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SCOTT M. STRINGER
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MEMORANDUM

TO: Trustees
New York City Police Pension Fund

FROM: Scott C. Evans

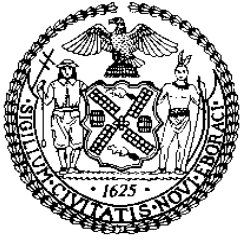
DATE: March 9, 2016

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

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

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

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



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

Scott M. Stringer
COMPTROLLER

NEW YORK CITY POLICE PENSION FUND

COMMON INVESTMENT MEETING

MARCH 16, 2016

LOCATION:

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

NEW YORK CITY POLICE PENSION FUND
(CIM) COMMON INVESTMENT MEETING

MARCH 16, 2016

PUBLIC AGENDA MATERIALS

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PUBLIC AGENDA MATERIALS:

Performance Reporting:

- ETI Quarterly Report:

Police 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	\$25.00 MM		\$10.00 MM		\$4.00 MM		\$160.00 MM		\$40.00 MM		\$15.00 MM		\$4.00 MM		\$2.00 MM		\$5.00 MM		\$5.00 MM		\$5.00 MM	
Current Market Value	\$12.31 MM		\$5.57 MM		\$1.32 MM		\$108.35 MM		\$9.23 MM		\$3.14 MM		\$0.95 MM		\$0.62 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	\$320,000	90	\$0	0	\$0	0	\$1,506,998	185	\$81,722	128	\$0	0	\$0	0	\$0	0	\$0	0	\$524,641	48	\$0	0
Brooklyn	0	0	1,225,029	111	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,020,681	359
Manhattan	0	0	0	0	0	0	0	0	0	0	1,004,400	92	0	0	0	0	236,337	100	0	0	0	0
Queens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Outside of NYC	0	0	0	0	0	0	271,125	23	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total	\$320,000	90	\$1,225,029	111	\$0	0	\$1,778,123	208	\$81,722	128	\$1,004,400	92	\$0	0	\$0	0	\$236,337	100	\$524,641	48	\$1,020,681	359
Delivered 4Q 15																						
(included in total)																						
Bronx	\$0	0	\$0	0	\$0	0	\$186,950	42	\$2,577,519	188	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	0	0	0	0	0	0	742,662	57	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Manhattan	0	0	0	0	0	0	0	0	202,800	72	0	0	0	0	0	0	0	0	0	0	0	0
Queens	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Outside of NYC	0	0	0	0	0	0	2,216,025	50	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total	\$0	0	\$0	0	\$0	0	\$3,145,637	149	\$2,780,319	260	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Total Commitments																						
Bronx	\$320,000	90	\$1,222,040	193	\$0	0	\$13,006,269	1,096	\$11,083,518	1,116	\$598,000	74	\$0	0	\$0	0	\$0	0	\$524,641	48	\$0	0
Brooklyn	3,987,608	400	1,442,029	161	0	0	11,356,413	933	744,800	127	2,535,993	251	0	0	0	0	0	0	0	0	1,020,681	359
Manhattan	1,792,000	100	0	0	0	0	16,310,017	1,256	1,923,420	214	4,483,318	430	0	0	0	0	1,206,604	203	927,637	90	0	0
Queens	480,000	54	0	0	0	0	5,971,050	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	90,000	67	0	0	0	0
Outside of NYC	476,000	39	0	0	0	0	2,498,625	159	1,541,356	122	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$7,055,608	683	\$2,664,069	354	\$0	0	\$49,142,374	3,850	\$15,293,094	1,579	\$7,617,311	755	\$0	0	\$0	0	\$1,296,604	270	\$1,452,277	138	\$1,020,681	359
Historical Investments																						
Bronx	\$6,835,177	1,276	\$1,771,950	452	\$0	0	\$79,071,553	6,366	\$7,412,999	725	\$319,394	43	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0
Brooklyn	763,705	88	1,355,604	252	0	0	83,094,909	4,502	1,170,520	90	1,343,101	245	0	0	330,213	7	0	0	0	0	0	0
Manhattan	475,691	48	1,525,075	283	1,531,217	197	74,285,080	4,625	256,800	119	1,472,462	122	869,556	123	252,445	15	0	0	0	0	0	0
Queens	4,015,744	239	380,000	54	0	0	21,191,301	1,258	360,000	96	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	2,862,500	111	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	6,268,950	288	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$12,090,316	1,651	\$5,032,629	1,041	\$1,531,217	197	\$266,774,293	17,150	\$9,200,318	1,030	\$3,134,957	410	\$869,556	123	\$582,658	22	\$0	0	\$0	0	\$0	0

*Lenders :

Bank of
AmericaCitibank Community
DevelopmentCarver Federal
Savings BankThe Community
Preservation CorpJP Morgan
ChaseLow Income
Investment FundNCB Capital
ImpactNeighborhood
Housing Service

Wells Fargo

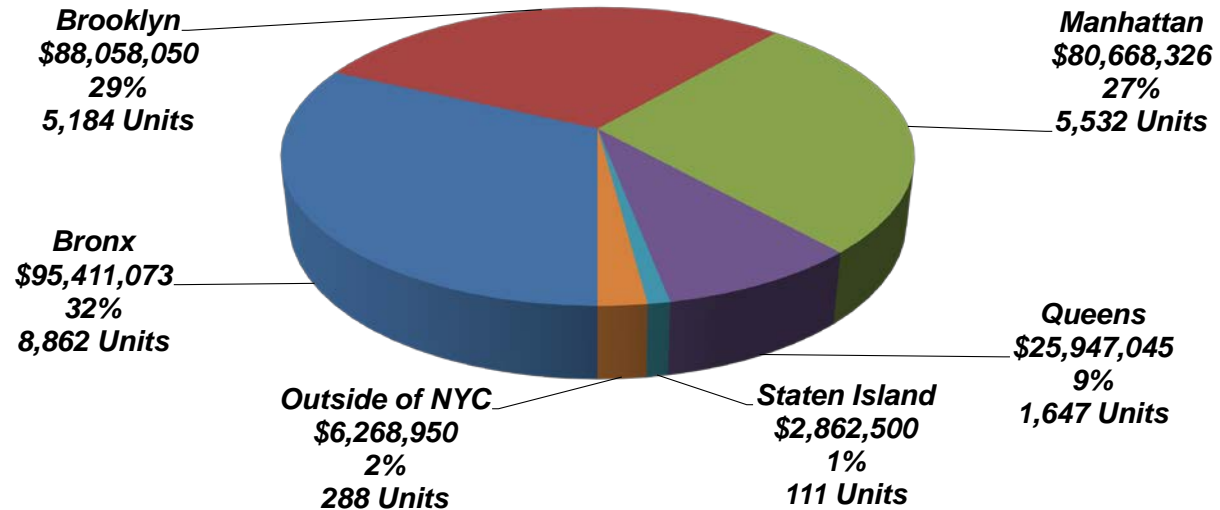
Local Initiatives
Support CorpBellwether
Enterprise

Police Pension Fund - Economically Targeted Investments Quarterly Report

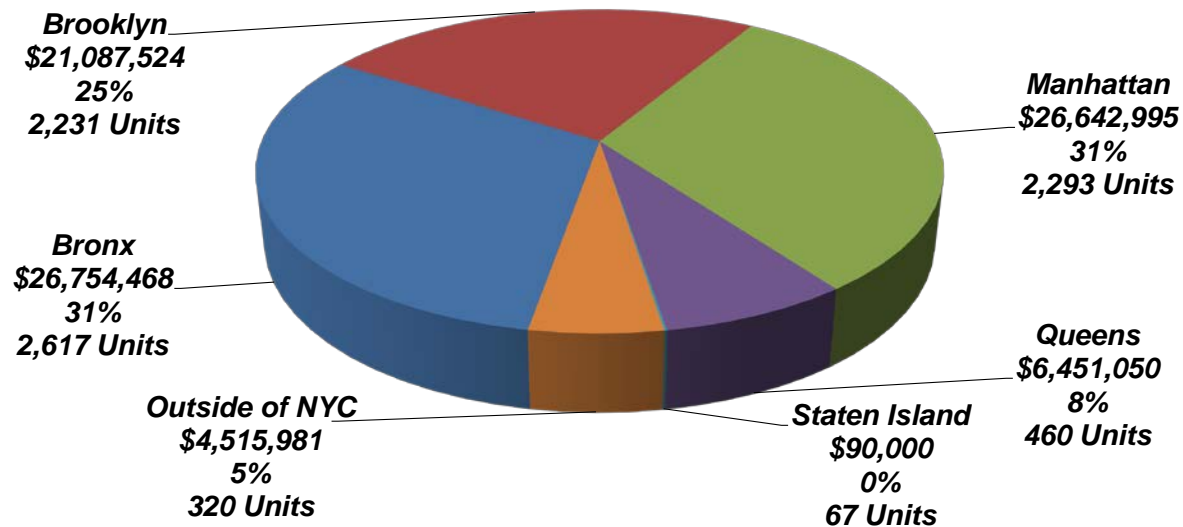
Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	All Lender Totals	
Contractual Commitment	\$275.00 MM	
Current Market Value	\$141.49 MM	
Commitments 4Q 15 (included in total)	Dollars	Units
Bronx	\$2,433,361	451
Brooklyn	2,245,710	470
Manhattan	1,240,737	192
Queens	0	0
Staten Island	0	0
Outside of NYC	271,125	0
Total	\$6,190,933	1,113
Delivered 4Q 15 (included in total)		
Bronx	\$2,764,470	230
Brooklyn	742,662	57
Manhattan	202,800	72
Queens	0	0
Staten Island	0	0
Outside of NYC	2,216,025	50
Total	\$5,925,957	409
Total Commitments		
Bronx	\$26,754,468	2,617
Brooklyn	21,087,524	2,231
Manhattan	26,642,995	2,293
Queens	6,451,050	460
Staten Island	90,000	67
Outside of NYC	4,515,981	320
Total	\$85,542,018	7,988
Historical Investments		
Bronx	\$95,411,073	8,862
Brooklyn	88,058,050	5,184
Manhattan	80,668,326	5,532
Queens	25,947,045	1,647
Staten Island	2,862,500	111
Outside of NYC	6,268,950	288
Total	\$299,215,944	21,624

Historical Investments Since Inception All PPAR Lenders



Current Commitments All PPAR Lenders



Police Pension Fund - Economically Targeted Investments Quarterly Report

AFL-CIO Housing Investment Trust (HIT)
Market Value \$150.64 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

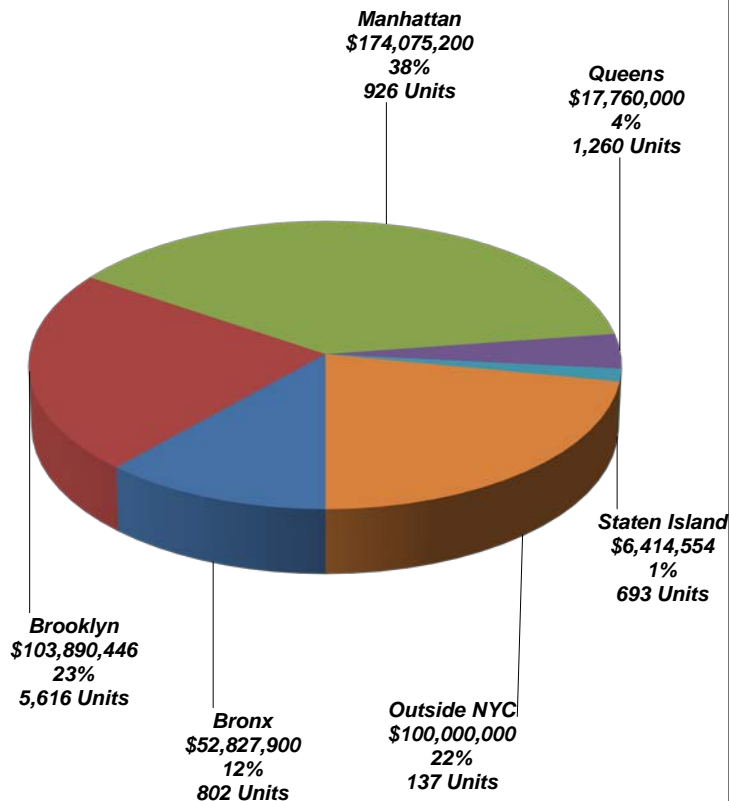
	<u>Dollars</u>	<u>Units</u>	<u>Member Loans</u>	<u>Total All NYC PF's</u>
Multifamily Investments	\$249,123,500	12,337	n/a	n/a
HIT Home Investments	348,300,563	n/a	131	446
Total NYCCII Phase I	\$597,424,063	12,337	131	446

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



Police Pension Fund - Economically Targeted Investments Quarterly Report

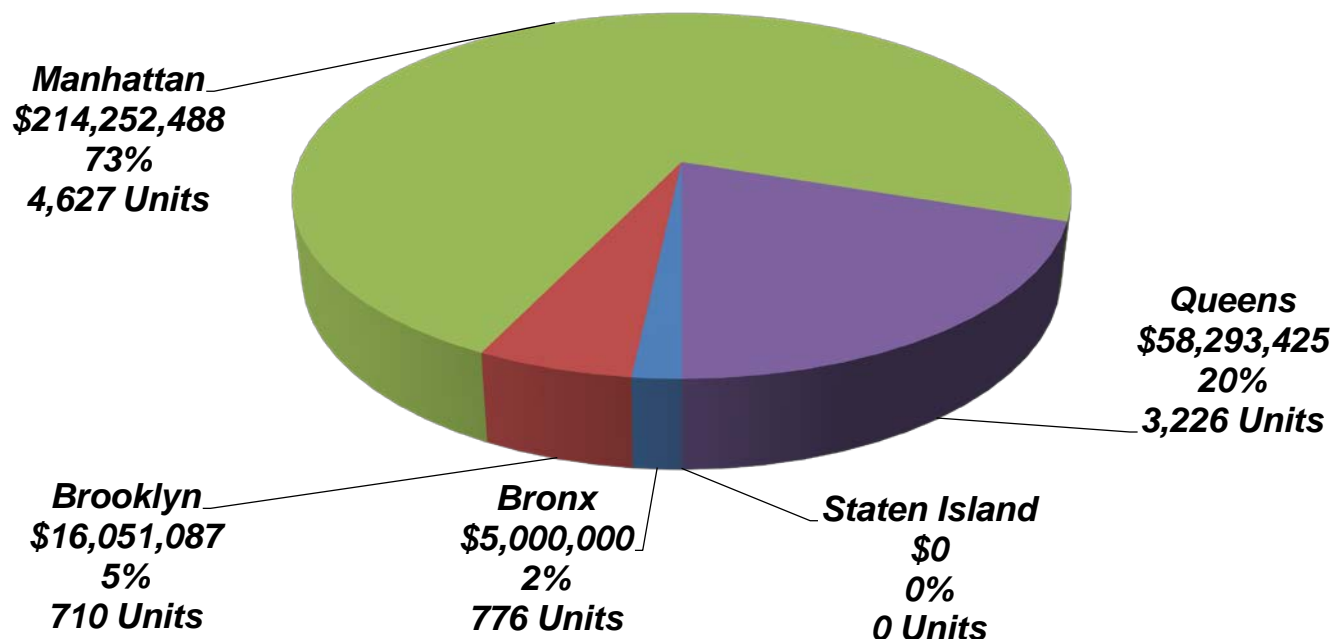
AFL-CIO Housing Investment Trust (HIT) NYC Workforce Housing Initiative

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



Police Pension Fund - Economically Targeted Investments Quarterly Report

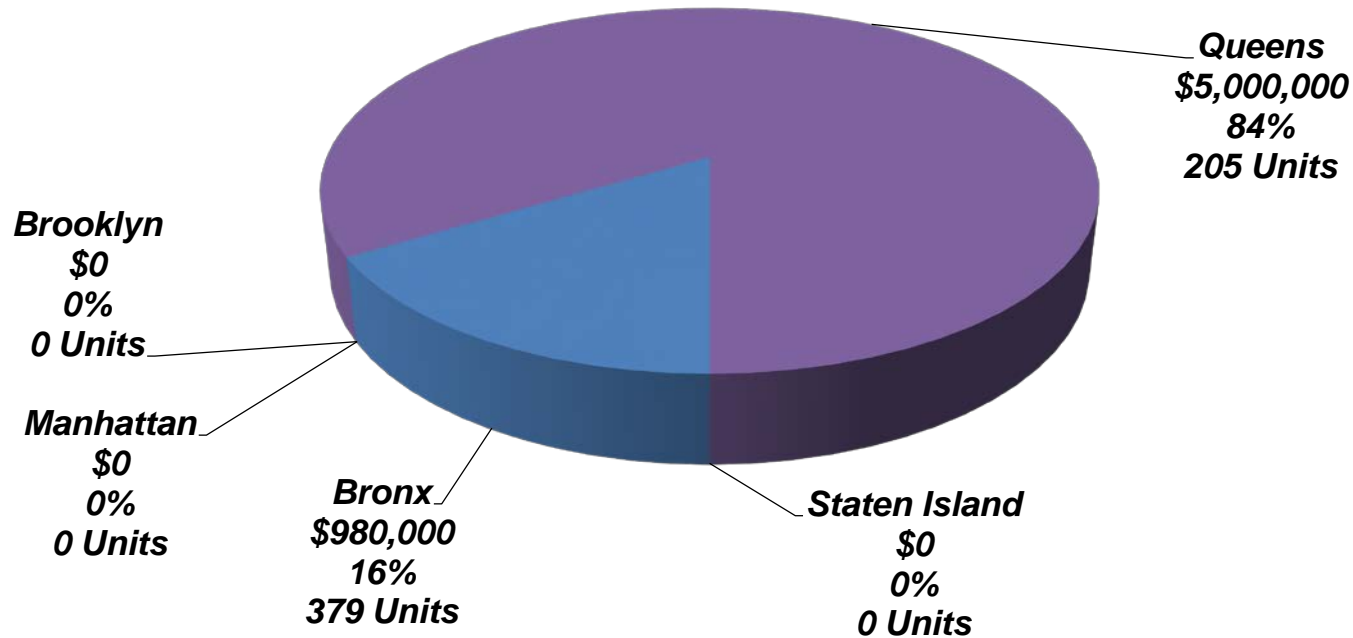
AFL-CIO Housing Investment Trust (HIT) HIT Housing Investment Strategy

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



Police Pension Fund - Economically Targeted Investments Quarterly Report

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

\$61 million Allocated (20.33% of total account)
Market Value \$58.90 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	\$11,347,980	0	17,328
Brooklyn	0	\$4,798,129	0	8,904
Manhattan	0	\$14,431,150	0	6,285
Queens	0	\$3,384,945	0	873
Staten Island	0	\$0	0	0
Total Police Multifamily Investments	0	\$33,962,204	0	33,390
Multifamily Total All Systems	0	\$167,054,619	0	33,390

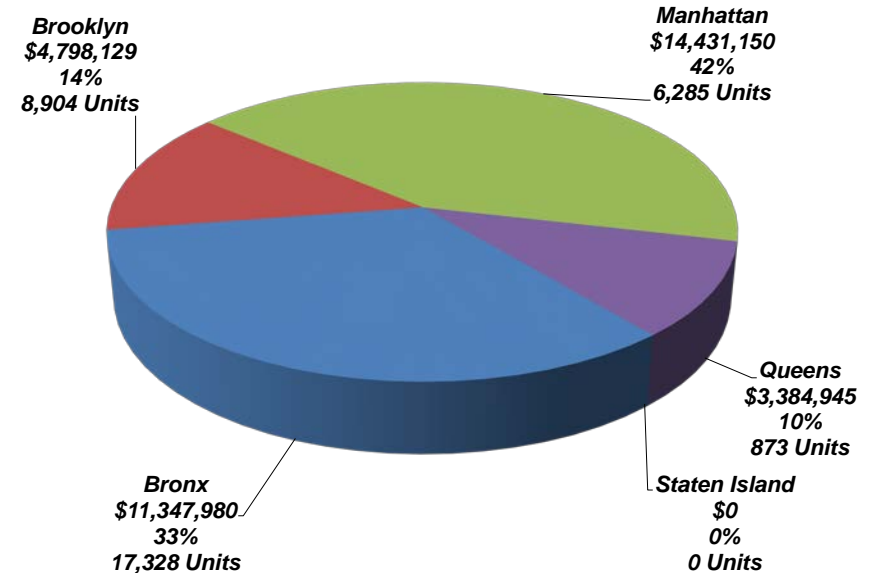
<u>Single Family Investments Detail</u>	<u>\$ Invested</u>		<u>Units</u>	
	<u>4Q</u>	<u>Total</u>	<u>4Q</u>	<u>Total</u>
Bronx	0	\$6,974,846	0	200
Brooklyn	0	\$19,874,579	0	501
Manhattan	0	\$1,736,021	0	39
Queens	0	\$28,646,910	0	654
Staten Island	0	\$16,017,877	0	371
Total Police Single Family Investments	0	\$73,250,232	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	\$137,228	0	1
Brooklyn	0	\$1,095,869	0	8
Manhattan	0	\$494,610	0	5
Queens	0	\$110,480	0	3
Staten Island	0	\$0	0	0
Total Police Other Investments	0	\$1,838,186	0	17
Other Investments Total All Systems	0	\$9,041,740	0	17
Grand Total Police	\$0	\$109,050,622		
Grand Total All Systems	\$0	\$536,402,470		

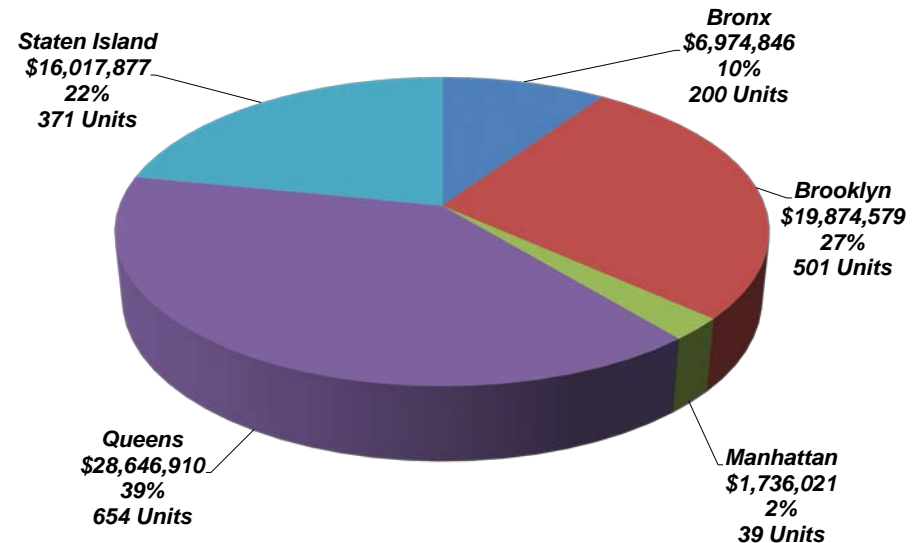
¹ Certain bond investment amounts are allocated pro rata across boroughs based upon unit count.

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

Access Multifamily Investments Since Inception Police



Access Single Family Investment Since Inception Police



- Private Equity Quarterly Report:



Private Equity Monitoring Report

For the period ended September 30, 2015

Report Prepared For:

New York City Police Pension Fund, Subchapter 2



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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 Police Pension Fund, Subchapter 2 (“NYCPPF”) 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 NYCPPF on February 1, 2012 to provide private equity advisory services for prospective investment opportunities and monitoring and reporting services for existing and new investments.

Since inception through September 30, 2015, the Program has committed US\$4.5 billion to 186 partnership investments (the “Portfolio”). This quarterly monitoring report covers the performance of the Portfolio as of September 30, 2015 as well as significant activity that occurred during the third quarter of 2015.

Performance Summary

<i>US\$ in millions</i>	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Number of Managers	114	114	106	-	8
Number of Investments	186	185	173	1	13
Committed Capital ¹	\$4,539.7	\$4,464.9	\$4,325.2	\$74.8	\$214.5
Contributed Capital	\$3,787.5	\$3,693.9	\$3,432.4	\$93.6	\$355.1
Distributed Capital	\$2,961.0	\$2,863.4	\$2,470.5	\$97.6	\$490.5
Market Value	\$2,280.2	\$2,289.2	\$2,222.6	(\$9.0)	\$57.6
Total Value	\$5,241.2	\$5,152.6	\$4,693.1	\$88.6	\$548.1
Total Gain/(Loss)	\$1,453.7	\$1,458.7	\$1,260.7	(\$5.0)	\$193.1
Unfunded Commitment ²	\$1,228.8	\$1,240.4	\$1,331.2	(\$11.7)	(\$102.4)
Total Exposure ³	\$3,509.0	\$3,529.6	\$3,553.8	(\$20.7)	(\$44.8)
DPI ⁴	0.78x	0.78x	0.72x	0.01x	0.06x
TVM ⁵	1.38x	1.39x	1.37x	-0.01x	0.02x
IRR ⁶	10.3%	10.6%	10.5%	- 30 bps	- 16 bps
TVM Net of StepStone Fees ⁷	1.38x	1.39x	1.37x	-0.01x	0.02x
IRR Net of StepStone Fees ⁷	10.3%	10.6%	10.5%	- 30 bps	- 15 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.

