other investments within diversified funds in for sale residential, self storage, land, data centers, senior living, healthcare, medical office and student housing.

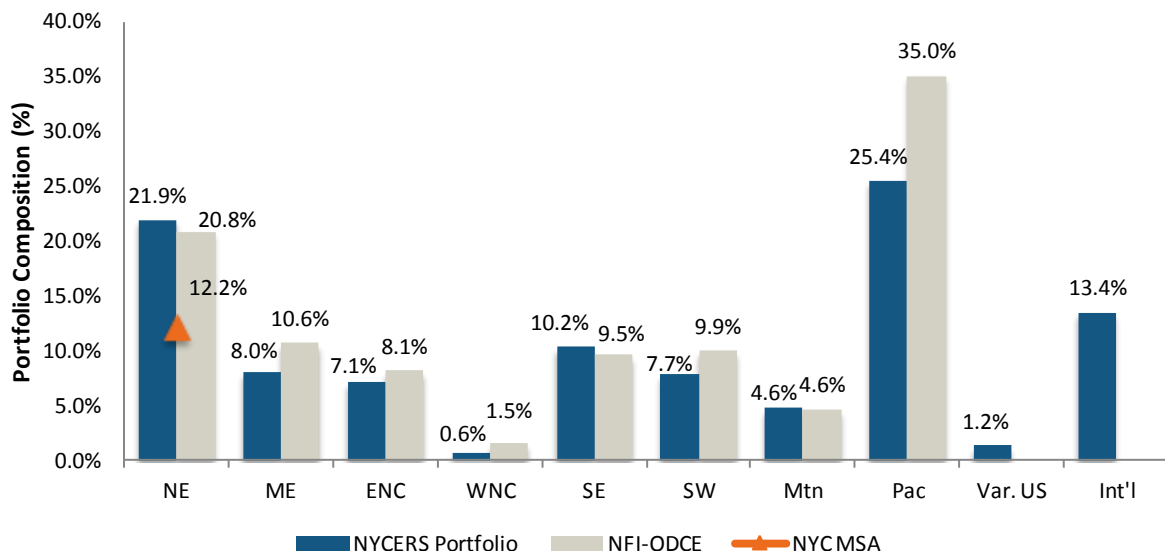
Property Type Diversification



GEOGRAPHIC DIVERSIFICATION

The diversification of the current funded Portfolio by geographic region is shown below and compared to the diversification of the NFI-ODCE at the end of the Quarter. The ODCE is a US-only index. The domestic portion of the Portfolio is well diversified relative to the ODCE with a slight overweight to the Northeast and Southeast and a slight underweight to several other geographic sectors. The 13.4% international exposure is appropriate for the risk and return profile of NYCERS and consistent with our long-term target.

Geographic Diversification



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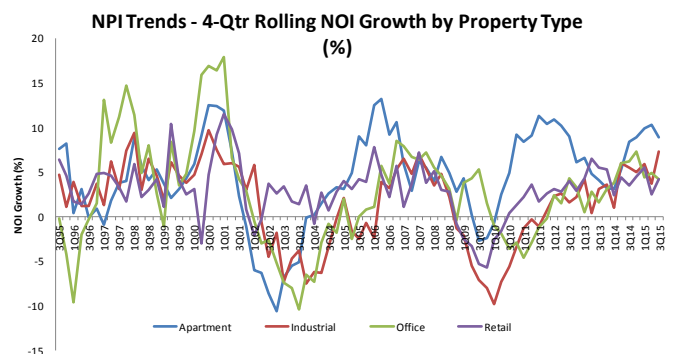
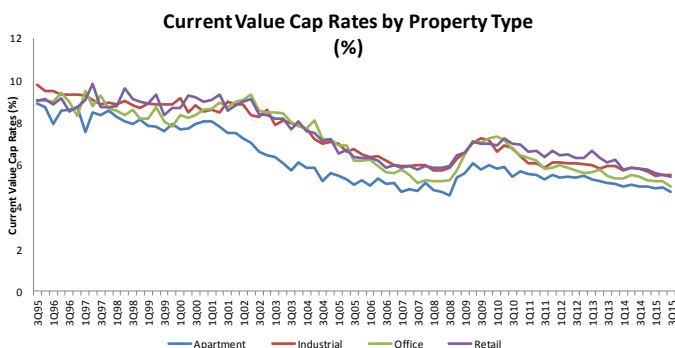
MARKET UPDATE

General

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

Commercial Real Estate

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



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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 outperform the benchmark over the three, five and ten year time periods.</i>
Portfolio Composition	Core/Core Plus (minimum of 40%)	<i>The portfolio is funded (market value) and committed at 109.1% of real asset allocation with a portfolio composition of 44.0% core, 54.3% non-core, and 1.7% emerging.</i>
	Non Core (minimum of 40%)	
	Non Core Emerging	
Real Asset Allocation	Target of 6.0%	<i>Funded (market value) and committed dollars place the portfolio at 6.5% of total plan assets.</i>
	Currently Funded at 5.1%	
Property Type Diversification	Up to 40% Multifamily Up to 35% Industrial Up to 45% Office Up to 35% Retail Up to 25% Hotel Up to 20% Other	<i>All property type locations are in compliance.</i>
Geographic Diversification	Diversified geographically Max 25% Ex-US	<i>All geographic type locations are in compliance</i>
LTV	65%	<i>Portfolio is in compliance (40.7 %).</i>
Manager Exposure	15% of real estate allocation	<i>Manager exposure is in compliance based on market value.</i>

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EXHIBIT B: THIRD QUARTER 2015 FOIL



