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Scott C. Evans
Chief Investment Officer

SCOTT M. STRINGER
COMPTROLLER

MEMORANDUM

TO: Trustees
Teachers' Retirement System of the City of New York

FROM: Scott C. Evans

DATE: March 9, 2016

RE: **TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK 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.

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Scott M. Stringer
COMPTROLLER

TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

COMMON INVESTMENT MEETING

MARCH 16, 2016

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

TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

(CIM) COMMON INVESTMENT MEETING

MARCH 16, 2016

PUBLIC AGENDA MATERIALS

PUBLIC AGENDA MATERIALS:

Performance Reporting:

- ETI Quarterly Report:

TRS Pension Fund - Economically Targeted Investments Quarterly Report

Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	BOA		CCD		CFSB		CPC		LIIF		NCBCI		NHS		WF		LISC		BE	
Contractual Commitments	$30.00 MM		$40.00 MM		$9.00 MM		$250.00 MM		$25.00 MM		$12.00 MM		$3.00 MM		$20.00 MM		$10.00 MM		$10.00 MM	
Current Market Value	$7.30 MM		$14.82 MM		$2.29 MM		$142.11 MM		$5.35 MM		$1.76 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
Commitments 4Q 15 (included in total)																				
Bronx	$400,000	90	$0	0	$0	0	$2,344,219	185	$0	0	$0	0	$0	0	$0	0	$1,086,756	48	$0	0
Brooklyn	0	0	4,900,118	111	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,114,267	359
Manhattan	0	0	0	0	0	0	0	0	1,682,370	92	0	0	0	0	945,350	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
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	421,750	23	0	0	0	0	0	0	0	0	0	0	0	0
Total	$400,000	90	$4,900,118	111	$0	0	$2,765,969	208	$1,682,370	92	$0	0	$0	0	$945,350	100	$1,086,756	48	$2,114,267	359
Delivered 4Q 15 (included in total)																				
Bronx	$0	0	$0	0	$0	0	$290,812	42	$0	0	$0	0	$0	0	$0	0	$0	0	$0	0
Brooklyn	0	0	0	0	0	0	1,155,252	57	0	0	0	0	0	0	0	0	0	0	0	0
Manhattan	0	0	0	0	0	0	0	0	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
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	3,447,150	50	0	0	0	0	0	0	0	0	0	0	0	0
Total	$0	0	$0	0	$0	0	$4,893,214	149	$0	0	$0	0	$0	0	$0	0	$0	0	$0	0
Total Commitments																				
Bronx	$400,000	90	$4,888,159	193	$0	0	$20,231,973	1,096	$1,001,650	74	$0	0	$0	0	$0	0	$1,086,756	48	$0	0
Brooklyn	4,984,509	400	5,768,118	161	0	0	17,665,531	933	4,247,788	251	0	0	0	0	0	0	0	0	2,114,267	359
Manhattan	2,240,000	100	0	0	0	0	25,371,137	1,256	7,509,557	430	0	0	0	0	4,826,417	203	1,921,533	90	0	0
Queens	600,000	54	0	0	0	0	9,288,300	406	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0	360,000	67	0	0	0	0
Outside of NYC	595,000	39	0	0	0	0	3,886,750	159	0	0	0	0	0	0	0	0	0	0	0	0
Total	$8,819,509	683	$10,656,277	354	$0	0	$76,443,692	3,850	$12,758,996	755	$0	0	$0	0	$5,186,417	270	$3,008,289	138	$2,114,267	359
Historical Investments																				
Bronx	$1,750,000	60	$5,937,550	452	$0	0	$51,883,334	3,945	$534,986	43	$0	0	$0	0	$0	0	$0	0	$0	0
Brooklyn	0	0	3,678,417	252	0	0	81,284,550	3,553	2,313,267	245	0	0	330,213	7	0	0	0	0	0	0
Manhattan	0	0	3,235,255	283	2,659,482	197	48,193,439	3,257	2,511,247	122	1,605,582	123	252,445	15	0	0	0	0	0	0
Queens	5,019,680	239	660,000	54	0	0	22,125,121	903	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	227,500	8	0	0	0	0	0	0	0	0	0	0	0	0
Outside of NYC	0	0	0	0	0	0	9,751,700	288	0	0	0	0	0	0	0	0	0	0	0	0
Total	$6,769,680	299	$13,511,222	1,041	$2,659,482	197	$213,465,644	11,954	$5,359,499	410	$1,605,582	123	$582,658	22	$0	0	$0	0	$0	0
*Lenders :	Bank of America		Citibank Community Development		Carver Federal Savings Bank		The Community Preservation Corp		Low Income Investment Fund		NCB Capital Impact		Neighborhood Housing Service		Wells Fargo		Local Initiatives Support Corporation		Bellwether Enterprise	