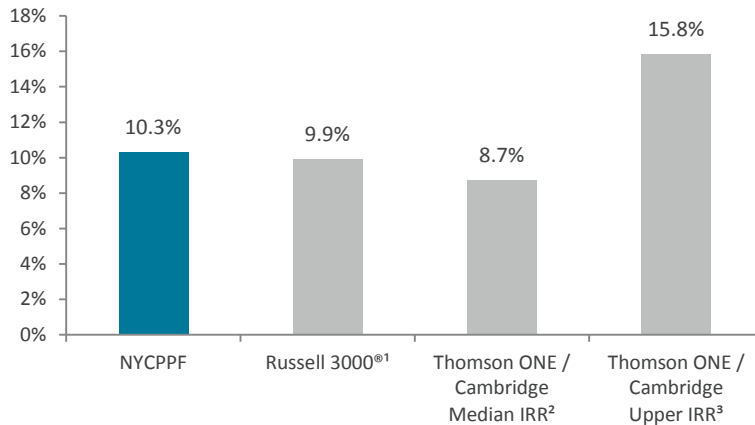
⁶ IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest.

⁷ TVM and IRR Net of StepStone fees represent TVM and IRR net of fees paid by NYCPPF 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 NYCPPF'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
<i>As of September 30, 2015 (US\$ in millions)</i>						
Buyout	\$1,368.6	60.0%	\$796.8	64.8%	\$2,165.3	61.7%
Growth Equity	229.4	10.1%	83.9	6.8%	313.3	8.9%
Special Situations	113.9	5.0%	62.0	5.0%	175.9	5.0%
Energy	67.8	3.0%	10.1	0.8%	77.9	2.2%
Secondaries	157.8	6.9%	187.4	15.3%	345.3	9.8%
Co-Investment	100.5	4.4%	70.6	5.7%	171.0	4.9%
Other	242.3	10.6%	18.0	1.5%	260.3	7.4%
Total	\$2,280.2	100.0%	\$1,228.8	100.0%	\$3,509.0	100.0%

By Fund Geographic Focus

	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
<i>As of September 30, 2015 (US\$ in millions)</i>						
North America	\$1,685.2	73.9%	\$716.8	58.3%	\$2,402.0	68.5%
Global	383.1	16.8%	355.2	28.9%	738.3	21.0%
Western Europe	178.7	7.8%	154.9	12.6%	333.6	9.5%
Rest of World	33.2	1.5%	1.8	0.1%	35.0	1.0%
Total	\$2,280.2	100.0%	\$1,228.8	100.0%	\$3,509.0	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.

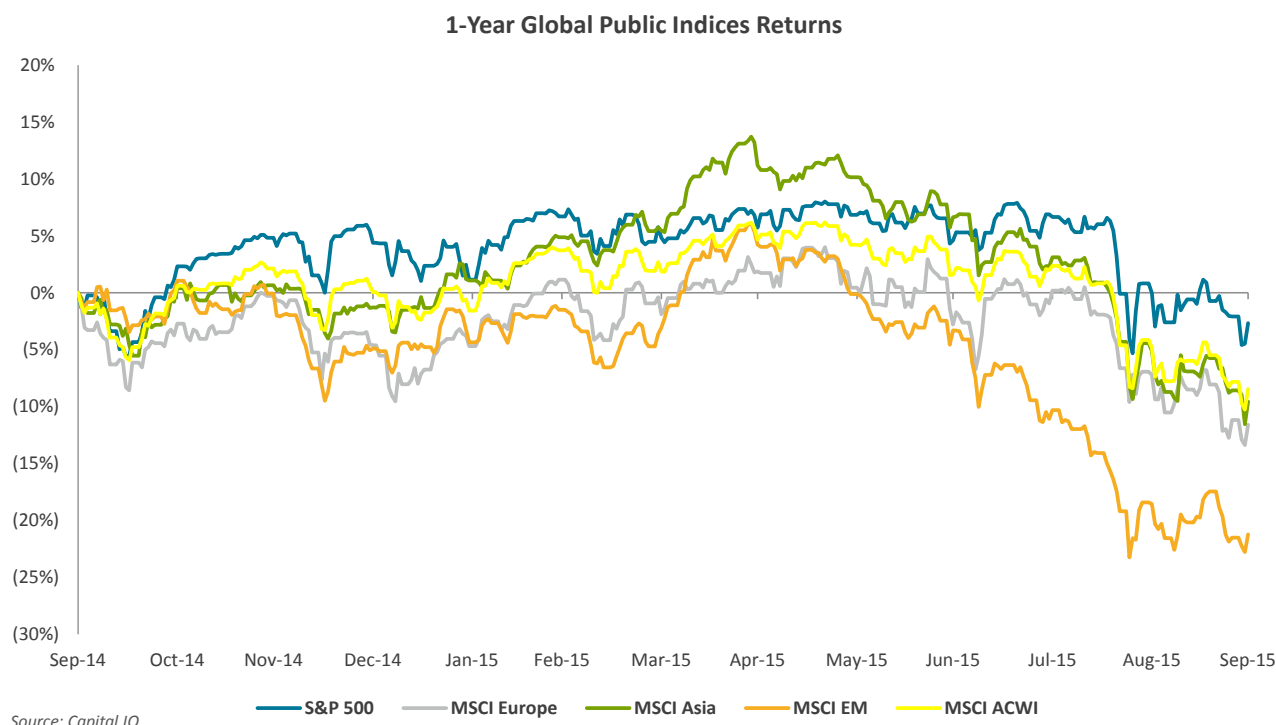
In private markets, US LBO debt volume totaled US\$22.5 billion in the third quarter, an 11% increase from the prior quarter, and above the 10-year quarterly average of US\$18.7 billion. According to data from S&P, purchase price multiples for US LBOs rose to 11.2x EBITDA in the third quarter, compared 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%

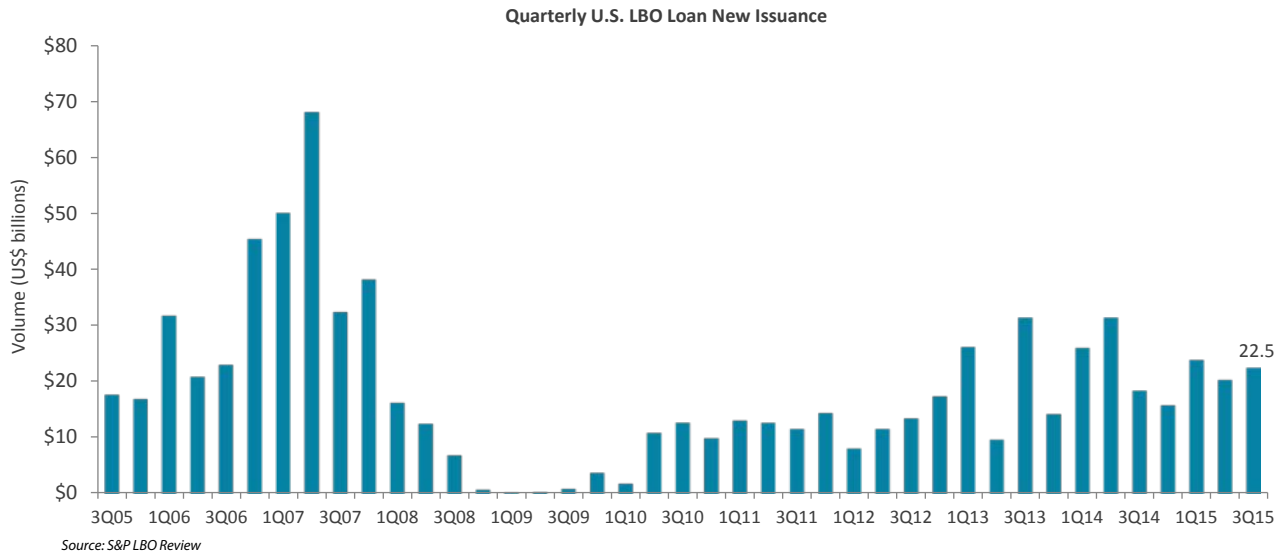
For the period ended September 30, 2015

*Includes reinvestment of dividends.

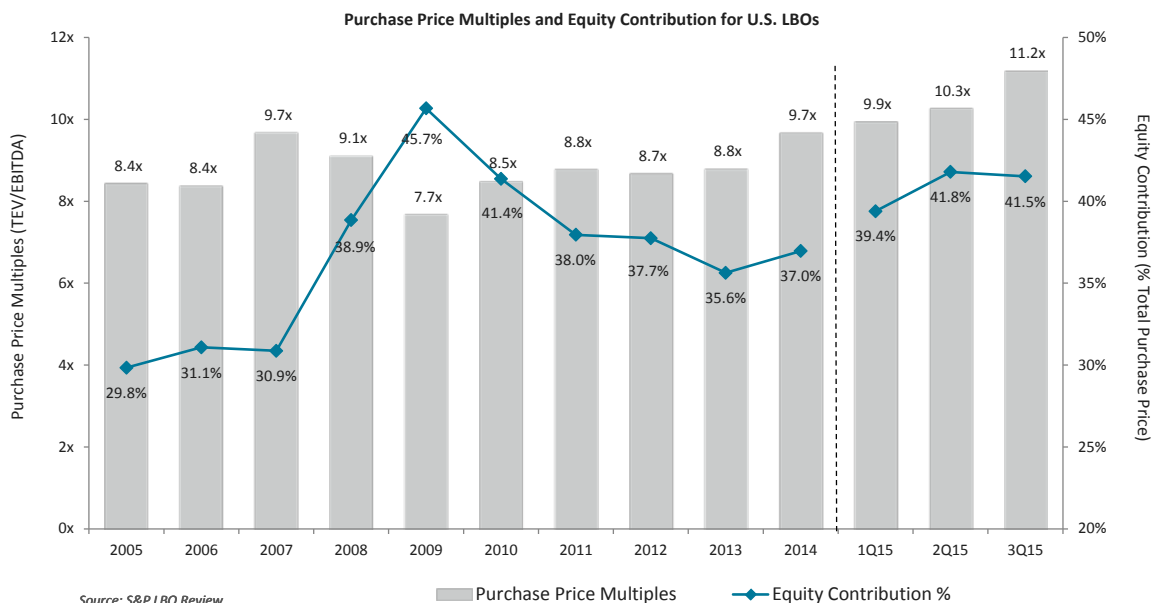
Source: Capital IQ

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

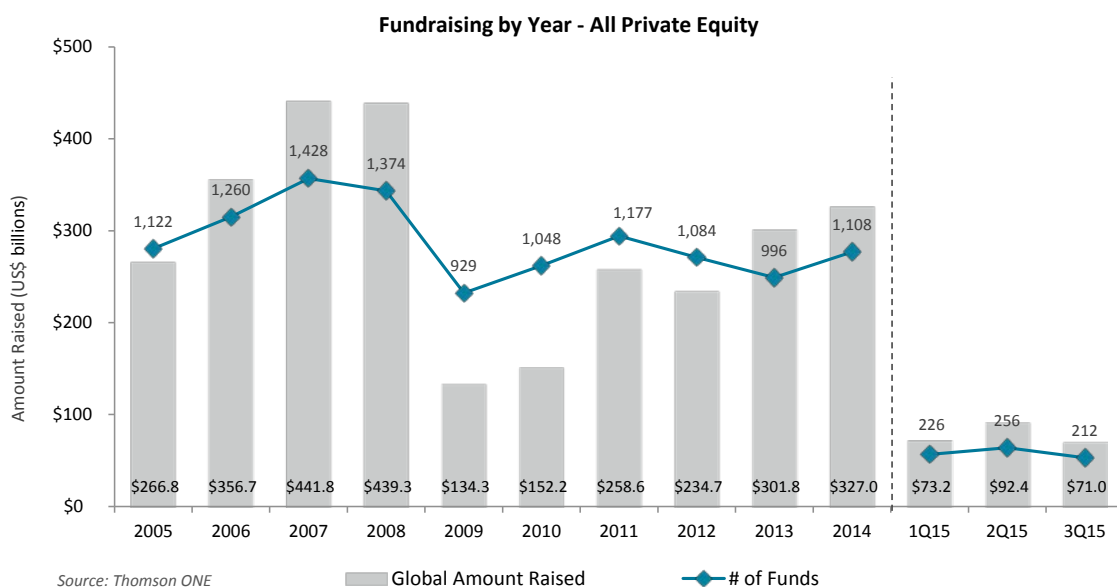
The All Private Equity benchmark posted a loss of 1.1% during the third quarter, as shown in the table below. Energy suffered the steepest decline, with a quarterly loss of 7.6%. The table below shows the pooled Internal Rate of Return ("IRR") performance of global private equity investments by sector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

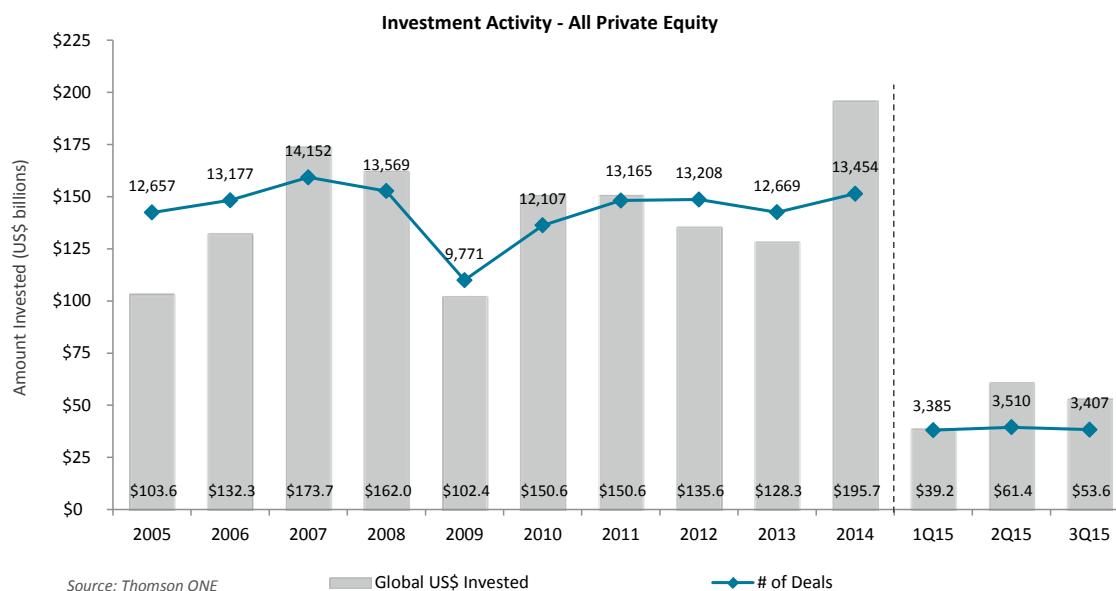
Fundraising

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.

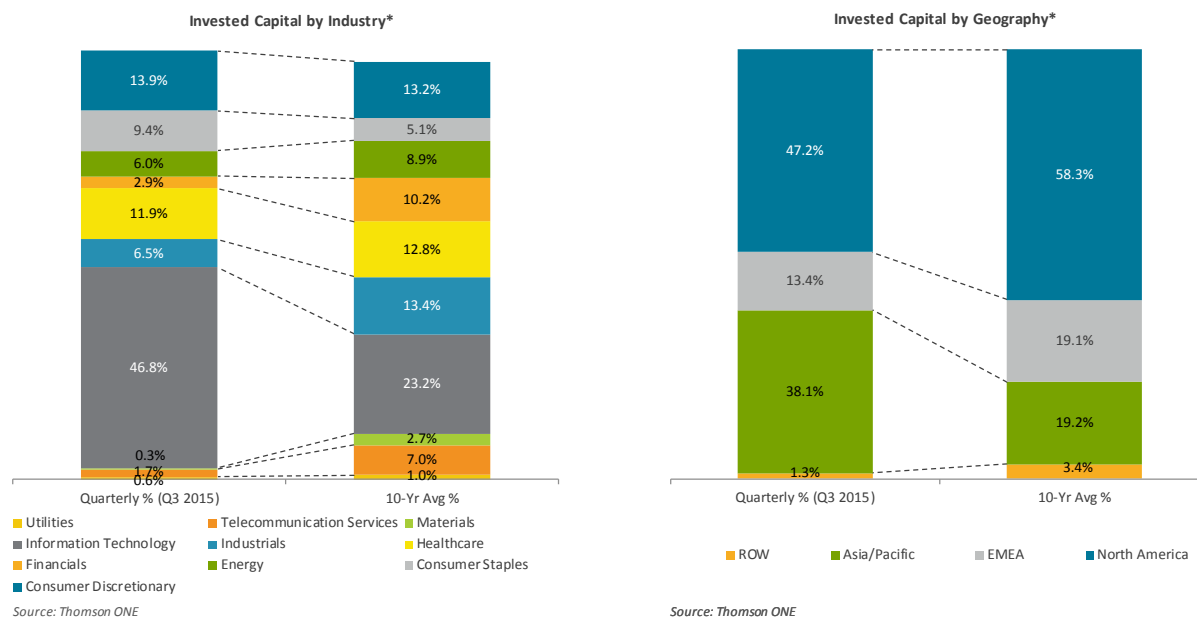


Investment Activity

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.



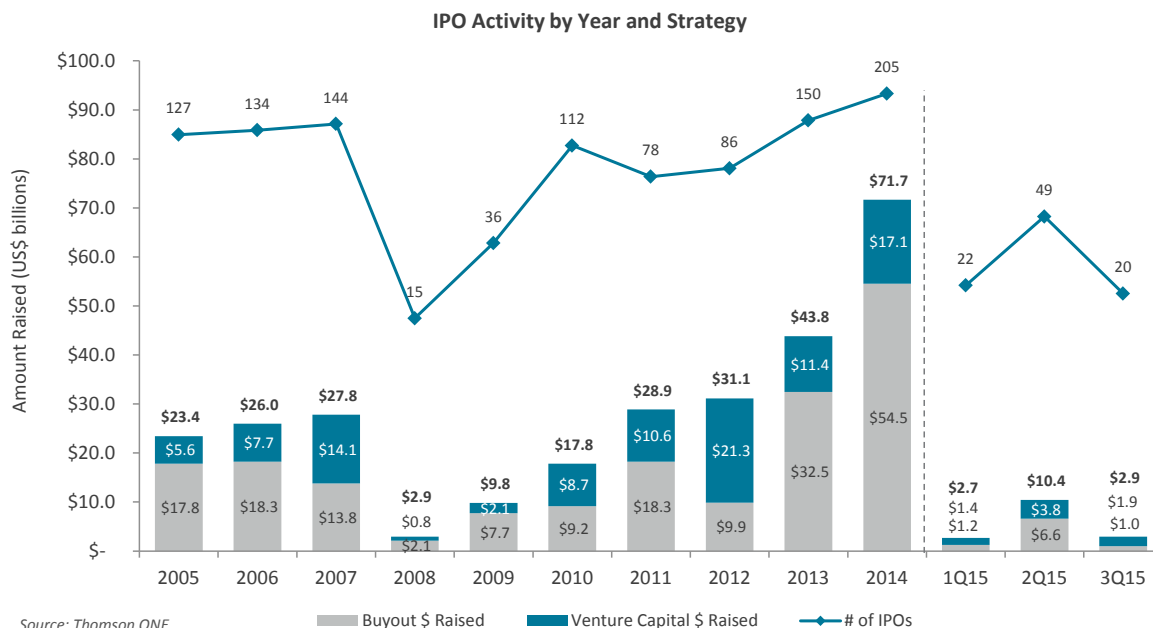
The graphs below depict the percentage of invested capital by industry and geography for the third quarter of 2015 and over the last ten years. The Information Technology sector attracted the most capital, accounting for US\$25.1 billion of transactions, or 47% of total capital invested during the third 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.



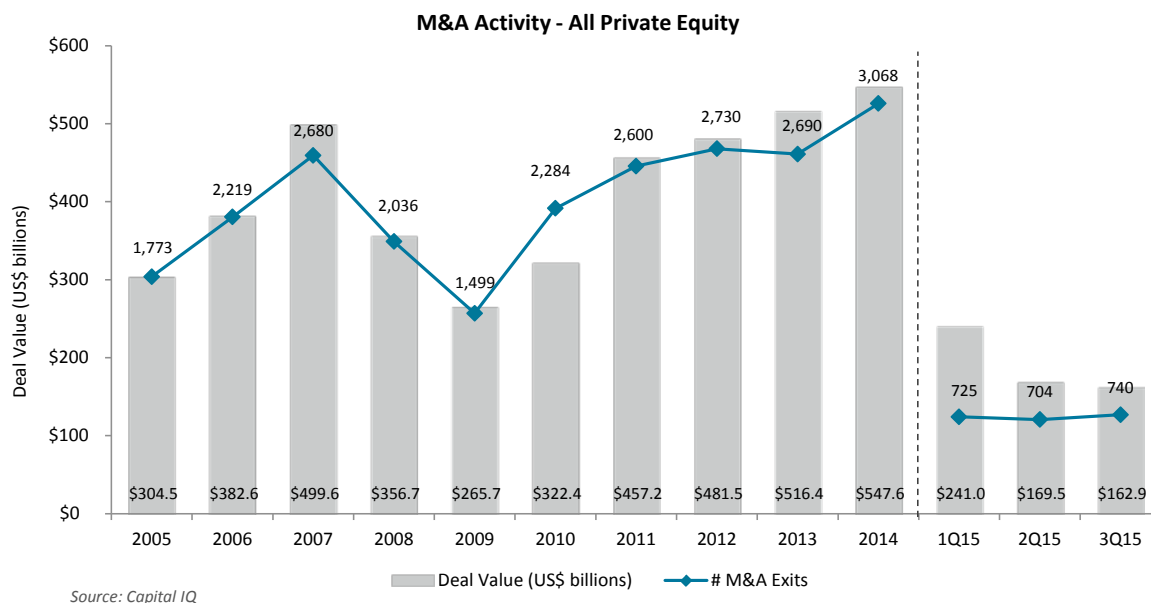
*Note: Invested Capital is for all private equity from Q4 2005 – Q3 2015.

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\$93.6 million of contributions and received US\$97.6 million of distributions, for a net cash inflow of US\$4.0 million, compared to a net cash inflow of US\$93.4 million during the prior quarter and a net cash outflow of US\$14.0 million during the third quarter of 2014. Contributions increased 21.8% from the prior quarter and decreased 23.9% from the third quarter of 2014. The most recent four quarter average of the Program's contributions is US\$88.8 million. Distributions decreased 42.7% from the prior quarter and decreased 10.4% from the third quarter of 2014. The most recent four quarter average of the Program's distributions is US\$122.6 million.
- Recent Portfolio Activity** – During the third quarter of 2015, net of cash flow activity, the valuation of the Portfolio decreased by US\$5.0 million, or 0.2%, from the prior quarter. The decrease in Portfolio value is primarily attributable to weak performance of mega buyout funds during the quarter, which generated a \$3.4 million decrease 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\$193.1 million, or 9.2%, from the quarter ended September 30, 2014.
- New Investment Commitment** – During the third quarter of 2015, the Program closed on one new investment commitment, totaling US\$75.3 million.

<i>As of September 30, 2015 (US\$ in millions)</i>				
	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
EQT VII, L.P.	July 2015	Mega Buyout	Western Europe	\$ 75.3
Total				\$ 75.3

- Subsequent Investment Commitments** – Subsequent to quarter-end through February 18, 2016, the Program closed on five new investment commitments, totaling US\$216.0 million.