New York City Employees' Retirement System

Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2015	Almanac Realty Securities VII	4/24/2015	65,000,000	13,345,422	0	13,290,422	1.0	-2.3
2007	Colony Realty Partners II	12/20/2006	20,000,000	21,420,211	-666,108	8,124,600	0.4	-10.9
2007	Heitman HART	3/29/2007	115,000,000	153,469,157	-38,469,157	195,818,207	1.5	7.9
2007	JP Morgan Special Situation Property Fund	1/2/2007	90,000,000	101,531,204	-23,042,138	105,705,980	1.3	3.2
2007	JP Morgan Strategic Property Fund	12/4/2006	136,000,000	147,579,250	0	237,422,015	1.6	6.9
2010	LaSalle Property Fund	7/1/2010	50,000,000	50,000,000	-8,167,744	64,799,410	1.5	12.8
2014	MetLife Core Property Fund	7/1/2014	50,000,000	50,000,000	-1,757,044	54,180,301	1.1	20.2
2013	NYC Asset Investor #2 LLC	7/9/2013	75,000,000	51,763,813	-8,894,649	49,748,595	1.1	12.2
2007	PRISA II	6/30/2007	141,518,761	149,597,017	-23,854,020	177,895,608	1.3	4.5
2006	PRISA SA	9/29/2006	86,000,000	91,971,383	-19,214,431	107,409,548	1.4	3.9
2006	Prologis Targeted U.S. Logistics Fund	10/1/2006	25,000,000	31,511,863	-6,786,960	28,438,405	1.1	1.6
2006	RREEF America REIT II	10/1/2006	86,000,000	113,537,802	-46,120,920	106,933,073	1.3	4.5
2007	RREEF America REIT III - 1410	10/1/2007	90,000,000	90,000,000	-43,893,762	8,151,691	0.6	-7.5
2006	UBS Trumbull Property Fund	9/28/2006	156,000,000	206,998,649	-40,656,777	249,157,090	1.4	6.3
Core / Core Plus Portfolio			1,185,518,761	1,272,725,770	-261,523,709	1,407,074,945	1.3	4.5
2008	AREA European Real Estate Fund III, LP	5/6/2008	30,000,000	30,487,500	-28,155,000	8,026,066	1.2	4.6
2006	AREA Real Estate Investment Fund V, LP	6/15/2006	25,000,000	25,000,001	-9,268,520	12,862,290	0.9	-2.0
2004	Blackstone Fund IV	5/10/2004	30,000,000	38,440,704	-42,090,975	13,117,389	1.4	11.5
2010	Blackstone Real Estate Partners Europe III (USD Vc)	10/24/2008	50,000,000	50,859,563	-31,414,419	41,925,157	1.4	14.7
2014	Blackstone Real Estate Partners Europe IV (USD Vc)	12/23/2013	169,000,000	99,220,006	-10,224,773	98,757,761	1.1	10.5
2007	Blackstone Real Estate Partners VI	9/27/2007	110,000,000	121,423,991	-150,844,936	76,787,402	1.9	13.5
2012	Blackstone Real Estate Partners VII	3/31/2012	170,000,000	190,019,460	-102,759,954	179,237,965	1.5	25.6
2015	Blackstone Real Estate Partners VIII	8/18/2015	151,000,000	6,526,949	0	7,142,847	n/a	n/a
2012	Brookfield Strategic Real Estate Partners	9/20/2012	100,000,000	100,662,023	-24,874,226	102,468,787	1.3	17.7
2003	Canyon Johnson Urban Fund	12/6/2002	15,000,000	13,590,364	-15,874,432	0	1.2	10.2
2005	Canyon Johnson Urban Fund II	5/11/2005	40,000,000	35,954,818	-7,727,927	10,188,161	0.5	-9.2
2010	Canyon Johnson Urban Fund III	3/29/2010	30,000,000	29,586,980	-37,987,841	2,624,184	1.4	12.7
2008	Capri Urban Investors	6/3/2008	60,000,000	59,980,707	-15,777,250	35,523,053	0.9	-2.9
2009	Carbon Capital III	7/2/2009	40,000,000	43,757,162	-53,134,591	0	1.2	8.5
2007	Carlyle Realty Partners V	8/27/2007	20,000,000	24,904,381	-26,049,950	7,569,251	1.3	8.3
2011	Carlyle Realty Partners VI	9/14/2011	70,000,000	63,286,685	-52,219,201	48,455,483	1.6	29.8
2014	Carlyle Realty Partners VII	6/30/2014	80,000,000	19,757,677	0	18,896,142	1.0	-11.3
2014	Divco West Fund IV	1/15/2014	23,000,000	20,915,719	-2,827,576	23,570,954	1.3	27.3
2011	H/2 Special Opportunities Fund II	1/31/2011	40,000,000	39,999,999	-21,920,972	31,931,949	1.3	16.2
2015	H/2 Special Opportunities Fund III	12/29/2014	65,000,000	16,457,620	0	16,909,077	1.0	7.4
2009	JP Morgan Urban Renaissance Property Fund	12/18/2008	16,360,625	4,206,523	-4,206,523	0	1.0	0.0
2013	KTR Industrial Fund III	6/28/2013	40,000,000	17,479,475	-27,417,626	221,714	1.6	40.6
2014	Lone Star Real Estate Fund III	5/20/2014	100,000,000	71,798,847	-11,956,049	70,178,582	1.1	20.0
2013	NYC Asset Investor #1 LLC	6/25/2013	50,000,000	39,639,715	-5,371,486	45,714,923	1.3	26.5
2013	NYC Asset Investor #3 LLC	9/20/2013	50,000,000	11,400,299	-195,673	11,613,828	1.0	3.4
2008	PRISA III	9/30/2008	50,000,000	56,537,333	0	109,036,212	1.9	12.6
2008	Silverpeak Legacy Partners III	5/28/2008	50,000,000	22,168,479	-2,003,826	7,281,675	0.4	-12.6
2008	Stockbridge Real Estate Fund III	9/9/2008	27,000,000	26,285,345	0	36,276,835	1.4	6.7
2012	Taconic New York City Investment Fund LP	7/5/2012	70,000,000	28,954,546	-636,364	39,426,566	1.4	12.8
2004	The City Investment Fund I	3/16/2004	225,000,000	221,883,300	-221,759,650	3,047,253	1.0	0.3
2009	Thor Urban Property Fund II	10/30/2008	40,000,000	51,756,666	-32,801,010	36,923,752	1.3	10.5
2004	Tishman Speyer Separate Account (ERS)	12/16/2003	100,000,000	71,066,452	-259,238,975	84,963	3.6	63.2
2009	Walton Street Real Estate Fund VI	4/27/2009	50,000,000	44,323,933	-31,491,758	34,879,632	1.5	10.6
2008	Westbrook Real Estate Fund VII	12/3/2007	40,000,000	43,370,388	-28,775,762	21,774,475	1.2	3.1
2010	Westbrook Real Estate Fund VIII	12/28/2009	50,000,000	59,156,035	-62,311,307	14,952,102	1.3	12.9
2008	American Value Partners Fund I	10/18/2007	55,000,000	39,149,355	-24,675,140	20,213,194	1.1	3.4
2015	Avanath Affordable Housing Fund II	7/14/2015	8,000,000	6,522,390	0	6,133,297	0.9	-31.1
2007	Metropolitan Workforce Housing Fund	7/13/2007	14,000,000	14,013,027	-6,184,768	9,364,123	1.1	2.4
2007	UrbanAmerica II	1/30/2007	25,000,000	23,222,735	-938,145	2,701,238	0.2	-22.3
Non Core and Emerging Manager Portfolio			2,378,360,625	1,883,767,153	-1,353,116,606	1,205,818,281	1.4	11.4
New York City Employees' Retirement System			3,563,879,386	3,156,492,923	-1,614,640,316	2,612,893,225	1.3	7.3

Source: PCG historical cash flow data. TTG cash flow data from Fund Managers, effective 2005. Note: The equity multiples and IRRs contained in this report are interim calculations based upon information provided by the investment managers of the New York City Retirement Systems, including cash flows and quarterly unaudited, or audited, valuations. The IRR calculated in early years of a fund life is not meaningful given the J-curve effect and can be significantly impacted by the timing of cash flows, investment strategy, investment pacing, and fund life. The calculations are not necessarily indicative of total fund performance, which can only be determined after the fund is liquidated and all capital contributed and earnings have been distributed to the investor. All data supplied is as of September 30, 2015. Note: The General Partner of the JPMorgan Urban Renaissance Fund terminated the Fund on February 23, 2010 and all capital contributed, including management fees, was returned to investors.

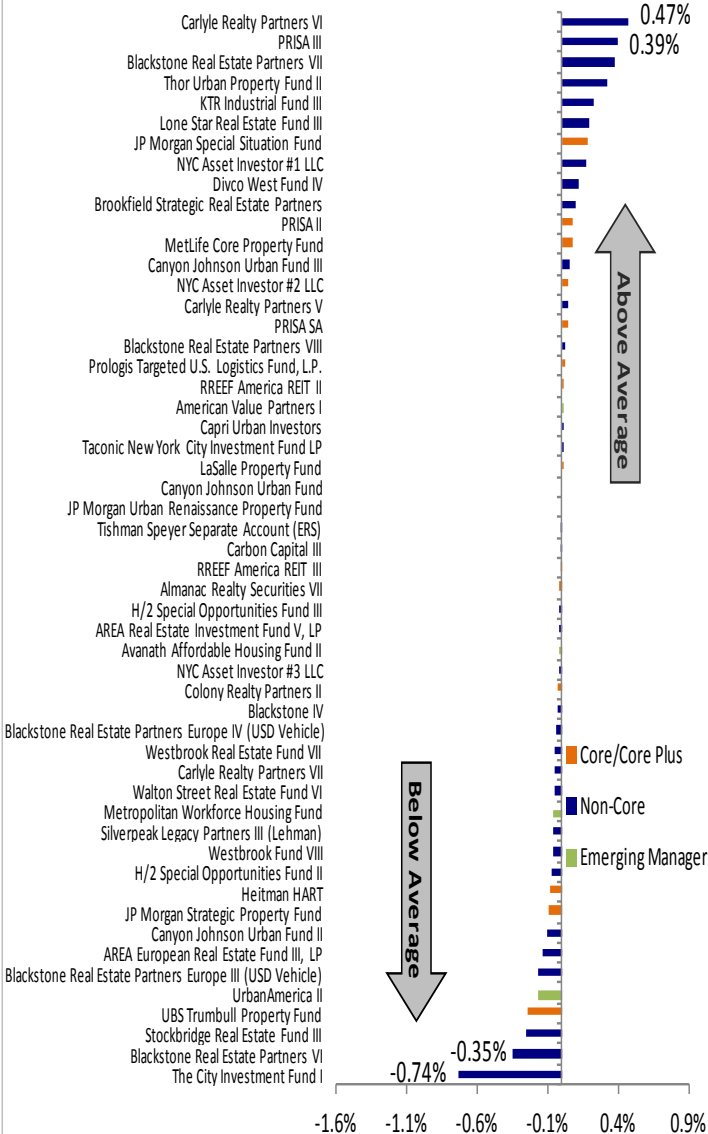
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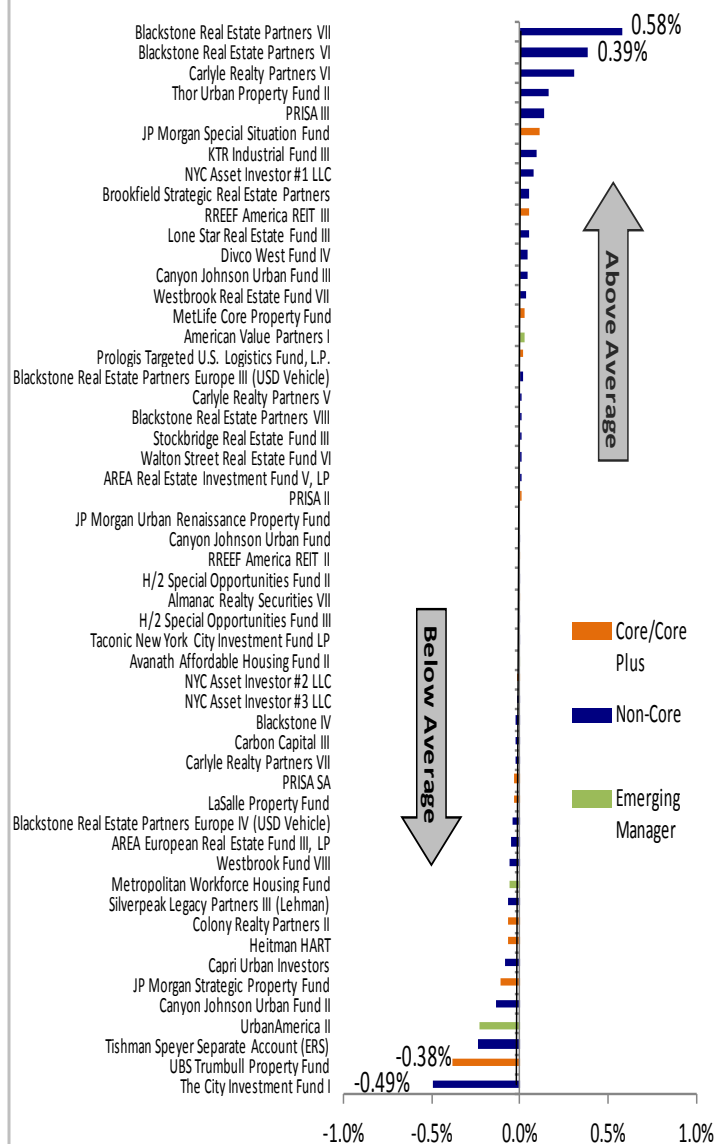
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EXHIBIT C : ATTRIBUTION

Fund Contribution to 1 Year Return



Fund Contribution to 3 Year Return





Infrastructure Monitoring Report

For the period ended September 30, 2015

Report Prepared For:

New York City Employees' Retirement System



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

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

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

I. Executive Summary

New York City Employees' Retirement System ("NYCERS") established the Infrastructure Program (the "Program") in December of 2012 on behalf of its beneficiaries to participate in attractive long-term investment opportunities and to provide diversification to its overall pension investment portfolio.