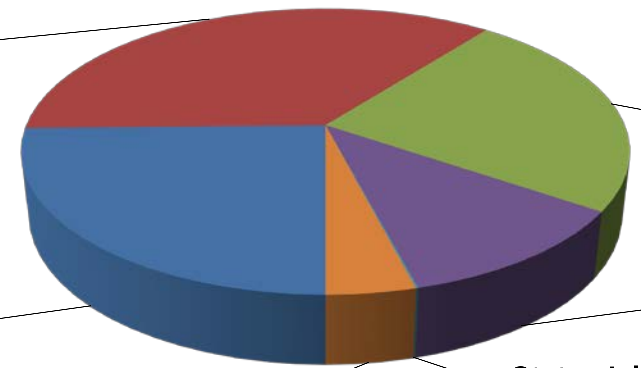
TRS Pension Fund - Economically Targeted Investments Quarterly Report

Public/Private Apartment Rehabilitation Program (PPAR)

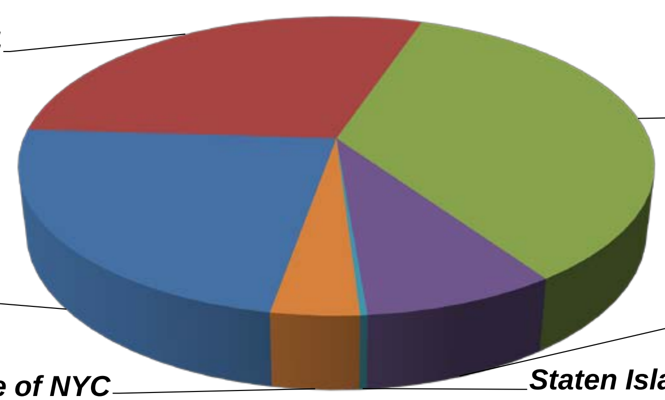
Contractual Commitments	$399.00 MM	
Current Market Value	$174.25 MM	

	Dollars	Units
Commitments 4Q 15 (included in total)		
Bronx	$3,830,974	323
Brooklyn	7,014,385	470
Manhattan	2,627,720	192
Queens	0	0
Staten Island	0	0
Outside of NYC	421,750	23
Total	$13,894,829	1,008
Delivered 4Q 15 (included in total)		
Bronx	$290,812	42
Brooklyn	1,155,252	57
Manhattan	0	0
Queens	0	0
Staten Island	0	0
Outside of NYC	3,447,150	50
Total	$4,893,214	149
Total Commitments		
Bronx	$27,608,538	1,501
Brooklyn	34,780,214	2,104
Manhattan	41,868,645	2,079
Queens	9,888,300	460
Staten Island	360,000	67
Outside of NYC	4,481,750	198
Total	$118,987,447	6,409
Historical Investments		
Bronx	$60,105,869	4,500
Brooklyn	87,606,447	4,057
Manhattan	58,457,450	3,997
Queens	27,804,801	1,196
Staten Island	227,500	8
Outside of NYC	9,751,700	288
Total	$243,953,767	14,046

Historical Investments Since Inception All PPAR Lenders



Current Commitments All PPAR Lenders



TRS Pension Fund - Economically Targeted Investments Quarterly Report

AFL-CIO Housing Investment Trust (HIT)
Market Value $270.59 million*
NYC Community Investment Initiative (NYCCII)

NYCCII Phase II 2006-2013
Multifamily Investments Detail

Borough	4Q Investments	Investments Since Inception	4Q Housing Units	Housing Units Since Inception
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