<i>As of February 18, 2016 (US\$ in millions)</i>				
	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Warburg Pincus Private Equity XII, L.P.	November 2015	Growth Equity	Global	\$ 97.0
ASF VII B L.P.	December 2015	Secondaries	Global	44.5
ASF VII B NYC Co-Invest L.P.	December 2015	Co/Direct Investment	Global	22.0
Ares Corporate Opportunities Fund V, L.P.	December 2015	Special Situations	North America	44.0
Stellix Capital Partners LP	January 2016	Special Situations	Global	8.5
Total				\$ 216.0

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	105	105	97	-	8
Number of Investments	172	171	161	1	11
Committed Capital ¹	\$4,338.7	\$4,263.9	\$4,167.2	\$74.8	\$171.5
Contributed Capital	\$3,566.4	\$3,472.9	\$3,259.8	\$93.6	\$306.7
Distributed Capital	\$2,688.7	\$2,591.1	\$2,285.8	\$97.6	\$402.9
Market Value	\$2,280.2	\$2,289.2	\$2,222.6	(\$9.0)	\$57.6
Total Value	\$4,968.9	\$4,880.3	\$4,508.4	\$88.6	\$460.5
Total Gain/(Loss)	\$1,402.5	\$1,407.5	\$1,248.7	(\$5.0)	\$153.8
Unfunded Commitment ²	\$1,228.8	\$1,240.4	\$1,331.2	(\$11.7)	(\$102.4)
Total Exposure ³	\$3,509.0	\$3,529.6	\$3,553.8	(\$20.7)	(\$44.8)
DPI ⁴	0.75x	0.75x	0.70x	0.01x	0.05x
TVM ⁵	1.39x	1.41x	1.38x	-0.01x	0.01x
IRR ⁶	10.6%	10.9%	10.9%	-33 bps	-36 bps
Exited Investments					
Number of Managers	12	12	10	-	2
Number of Investments	14	14	12	-	2
Committed Capital ¹	\$201.0	\$201.0	\$158.0	\$0.0	\$43.0
Contributed Capital	\$221.0	\$221.0	\$172.6	\$0.0	\$48.4
Distributed Capital	\$272.3	\$272.3	\$184.7	\$0.0	\$87.6
Total Value	\$272.3	\$272.3	\$184.7	\$0.0	\$87.6
Total Gain/(Loss)	\$51.3	\$51.3	\$12.0	\$0.0	\$39.2
Unfunded Commitment ²	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
DPI ⁴	1.23x	1.23x	1.07x	0.00x	0.16x
TVM ⁵	1.23x	1.23x	1.07x	0.00x	0.16x
IRR ⁶	7.1%	7.1%	2.2%	+ 0 bps	+ 499 bps
Total Portfolio					
Number of Managers	114	114	106	-	8
Number of Investments	186	185	173	1	13
Committed Capital ¹	\$4,539.7	\$4,464.9	\$4,325.2	\$74.8	\$214.5
Contributed Capital	\$3,787.5	\$3,693.9	\$3,432.4	\$93.6	\$355.1
Distributed Capital	\$2,961.0	\$2,863.4	\$2,470.5	\$97.6	\$490.5
Market Value	\$2,280.2	\$2,289.2	\$2,222.6	(\$9.0)	\$57.6
Total Value	\$5,241.2	\$5,152.6	\$4,693.1	\$88.6	\$548.1
Total Gain/(Loss)	\$1,453.7	\$1,458.7	\$1,260.7	(\$5.0)	\$193.1
Unfunded Commitment ²	\$1,228.8	\$1,240.4	\$1,331.2	(\$11.7)	(\$102.4)
Total Exposure ³	\$3,509.0	\$3,529.6	\$3,553.8	(\$20.7)	(\$44.8)
DPI ⁴	0.78x	0.78x	0.72x	0.01x	0.06x
TVM ⁵	1.38x	1.39x	1.37x	-0.01x	0.02x
IRR ⁶	10.3%	10.6%	10.5%	-30 bps	-16 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 is not meaningful. Note that Thomson ONE/Cambridge data is continuously updated and is therefore subject to change.

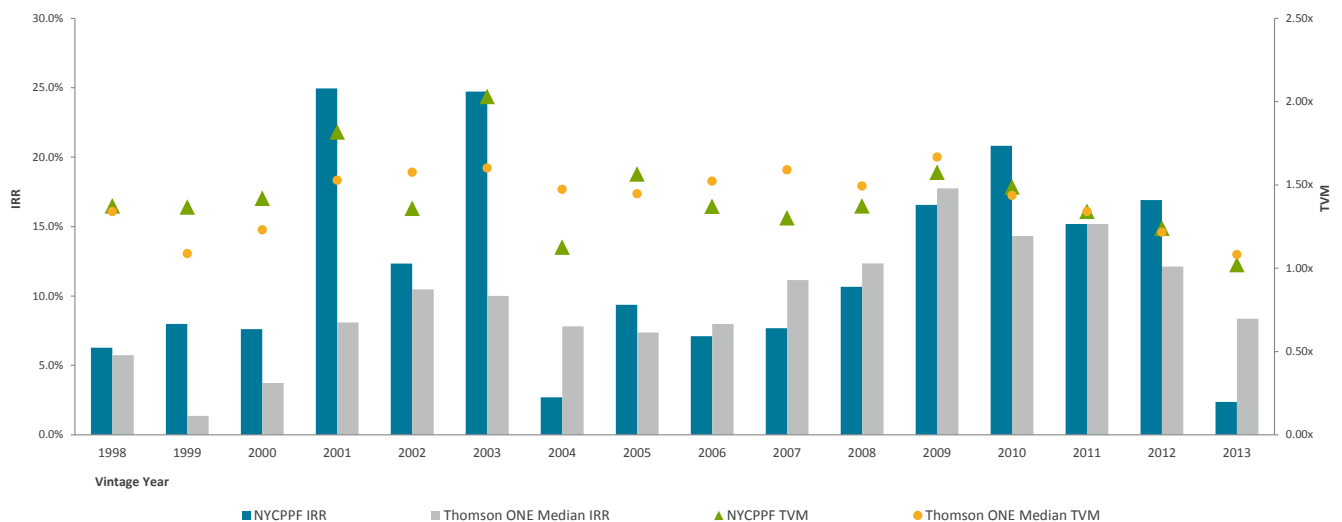
As of September 30, 2015 (US\$ in millions)

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	\$20.0	\$20.1	\$27.6	\$0.0	\$0.0	\$0.0	1.37x	6.3%	3.4%	2.9%	1.34x	5.7%
1999	106.2	122.9	151.2	16.9	1.3	18.2	1.37x	8.0%	6.3%	1.7%	1.09x	1.4%
2000	58.0	69.6	89.4	9.4	3.8	13.2	1.42x	7.6%	6.2%	1.4%	1.23x	3.7%
2001	98.6	121.4	218.3	2.3	4.3	6.6	1.82x	25.0%	8.5%	16.4%	1.53x	8.1%
2002	76.1	85.2	102.4	13.5	1.8	15.3	1.36x	12.3%	7.9%	4.5%	1.58x	10.5%
2003	96.3	112.8	207.8	21.4	5.6	27.0	2.03x	24.7%	7.4%	17.4%	1.60x	10.0%
2004	165.6	171.7	163.8	29.5	10.7	40.2	1.13x	2.7%	5.9%	(3.2%)	1.47x	7.8%
2005	331.4	349.3	363.8	183.0	19.3	202.4	1.57x	9.4%	6.7%	2.7%	1.45x	7.4%
2006	547.0	589.8	525.8	283.5	33.9	317.4	1.37x	7.1%	8.0%	(0.9%)	1.52x	8.0%
2007	427.0	445.7	347.6	232.9	41.7	274.6	1.30x	7.7%	10.5%	(2.9%)	1.59x	11.1%
2008	580.5	623.1	449.2	407.4	70.7	478.1	1.37x	10.7%	13.2%	(2.5%)	1.49x	12.3%
2009	113.2	107.4	80.4	88.8	12.2	101.0	1.58x	16.6%	14.1%	2.5%	1.67x	17.8%
2010	102.5	96.1	51.9	91.0	25.7	116.8	1.49x	20.8%	11.8%	9.0%	1.44x	14.3%
2011	419.2	354.2	106.5	369.0	99.9	468.9	1.34x	15.2%	11.7%	3.5%	1.34x	15.2%
2012	462.0	290.8	61.6	299.0	184.0	483.0	1.24x	16.9%	7.0%	9.9%	1.22x	12.1%
2013	419.8	105.8	8.8	99.3	316.9	416.1	1.02x	2.4%	(0.3%)	2.6%	1.08x	8.4%
2014	309.4	111.0	4.8	123.2	200.3	323.5	NM	NM	NM	N/A	NM	NM
2015	207.0	10.6	-	10.0	196.6	206.6	NM	NM	NM	N/A	NM	NM
Total	\$4,539.7	\$3,787.5	\$2,961.0	\$2,280.2	\$1,228.8	\$3,509.0	1.38x	10.3%	8.8%	1.5%	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
NYCPPF IRR	-0.2%	8.9%	12.0%	11.8%	9.9%	10.3%
Russell 3000® ¹	-7.3%	-0.6%	13.1%	13.8%	8.9%	8.8%
Russell 3000® + 300 bps ²	-4.3%	2.4%	16.1%	16.8%	11.9%	11.8%
NYCPPF Outperformance/(Underperformance)						
vs. Russell 3000® + 300 bps ²	4.1%	6.6%	(4.1%)	(5.0%)	(2.0%)	(1.5%)

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

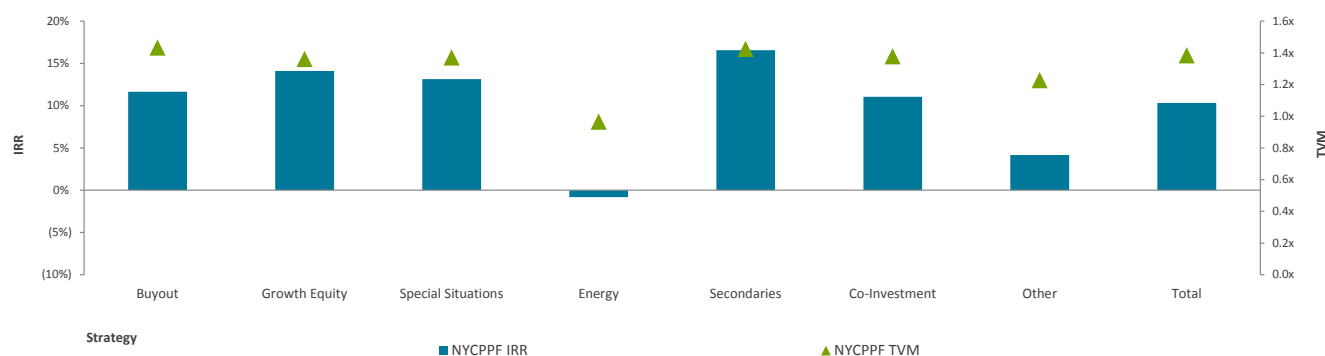
The following table and charts illustrate the Portfolio's since inception investment performance by strategy and sub-strategy as of September 30, 2015.

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	\$2,878.9	\$2,428.5	\$2,110.9	\$1,368.6	\$796.8	\$2,165.3	1.43x	11.7%
Mega Buyout	951.7	675.3	604.2	397.6	362.2	759.8	1.48x	13.7%
Large Buyout	545.9	449.0	409.0	286.2	166.4	452.6	1.55x	24.5%
Middle-Market Buyout	687.5	598.6	529.2	321.5	185.2	506.7	1.42x	9.0%
Small Buyout	693.7	705.6	568.5	363.2	83.0	446.2	1.32x	8.0%
Growth Equity	290.6	238.8	95.6	229.4	83.9	313.3	1.36x	14.1%
Special Situations	243.9	217.6	184.3	113.9	62.0	175.9	1.37x	13.1%
Energy	130.0	134.3	61.9	67.8	10.1	77.9	0.97x	-0.8%
Secondaries	410.4	226.5	164.9	157.8	187.4	345.3	1.43x	16.6%
Co-Investment	201.7	140.1	92.5	100.5	70.6	171.0	1.38x	11.1%
Other	384.3	401.7	250.8	242.3	18.0	260.3	1.23x	4.2%
Venture Capital	342.8	353.0	188.7	237.3	13.7	251.0	1.21x	3.6%
Mezzanine	41.5	48.6	62.1	4.9	4.4	9.3	1.38x	12.2%
Total	\$4,539.7	\$3,787.5	\$2,961.0	\$2,280.2	\$1,228.8	\$3,509.0	1.38x	10.3%

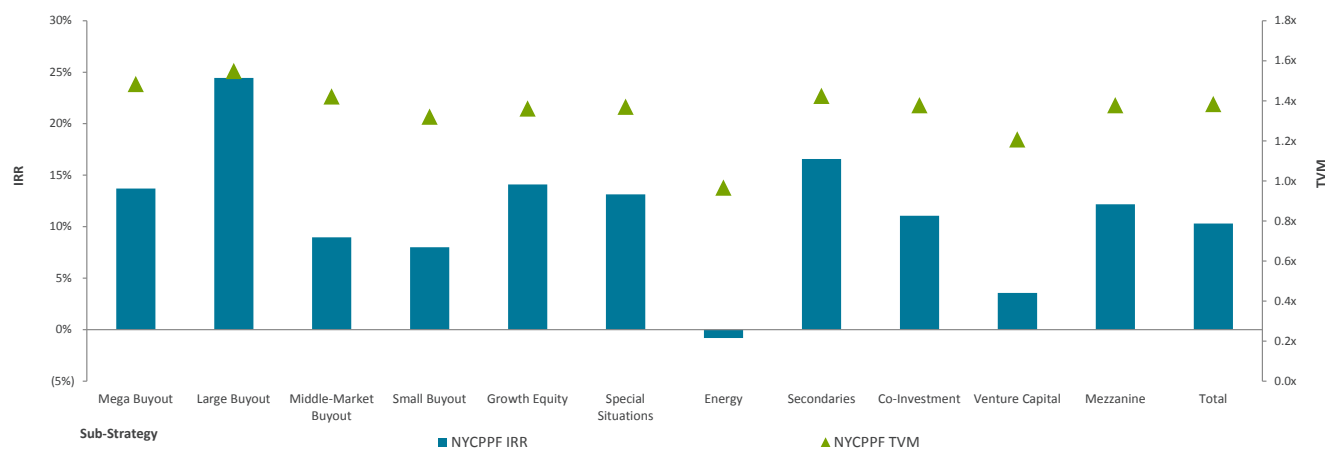
Performance by Strategy

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	\$1,368.6	60.0%	\$796.8	64.8%	\$2,165.3	61.7%
Mega Buyout	397.6	17.4%	362.2	29.5%	759.8	21.7%
Large Buyout	286.2	12.6%	166.4	13.5%	452.6	12.9%
Middle-Market Buyout	321.5	14.1%	185.2	15.1%	506.7	14.4%
Small Buyout	363.2	15.9%	83.0	6.8%	446.2	12.7%
Growth Equity	229.4	10.1%	83.9	6.8%	313.3	8.9%
Special Situations	113.9	5.0%	62.0	5.0%	175.9	5.0%
Energy	67.8	3.0%	10.1	0.8%	77.9	2.2%
Secondaries	157.8	6.9%	187.4	15.3%	345.3	9.8%
Co-Investment	100.5	4.4%	70.6	5.7%	171.0	4.9%
Other	242.3	10.6%	18.0	1.5%	260.3	7.4%
Venture Capital	237.3	10.4%	13.7	1.1%	251.0	7.2%
Mezzanine	4.9	0.2%	4.4	0.4%	9.3	0.3%
Total	\$2,280.2	100.0%	\$1,228.8	100.0%	\$3,509.0	100.0%

By Fund Geographic Focus

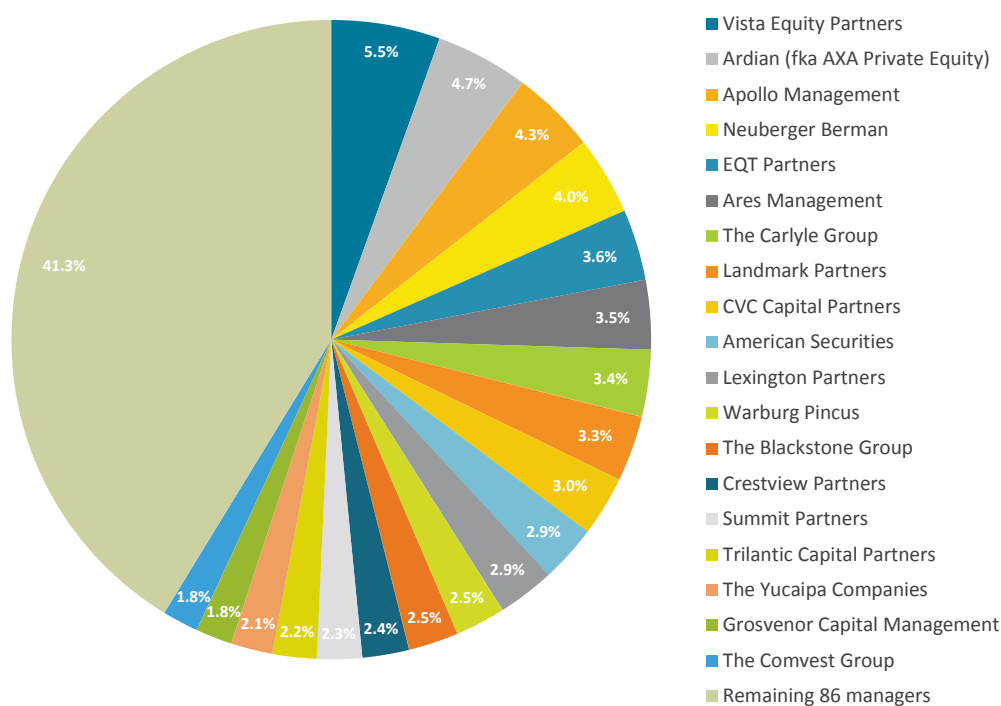
As of September 30, 2015 (US\$ in millions)	Market Value		Unfunded Commitment		Total Exposure	
	\$	% of Total	\$	% of Total	\$	% of Total
North America	\$1,685.2	73.9%	\$716.8	58.3%	\$2,402.0	68.5%
Global	383.1	16.8%	355.2	28.9%	738.3	21.0%
Western Europe	178.7	7.8%	154.9	12.6%	333.6	9.5%
Rest of World	33.2	1.5%	1.8	0.1%	35.0	1.0%
Total	\$2,280.2	100.0%	\$1,228.8	100.0%	\$3,509.0	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\$2.1 billion, or 58.7% of total exposure. The remaining 86 managers comprised 41.3% of total exposure as of quarter-end.

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

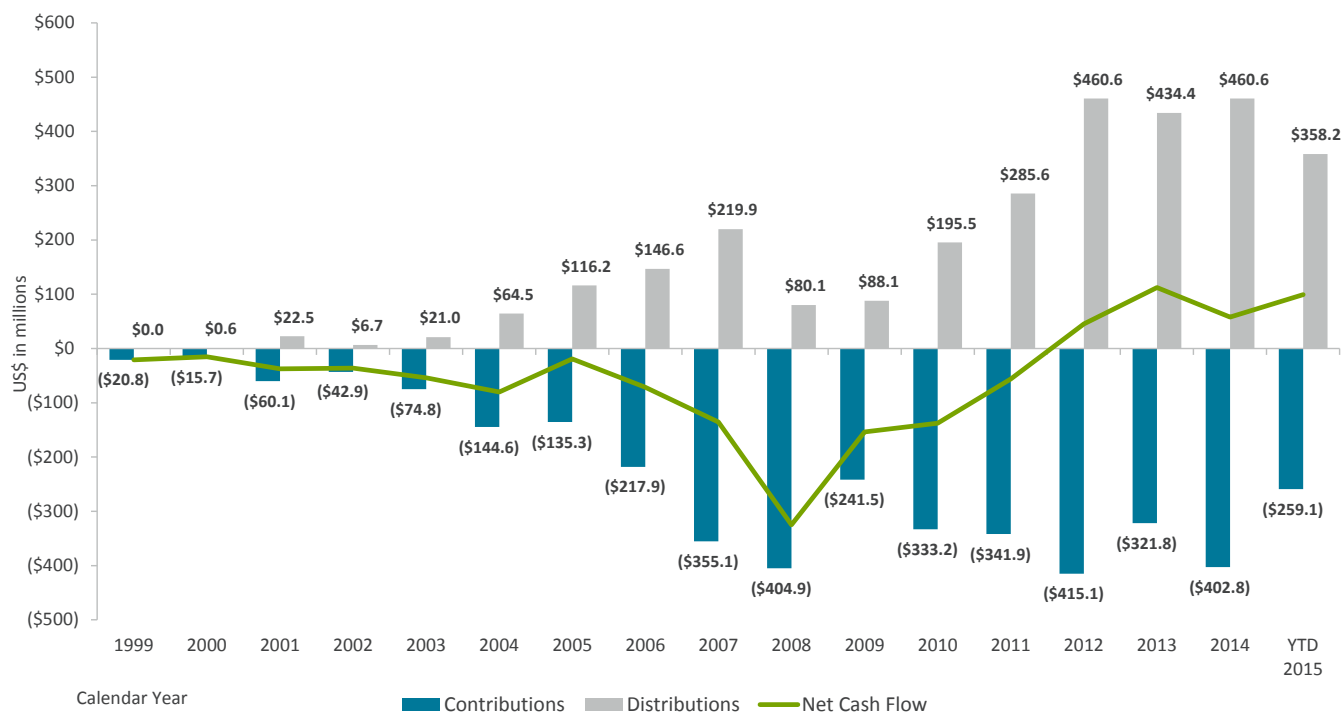


Portfolio Cash Flow Analysis

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

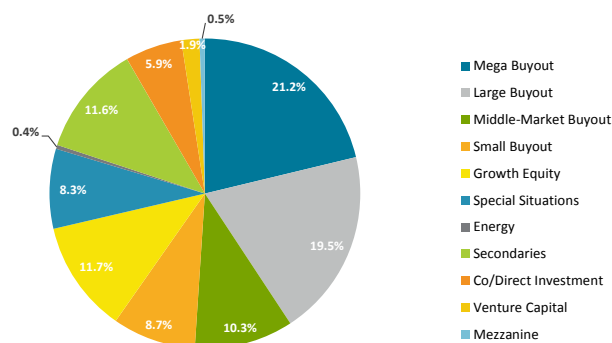
Year to Date Cash Flow Activity

During the nine months ended September 30, 2015, the Portfolio made US\$259.1 million of contributions and received US\$358.2 million of distributions, for a net cash inflow of US\$99.2 million, compared to a net cash inflow of US\$21.6 million during the same period in the prior year. The graph below illustrates cash flow activity since inception by calendar year.

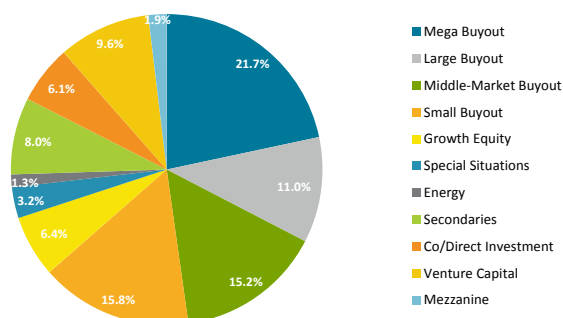


Buyout funds were the most active in terms of cash flow activity during the first nine months of 2015. Buyout funds drew down US\$154.7 million, or 59.7% of total contributions during first nine months of 2015, and distributed US\$227.6 million, or 63.5% of total distributions during the first nine months of 2015.

YTD 2015 Total Contributed by Sub-Strategy

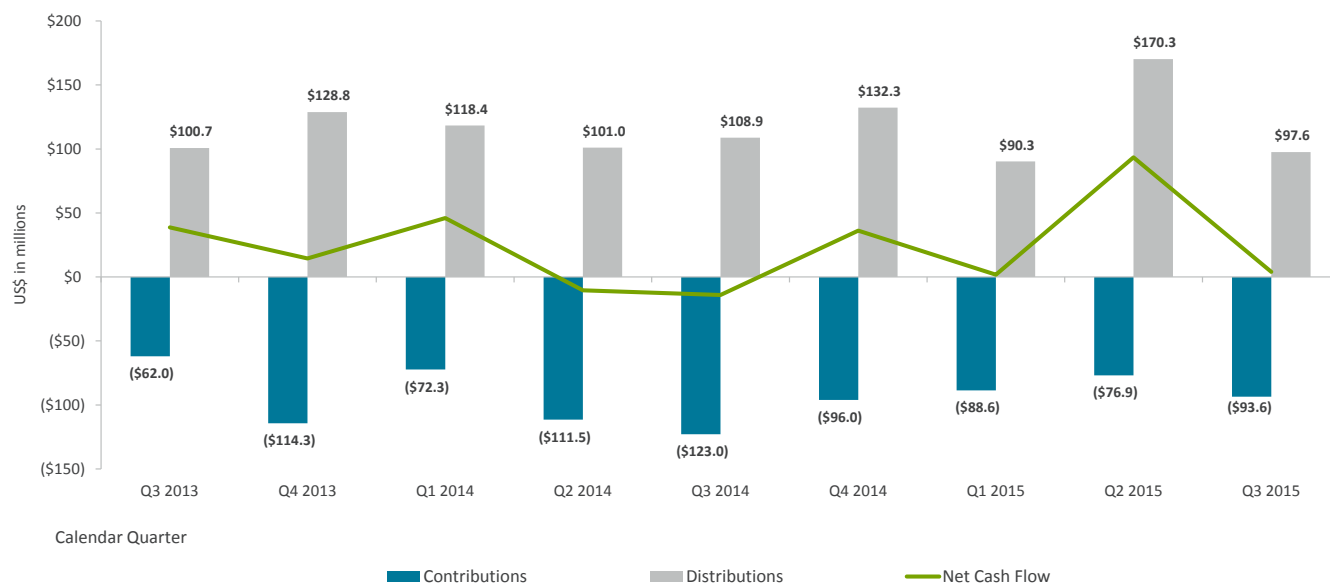


YTD 2015 Total Distributed by Sub-Strategy



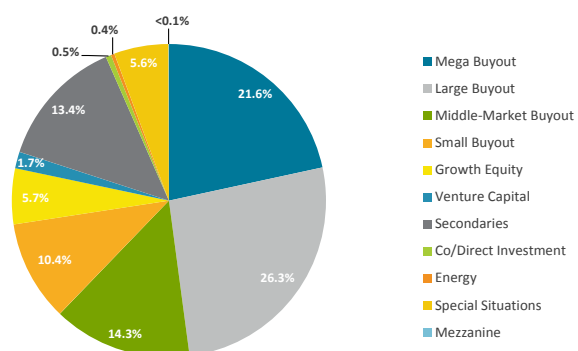
Quarterly Cash Flow Activity

During the third quarter of 2015, the Portfolio made US\$93.6 million of contributions and received US\$97.6 million of distributions, for a net cash inflow of US\$4.0 million. The graph below illustrates recent cash flow activity by quarter.