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

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

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

Since inception through September 30, 2015, the Program has committed US\$272.0 million to four partnership investments (the "Portfolio"). This quarterly monitoring report covers the performance of the Portfolio as of September 30, 2015 as well as significant activity that occurred during the third quarter of 2015.

Allocation Summary

NYCERS has a Real Assets allocation target of 6% (plus or minus 2%) of total pension assets. Infrastructure is a component asset class within the NYCERS Real Assets investment program.

As of September 30, 2015, the market value of NYCERS Real Assets Program represented approximately 5.2% of total pension assets. The market value of NYCERS Infrastructure Program represented approximately 0.2% of total pension assets, a three basis point increase from the prior quarter.

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

US\$ in millions *	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Total Pension Assets *	\$51,555.0	\$54,289.0	\$52,725.0	(\$2,734.0)	(\$1,170.0)
Total Real Assets *	\$2,705.0	\$2,633.0	\$2,380.0	\$72.0	\$325.0
% Allocation to Real Assets (Target of 6% +/- 2%)	5.2%	4.8%	4.5%	+ 40 bps	+ 73 bps
Total Infrastructure Assets	\$122.0	\$113.5	\$25.5	\$8.5	\$96.5
% Allocation to Infrastructure vs. Total Pension Assets	0.2%	0.2%	0.0%	+ 3 bps	+ 19 bps
% Allocation to Infrastructure vs. Total Real Assets	4.5%	4.3%	1.1%	+ 20 bps	+ 344 bps

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

Performance Summary

As of September 30, 2015, the Infrastructure Program has achieved a Total Value to Paid-In multiple of 1.1x invested capital and an IRR of 13.3%. Note that, given the relative immaturity of the Portfolio and underlying fund investments, the current performance to-date is not meaningful.

US\$ in millions *	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Number of Managers	4	4	3	0	1
Number of Investments	4	4	3	0	1
Committed Capital ¹	\$272.0	\$272.0	\$195.0	\$0.0	\$77.0
Contributed Capital	\$117.4	\$112.0	\$25.6	\$5.4	\$91.8
Distributed Capital	\$4.2	\$3.2	\$0.9	\$1.0	\$3.3
Market Value	\$122.0	\$113.5	\$25.5	\$8.5	\$96.5
Total Value	\$126.2	\$116.7	\$26.4	\$9.5	\$99.8
Total Gain/(Loss)	\$8.8	\$4.7	\$0.8	\$4.1	\$8.0
Unfunded Commitment	\$154.9	\$160.1	\$169.5	(\$5.2)	(\$14.6)
Exposure ²	\$276.9	\$273.6	\$195.0	\$3.3	\$81.9
DPI ³	0.0x	0.0x	0.0x	0.0x	0.0x
TVPI ⁴	1.08x	1.04x	1.03x	0.04x	0.05x
IRR ⁵	13.3%	12.1%	8.2%	1.2%	5.1%
TVPI Net of StepStone Fees ⁶	1.07x	1.04x	1.03x	0.03x	0.04x
IRR Net of StepStone Fees ⁶	13.2%	12.0%	8.2%	1.2%	5.0%

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

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

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

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

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

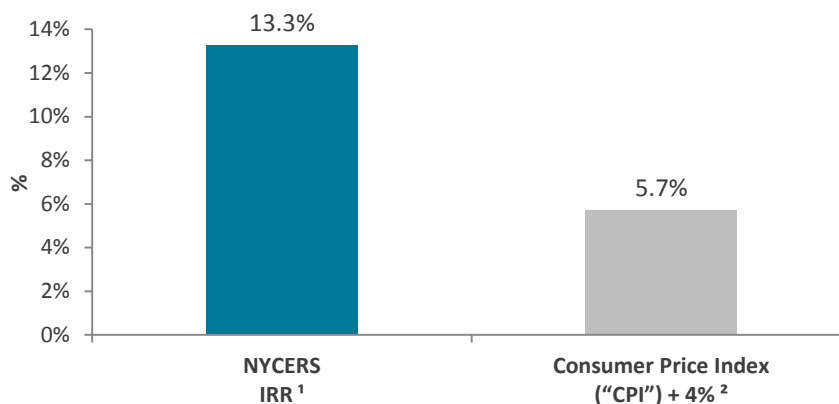
⁵ IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund managers' fees, expenses and carried interest.

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

Portfolio Performance vs. Benchmarks

The performance benchmark for the Infrastructure Portfolio is to meet or exceed the Consumer Price Index ("CPI") plus 4% net of fees over a rolling 5-year period. The Infrastructure Portfolio is expected to generate a total return, net of investment management fees, of at least 7.6%.

As of September 30, 2015, the Program outperformed the benchmark by 7.6%. However, as noted previously, given the relative immaturity of the Portfolio, the current performance to-date versus benchmarks is not meaningful. The following graph illustrates Portfolio IRR performance versus the benchmark as of September 30, 2015.



¹NYCERS since inception Internal Rate of Return ("IRR") is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund managers' fees, expenses and carried interest. **Past performance is not necessarily indicative of future results.**

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

Portfolio Diversification

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

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

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

As of September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
By Strategy:						
Core	122.0	100.0%	154.9	100.0%	276.9	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
Total	122.0	100.0%	154.9	100.0%	276.9	100.0%
By Geographic Focus:						
Global	37.4	30.7%	40.5	26.2%	77.9	28.1%
OECD	84.6	69.3%	114.4	73.8%	199.0	71.9%
Total	122.0	100.0%	154.9	100.0%	276.9	100.0%
By Industry Focus:						
Diversified	119.9	98.3%	112.6	72.7%	232.5	84.0%
Energy	2.1	1.7%	42.3	27.3%	44.4	16.0%
Total	122.0	100.0%	154.9	100.0%	276.9	100.0%

II. Infrastructure Market Overview

Market Overview

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

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

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

Investment activity in Latin America remains strong. In Mexico, recent changes in government policy are driving growth in infrastructure investment opportunities. Policy initiatives include allowing foreign investment in the energy sector and a National Infrastructure Plan that contains 743 projects requiring investment of approximately US\$600 billion from 2014 to 2018. StepStone is aware of several infrastructure fund managers reviewing opportunities in Mexico. Infrastructure is a political and economic priority in many other parts of Latin America, including Brazil, Chile, Peru and Columbia, each of which continues to provide a range of potential investment opportunities. Recent economic volatility in Brazil has created rare opportunities to buy large-scale, core infrastructure assets from state-owned companies. In an effort to improve productivity, the Brazilian government recently unveiled a package of infrastructure projects for private-sector firms to build and operate.

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

Infrastructure Fundraising

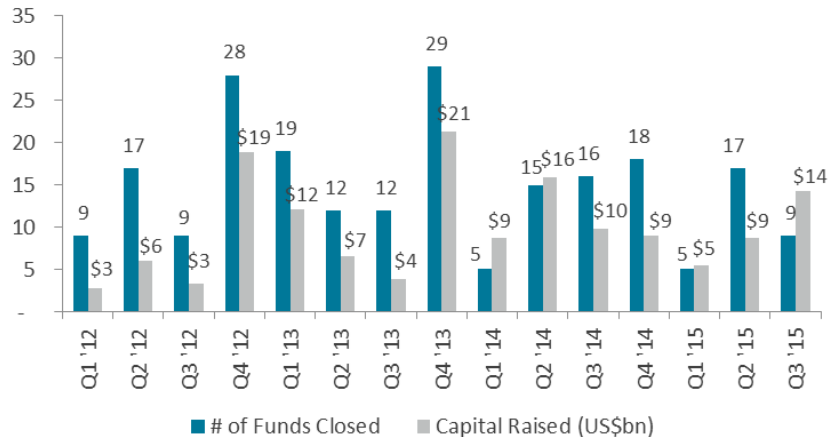
Fundraising for infrastructure strategies continues to be robust with a large number of funds in market. Fund managers that have closed infrastructure funds in 2015 have raised an average of 105% of their initial targets, the highest since 2008.