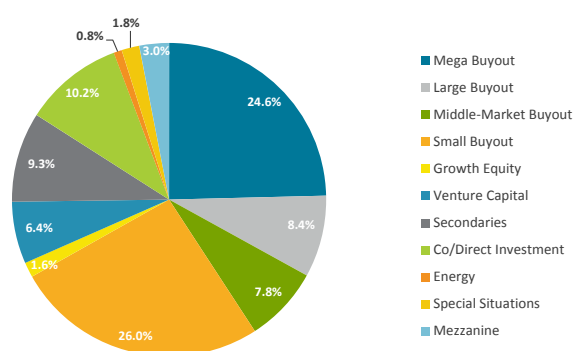


Buyout funds were the most active in terms of cash flow activity during the third quarter of 2015. Buyout funds drew down US\$67.9 million, or 72.6% of total contributions during the quarter, and distributed US\$65.2 million, or 66.8% of total distributions during the quarter.

Q3 2015 Contributed by Sub-Strategy

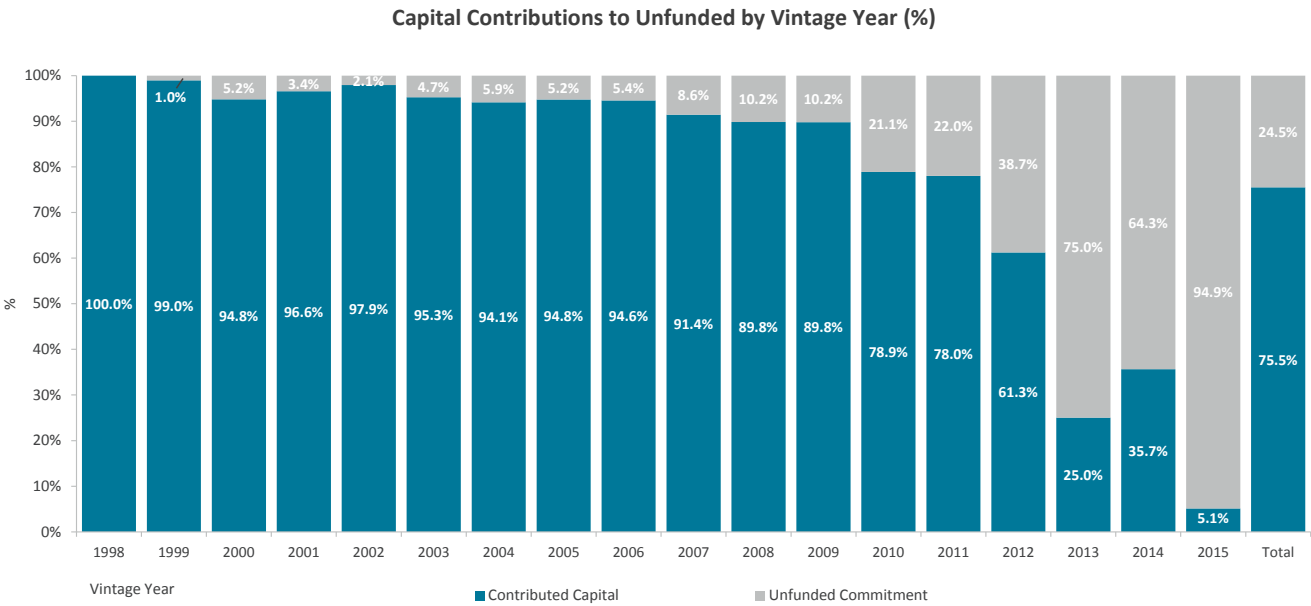


Q3 2015 Distributed by Sub-Strategy

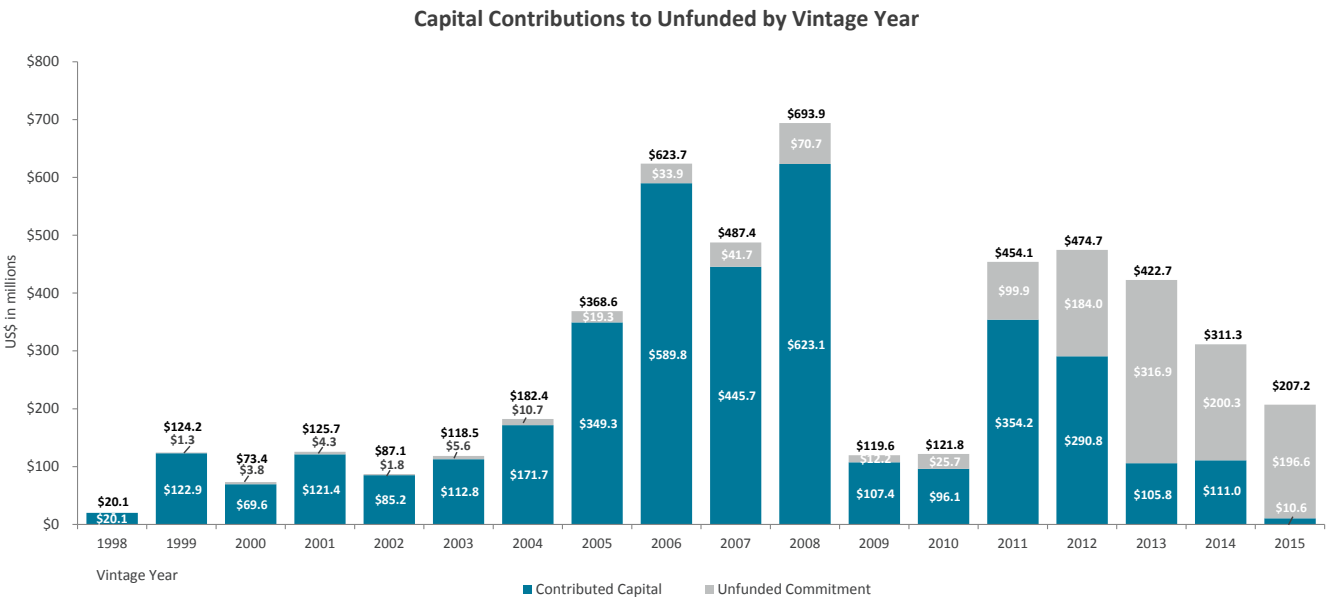


Invested Capital by Vintage Year

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



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



Portfolio Company-Level Analysis

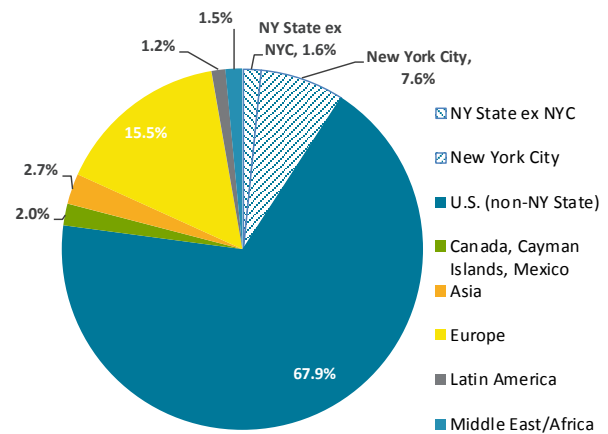
Geographic Exposure

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

Geographic Exposure by Current Cost

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

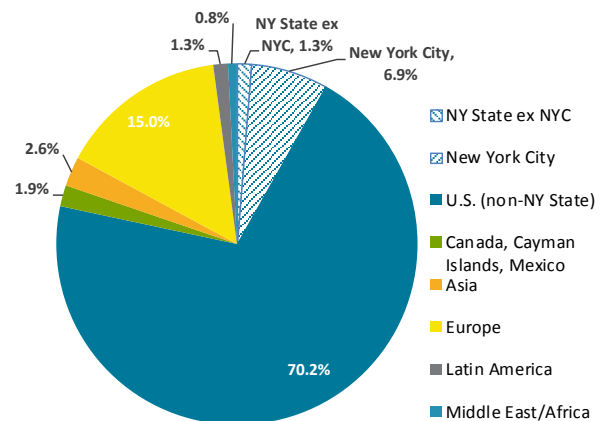
	Sum of Current Cost	% of Total
North America	\$1,425.9	79.1%
New York	\$165.2	9.2%
NY State ex NYC	28.5	1.6%
New York City	136.7	7.6%
U.S. (non-NY State)	1,225.5	67.9%
Canada, Cayman Islands, Mexico	35.2	2.0%
Asia	48.9	2.7%
Europe	279.1	15.5%
Latin America	22.5	1.2%
Middle East/Africa	27.2	1.5%
Total	\$1,803.7	100.0%



Geographic Exposure by Current Market Value

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

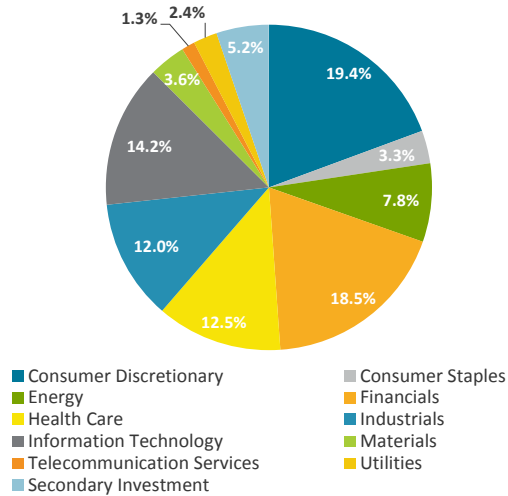
	Sum of Current Market Value	% of Total
North America	\$1,955.4	80.2%
New York	\$199.0	8.2%
NY State ex NYC	30.7	1.3%
New York City	168.3	6.9%
U.S. (non-NY State)	1,710.6	70.2%
Canada, Cayman Islands, Mexico	45.8	1.9%
Asia	64.2	2.6%
Europe	366.0	15.0%
Latin America	32.0	1.3%
Middle East/Africa	19.3	0.8%
Total	\$2,436.9	100.0%



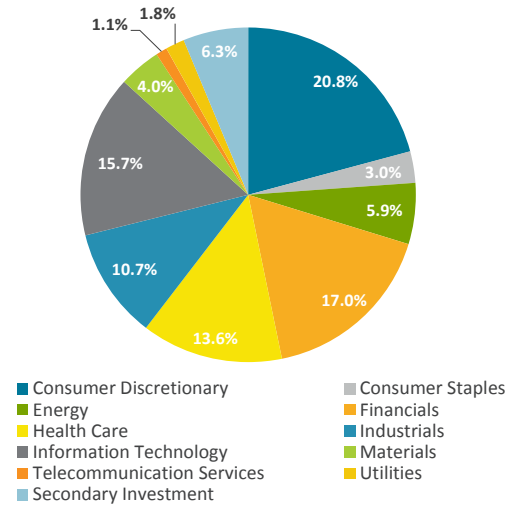
Industry Exposure

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



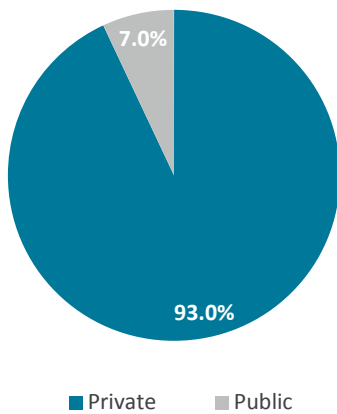
Industry Exposure by Current Market Value



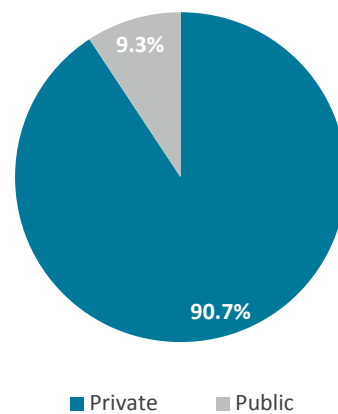
Public Market Exposure

As of quarter-end, publicly traded investments comprised 7.0% of the Portfolio's exposed cost and 9.3% of the Portfolio's exposed market value. The following charts illustrate the current public market exposure at the portfolio company level.

Public Market Exposure by Current Cost



Public Market Exposure Current Market Value



IV. Appendix

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

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
Active Investments										
1999	Cypress Merchant Banking Partners II, L.P.	3/29/1999	\$ 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	50,000,000	57,513,671	85,895,768	8,928,129	1.65x	14.5%	6.7%	7.9%
1999	Lincolnshire Equity Fund II, L.P.	10/20/1999	11,038,409	11,556,880	21,877,852	718,344	1.96x	24.6%	6.8%	17.8%
2000	Solera Partners, L.P.	5/26/2000	9,999,888	13,206,455	20,817,577	2,405,563	1.76x	8.8%	6.3%	2.5%
2000	SCP Private Equity Partners II, L.P.	6/15/2000	25,000,000	28,057,160	8,542,740	7,010,161	0.55x	(7.4%)	5.2%	(12.6%)
2001	New Mountain Partners, L.P.	3/16/2001	13,606,449	12,837,351	18,323,621	331,114	1.45x	12.4%	6.2%	6.2%
2001	Apollo Investment Fund V, L.P.	4/13/2001	35,000,000	54,534,624	107,157,378	1,311,144	1.99x	38.8%	8.4%	30.4%
2001	CVC European Equity Partners III, L.P.	9/4/2001	25,000,000	28,947,553	74,439,614	667,224	2.59x	41.1%	10.8%	30.3%
2002	Yucaipa American Alliance Fund I, LP	7/1/2002	20,000,000	29,967,488	25,901,853	9,166,103	1.17x	4.7%	9.7%	(5.0%)
2002	Collier International Partners IV, L.P.	7/2/2002	26,100,000	26,761,761	34,796,416	1,642,896	1.36x	11.7%	7.0%	4.7%
2002	Landmark Equity Partners XI, L.P.	10/23/2002	30,000,000	28,518,970	41,682,038	2,691,449	1.56x	23.7%	7.3%	16.4%
2003	FS Equity Partners V, L.P.	1/20/2003	15,000,000	13,748,904	23,945,808	3,362,558	1.99x	15.8%	5.0%	10.7%
2003	Blackstone Capital Partners IV, L.P.	2/26/2003	46,253,267	57,092,364	123,672,859	13,566,611	2.40x	36.5%	8.1%	28.4%
2003	Ares Corporate Opportunities Fund, L.P.	4/1/2003	35,000,000	42,006,955	60,147,334	4,493,330	1.54x	13.6%	7.3%	6.3%
2004	Markstone Capital Partners, LP	1/30/2004	10,000,000	11,724,772	4,892,031	552,602	0.46x	(44.8%)	18.5%	(63.4%)
2004	Euro Choice II (Delaware) L.P.	2/25/2004	20,254,055	20,142,503	23,633,457	6,114,326	1.48x	7.5%	6.0%	1.5%
2004	FdG Capital Partners II LP	8/30/2004	25,000,000	26,713,430	30,356,466	1,492,876	1.19x	3.5%	6.5%	(3.0%)
2004	Paladin Homeland Security Fund (NY City), L.P.	9/27/2004	30,000,000	32,473,843	9,839,320	6,007,109	0.49x	(10.1%)	6.0%	(16.1%)
2004	Lincolnshire Equity Fund III, L.P.	10/1/2004	15,000,000	14,528,744	18,920,113	7,726,645	1.83x	31.1%	9.8%	21.3%
2004	Aurora Equity Partners III L.P.	11/16/2004	15,000,000	16,235,965	25,871,159	1,581,702	1.69x	14.4%	9.8%	4.6%
2004	Trilantic Capital Partners III L.P.	11/18/2004	20,000,000	28,037,300	29,016,729	6,317,207	1.64x	14.7%	3.9%	10.8%
2004	Medica III Investments (International) L.P.	12/1/2004	10,000,000	9,816,293	4,237,089	3,821,000	0.82x	(5.0%)	(3.8%)	(1.2%)
2004	Celtic Pharmaceutical Holdings L.P.	12/23/2004	10,000,000	10,160,838	160,838	1,590,407	0.17x	(20.3%)	9.5%	(29.8%)
2005	Palladium Equity Partners III, L.P.	11/12/2004	25,000,000	26,560,833	34,973,408	16,482,275	1.94x	16.8%	10.4%	6.5%
2005	New Mountain Partners II, L.P.	1/12/2005	7,741,935	6,962,713	12,948,097	717,046	1.96x	13.8%	4.5%	9.3%
2005	VSS Communications Partners IV, L.P.	3/14/2005	12,500,000	14,103,331	7,616,160	3,273,656	0.77x	(4.6%)	7.3%	(11.8%)
2005	Carlyle Partners IV, L.P.	4/29/2005	50,000,000	51,531,593	95,828,507	6,404,851	1.98x	13.2%	4.1%	9.1%
2005	Levine Leichtman Capital Partners Deep Value Fund, L.P.	5/18/2005	20,000,000	24,978,381	21,530,211	4,667,516	1.05x	1.3%	5.2%	(3.9%)
2005	Prism Venture Partners V-A, L.P.	7/14/2005	20,000,000	20,508,481	9,790,565	6,265,375	0.78x	(4.9%)	7.8%	(12.6%)
2005	Arlington Capital Partners II, L.P.	7/29/2005	20,000,000	20,212,097	22,237,310	12,580,090	1.72x	11.5%	6.4%	5.2%
2005	Quadrangle Capital Partners II LP	8/29/2005	23,276,501	22,951,991	21,315,728	6,317,182	1.20x	3.9%	7.2%	(3.3%)
2005	Snow Phipps Group, L.P.	9/7/2005	10,000,000	11,495,520	8,912,998	6,258,124	1.32x	7.8%	10.0%	(2.2%)
2005	GI Partners Fund II L.P.	9/26/2005	12,500,000	12,637,607	14,669,843	4,729,420	1.54x	7.3%	5.3%	2.0%
2005	Blackstone Mezzanine Partners II, L.P.	10/10/2005	14,000,000	13,352,442	15,932,646	1,479,396	1.30x	7.3%	3.5%	3.8%
2005	Psilos Group Partners III, L.P.	10/24/2005	12,500,000	13,287,792	6,410,270	10,347,991	1.26x	4.9%	7.0%	(2.1%)
2005	FirstMark Capital I, L.P. (fka FirstMark IV)	11/21/2005	10,000,000	10,815,838	14,937,203	53,315,189	6.31x	44.1%	8.4%	35.7%
2005	USPF II Institutional Fund, L.P.	11/23/2005	20,000,000	26,379,750	17,762,157	16,751,585	1.31x	5.6%	6.6%	(0.9%)
2005	Bridgepoint Europe III	12/6/2005	15,654,250	14,480,947	8,494,493	8,179,456	1.15x	2.2%	5.3%	(3.1%)
2005	JP Morgan Fleming (Tranche A)	12/21/2005	40,000,000	38,293,220	27,127,878	25,253,734	1.37x	7.2%	10.0%	(2.8%)
2006	Aisling Capital II, LP	1/12/2006	2,500,000	2,930,445	1,813,862	1,204,392	1.03x	0.6%	7.1%	(6.5%)
2006	InterMedia Partners VII, L.P.	1/20/2006	12,500,000	14,335,899	8,073,653	14,064,209	1.54x	6.8%	9.4%	(2.6%)
2006	Falconhead Capital Partners II, L.P.	1/24/2006	15,000,000	16,709,927	13,929,427	5,766,159	1.18x	3.8%	8.2%	(4.5%)
2006	Terra Firma Capital Partners III, L.P.	3/8/2006	15,528,725	15,601,083	774,865	7,877,082	0.55x	(10.0%)	7.0%	(17.0%)
2006	Fenway Partners Capital Fund III, L.P.	3/29/2006	15,000,000	16,909,969	12,822,077	5,703,276	1.10x	2.0%	6.7%	(4.7%)
2006	Blackstone Capital Partners V, L.P.	4/13/2006	42,235,747	44,618,915	47,758,349	23,333,878	1.59x	8.1%	8.0%	0.2%
2006	Avista Capital Partners, L.P.	4/27/2006	20,000,000	25,960,156	21,476,525	11,942,756	1.29x	5.8%	5.7%	0.1%
2006	GSC Recovery III, L.P.	5/4/2006	5,000,000	5,623,140	5,912,590	563,566	1.15x	3.7%	6.4%	(2.7%)
2006	Apollo Investment Fund VI, L.P.	5/10/2006	45,000,000	57,919,123	71,357,441	17,314,763	1.53x	9.7%	7.2%	2.5%
2006	Landmark Equity Partners XIII, L.P.	5/11/2006	10,000,000	9,566,089	8,500,700	4,030,126	1.31x	6.2%	5.8%	0.4%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	15,000,000	16,427,904	24,822,637	3,136,826	1.70x	13.8%	3.8%	9.9%
2006	Atlantic Equity Partners IV, L.P.	7/12/2006	25,124,928	21,871,603	-	15,051,227	0.69x	(6.3%)	10.9%	(17.2%)
2006	CCMP Capital Investors II, L.P.	8/17/2006	20,000,000	21,957,057	24,169,341	11,995,334	1.65x	13.9%	9.9%	4.0%
2006	Capital Partners Private Equity Income Fund, L.P.	8/23/2006	15,000,000	14,382,706	20,431,144	9,600,882	2.09x	20.8%	10.9%	10.0%
2006	CLP 2014 (fka Perseus Partners VII)	8/31/2006	15,000,000	17,487,017	5,008,488	196,616	0.30x	(36.6%)	12.9%	(49.5%)
2006	NB Co-Investment Partners LP	9/28/2006	60,000,000	60,370,704	64,102,834	23,994,144	1.46x	9.1%	5.6%	3.6%
2006	Euro Choice III L.P.	11/21/2006	26,746,412	25,811,364	13,794,990	15,231,762	1.12x	2.6%	11.7%	(9.0%)
2006	Thomas, McNerney & Partners II, L.P.	11/30/2006	10,000,000	9,507,667	16,146,663	4,520,440	2.17x	16.8%	11.1%	5.8%
2006	Catterton Partners VI, L.P.	12/14/2006	20,000,000	21,920,060	26,469,122	14,830,889	1.88x	13.5%	8.0%	5.6%
2006	First Reserve Fund XI, L.P.	12/14/2006	20,000,000	21,253,053	12,260,947	3,219,530	0.73x	(7.8%)	5.6%	(13.5%)
2006	Permira IV, L.P.	12/14/2006	16,133,734	17,018,484	16,529,726	7,472,824	1.41x	7.4%	8.8%	(1.4%)
2006	Arsenal Capital Partners II, LP	12/19/2006	10,000,000	11,951,344	10,860,574	7,739,849	1.56x	10.1%	11.3%	(1.2%)
2006	RRE Ventures IV, L.P.	12/19/2006	15,000,000	18,378,972	4,484,531	23,840,559	1.54x	8.9%	9.7%	(0.8%)
2006	Collier International Partners V, L.P.	12/21/2006	10,000,000	8,607,475	8,933,594	3,793,380	1.48x	9.9%	10.3%	(0.4%)
2006	MidOcean Partners III, L.P.	12/21/2006	40,000,000	44,502,913	30,284,237	33,008,346	1.42x	8.2%	8.6%	(0.4%)
2006	GF Capital Private Equity Fund, L.P.	12/22/2006	10,000,000	10,437,343	8,793,694	9,382,036	1.74x	14.9%	11.3%	3.6%
2006	The Fourth Craven Fund	1/22/2007	13,937,640	13,886,333	14,718,528	4,676,359	1.40x	6.9%	7.4%	(0.5%)
2007	Pegasus Partners IV, L.P.	1/29/2007	15,000,000	17,402,515	7,938,472	10,098,695	1.04x	0.9%	10.6%	(9.7%)
2007	Olympus Capital Asia III, L.P.	1/31/2007	20,000,000	22,720,567	8,142,661	19,730,007	1.23x	6.3%	10.5%	(4.2%)
2007	FTVentures III, LP	3/1/2007	7,500,000	7,635,000	7,501,554	8,289,360	2.07x	16.7%	9.5%	7.2%
2007	Highland Consumer Fund I LP	3/16/2007	10,000,000	9,516,060	1,999,220	5,534,271	0.79x	(4.2%)	9.7%	(13.8%)
2007	Montreux Equity Partners IV, L.P.	3/27/2007	10,000,000	10,000,000	3,421,889	10,540,720	1.40x	7.6%	9.6%	(1.9%)
2007	Gleacher Mezzanine Fund II, L.P.	3/30/2007	10,000,000	9,178,264	10,860,467	911,810	1.28x	9.7%	11.6%	(1.9%)
2007	Quaker BioVentures II, L.P.	3/30/2007	15,000,000	13,244,055	7,828,105	9,749,105	1.33x	7.8%	11.9%	(4.1%)