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

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

Unlisted Infrastructure Fundraising

Source: Preqin

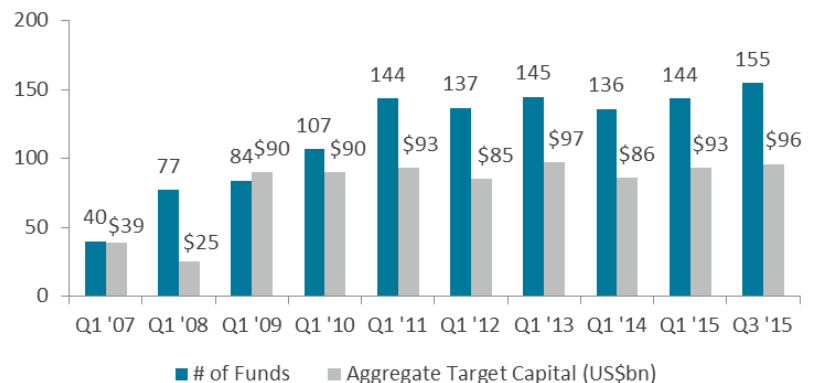


Fund	General Partner	Size	Final Close Date	Location Focus
ArcLight Energy Partners Fund VI	ArcLight Capital Partners	\$ 5,575	Jul-15	North America, West Europe
KKR Global Infrastructure Investors II	KKR	\$ 3,100	Jul-15	Global
Copenhagen Infrastructure II	Copenhagen Infrastructure Partners	€ 2,000	May-15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

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

Unlisted Infrastructure Fundraising

Source: Preqin



Major Transactions

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

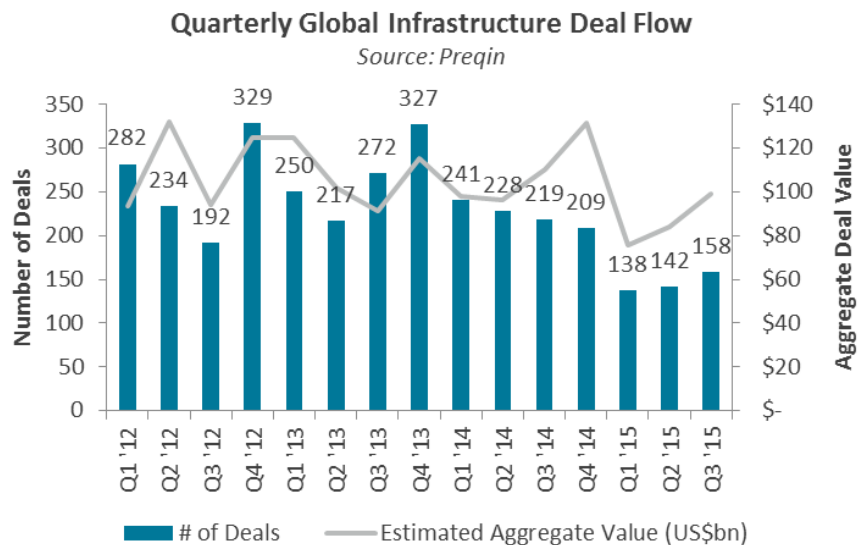
In July 2015, a consortium comprising Dalmore Capital, Allianz Capital Partners, Amber Infrastructure, International Public Partnerships (INPP), DIF and Swiss Life Asset Managers was selected as preferred bidder for the £4.2 billion Thames Tideway Tunnel project. The project involves the construction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

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

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

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

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



III. Portfolio Review

Quarterly Highlights

- **No New Investment Commitments** – There were no new investment commitments made during the third quarter of 2015.
- **Subsequent Investment Commitments** – Subsequent to quarter-end through February 5, 2016, the Program has not closed on any additional investment commitments.
- **Cash Outflow Decreased** – During the third quarter of 2015, the Program made US\$5.4 million of contributions and received US\$1.0 million of distributions, for a net cash outflow of US\$4.4 million. This compared to a net cash outflow of US\$75.8 million during the prior quarter. Net cash flow is expected to remain negative for the next several years as the Program's committed capital is drawn down for investments, fees and expenses by fund managers.
- **Valuation Increased** – During the third quarter of 2015, net of cash flow activity, the valuation of the Portfolio increased by approximately US\$4.1 million, or 3.5%, from the prior quarter. The valuation increase reflects the increase in value of underlying investments in Brookfield Infrastructure Fund II, IFM Global Infrastructure Fund, and KKR Global Infrastructure Investors II.
- **One New Underlying Fund Investment** – During the third quarter of 2015, the Portfolio made a new investment in FR Warehouse Holdings LLC, a portfolio of renewable assets in North America.
- **No Exits** – There were no exits of investment positions during the quarter.

Performance by Vintage Year

The following table illustrates the Portfolio's since-inception investment performance by vintage year as of September 30, 2015. Note that the performance of funds that are less than one year old is not meaningful.

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

Vintage Year	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Total Value	Total Gain/ (Loss)	Unfunded Commitment	Exposure	DPI	TVPI	IRR
2013	\$75.0	\$34.5	\$4.0	\$37.4	\$41.4	\$6.9	\$40.5	\$77.9	0.1x	1.2x	18.4%
2014	197.0	82.9	0.2	84.6	84.8	1.9	114.4	199.0	NM	NM	NM
Total	\$272.0	\$117.4	\$4.2	\$122.0	\$126.2	\$8.8	\$154.9	\$276.9	0.0x	1.1x	13.3%

Performance by Strategy and Industry Focus

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

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

Strategy/Industry	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Total Value	Total Gain/ (Loss)	Unfunded Commitment	Exposure	DPI	TVPI	IRR
Core	\$272.0	\$117.4	\$4.2	\$122.0	\$126.2	\$8.8	\$154.9	\$276.9	0.0x	1.1x	13.3%
Diversified	227.0	114.7	4.2	119.9	124.1	9.4	112.6	232.5	0.0x	1.1x	14.4%
Energy	45.0	2.7	-	2.1	2.1	(0.6)	42.3	44.4	NM	NM	NM
Total	\$272.0	\$117.4	\$4.2	\$122.0	\$126.2	\$8.8	\$154.9	\$276.9	0.0x	1.1x	13.3%

Performance by Geographic Focus

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

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

Geographic Focus	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Total Value	Total Gain/ (Loss)	Unfunded Commitment	Exposure	DPI	TVPI	IRR
Global	\$75.0	\$34.5	\$4.0	\$37.4	\$41.4	\$6.9	\$40.5	\$77.9	0.1x	1.2x	18.4%
OECD	197.0	82.9	0.2	84.6	84.8	1.9	114.4	199.0	NM	NM	NM
Total	\$272.0	\$117.4	\$4.2	\$122.0	\$126.2	\$8.8	\$154.9	\$276.9	0.0x	1.1x	13.3%

Portfolio Diversification

By Strategy, Geography and Industry Focus

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

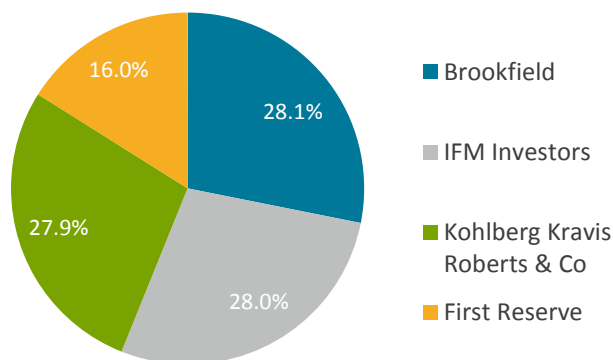
- Core Infrastructure Investments: 60% to 100%; and
- Non-Core Infrastructure Investments: 0% to 40%.

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

As of September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
By Strategy:						
Core	122.0	100.0%	154.9	100.0%	276.9	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
Total	122.0	100.0%	154.9	100.0%	276.9	100.0%
By Geographic Focus:						
Global	37.4	30.7%	40.5	26.2%	77.9	28.1%
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Diversified	119.9	98.3%	112.6	72.7%	232.5	84.0%
Energy	2.1	1.7%	42.3	27.3%	44.4	16.0%
Total	122.0	100.0%	154.9	100.0%	276.9	100.0%

By Investment Manager

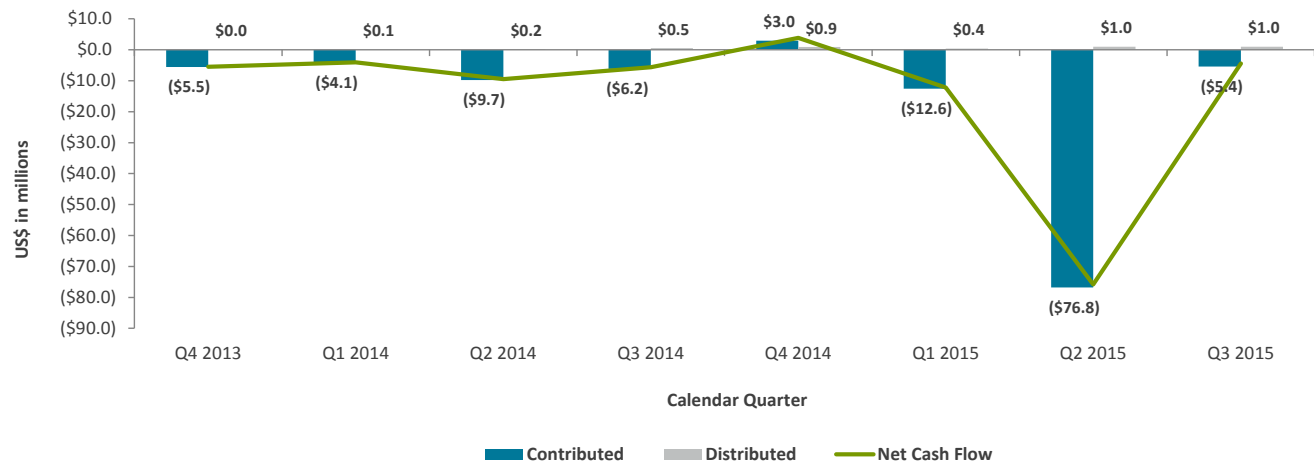
As of September 30, 2015, the Program had made four investment commitments to four managers. NYCERS seeks to limit its exposure to any single manager to no more than 10% of the total Real Assets Program when fully invested. As the Program matures and closes on additional commitments, the single manager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