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

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
2007	SCP Vitalife Partners II Fund	4/13/2007	15,000,000	15,007,274	1,184	12,873,064	0.86x	(3.3%)	9.9%	(13.3%)
2007	Comvest Investment Partners III, L.P.	5/15/2007	15,000,000	19,009,285	11,293,544	9,551,210	1.10x	3.0%	10.4%	(7.4%)
2007	Constellation Venture Capital III, L.P.	5/22/2007	15,000,000	16,116,750	3,405,627	8,553,913	0.74x	(6.6%)	16.2%	(22.8%)
2007	United States Power Fund III, L.P.	6/28/2007	15,000,000	14,992,160	7,298,105	12,639,308	1.33x	5.9%	7.7%	(1.8%)
2007	Carlyle Partners V, L.P.	7/6/2007	50,000,000	50,673,217	50,827,956	32,578,268	1.65x	13.9%	10.3%	3.6%
2007	PCG Clean Energy & Technology Fund (East), LLC	7/6/2007	40,000,000	35,280,037	4,153,638	18,810,294	0.65x	(8.8%)	12.8%	(21.6%)
2007	GSO Capital Opportunities Fund LP	7/16/2007	17,500,000	26,108,521	35,324,603	2,528,817	1.45x	18.1%	10.1%	8.0%
2007	New Mountain Partners III, L.P.	8/9/2007	35,000,000	34,090,379	20,177,604	31,721,376	1.52x	11.0%	11.9%	(0.9%)
2007	Vista Equity Partners Fund III, L.P.	10/3/2007	20,000,000	21,240,126	45,207,593	9,093,995	2.56x	28.8%	9.6%	19.1%
2007	Trilantic Capital Partners IV L.P.	10/22/2007	45,856,523	45,812,852	53,072,885	19,596,961	1.59x	14.7%	10.6%	4.1%
2007	Pine Brook Capital Partners, L.P.	1/11/2008	15,000,000	15,145,365	8,917,908	10,067,413	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	24,401,009	1.25x	6.5%	10.8%	(4.2%)
2008	Relativity Fund, L.P.	1/17/2008	8,158,371	8,080,212	1,726,554	2,757,296	0.55x	(11.3%)	10.1%	(21.4%)
2008	Apollo Investment Fund VII, L.P.	1/28/2008	50,000,000	57,823,362	85,278,706	17,112,741	1.77x	25.1%	13.2%	11.9%
2008	NGN BioMed Opportunity II, L.P.	2/11/2008	10,000,000	9,325,911	1,973,105	5,015,925	0.75x	(7.1%)	15.6%	(22.7%)
2008	Carpenter Community BancFund-A, L.P.	2/12/2008	15,000,000	14,639,741	8,494,912	13,707,026	1.52x	8.3%	15.0%	(6.7%)
2008	Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	3/3/2008	15,000,000	15,668,154	11,250,080	7,918,648	1.22x	6.9%	13.3%	(6.4%)
2008	Yucaipa American Alliance Fund II, LP	3/28/2008	50,000,000	67,278,813	39,799,576	56,240,163	1.43x	10.5%	11.6%	(1.1%)
2008	Milestone Partners III, L.P.	4/7/2008	15,000,000	15,864,283	7,261,451	8,482,416	0.99x	(0.2%)	12.1%	(12.3%)
2008	Levine Leichtman Capital Partners IV, L.P.	4/8/2008	10,000,000	10,009,096	11,523,792	5,252,708	1.68x	20.2%	14.2%	6.0%
2008	Lee Equity Partners Fund, L.P.	4/23/2008	20,000,000	23,701,136	11,143,910	19,850,361	1.31x	9.0%	13.1%	(4.1%)
2008	Coral's 2007 Institutional Momentum Fund, L.P.	5/13/2008	10,000,000	9,492,863	1,887,334	3,293,675	0.55x	(10.3%)	10.6%	(20.9%)
2008	Yucaipa Corporate Initiatives Fund II, LP	6/23/2008	14,030,930	13,614,240	3,899,519	7,953,362	0.87x	(3.4%)	10.3%	(13.7%)
2008	CVC European Equity Partners V, L.P.	7/21/2008	34,238,807	35,447,383	29,430,296	19,215,915	1.37x	10.9%	12.0%	(1.2%)
2008	GI Partners Fund III L.P.	7/29/2008	17,500,000	18,613,061	17,701,761	10,225,642	1.50x	14.2%	15.0%	(0.8%)
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	25,000,000	29,094,955	26,205,082	23,519,905	1.71x	21.1%	11.3%	9.8%
2008	GCM Grosvenor NYCPFF Emerging Manager Co-Investment Fund, L.P.	8/22/2008	4,457,094	5,165,187	6,838,002	1,948,488	1.70x	13.4%	11.4%	2.0%
2008	GCM Grosvenor NYCPFF Emerging Manager Fund, L.P.	8/22/2008	59,909,091	60,303,020	32,618,913	44,904,181	1.29x	10.7%	12.7%	(2.1%)
2008	First Reserve Fund XII, L.P.	8/25/2008	20,000,000	20,765,240	9,221,075	8,467,330	0.85x	(4.5%)	16.3%	(20.8%)
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	27,250,000	24,876,251	18,802,645	15,724,324	1.39x	15.4%	13.7%	1.6%
2008	Crestview Partners II, L.P.	10/1/2008	22,500,000	23,610,192	15,873,786	19,158,755	1.48x	13.7%	14.2%	(0.6%)
2008	Erasmus New York City Growth Fund IA	10/17/2008	4,835,960	4,835,960	1,670,495	1,549,781	0.67x	(7.1%)	16.9%	(24.0%)
2008	Euro Choice IV L.P.	10/22/2008	19,401,833	16,355,763	2,551,947	16,182,190	1.15x	4.6%	12.8%	(8.2%)
2008	Avista Capital Partners II, L.P.	11/5/2008	35,000,000	41,412,749	41,798,750	34,498,656	1.84x	18.9%	14.2%	4.7%
2008	Blue Wolf Capital Fund II, L.P.	11/14/2008	15,000,000	16,046,828	5,988,120	11,972,345	1.12x	4.3%	16.1%	(11.8%)
2008	Bridgepoint Europe IV	11/14/2008	13,377,004	12,227,092	8,071,109	8,858,829	1.38x	10.0%	15.1%	(5.1%)
2008	Aisling Capital III, LP	11/20/2008	7,000,000	7,071,103	6,352,655	5,220,781	1.64x	23.5%	13.9%	9.6%
2008	Onex Partners III LP	12/10/2008	15,000,000	16,179,174	9,195,828	13,934,560	1.43x	12.8%	14.8%	(2.0%)
2009	NorthBound Emerging Manager Custom Fund LP	1/29/2009	20,000,000	16,212,592	9,731,374	16,704,492	1.63x	17.1%	13.8%	3.3%
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	22,500,000	21,474,194	16,302,290	16,389,329	1.52x	14.4%	14.1%	0.3%
2009	Scale Venture Partners III, LP	5/1/2009	10,000,000	9,787,455	9,145,183	12,268,843	2.19x	24.7%	12.8%	11.9%
2009	FS Equity Partners VI, L.P.	7/27/2009	20,000,000	20,461,492	11,663,075	25,504,034	1.82x	21.2%	14.3%	6.8%
2009	Lincolnshire Equity Fund IV, L.P.	8/5/2009	7,500,000	7,250,344	2,628,781	6,128,588	1.21x	8.0%	12.7%	(4.6%)
2009	Lexington Capital Partners VII, L.P.	12/3/2009	20,000,000	16,339,206	12,848,009	11,825,908	1.51x	17.2%	13.8%	3.4%
2010	Snow Phipps II, L.P.	1/8/2010	17,500,000	13,819,202	7,877,125	12,161,119	1.45x	16.4%	12.5%	3.9%
2010	Trident V, L.P.	4/29/2010	40,000,000	41,619,327	8,112,394	42,799,263	1.22x	8.6%	10.5%	(2.0%)
2010	Comvest Investment Partners IV, L.P.	10/21/2010	45,000,000	40,656,402	35,959,008	36,086,278	1.77x	39.8%	12.9%	26.9%
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	35,000,000	26,341,741	5,042,853	26,906,083	1.21x	11.5%	9.8%	1.7%
2011	Ampersand 2011	3/11/2011	12,500,000	12,062,500	705,463	19,117,504	1.64x	17.8%	11.1%	6.7%
2011	BDCM Opportunity Fund III, L.P.	4/8/2011	20,000,000	25,010,713	9,212,561	19,834,731	1.16x	9.8%	10.3%	(0.6%)
2011	AXA Secondary Fund V B L.P.	6/16/2011	80,000,000	60,382,045	33,729,194	58,598,467	1.53x	20.2%	14.0%	6.2%
2011	Wellspring Capital Partners V, L.P.	7/1/2011	22,500,000	17,122,447	1,726,621	19,252,185	1.23x	11.7%	9.6%	2.1%
2011	EQT VI, L.P.	8/1/2011	48,589,788	40,658,187	1,006,146	42,434,791	1.07x	3.4%	9.6%	(6.2%)
2011	Pegasus Partners V, L.P.	8/16/2011	14,552,940	10,243,498	2,590,619	10,859,873	1.31x	10.7%	14.4%	(3.7%)
2011	BC European Capital IX	9/19/2011	66,068,427	51,342,513	9,669,672	45,657,833	1.08x	3.9%	12.4%	(8.5%)
2011	American Securities Partners VI, L.P.	11/18/2011	50,000,000	46,187,309	14,697,905	49,536,650	1.39x	22.3%	9.5%	12.8%
2011	Vista Equity Partners Fund IV, L.P.	11/30/2011	70,000,000	64,818,576	28,081,421	76,761,921	1.62x	22.4%	11.7%	10.7%
2012	Warburg Pincus Private Equity XI, L.P.	5/24/2012	80,000,000	62,128,634	12,309,840	66,392,032	1.27x	16.9%	8.2%	8.7%
2012	Summit Partners Growth Equity Fund VIII-A, L.P.	6/14/2012	75,000,000	50,180,639	8,337,230	53,627,263	1.23x	15.1%	6.5%	8.6%
2012	Trilantic Capital Partners V L.P.	9/20/2012	50,000,000	16,253,643	198,669	14,506,589	0.90x	(5.8%)	6.5%	(12.3%)
2012	Palladium Equity Partners IV, L.P.	10/10/2012	35,000,000	15,674,093	990,938	15,821,528	1.07x	5.2%	10.1%	(4.9%)
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	50,000,000	35,635,911	3,483,118	36,498,523	1.12x	9.9%	3.2%	6.8%
2012	Green Equity Investors VI, L.P.	11/30/2012	55,000,000	36,166,352	1,383,645	41,306,115	1.18x	13.3%	5.8%	7.5%
2012	Platinum Equity Capital Partners III, L.P.	1/14/2013	50,000,000	24,286,969	16,853,097	19,380,003	1.49x	45.4%	10.0%	35.4%
2012	NYCPFF - 2012 Emerging Manager Program ⁴	2/7/2013	50,000,000	21,736,712	1,483,266	22,003,389	1.08x	8.8%	0.4%	8.4%
2012	Neuberger Berman Strategic Co-Investment II LP	3/20/2013	60,000,000	46,911,844	17,522,542	47,970,309	1.40x	28.7%	5.3%	23.4%
2013	Carlyle Partners VI, L.P.	7/3/2013	60,000,000	21,735,148	789,435	20,376,557	0.97x	(2.3%)	1.5%	(3.8%)
2013	Carlyle Partners VI, L.P. (Side Car)	9/23/2014	6,600,000	1,457,129	-	1,347,065	0.92x	NM	NM	N/A
2013	Landmark Equity Partners XV, L.P.	10/30/2013	67,000,000	21,211,710	5,013,954	20,417,125	1.20x	NM	NM	N/A
2013	Landmark - NYC Fund I, L.P.	12/24/2013	23,000,000	9,643,998	895,312	10,458,349	1.18x	NM	NM	N/A
2013	Apollo Investment Fund VIII, L.P.	12/11/2013	100,000,000	22,539,357	616,441	21,495,970	0.98x	NM	NM	N/A
2013	CVC Capital Partners VI, L.P.	2/18/2014	87,298,305	13,379,803	592,149	9,297,607	0.74x	NM	NM	N/A
2013	Crestview Partners III, L.P.	3/3/2015	45,000,000	6,105,483	123,877	5,683,249	0.95x	NM	NM	N/A
2013	Crestview Partners III (Co-Investment B), L.P.	12/17/2015	15,000,000	-	-	-	-	N/A	N/A	N/A
2014	Olympus Growth Fund VI, L.P.	1/21/2014	35,000,000	7,261,778	2,526,151	6,305,303	1.22x	NM	NM	N/A

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

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
2014	ASF VI B L.P.	5/9/2014	60,000,000	22,137,781	584,210	26,936,417	1.24x	NM	NM	N/A
2014	ASF VI B NYC Co-Invest L.P.	5/9/2014	20,000,000	11,680,652	1,500,000	13,207,349	1.26x	NM	NM	N/A
2014	Vista Equity Partners Fund V, L.P.	9/8/2014	85,000,000	54,322,151	6,627	57,605,511	1.06x	NM	NM	N/A
2014	Lexington Capital Partners VIII, L.P.	1/8/2015	80,000,000	8,070,792	13,965	12,159,244	1.51x	NM	NM	N/A
2014	Centerbridge Capital Partners III, L.P.	5/21/2015	11,100,000	1,766,392	-	1,783,062	1.01x	NM	NM	N/A
2015	Siris Partners III, L.P.	5/4/2015	15,000,000	150,491	-	(36,000)	(0.24x)	NM	NM	N/A
2015	Welsh, Carson, Anderson & Stowe XII, L.P.	8/26/2015	37,000,000	7,763,726	-	7,181,980	0.93x	NM	NM	N/A
2015	EQT VII, L.P.	1/8/2016	75,330,675	-	-	-	-	N/A	N/A	N/A
2015	American Securities Partners VII, L.P.	1/19/2016	37,000,000	-	-	-	-	N/A	N/A	N/A
2015	Bridgepoint Europe V L.P.	2/8/2016	29,016,260	-	-	(159,392)	-	N/A	N/A	N/A
2015	Bridgepoint Europe V Co-Invest	N/A	7,812,070	-	-	-	-	N/A	N/A	N/A
2016	NYCPPF - 2015 Emerging Manager Program ⁵	2/22/2016	60,000,000	-	-	-	-	N/A	N/A	N/A
Total Portfolio⁶			\$ 4,602,664,203	\$ 3,787,453,496	\$ 2,960,988,019	\$ 2,280,207,725	1.38x	10.3%	8.8%	1.5%

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 NYCPPF - 2012 Emerging Manager Program total commitment amount includes the full amount allocated to the Program, of which \$47.0 million has been committed as of February 18, 2016.

⁵ NYCPPF - 2015 Emerging Manager Program total commitment amount includes the full amount allocated to the Program, of which \$8.5 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 Police Pension Fund, Subchapter 2, based on information provided by the general partners (e.g. cash flows and valuations). The IRR calculations and other information contained in this report have not been reviewed or confirmed by the general partners. The result of the IRR calculation may differ from that generated by the general partner or other limited partners. Differences in IRR calculations can be affected by cash-flow timing, the accounting treatment of carried interest, fund management fees, advisory fees, organizational fees, other fund expenses, sale of distributed stock, and valuations.

New York City Police Pension Fund, Subchapter 2
Subsequent Commitments
As of September 30, 2015 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Multiple	IRR ¹	PME Benchmark ²	PME Spread ³
Commitments Closed Subsequent to as of Date										
2015	Warburg Pincus Private Equity XII, L.P.	12/21/2015	\$ 97,000,000	-	-	-	N/A	N/A	N/A	N/A
2015	ASF VII B L.P.	12/29/2015	44,500,000	-	-	-	N/A	N/A	N/A	N/A
2015	ASF VIII B NYC Co-Invest L.P.	12/29/2015	22,000,000	-	-	-	N/A	N/A	N/A	N/A
2016	Stellex Capital Partners LP	2/22/2016	8,500,000	-	-	-	N/A	N/A	N/A	N/A
2016	Ares Corporate Opportunities Fund V, L.P.	N/A	44,000,000	-	-	-	N/A	N/A	N/A	N/A
Total Commitments Closed Subsequent to as of Date			\$ 216,000,000	\$ -	\$ -	\$ -	N/A	N/A	N/A	N/A

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

- Real Assets Quarterly Report:

The New York City Police Pension Fund

Executive Summary: Third Quarter 2015 Performance Measurement Report Real Estate

Portfolio Profile

The New York City Police Pension Fund 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	\$31.7 billion
Target Real Assets Allocation (%)	6%
Target Real Assets Allocation (\$)	\$1.9 billion
Total Real Estate Market Value	\$1.4 billion
Real Estate Unfunded Commitments	\$520.9 million
Total Real Estate Exposure	\$1.9 billion
Number of Investments	55
Number of Managers	37

Net Returns (as of September 30, 2015)

3Q15 Time-Weighted Net Return:	3.2%
1 Year Time Weighted Net Return:	15.0%
3 Year Time Weighted Net Return:	15.2%
Inception-to-Date (ITD) Time-Weighted:	6.9%
ITD Net IRR:	7.9%
ITD Net Equity Multiple:	1.3x

Investment Guidelines

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

Third Quarter Investment Activity

During the Quarter, the Board made a \$40.0 million commitment to an open end core fund, a \$32.0 million commitment to an European opportunistic closed-end fund and a \$24.0 million commitment to a value-add closed-end fund.

OVERVIEW

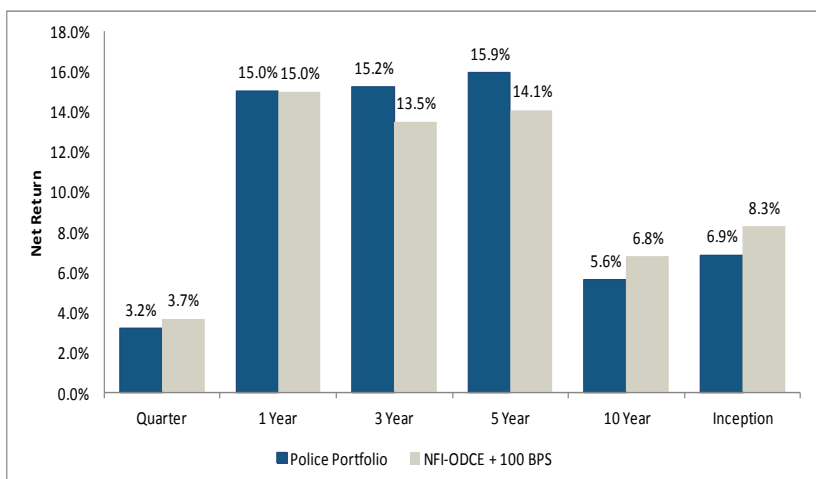
A robust and healthy commercial real estate market atmosphere was prevalent during the Third Quarter of 2015 as a result of a demand for expansion and improving lease growth across major markets in addition to affordable and available financing. Due to this environment leasing volumes increased to 7.0%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

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

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

Source: Jones Lang LaSalle, October 2015

The New York City Police Pension Fund ("Police") Real Estate Portfolio is, and has been, well positioned to take advantage of conditions in the real estate market place. Post economic downturn, in the period reflected in the rolling five-year returns, Police performance exceeds the benchmark by 187 basis points. At the end of the Third Quarter 2015, the Portfolio achieved a total gross return of 3.8% which was comprised of 1.3% in income and 2.5% in appreciation. The net return for the Quarter was 3.2%. The Portfolio exceeds the benchmark over the one-year, three-year and five-year time periods. A detailed analysis of the Portfolio's real estate performance is found later in this Executive Summary.



The New York City Police Pension Fund

Executive Summary: Third Quarter 2015 Performance Measurement Report Real Estate

FUNDING AND COMPOSITION

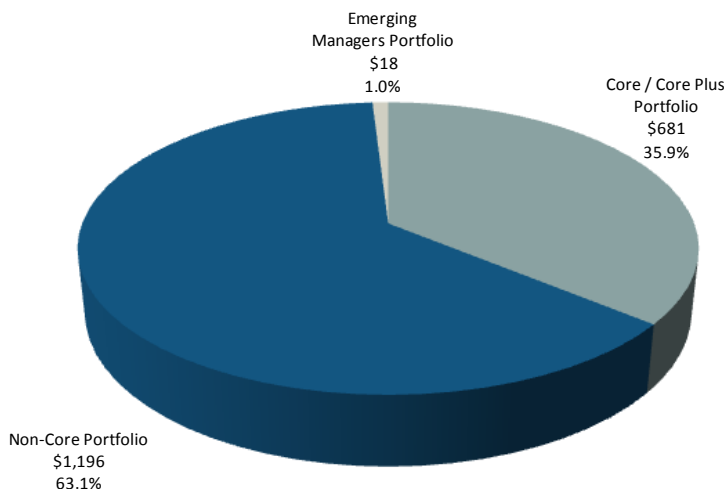
At the end of the Third Quarter, the Portfolio was funded at \$1.4 billion, or 4.3% of total plan assets. A total of \$520.9 million in unfunded commitments are still outstanding. Unfunded commitments are up from \$479.6 million as of second quarter 2015. New commitment activity has accelerated over the past several months and the trend will continue throughout 2015.

New contributions for the Quarter totaled \$66.3 million, offset by approximately \$55.9 million in distributions and withdrawals. Distributions were weighted to the non-core sector.

Shown in the pie chart to the right is the current risk sector exposure calculated by Market Value + Unfunded Commitments. The Core/ Core Plus component accounts for 35.9% of the Portfolio exposure during the Quarter. The Non-Core component accounts for 63.1% of the Portfolio exposure. The Emerging Manager component accounts for 1.0% of the Portfolio exposure.

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

Real Estate Exposure



New York City Police Pension Fund		
Total Plan Assets	9/30/2015	31,672
Real Assets Allocation (%)		6.0
Real Assets Allocation (\$)		1,900
Style Sector Statistics		
Funded (Market Value) Core / Core Plus Portfolio		\$586
Funded (Market Value) Non-Core Portfolio		\$775
Funded (Market Value) Emerging Managers Portfolio		\$13
Unfunded Core / Core Plus Portfolio		\$95
Unfunded Non-Core Portfolio		\$421
Unfunded Emerging Managers Portfolio		\$5
Funded (Market Value) and Committed Statistics		
Core / Core Plus Portfolio		35.9%
Non-Core Portfolio		63.1%
Emerging Managers Portfolio		1.0%
\$ Committed		1894.7
% Committed on Real Asset Allocation		99.7%
% Committed on Total Plan Assets		6.0%
Funded (Market Value) Statistics		
% Funded (Market Value) of Total Plan Assets		4.3%
% Funded (Market Value) of Total Real Assets Allocation		72.3%

PERFORMANCE

During the Quarter under review, the Police Real Estate Portfolio produced a 3.8% total gross return. The total net return for the Quarter was 3.2%. On a rolling one-year basis the total gross return of 18.4% was recorded. On a net basis the total return was 15.0%. On a gross basis the Police Portfolio exceeds the NFI-ODCE in all relevant time periods. The benchmark return contemplates a 100 bps premium over the ODCE net return over full market cycles (10-year). This benchmark is exceeded over all relevant time periods with the exception of the Quarter, 10-year and since inception 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 \$585 million, or 42.6% on an invested basis. On a funded and committed basis, the Core/ Core Plus Portfolio totaled \$680 million, or 35.9% 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 contribution to the Quarterly return in this sector was PRISA II, adding 0.17% to the total net return. The largest detractor from the Core/Core Plus Portfolio was JP Morgan Strategic Property Fund, which detracted (0.11%) from the total net return.

The Core/Core Plus Portfolio achieved a 12.6% net return over the three-year period ending September 30, 2015. Of the 16 Core/Core Plus Funds, PRISA II was the largest contributor, adding 0.27% to the overall performance of the Portfolio. UBS Trumbull Property Fund was the largest detractor, taking away (0.53%) from the overall performance of the Core/Core Plus Portfolio.

Non-Core

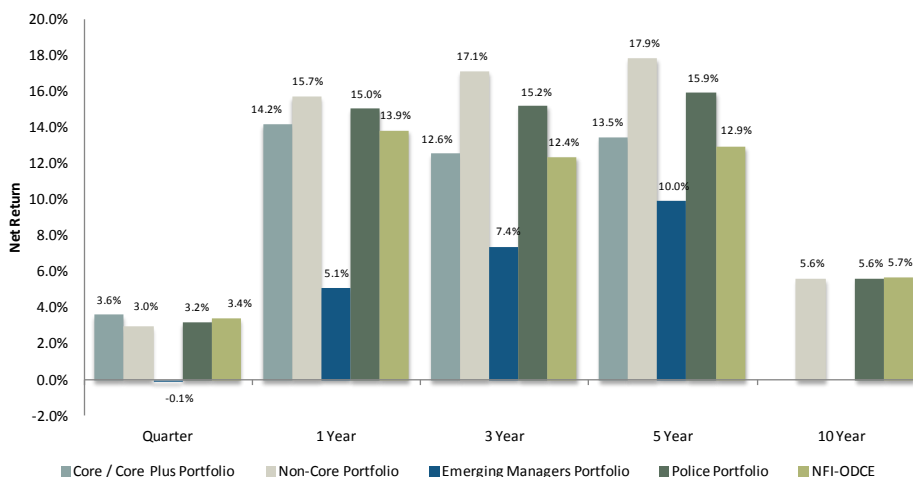
As of September 30, 2015 the market value of the Non-Core Portfolio was \$775 million, or 56.4% on an invested basis. On a funded and committed basis, the Non-Core Portfolio totaled \$1.2 billion, or 63.1% of the total Portfolio. The Non-Core Portfolio generated a 3.8% total gross return for the Quarter comprised of 1.4% in income and 2.4% in appreciation. The total net return for the Quarter was 3.0%.

Of the 36 Funds contributing to the Quarterly return of the Non-Core Portfolio, DivcoWest Fund IV was the largest contributor, adding 0.48%. Stockbridge Real Estate Fund III was the largest detractor for the Quarter, taking away (0.65%) from the overall performance of the Non-Core Portfolio.

The Non-Core Portfolio generated a three-year net return of 17.1%. Of the 36 non-core Funds contributing to the three-year performance of the Portfolio, Blackstone Real Estate Partners VII was the largest contributor, adding 0.84%. The largest detractor among these Funds was The City Investment Fund, which took away (0.64%) from overall Non-Core performance.

Emerging Managers

As of September 30, 2015 the market value of the Emerging Managers Portfolio was \$13.4 million, or 1.0% on an invested basis. On a funded and committed basis, the Emerging Managers Portfolio totaled \$18.2 million, or 1.0% of the total Portfolio. The Emerging Managers Portfolio generated a 1.5% total gross return for the Quarter comprised of (0.4)% in income and 1.9% in appreciation. The total net return for the Quarter was (0.1)%. The Emerging Managers Portfolio has underperformed for a number of reasons including the fact that performance has been adversely impacted by virtue of the difficult vintage years these funds were invested in.



The New York City Police Pension Fund

Executive Summary: Third Quarter 2015 Performance Measurement Report Real Estate

PERFORMANCE

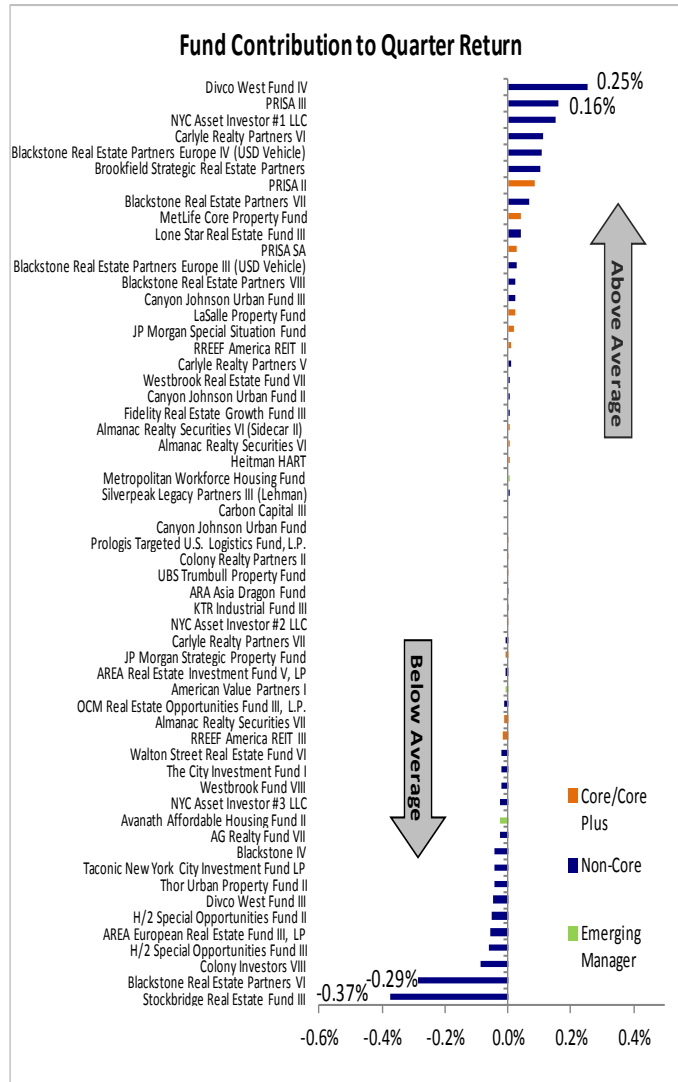
Portfolio Performance

At the end of the Third Quarter 2015, the Portfolio had a cumulative market value of \$1.4 billion. Total market value plus unfunded commitments was \$1.9 billion, or 99.8% of the real asset allocation. During the Quarter, the Portfolio achieved a total gross return of 3.8% which was comprised of 1.3% in income and 2.5% in appreciation. The Portfolio achieved a total net return of 3.2%. Since inception, the Portfolio has a net IRR of 7.9% and an equity multiple of 1.3x. Note, attached as Exhibit B are performance metrics relating to each investment within the Portfolio.

The Quarterly return was driven by DivcoWest Fund IV, which contributed 0.25% to the overall performance. The primary laggards in the Portfolio were Blackstone Real Estate Partners VI and Stockbridge Real Estate Fund III, detracting (0.29%) and (0.37%), respectively. Brief reviews of Funds making positive contributions to performance during the Quarter are found below. Note, that attached as Exhibit C are charts relating to fund contributions to returns during different relevant periods.

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

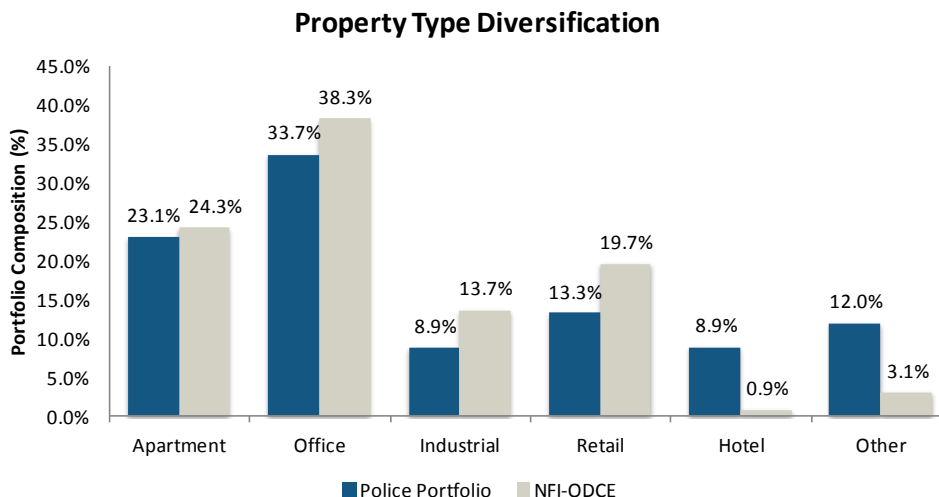
PRISA III. PRISA III generated a 7.0% gross return during the Quarter, comprised of 1.8% in income and 5.2% in appreciation. The net return after fees was 6.6%. Appreciation for the Quarter was driven by the apartment sector contributing \$81.4 million or 97% of total appreciation. The apartment asset 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 apartment 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.

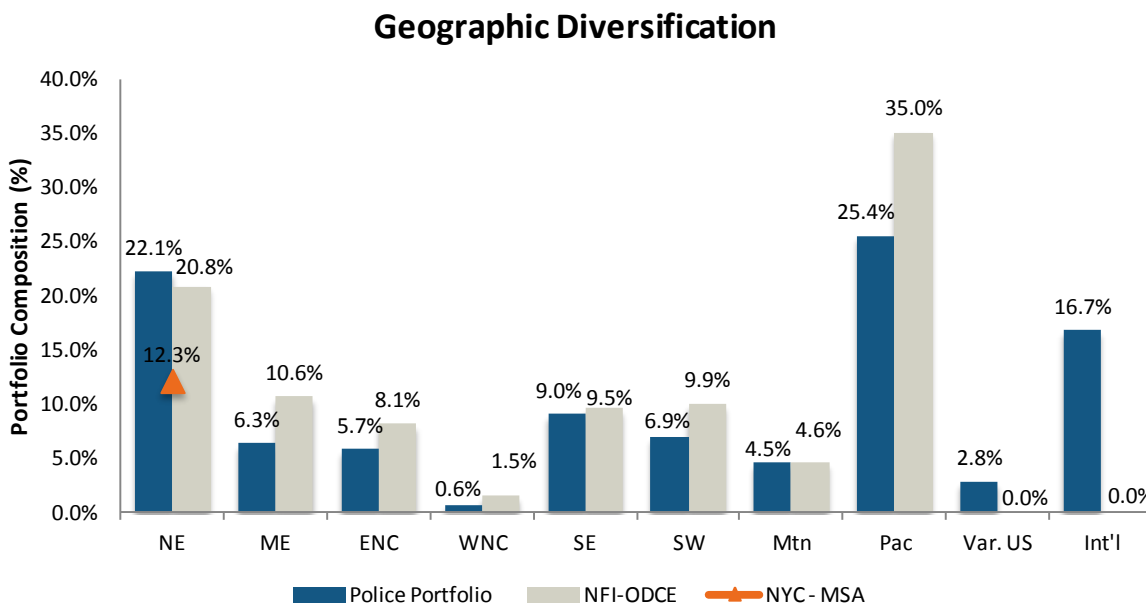
PROPERTY TYPE DIVERSIFICATION

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



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 underweight to the Pacific region. The 16.7% international exposure is appropriate for the risk and return profile of Police and consistent with our long-term target. Exposure to the NYC MSA is also included, which stands at 12.3% as of September 30, 2015.



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.

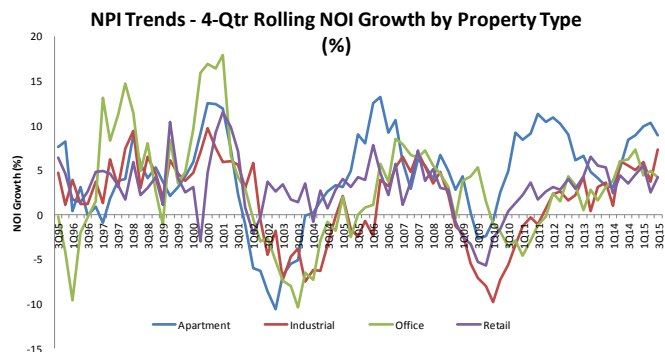
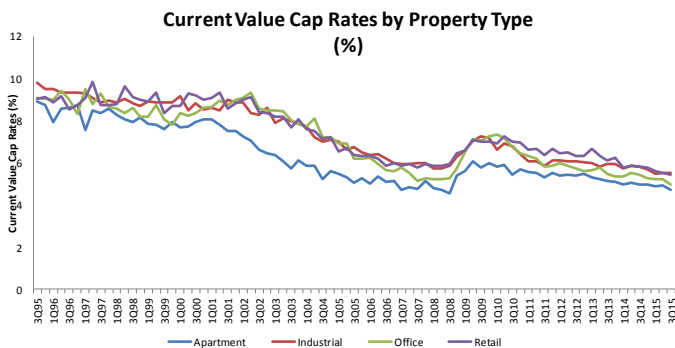


EXHIBIT A: COMPLIANCE MATRIX

Category	Requirement	Portfolio Status
Benchmark	NFI-ODCE (net) +100 bps over full market cycles	<i>Portfolio returns outperform the benchmark over the one, three and five year time periods.</i>
Portfolio Composition	Core/Core Plus (minimum of 40%)	<i>The portfolio is funded (market value) and committed at 99.7% of real asset allocation with a portfolio composition of 35.9% core, 63.1% non-core, and 1.0% 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 6.0% of total plan assets.</i>
	Currently Funded at 4.3%	
Property Type Diversification	Up to 40% Multifamily Up to 35% Industrial Up to 45% Office Up to 35% Retail Up to 25% Hotel Up to 20% Other	<i>All property type locations are in compliance.</i>
Geographic Diversification	Diversified geographically Max 25% Ex-US	<i>All geographic type locations are in compliance</i>
LTV	65%	<i>Portfolio is in compliance (43.3 %).</i>
Manager Exposure	15% of real estate allocation	<i>Manager exposure is in compliance based on market value.</i>

The New York City Police Pension Fund

Executive Summary: Third Quarter 2015 Performance Measurement Report

Real Estate

EXHIBIT B: THIRD QUARTER 2015 FOIL



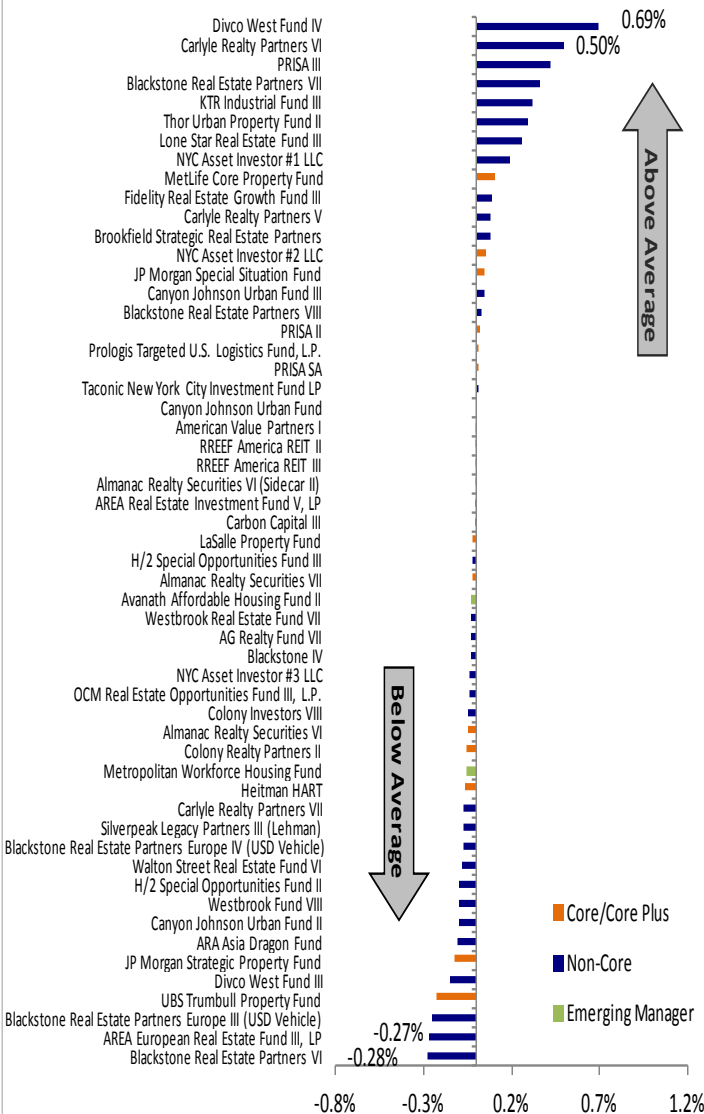
New York City Police Pension Fund

Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2012	Almanac Realty Securities VI	6/6/2012	50,000,000	28,767,435	-18,802,015	16,174,576	1.2	13.8
2012	Almanac Realty Securities VI (Sidecar II)	7/31/2012	15,000,000	4,205,312	-2,495,754	2,652,636	1.2	18.7
2015	Almanac Realty Securities VII	4/24/2015	50,000,000	10,265,706	0	10,223,399	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	28,000,000	37,365,861	-9,365,861	47,676,823	1.5	7.9
2007	JP Morgan Special Situation Property Fund	1/2/2007	15,000,000	16,921,866	-3,840,910	17,617,658	1.3	3.2
2007	JP Morgan Strategic Property Fund	12/4/2006	56,000,000	60,223,534	0	99,437,084	1.7	8.5
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	40,000,000	40,000,000	-1,405,635	43,344,241	1.1	20.2
2013	NYC Asset Investor #2 LLC	7/9/2013	60,000,000	41,411,051	-7,115,720	39,798,876	1.1	12.2
2007	PRISA II	6/30/2007	60,278,867	63,577,511	-10,160,382	75,772,701	1.4	4.6
2006	PRISA SA	9/29/2006	21,000,000	22,458,129	-4,691,896	26,227,913	1.4	3.9
2006	Prologis Targeted U.S. Logistics Fund	10/1/2006	10,000,000	12,604,750	-2,714,785	11,375,362	1.1	1.6
2006	RREEF America REIT II	10/1/2006	21,000,000	27,724,347	-11,262,085	26,111,564	1.3	4.5
2007	RREEF America REIT III - 1410	10/1/2007	15,000,000	15,000,000	-7,315,627	1,358,615	0.6	-7.5
2006	UBS Trumbull Property Fund	9/28/2006	61,000,000	78,213,610	-13,734,586	94,855,036	1.4	7.1
Core / Core Plus Portfolio			572,278,867	530,159,323	-101,739,108	585,550,495	1.3	5.4
2008	AG Realty Fund VII	5/20/2008	25,000,000	23,500,000	-29,063,685	7,128,526	1.5	13.8
2008	ARA Asia Dragon Fund	7/9/2008	10,000,000	9,284,000	-11,427,344	528,924	1.3	7.2
2008	AREA European Real Estate Fund III, LP	5/6/2008	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	5,000,000	5,000,004	-1,853,705	2,572,457	0.9	-2.0
2004	Blackstone Fund IV	5/10/2004	15,000,000	19,220,353	-21,045,486	6,558,692	1.4	11.5
2010	Blackstone Real Estate Partners Europe III (USD Vc)	10/24/2008	35,000,000	35,601,695	-21,990,094	29,347,612	1.4	14.7
2014	Blackstone Real Estate Partners Europe IV (USD Vc)	12/23/2013	97,500,000	57,242,311	-5,898,905	56,975,634	1.1	10.5
2007	Blackstone Real Estate Partners VI	9/27/2007	40,000,000	44,189,669	-54,380,522	27,931,611	1.9	13.3
2012	Blackstone Real Estate Partners VII	3/31/2012	100,000,000	111,776,152	-60,447,032	105,434,097	1.5	25.6
2015	Blackstone Real Estate Partners VIII	8/18/2015	101,000,000	4,365,708	0	4,777,666	n/a	n/a
2012	Brookfield Strategic Real Estate Partners	9/20/2012	60,000,000	60,398,386	-14,924,534	61,487,854	1.3	17.7
2003	Canyon Johnson Urban Fund	12/6/2002	10,000,000	9,060,242	-10,582,954	0	1.2	10.2
2005	Canyon Johnson Urban Fund II	5/11/2005	20,000,000	17,977,405	-3,863,964	5,094,081	0.5	-9.2
2010	Canyon Johnson Urban Fund III	3/29/2010	15,000,000	14,793,490	-18,993,921	1,312,091	1.4	12.7
2009	Carbon Capital III	7/2/2009	15,000,000	16,408,936	-19,925,471	0	1.2	8.5
2007	Carlyle Realty Partners V	8/27/2007	20,000,000	24,901,346	-26,049,950	7,564,665	1.3	8.3
2011	Carlyle Realty Partners VI	9/14/2011	40,000,000	36,163,822	-29,839,544	27,688,851	1.6	29.8
2014	Carlyle Realty Partners VII	6/30/2014	60,000,000	14,798,008	0	14,151,856	1.0	-11.3
2007	Colony Investors VIII	9/18/2007	20,000,000	21,249,679	-5,553,393	4,377,130	0.5	-12.5
2012	Divco West Fund III	12/30/2011	70,000,000	68,667,971	-91,546,720	23,719,079	1.7	26.3
2014	Divco West Fund IV	1/15/2014	70,000,000	63,656,537	-8,605,668	71,737,689	1.3	27.3
2008	Fidelity Real Estate Growth Fund III	5/19/2008	15,000,000	13,388,046	-15,236,597	2,577,346	1.3	7.8
2011	H/2 Special Opportunities Fund II	1/31/2011	25,000,000	25,000,000	-13,700,609	19,957,468	1.3	16.2
2015	H/2 Special Opportunities Fund III	12/29/2014	40,000,000	10,127,767	0	10,405,586	1.0	7.4
2013	KTR Industrial Fund III	6/28/2013	30,000,000	13,109,606	-20,563,302	166,287	1.6	40.6
2014	Lone Star Real Estate Fund III	5/20/2014	75,000,000	53,849,135	-8,967,037	52,633,937	1.1	20.0
2013	NYC Asset Investor #1 LLC	6/25/2013	30,000,000	23,783,828	-3,223,159	27,428,683	1.3	26.5
2013	NYC Asset Investor #3 LLC	9/20/2013	40,000,000	9,120,239	-156,538	9,291,062	1.0	3.4
2003	OCM Real Estate Opportunities Fund III	3/5/2003	15,000,000	15,000,000	-24,887,239	922,095	1.7	11.6
2008	PRISA III	9/30/2008	30,000,000	34,096,086	0	65,421,728	1.9	12.5
2008	Silverpeak Legacy Partners III	5/28/2008	30,000,000	13,301,089	-1,202,295	4,369,005	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	40,000,000	16,545,454	-363,636	22,529,466	1.4	12.8
2004	The City Investment Fund I	3/16/2004	70,000,000	69,030,360	-68,991,937	947,986	1.0	0.3
2009	Thor Urban Property Fund II	10/30/2008	20,000,000	25,878,333	-16,400,525	18,461,868	1.3	10.5
2009	Walton Street Real Estate Fund VI	4/27/2009	30,000,000	26,594,360	-18,895,055	20,927,779	1.5	10.6
2008	Westbrook Real Estate Fund VII	12/3/2007	10,000,000	11,063,810	-7,193,939	5,613,856	1.2	2.9
2010	Westbrook Real Estate Fund VIII	12/28/2009	35,000,000	41,409,226	-43,617,915	10,466,469	1.3	12.9
2008	American Value Partners Fund I	10/18/2007	15,000,000	11,321,943	-6,651,742	4,896,824	1.0	0.4
2015	Avanath Affordable Housing Fund II	7/14/2015	5,000,000	4,076,494	0	3,833,461	0.9	-31.1
2007	Metropolitan Workforce Housing Fund	7/13/2007	7,000,000	7,006,513	-3,092,365	4,682,426	1.1	2.4
Non Core and Emerging Manager Portfolio			1,447,500,000	1,138,730,848	-717,291,782	788,224,745	1.3	9.9
New York City Police Pension Fund			2,019,778,867	1,668,890,171	-819,030,890	1,373,775,240	1.3	7.9

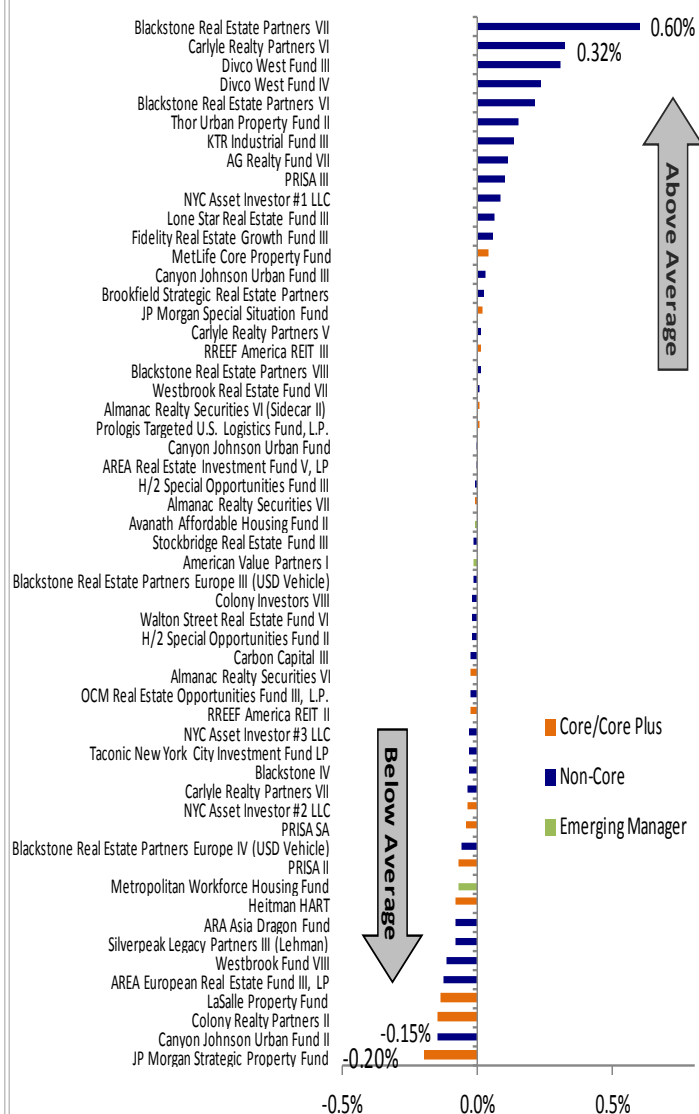
Source: PCG historical cash flow data. TTG cash flow data from Fund Managers, effective 2005. Note: The equity multiples and IRRs contained in this report are interim calculations based upon information provided by the investment managers of the New York City Retirement Systems, including cash flows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

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 Police Pension Fund, Subchapter 2



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Important Information

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I. Executive Summary

New York City Police Pension Fund, Subchapter 2 (“NYC PPF”) 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 NYC PPF 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 NYC PPF 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\$160.0 million to three 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

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

As of September 30, 2015, the market value of NYC PPF Real Assets Program represented approximately 4.6% of total pension assets. The market value of NYC PPF Infrastructure Program represented approximately 0.3% of total pension assets, a two basis point increase from the prior quarter.