Portfolio Cash Flow Analysis

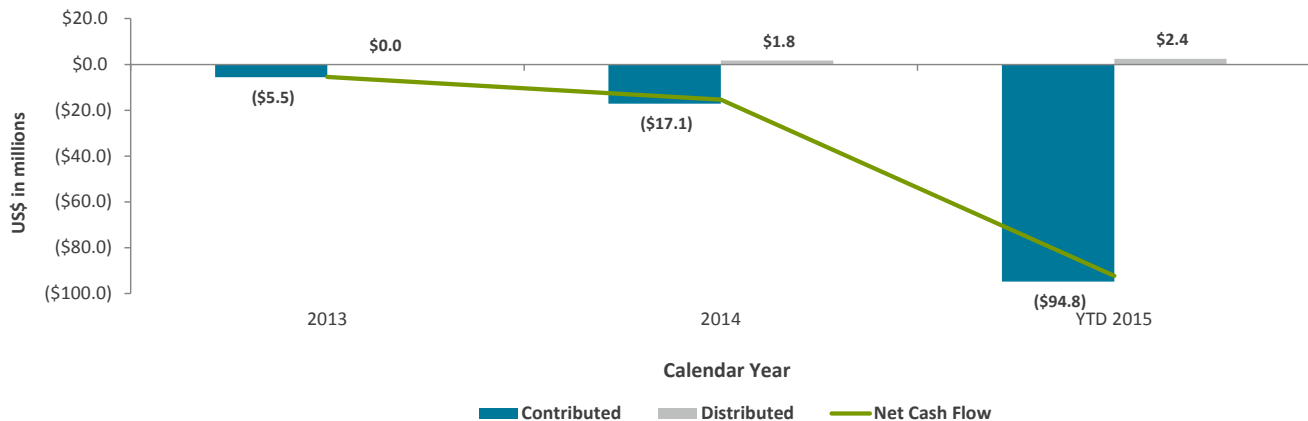
Quarterly Cash Flow Activity

During the third quarter of 2015, the Program made US\$5.4 million of contributions and received US\$1.0 million of distributions, for a net cash outflow of US\$4.4 million. As of September 30, 2015, four fund investments in the Portfolio had cash flow activity. As the Program's commitment and investment activity increases, net cash outflow is expected to increase. The graph below illustrates cash flow activity since inception by calendar quarter.



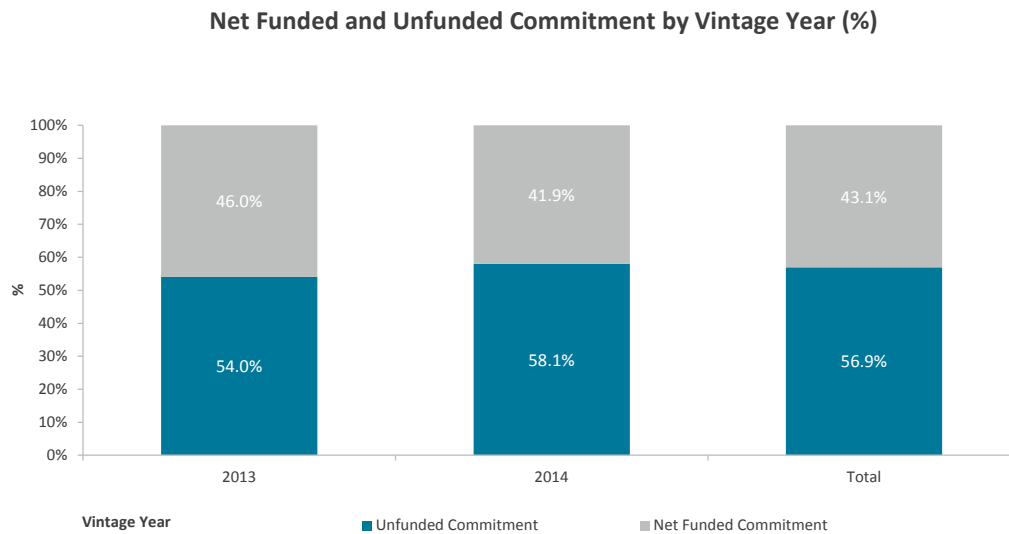
Annual Cash Flow Activity

During the first nine months of 2015, the Program made US\$94.8 million of contributions and received US\$2.4 million of distributions, for a net cash outflow of US\$92.4 million. The graph below illustrates cash flow activity since inception by calendar year.

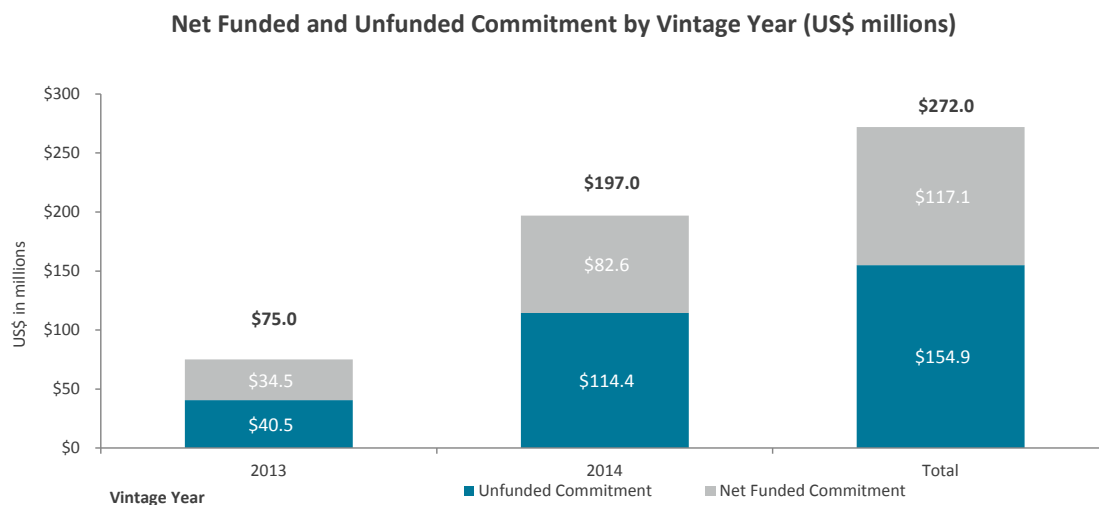


Net Funded and Unfunded Commitments by Vintage Year

The following chart illustrates the Portfolio's net funded commitments (defined as total contributions inside commitment less any returns of excess capital and callable distributions) as a percentage of total capital commitments, by fund vintage year, as of September 30, 2015. Overall, the Portfolio was 56.9% unfunded as of quarter-end.



The following chart illustrates the Portfolio's net funded commitments relative to total capital commitments, by fund vintage year, as of September 30, 2015. Overall, the Portfolio had US\$154.9 million of unfunded commitments as of quarter-end.

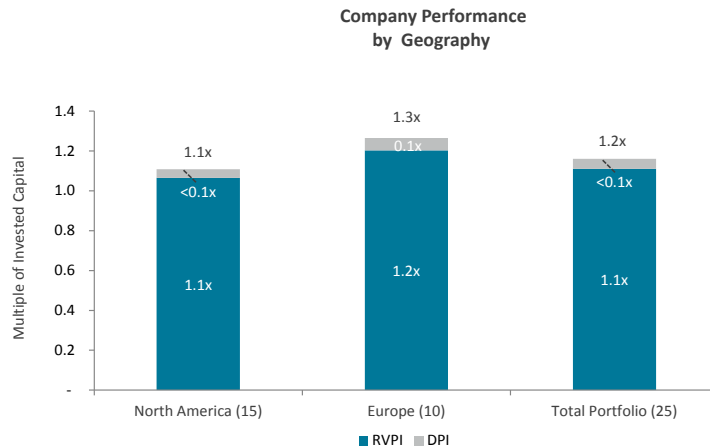
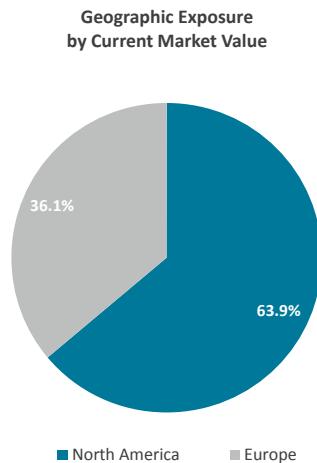


Portfolio Company-Level Analysis

As of quarter-end, the Portfolio had exposure to 25 unique portfolio companies/investment positions. As the Portfolio matures, the number of unique portfolio companies/investment positions is expected to increase significantly. On the individual fund level, all current investments are within the single investment limitation of 15% of total fund size. The Program's individual portfolio investment exposure is relatively concentrated as a result of the relative immaturity of the Program.

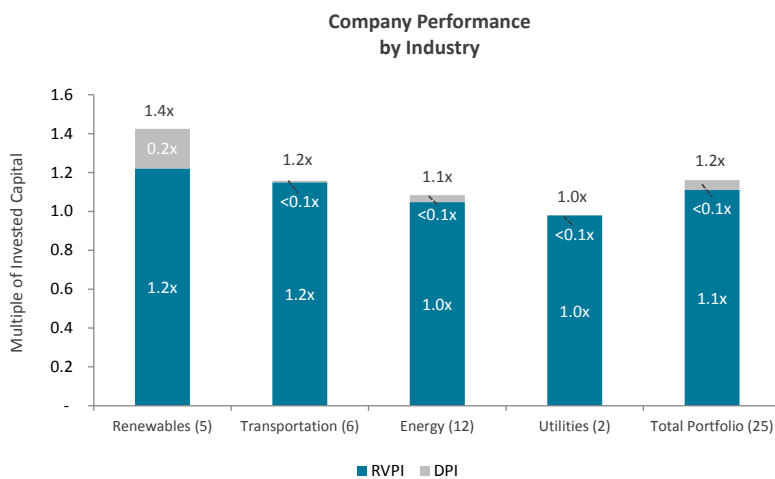
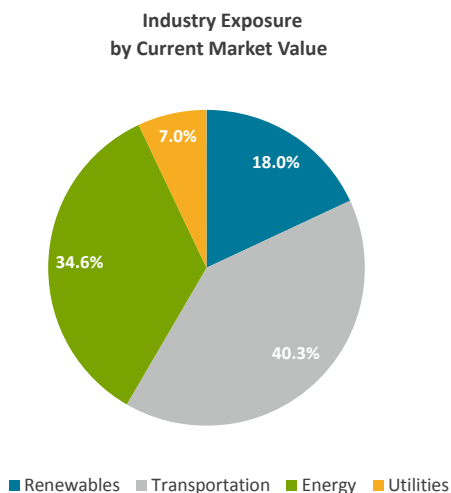
Geographic Exposure and Performance

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



Industry Exposure and Performance

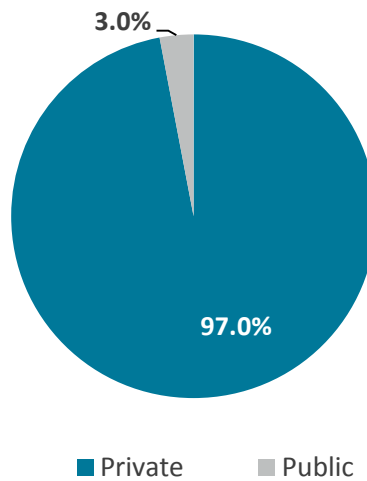
The following charts illustrate the Portfolio's current exposure and performance by industry at the portfolio company level.



Public Market Exposure

As of quarter-end, publicly traded investments comprised 3.0% of the Portfolio's exposed market value. The following chart illustrates the current public market exposure at the portfolio company level.

Public Market Exposure Current Market Value



IV. Risk Management Matrix

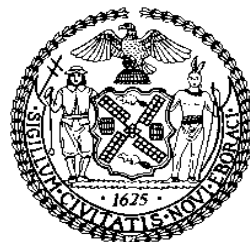
Category	Requirement	Status	Status Notes
Allocation	<p>NYCERS has a Real Assets allocation target of 6% (plus or minus 2%) of total pension assets.</p> <p>Infrastructure is a component asset class within the NYCERS Real Assets investment program.</p>	✓	<p>The market value of NYCERS Real Assets Program currently represents approximately 5.2% of total pension assets and the market value of NYCERS Infrastructure Program represents approximately 0.2% of total pension assets.</p> <p>As the Program matures, its market value as a percentage of the total NYCERS pension assets and the total Real Assets Program is expected to increase.</p>
Performance vs. Benchmarks	<p>The performance benchmark for the Infrastructure Portfolio is to meet or exceed the Consumer Price Index ("CPI") plus 4% net of fees over a rolling 5-year period.</p> <p>The Infrastructure Portfolio is expected to generate a total return, net of investment management fees, of at least 6.5%.</p>	✓	<p>As of September 30, 2015, the Portfolio outperformed the benchmark by 7.6%.</p> <p>However, given the relative immaturity of the Portfolio, the current performance to-date versus benchmarks is not meaningful.</p>
Strategy Diversification	<p>Core Infrastructure Investments: 60-100% Non-Core Infrastructure Investments: 0-40%</p> <p>Actual percentages may differ substantially from these targets during the initial years of the Program.</p>	✓	<p>The Program is in compliance with the Core/Non-Core allocation ranges. Currently the Program only has exposure to Core investments.</p>
Asset Type & Location Diversification	<p>The Program will seek diversification by asset type, revenue drivers, and geography. The portfolio may include a variety of assets including but not limited to electricity transmission, pipelines, airports, toll roads, communication towers and electric generators, windmills etc. to vary the sources of revenue to the portfolio.</p>	✓	<p>Given the relative immaturity of the Portfolio, it is not yet diversified by asset type.</p> <p>The asset types and geographic location of current Portfolio investments are in compliance with the Program's Investment Policy Statement and Permissible Markets.</p>
Leverage	<p>The average leverage of all investments in the Program is to be no higher than 65%.</p>	✓	<p>The Program is in compliance with the average leverage limitation. The current leverage level is 40.1%*.</p>
Single Investment Size & Manager Diversification	<p>The maximum commitment to a single investment is limited to no more than 15% of the aggregate committed capital of each fund.</p> <p>The maximum commitment to a single manager is limited to 10% of the total Real Assets Program allocation when fully invested.</p>	✓	<p>On the individual fund level, all current investments are in compliance with the single investment limitation of 15% of total fund size.</p> <p>The Program is in compliance with the single manager limitation of 10% of the total Real Assets Program.</p> <p>The Program's manager exposure is currently relatively concentrated as a result of the relative immaturity of the Program. Manager diversification is expected to increase as the Program closes on new investment commitments.</p>

*The Program's leverage level is calculated by using a weighted average of each underlying investment's leverage and Net Asset Value as of September 30, 2015.

- Trustee Education/Risk Report:



Risk Management



THE CITY OF NEW YORK
OFFICE OF THE COMPTROLLER

March 16, 2016

2015 Priorities

Risk Management's Focus Was Operational Risk

Projects Included

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



2016 Priorities: Operational Risk Initiatives

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

Holdings Reporting

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

Systems

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

Fee Transparency / Detailed Private Market Reporting

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



2016 Priorities: Market Risk Initiatives

Enhance Risk Reporting Capabilities and Automate Rebalancing Analysis

Automate BAM's rebalancing analysis

Create daily flash P+L reports

Generate weekly risk reports

Extended Risk Reporting Framework

Further develop securities holdings database and reporting tools

Mark-to-market ETI rate locks

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

Asset Teams

Market Risk Team



RISK REPORT DISCUSSION



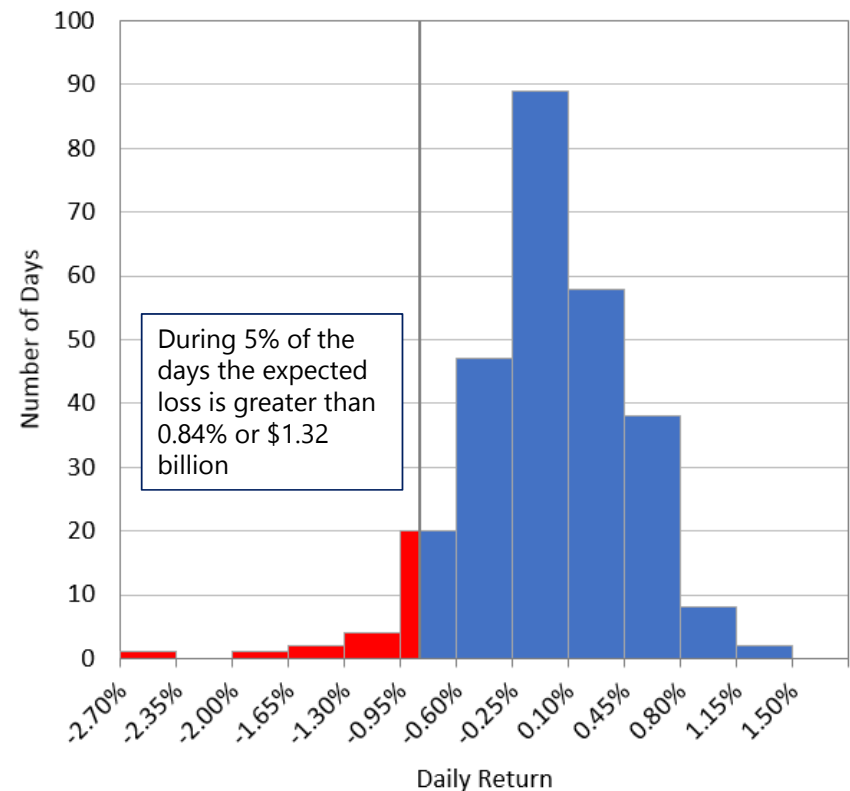
Value at Risk (VaR)