As the Program matures, the percentage of its market value relative to the total NYC PPF 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 *	\$31,672.0	\$33,209.0	\$33,600.0	(\$1,537.0)	(\$1,928.0)
Total Real Assets *	\$1,454.0	\$1,401.0	\$1,241.0	\$53.0	\$213.0
% Allocation to Real Assets (Target of 6% +/- 2%)	4.6%	4.2%	3.7%	+ 37 bps	+ 90 bps
Total Infrastructure Assets	\$93.7	\$91.1	\$20.4	\$2.6	\$73.3
% Allocation to Infrastructure vs. Total Pension Assets	0.3%	0.3%	0.1%	+ 2 bps	+ 24 bps
% Allocation to Infrastructure vs. Total Real Assets	6.4%	6.5%	1.6%	-6 bps	+ 480 bps

* NYC PPF 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 13.1%. 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	3	3	3	0	0
Number of Investments	3	3	3	0	0
Committed Capital ¹	\$160.0	\$160.0	\$160.0	\$0.0	\$0.0
Contributed Capital	\$90.1	\$89.8	\$20.4	\$0.3	\$69.7
Distributed Capital	\$3.4	\$2.6	\$0.7	\$0.8	\$2.7
Market Value	\$93.7	\$91.1	\$20.4	\$2.6	\$73.3
Total Value	\$97.1	\$93.7	\$21.1	\$3.4	\$76.0
Total Gain/(Loss)	\$7.0	\$3.9	\$0.6	\$3.1	\$6.3
Unfunded Commitment	\$70.1	\$70.2	\$139.6	(\$0.2)	(\$69.5)
Exposure ²	\$163.8	\$161.3	\$160.0	\$2.4	\$3.8
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	13.1%	12.4%	8.2%	0.8%	4.9%
TVPI Net of StepStone Fees ⁶	1.08x	1.04x	1.03x	0.03x	0.05x
IRR Net of StepStone Fees ⁶	13.0%	12.2%	8.2%	0.8%	4.8%

* 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.

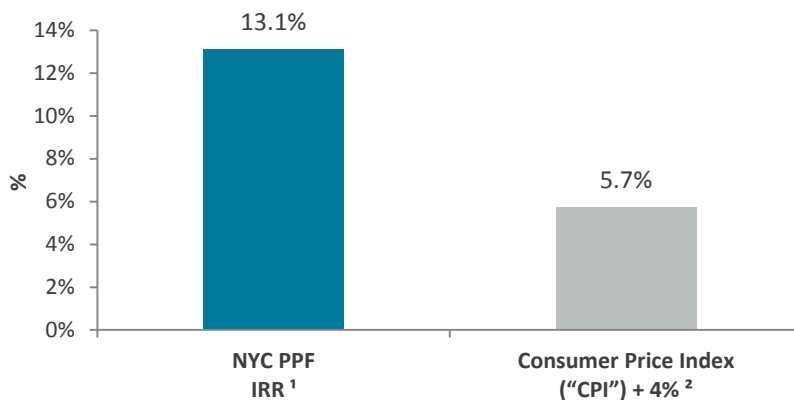
⁵ IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund managers' fees, expenses and carried interest.

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

Portfolio Performance vs. Benchmarks

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

As of September 30, 2015, the Program outperformed the benchmark by 7.4%. 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.



¹NYC PPF 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	93.7	100.0%	70.1	100.0%	163.8	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
Total	93.7	100.0%	70.1	100.0%	163.8	100.0%
By Geographic Focus:						
Global	29.9	31.9%	32.4	46.3%	62.3	38.1%
OECD	63.8	68.1%	37.6	53.7%	101.4	61.9%
Total	93.7	100.0%	70.1	100.0%	163.8	100.0%
By Industry Focus:						
Diversified	91.9	98.0%	32.4	46.3%	124.3	75.9%
Energy	1.8	2.0%	37.6	53.7%	39.5	24.1%
Total	93.7	100.0%	70.1	100.0%	163.8	100.0%

II. Infrastructure Market Overview

Market Overview

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

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

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

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

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

Infrastructure Fundraising

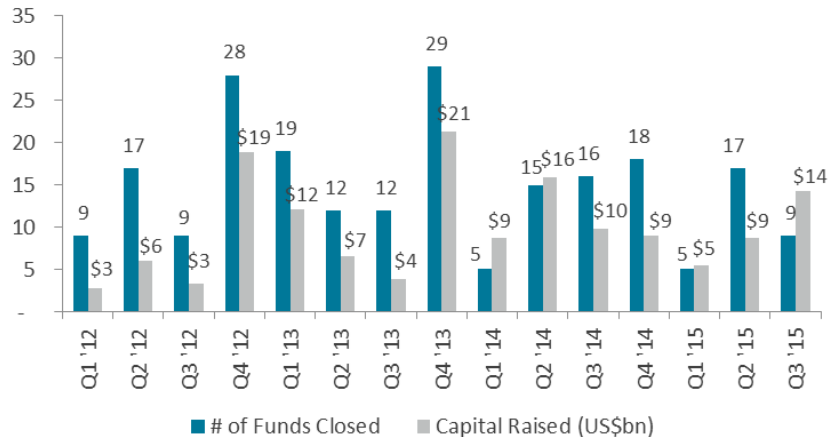
Fundraising for infrastructure strategies continues to be robust with a large number of funds in market. Fund managers that have closed infrastructure funds in 2015 have raised an average of 105% of their initial targets, the highest since 2008.

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

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

Unlisted Infrastructure Fundraising

Source: Preqin

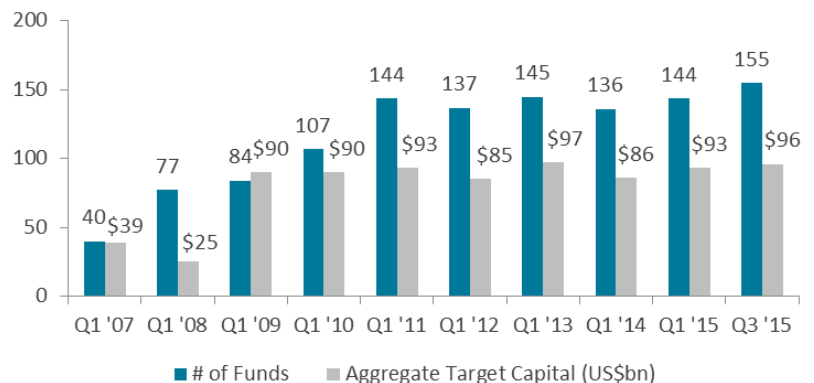


Fund	General Partner	Size	Final Close Date	Location Focus
ArcLight Energy Partners Fund VI	ArcLight Capital Partners	\$ 5,575	Jul-15	North America, West Europe
KKR Global Infrastructure Investors II	KKR	\$ 3,100	Jul-15	Global
Copenhagen Infrastructure II	Copenhagen Infrastructure Partners	€ 2,000	May-15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

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

Unlisted Infrastructure Fundraising

Source: Preqin



Major Transactions

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

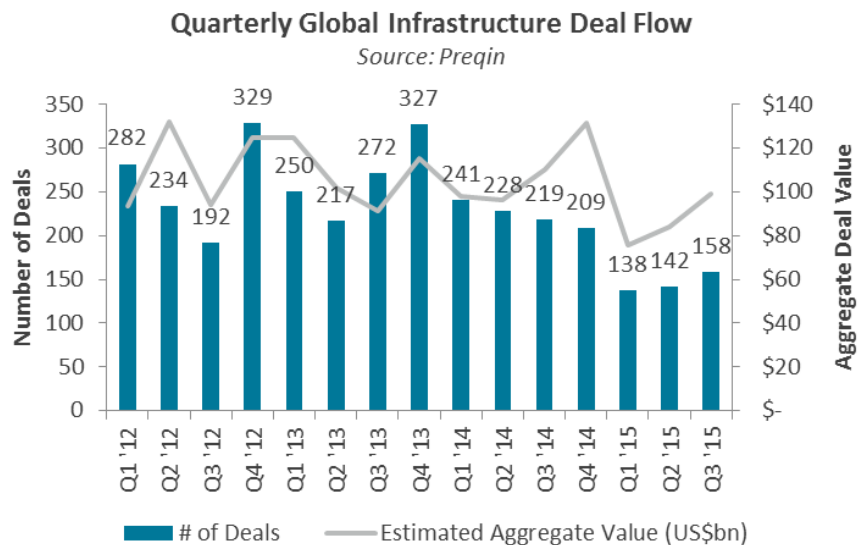
In July 2015, a consortium comprising Dalmore Capital, Allianz Capital Partners, Amber Infrastructure, International Public Partnerships (INPP), DIF and Swiss Life Asset Managers was selected as preferred bidder for the £4.2 billion Thames Tideway Tunnel project. The project involves the construction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

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

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

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

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



III. Portfolio Review

Quarterly Highlights

- **No New Investment Commitments** – There were no new investment commitments made during the third quarter of 2015.
- **Subsequent Investment Commitments** – Subsequent to quarter-end through February 5, 2016, the Program has not closed on any additional investment commitments.
- **Cash Outflow Decreased** – During the third quarter of 2015, the Program made US\$0.3 million of contributions and received US\$0.8 million of distributions, for a net cash inflow of US\$0.5 million. This compared to a net cash outflow of US\$60.8 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\$3.1 million, or 3.4%, from the prior quarter. The valuation increase reflects the increase in value of underlying investments in Brookfield Infrastructure Fund II and IFM Global Infrastructure Fund.
- **One New Underlying Fund Investment** – During the third quarter of 2015, the Portfolio made a new investment in FR Warehouse Holdings LLC, a portfolio of renewable assets in North America.
- **No Exits** – There were no exits of investment positions during the quarter.

Performance by Vintage Year

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

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

Vintage Year	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Total Value	Total Gain/ (Loss)	Unfunded Commitment	Exposure	DPI	TVPI	IRR
2013	\$60.0	\$27.6	\$3.2	\$29.9	\$33.2	\$5.5	\$32.4	\$62.3	0.1x	1.2x	18.4%
2014	100.0	62.5	0.1	63.8	63.9	1.4	37.6	101.4	NM	NM	NM
Total	\$160.0	\$90.1	\$3.4	\$93.7	\$97.1	\$7.0	\$70.1	\$163.8	0.0x	1.1x	13.1%

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	\$160.0	\$90.1	\$3.4	\$93.7	\$97.1	\$7.0	\$70.1	\$163.8	0.0x	1.1x	13.1%
Diversified	120.0	87.7	3.4	91.9	95.2	7.5	32.4	124.3	0.0x	1.1x	14.4%
Energy	40.0	2.4	-	1.8	1.8	(0.5)	37.6	39.5	NM	NM	NM
Total	\$160.0	\$90.1	\$3.4	\$93.7	\$97.1	\$7.0	\$70.1	\$163.8	0.0x	1.1x	13.1%

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	\$60.0	\$27.6	\$3.2	\$29.9	\$33.2	\$5.5	\$32.4	\$62.3	0.1x	1.2x	18.4%
OECD	100.0	62.5	0.1	63.8	63.9	1.4	37.6	101.4	NM	NM	NM
Total	\$160.0	\$90.1	\$3.4	\$93.7	\$97.1	\$7.0	\$70.1	\$163.8	0.0x	1.1x	13.1%

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:

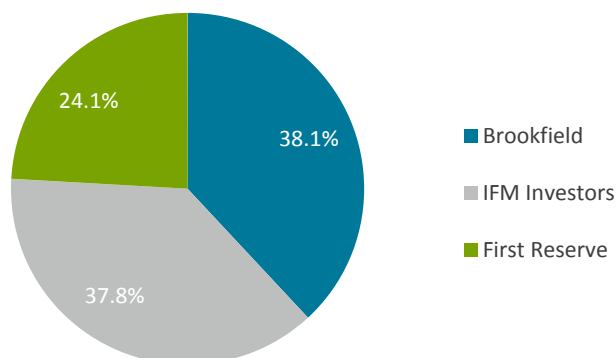
- Core Infrastructure Investments: 60% to 100%; and
- Non-Core Infrastructure Investments: 0% to 40%.

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	93.7	100.0%	70.1	100.0%	163.8	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
Total	93.7	100.0%	70.1	100.0%	163.8	100.0%
By Geographic Focus:						
Global	29.9	31.9%	32.4	46.3%	62.3	38.1%
OECD	63.8	68.1%	37.6	53.7%	101.4	61.9%
Total	93.7	100.0%	70.1	100.0%	163.8	100.0%
By Industry Focus:						
Diversified	91.9	98.0%	32.4	46.3%	124.3	75.9%
Energy	1.8	2.0%	37.6	53.7%	39.5	24.1%
Total	93.7	100.0%	70.1	100.0%	163.8	100.0%

By Investment Manager

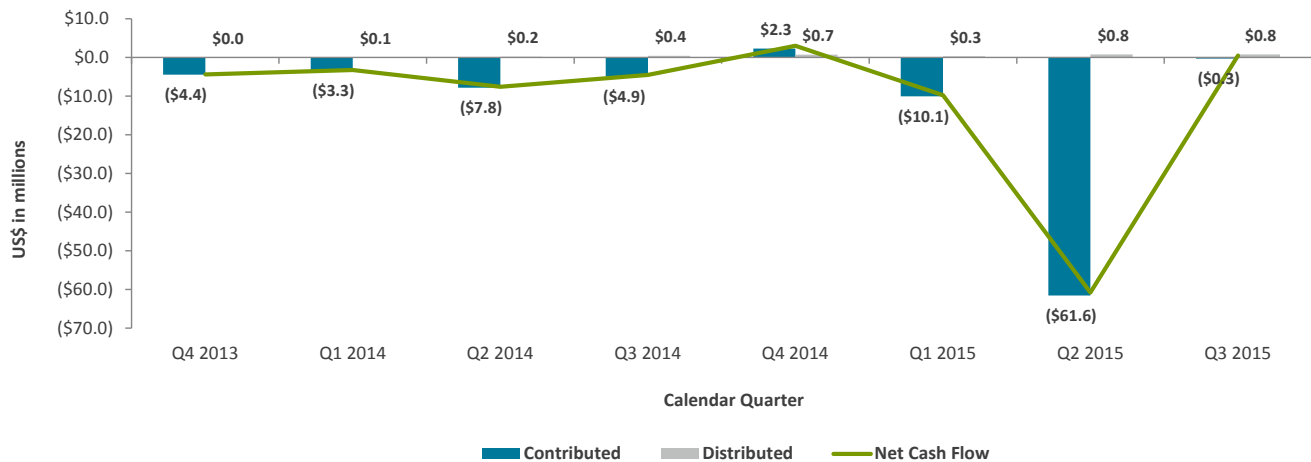
As of September 30, 2015, the Program had made three investment commitments to three managers. NYC PPF seeks to limit its exposure to any single manager to no more than 10% of the total Real Assets Program when fully invested. As the Program matures and closes on additional commitments, the single manager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



Portfolio Cash Flow Analysis

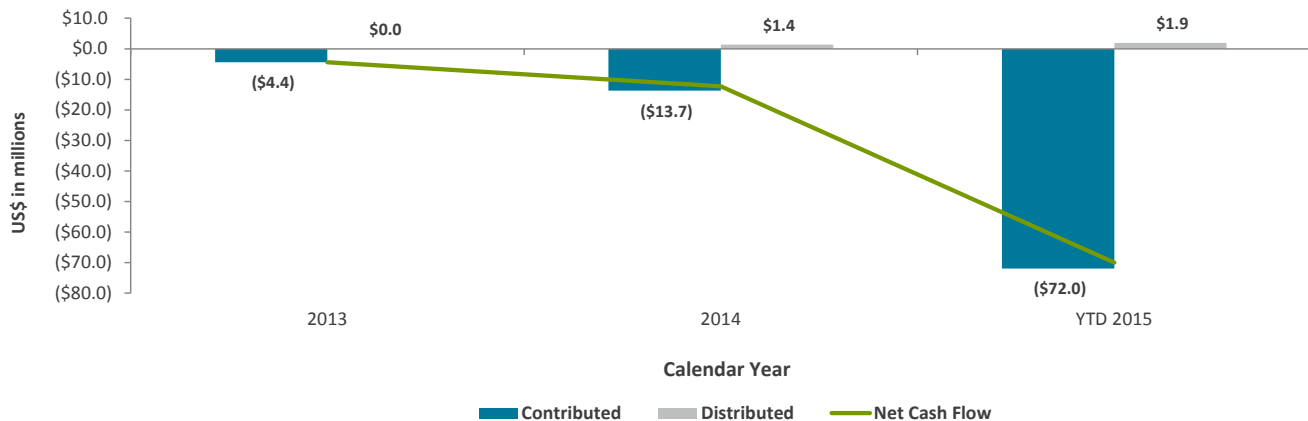
Quarterly Cash Flow Activity

During the third quarter of 2015, the Program made US\$0.3 million of contributions and received US\$0.8 million of distributions, for a net cash inflow of US\$0.5 million. As of September 30, 2015, three 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

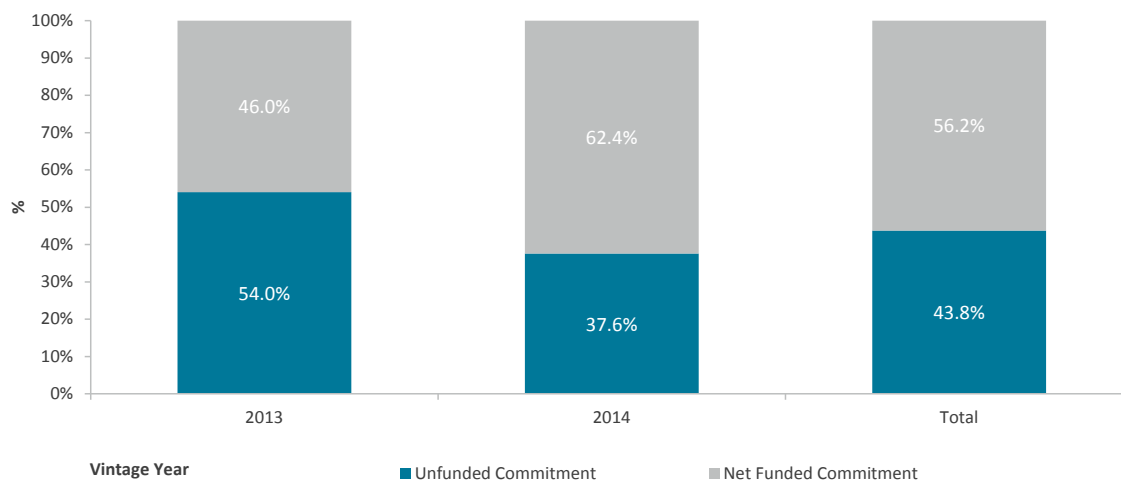
During the first nine months of 2015, the Program made US\$72.0 million of contributions and received US\$1.9 million of distributions, for a net cash outflow of US\$70.0 million. The graph below illustrates cash flow activity since inception by calendar year.



Net Funded and Unfunded Commitments by Vintage Year

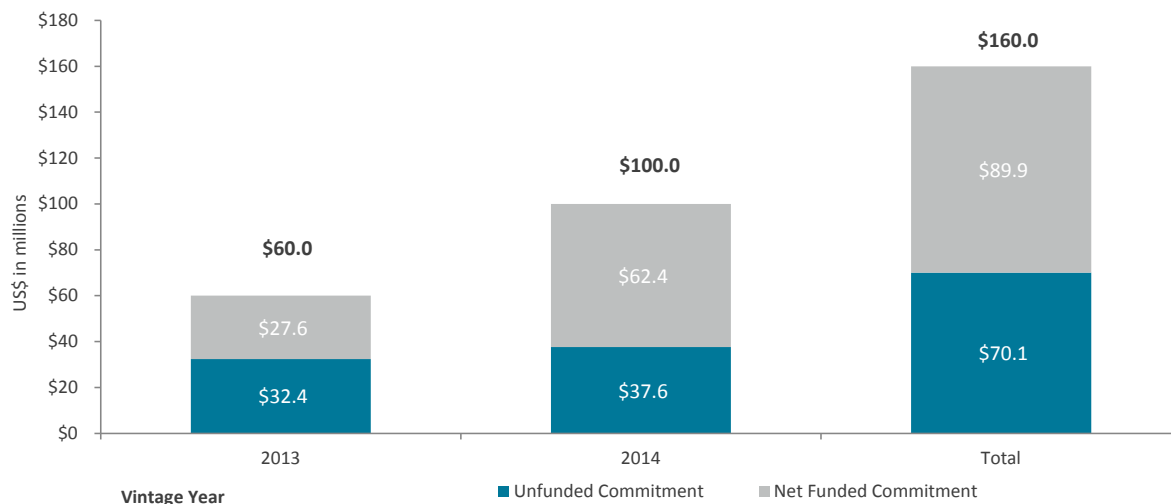
The following chart illustrates the Portfolio's net funded commitments (defined as total contributions inside commitment less any returns of excess capital and callable distributions) as a percentage of total capital commitments, by fund vintage year, as of September 30, 2015. Overall, the Portfolio was 43.8% unfunded as of quarter-end.

Net Funded and Unfunded Commitment by Vintage Year (%)



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\$70.1 million of unfunded commitments as of quarter-end.