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

Example

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

Simulated Return Distribution Over A Year



VaR (Continued)

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

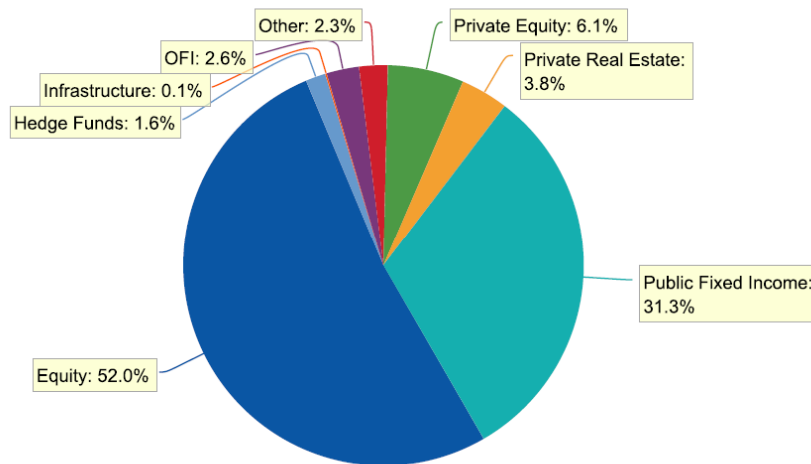
- Losses on a portfolio that exceed the VaR should be expected – such losses are referred to as a “VaR breaks”.
- VaR is not a “worst-case” loss.
- The probability of a loss larger than the 95% VaR is difficult to estimate accurately and should be analyzed with stress testing based on long-term and broad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



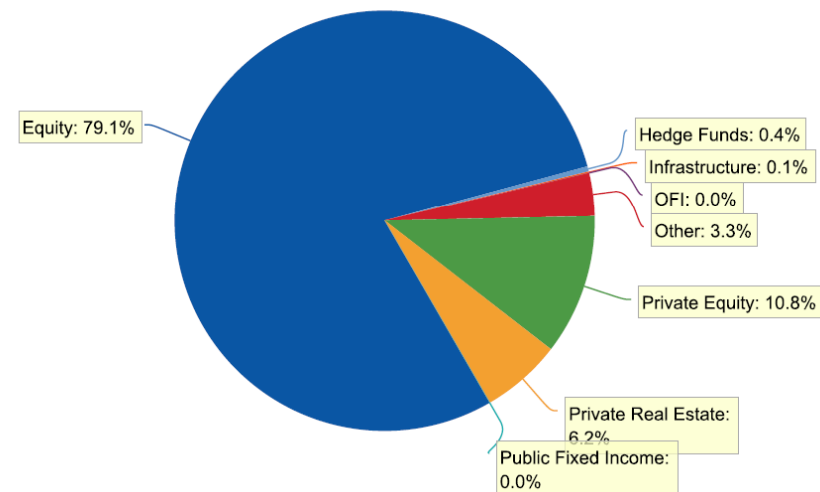
Component Value at Risk (VaR)

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

Exposure



Component VaR

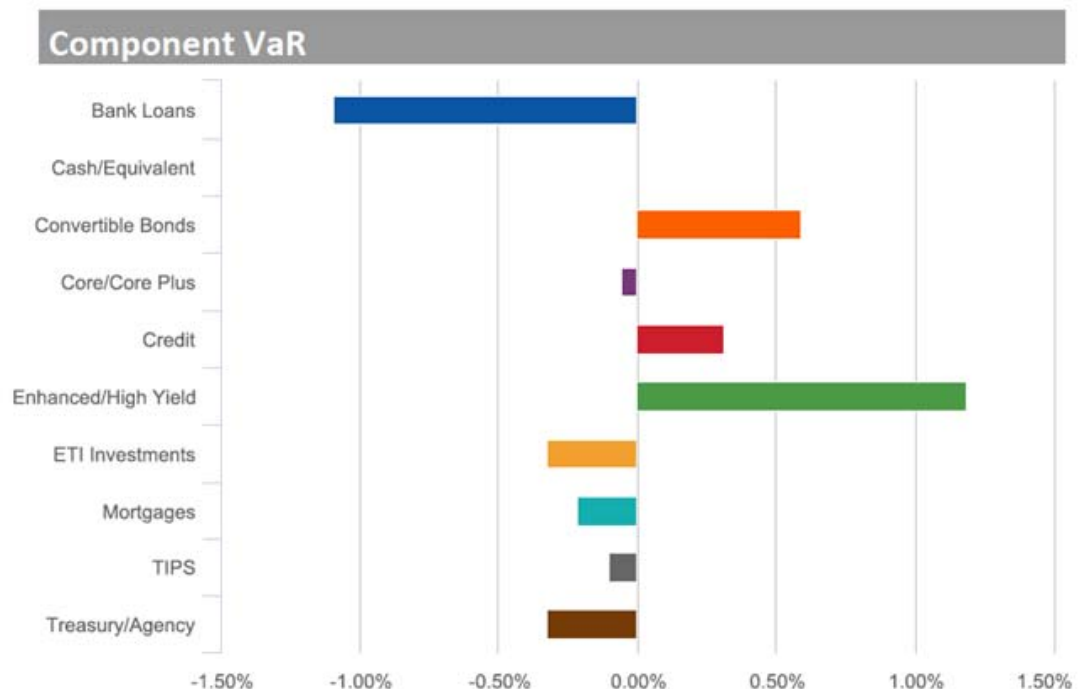


- Component VaR is calculated using the correlations between asset classes and their VaR



Component VaR (Continued)

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

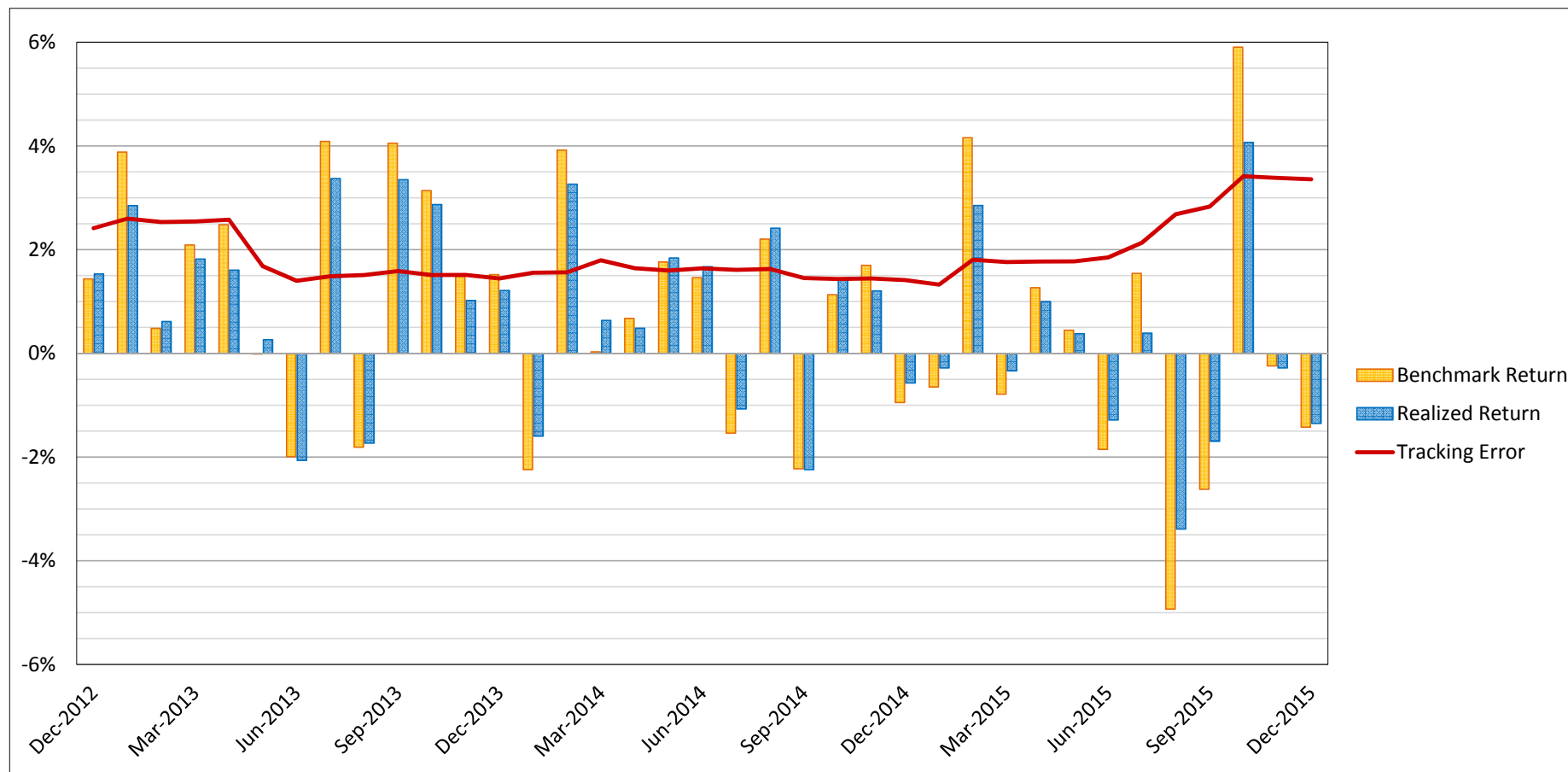


Tracking Error

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



Total Fund Return and Tracking Error



■ Benchmark Return
■ Realized Return
— Tracking Error



Sharpe Ratio

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

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

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



Information Ratio

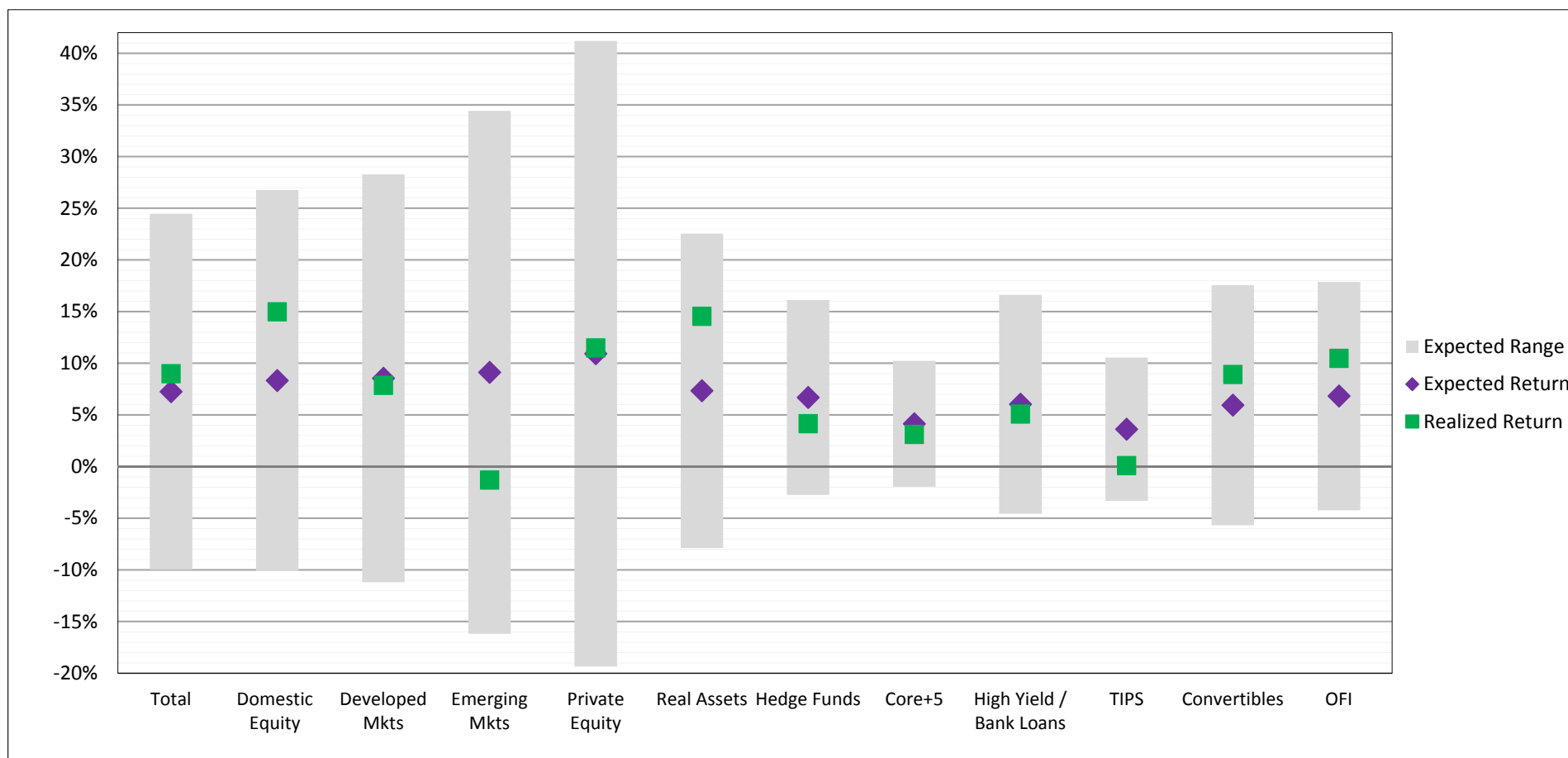
- The Information Ratio is a measure of the effectiveness of active management – a higher Information Ratio is indicative of a higher risk adjusted return.
- The Information Ratio measures the risk adjusted Excess Return earned as a result of choosing active management. The Information Ratio is:

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

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



Expectations* and Realized Returns: Jan 2012 – Dec 2015



*Weighted average of consultants' expectations



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

APPENDICES:

- Basket Clause

NYCERS - BASKET/NON BASKET SUMMARY

As of December 31st, 2015

<u>Equity</u>	Adjusted Fund Policy			Fund Actual (PE & RE on an invested basis)		
	Non Basket*	Basket*	Total	Non Basket*	Basket*	Total
Domestic Equity	33.3%	0.0%	33.3%	34.0%	0.0%	34.0%
Non-U.S. Equity	10.0%	7.0%	17.0%	10.0%	6.7%	16.7%
Private Equity	0.0%	7.0%	7.0%	0.0%	7.8%	7.8%
Real Assets	5.4%	0.0%	5.4%	5.4%	0.0%	5.4%
Hedge Funds	0.0%	2.8%	2.8%	0.0%	2.8%	2.8%
Total Equity	48.8%	16.8%	65.6%	49.4%	17.3%	66.7%
Fixed Income						
Core+5	20.6%	0.5%	21.1%	17.8%	0.5%	18.3%
<i>U.S. Gov't Sector</i>	4.4%	0.0%	4.4%	2.1%	0.0%	2.1%
<i>Mortgage Sector</i>	7.6%	0.0%	7.6%	6.7%	0.0%	6.7%
<i>Credit Sector</i>	8.6%	0.5%	9.1%	8.0%	0.5%	8.5%
High Yield	2.6%	0.7%	3.3%	3.0%	0.7%	3.7%
Bank Loans	0.0%	1.9%	1.9%	0.0%	1.9%	1.9%
TIPS	4.1%	0.5%	4.5%	3.0%	0.3%	3.3%
Convertibles	1.0%	0.0%	1.0%	1.0%	0.0%	1.0%
Opportunistic Fixed Income	0.0%	2.6%	2.6%	0.0%	2.6%	2.6%
Other Fixed Income	0.0%	0.0%	0.0%	2.5%	0.0%	2.5%
Total Fixed Income	28.2%	6.2%	34.4%	27.2%	6.1%	33.3%
Total Fund	77.0%	23.0%	100.0%	76.6%	23.4%	100.0%

Remaining Capacity

2.0%

1.6%

*** Note: Basket amounts are estimates**



- Liquidity Analysis

NYCERS Liquidity Profile - Static Analysis

3/7/16

AUM as of December 31 , 2015

	Current MV	Liquid Assets		
		Today	1 Year	2 Years
Domestic Equity	\$17,747	\$17,747	\$17,747	\$17,747
International Equity	5,261	5,261	5,261	5,261
Emerging Markets	3,448	3,448	3,448	3,448
Hedge Funds	1,461	0	1,055	1,461
REITS	0	0	0	0
Private Equity	4,091	0	0	0
Private Real Estate	2,842	0	0	0
Core + 5	9,567	9,567	9,567	9,567
TIPS	1,728	1,728	1,728	1,728
Opportunistic Fixed Income	1,371	1,028	1,371	1,371
Enhanced Yield	1,928	1,928	1,928	1,928
Bank Loans	984	984	984	984
Convertible Bonds	520	520	520	520
ETI	723	115	409	409
Cash	559	559	559	559
Total Assets	\$52,229	\$42,885	\$44,575	\$44,981
Total Illiquid \$		\$9,345	\$7,654	\$7,248
Total Illiquid %		17.9%	14.7%	13.9%
Unfunded PE Commitments	\$2,182			
Unfunded RE Commitments	1,050			
Unfunded OFI Commitments	380			
Total commitments \$	\$3,612			
Total commitments %	6.9%			



NYCERS Liquidity Profile - Static Analysis

3/7/16

AUM as of December 31 , 2015

Denominator Effect - Decrease AUM by One-Third

Total Illiquid \$	\$9,345	\$7,654	\$7,248
Total Illiquid %	26.8%	22.0%	20.8%

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

	Current MV	Liquid Assets		
		Today	1 Year	2 Years
Total Assets	\$52,229	\$42,885	\$44,575	\$44,981

Private Equity, Real Estate and Opportunistic Fixed Income Stress Case

Unfunded PE Commitments Drawn	\$436	\$873
Unfunded RE Commitments Drawn	210	420
Unfunded OFI Commitments Drawn	190	0
Total commitments \$	\$836	\$1,293
Total commitments %	1.6%	2.5%

Total Illiquid \$	\$8,490	\$8,541
Total Illiquid %	16.3%	16.4%

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

Denominator Effect - Decrease AUM by One-Third

Total Illiquid \$	\$9,345	\$8,490	\$8,541
Total Illiquid %	26.8%	24.4%	24.5%

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