Net Funded and Unfunded Commitment by Vintage Year (US\$ millions)

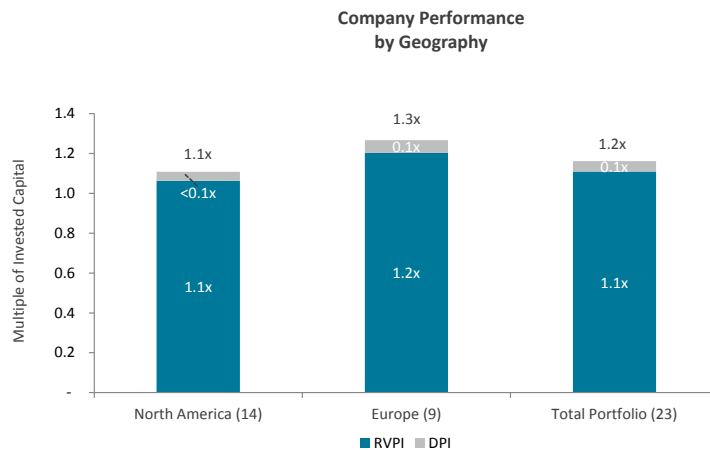
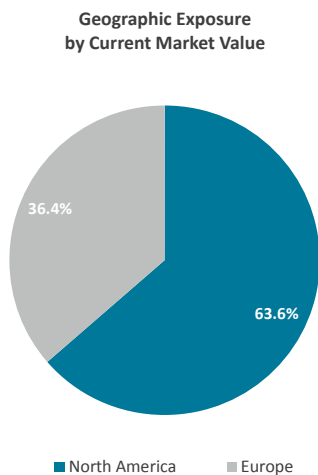


Portfolio Company-Level Analysis

As of quarter-end, the Portfolio had exposure to 23 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.

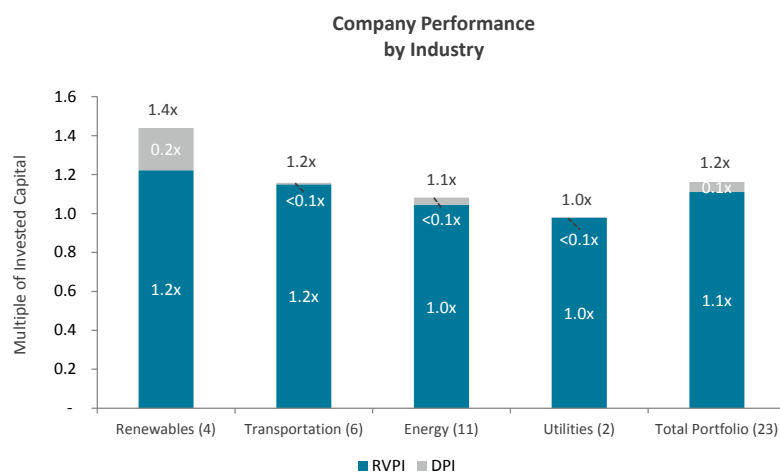
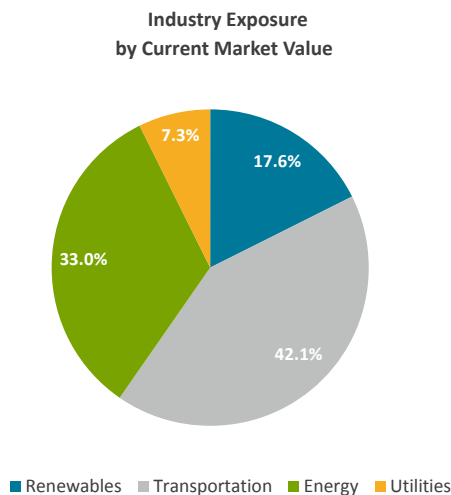
Geographic Exposure and Performance

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



Industry Exposure and Performance

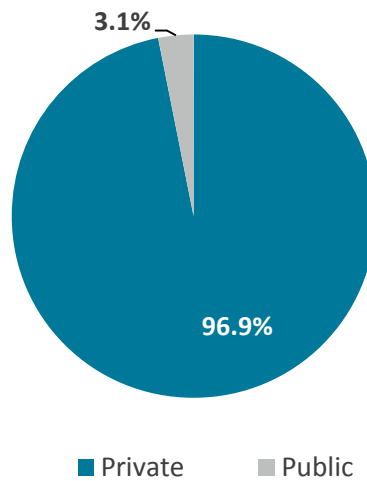
The following charts illustrate the Portfolio's current exposure and performance by industry at the portfolio company level.



Public Market Exposure

As of quarter-end, publicly traded investments comprised 3.1% 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

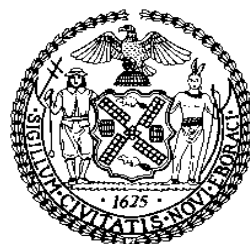
Category	Requirement	Status	Status Notes
Allocation	<p>NYC PPF has a Real Assets allocation target of 6% (plus or minus 2%) of total pension assets.</p> <p>Infrastructure is a component asset class within the NYC PPF Real Assets investment program.</p>	✓	<p>The market value of NYC PPF Real Assets Program currently represents approximately 4.6% of total pension assets and the market value of NYC PPF Infrastructure Program represents approximately 0.3% of total pension assets.</p> <p>As the Program matures, its market value as a percentage of the total NYC PPF 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 7.4%.</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 41.7%*.</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

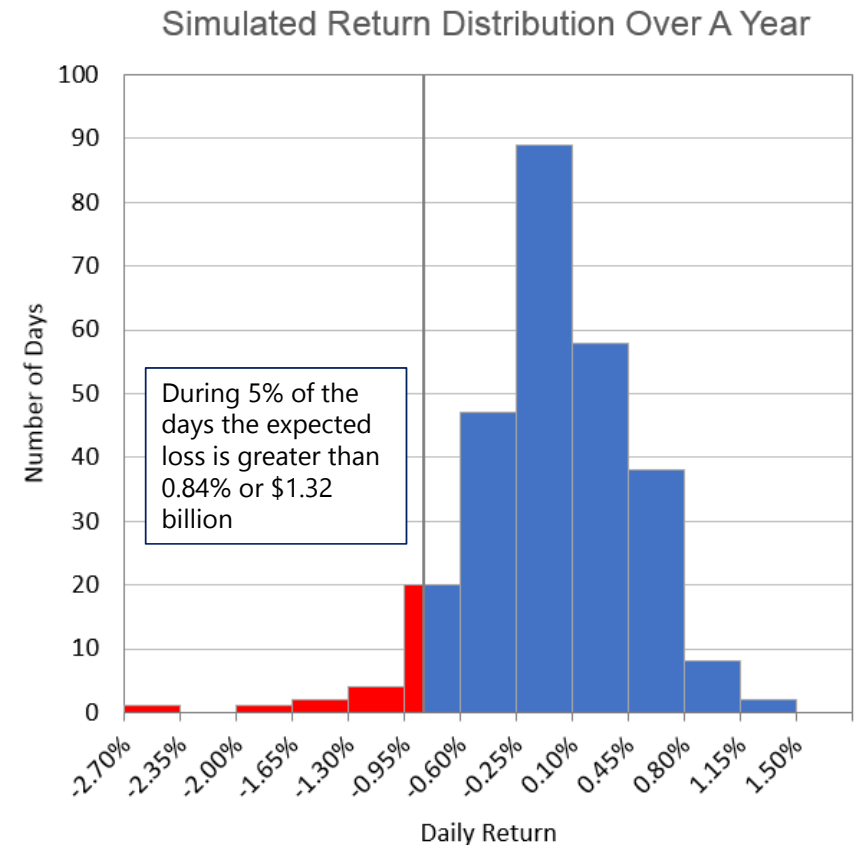


Value at Risk (VaR)

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.



VaR (Continued)

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

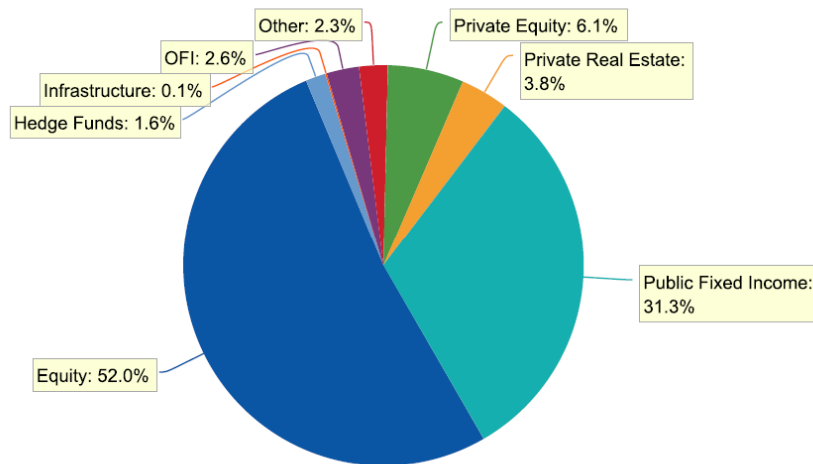
- Losses on a portfolio that exceed the VaR should be expected – such losses are referred to as a “VaR breaks”.
- VaR is not a “worst-case” loss.
- The probability of a loss larger than the 95% VaR is difficult to estimate accurately and should be analyzed with stress testing based on long-term and broad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



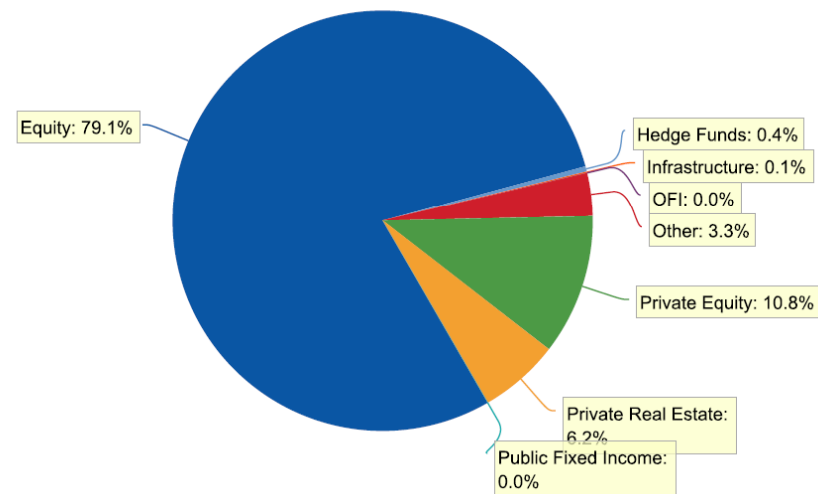
Component Value at Risk (VaR)

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

Exposure



Component VaR

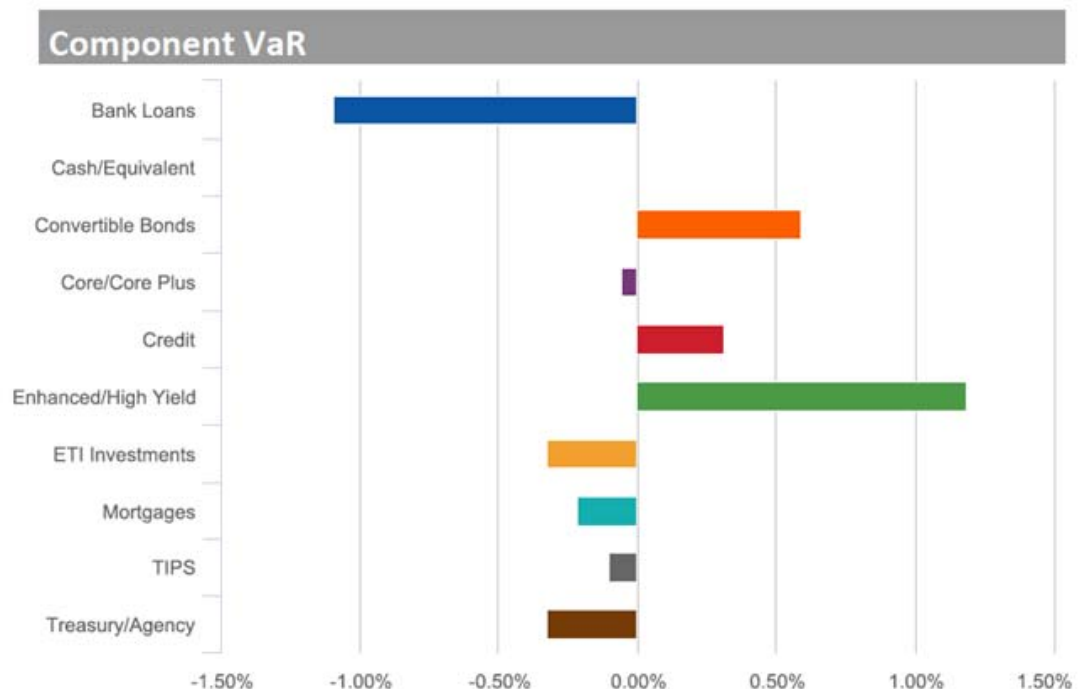


- Component VaR is calculated using the correlations between asset classes and their VaR



Component VaR (Continued)

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

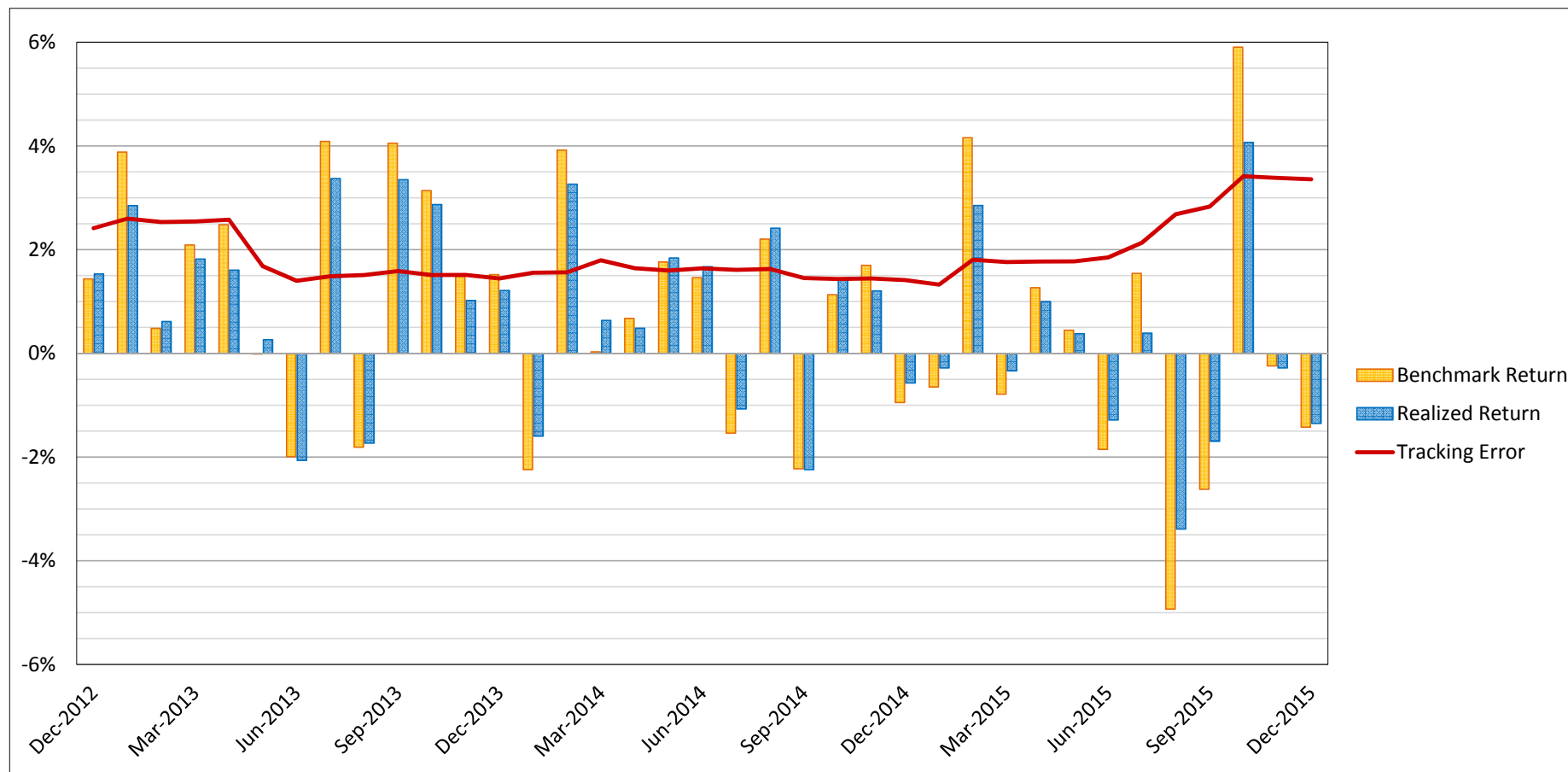


Tracking Error

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



Total Fund Return and Tracking Error



Sharpe Ratio

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

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

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



Information Ratio

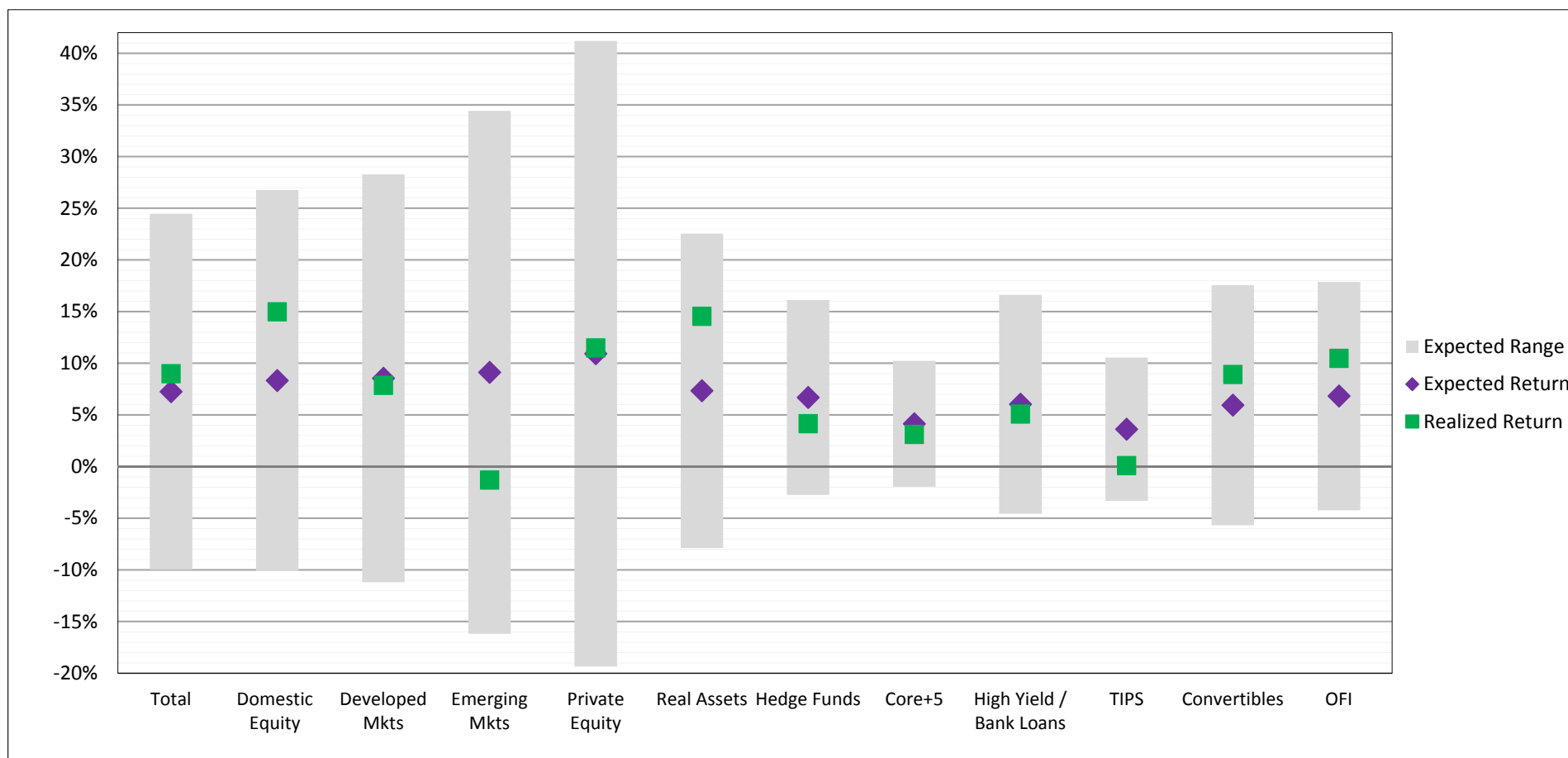
- The Information Ratio is a measure of the effectiveness of active management – a higher Information Ratio is indicative of a higher risk adjusted return.
- The Information Ratio measures the risk adjusted Excess Return earned as a result of choosing active management. The Information Ratio is:

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

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



Expectations* and Realized Returns: Jan 2012 – Dec 2015



*Weighted average of consultants' expectations



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

APPENDICES:

- Basket Clause

Police - BASKET/NON BASKET SUMMARY

As of December 31st, 2015

Equity	Adjusted Fund Policy			Fund Actual (PE & RE on an invested basis)		
	Non Basket*	Basket*	Total	Non Basket*	Basket*	Total
Domestic Equity	35.2%	0.0%	35.2%	35.7%	0.0%	35.7%
Non-U.S. Equity	10.0%	6.0%	16.0%	10.0%	5.8%	15.8%
Private Equity	0.0%	7.0%	7.0%	0.0%	7.1%	7.1%
Real Assets	4.7%	0.0%	4.7%	4.7%	0.0%	4.7%
REITS	0.3%	0.3%	0.5%	0.3%	0.3%	0.5%
Hedge Funds	0.0%	3.2%	3.2%	0.0%	3.2%	3.2%
Total Equity	50.2%	16.5%	66.6%	50.7%	16.4%	67.0%
Fixed Income						
Core+5	19.4%	0.5%	19.9%	17.6%	0.5%	18.1%
<i>U.S. Gov't Sector</i>	4.1%	0.0%	4.1%	2.6%	0.0%	2.6%
<i>Mortgage Sector</i>	7.2%	0.0%	7.2%	6.9%	0.0%	6.9%
<i>Credit Sector</i>	8.0%	0.5%	8.5%	7.7%	0.5%	8.2%
High Yield	2.7%	0.8%	3.4%	3.1%	0.8%	3.8%
Bank Loans	0.0%	1.7%	1.7%	0.0%	1.7%	1.7%
TIPS	4.2%	0.5%	4.6%	2.6%	0.3%	2.9%
Convertibles	1.0%	0.0%	1.0%	0.7%	0.0%	0.7%
Opportunistic	0.0%	2.7%	2.7%	0.0%	2.7%	2.7%
Other Fixed Income	0.0%	0.0%	0.0%	3.0%	0.0%	3.0%
Total Fixed Income	27.2%	6.2%	33.4%	27.0%	6.0%	33.0%
Total Fund	77.4%	22.6%	100.0%	77.7%	22.3%	100.0%
Remaining Capacity		2.4%			2.7%	

* Note: Basket amounts are estimates



- Liquidity Analysis

Police Liquidity Profile - Static Analysis

3/7/16

AUM as of December 31, 2015

	Current MV	Liquid Assets		
		Today	1 Year	2 Years
Domestic Equity	\$11,582	\$11,582	\$11,582	\$11,582
International Equity	3,247	3,247	3,247	3,247
Emerging Markets	1,882	1,882	1,882	1,882
Hedge Funds	1,046	7	1,014	1,030
REITS	176	176	176	176
Private Equity	2,291	0	0	0
Private Real Estate	1,532	0	0	0
Core + 5	5,881	5,881	5,881	5,881
TIPS	936	936	936	936
Opportunistic Fixed Income	876	657	876	876
Enhanced Yield	1,244	1,244	1,244	1,244
Bank Loans	558	558	558	558
Convertible Bonds	215	215	215	215
ETI	357	49	174	179
Cash	625	625	625	625
Total Assets	\$32,447	\$27,058	\$28,408	\$28,430
Total Illiquid \$		\$5,389	\$4,038	\$4,017
Total Illiquid %		16.6%	12.4%	12.4%
Unfunded PE Commitments	\$1,280			
Unfunded RE Commitments	680			
Unfunded OFI Commitments	240			
Total commitments \$	\$2,199			
Total commitments %	6.8%			



Police Liquidity Profile - Static Analysis

3/7/16

AUM as of December 31, 2015

Denominator Effect - Decrease AUM by One-Third

Total Illiquid \$	\$5,389	\$4,038	\$4,017
Total Illiquid %	24.9%	18.7%	18.6%

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	\$32,447	\$27,058	\$28,408	\$28,430

Private Equity, Real Estate and Opportunistic Fixed Income Stress Case

Unfunded PE Commitments Drawn	\$256	\$512
Unfunded RE Commitments Drawn	136	272
Unfunded OFI Commitments Drawn	120	0
Total commitments \$	\$512	\$784
Total commitments %	1.6%	2.4%

Total Illiquid \$	\$4,550	\$4,801
Total Illiquid %	14.0%	14.8%

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

Denominator Effect - Decrease AUM by One-Third

Total Illiquid \$	\$5,389	\$4,550	\$4,801
Total Illiquid %	24.9%	21.0%	22.2%

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