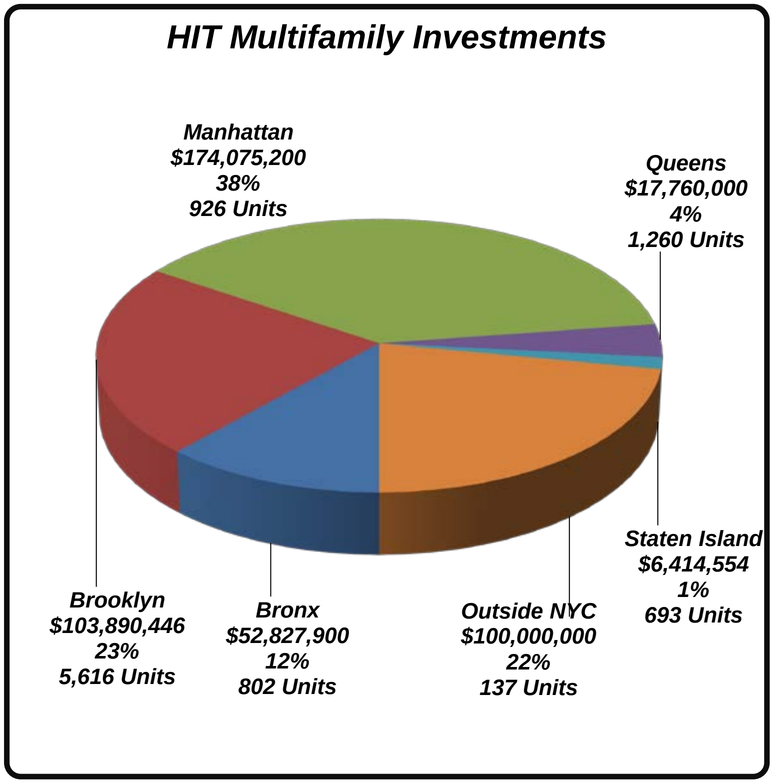
NYCCII Phase I 2002-2005

	Dollars	Units	Member Loans	Total All NYC PF's
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

	Dollars	Units	Member Loans	Total All NYC PF's
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



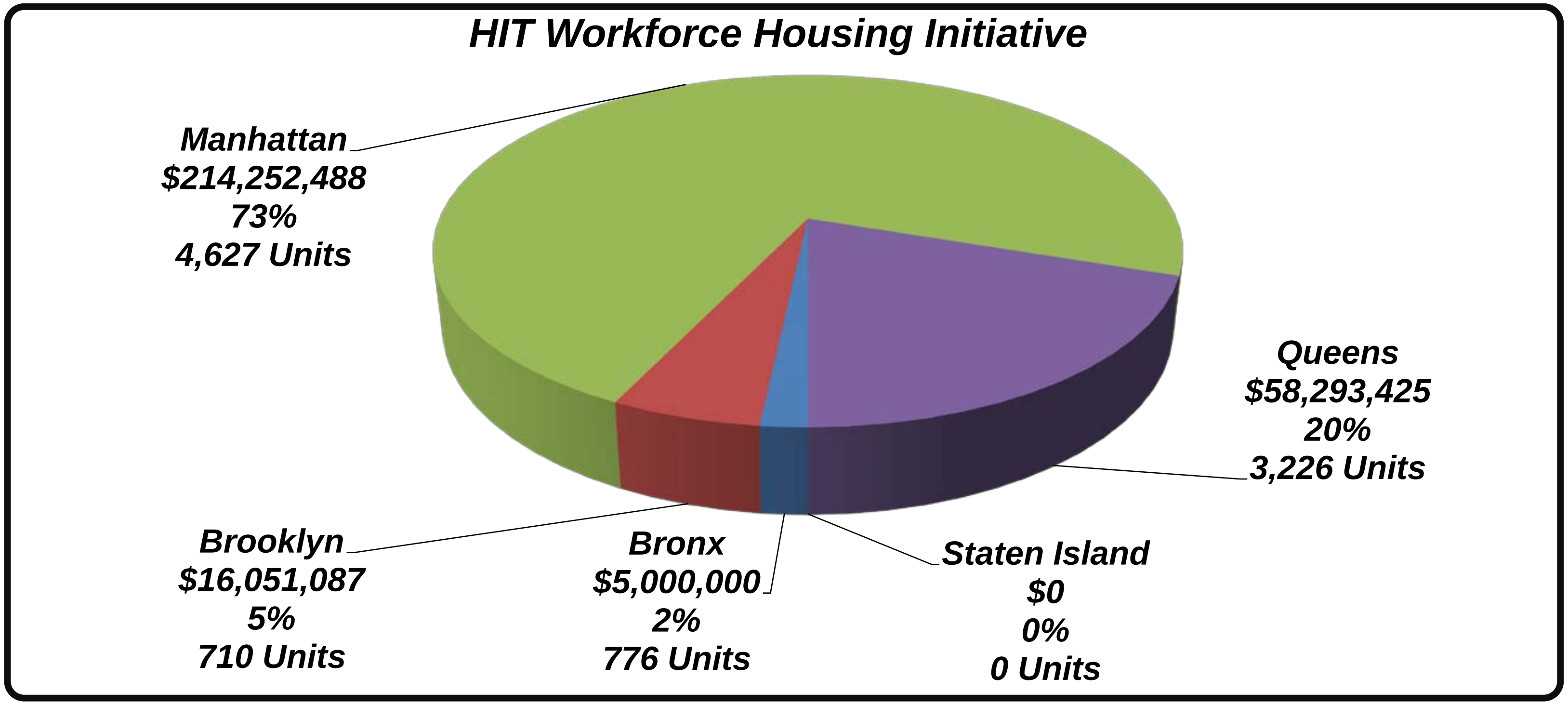
TRS Pension Fund - Economically Targeted Investments Quarterly Report

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

Investments From 2009 Through Q4 2015

Workforce Investments Detail

Borough	4Q Investments	Investments Since Inception	4Q Housing Units	Housing Units Since Inception
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



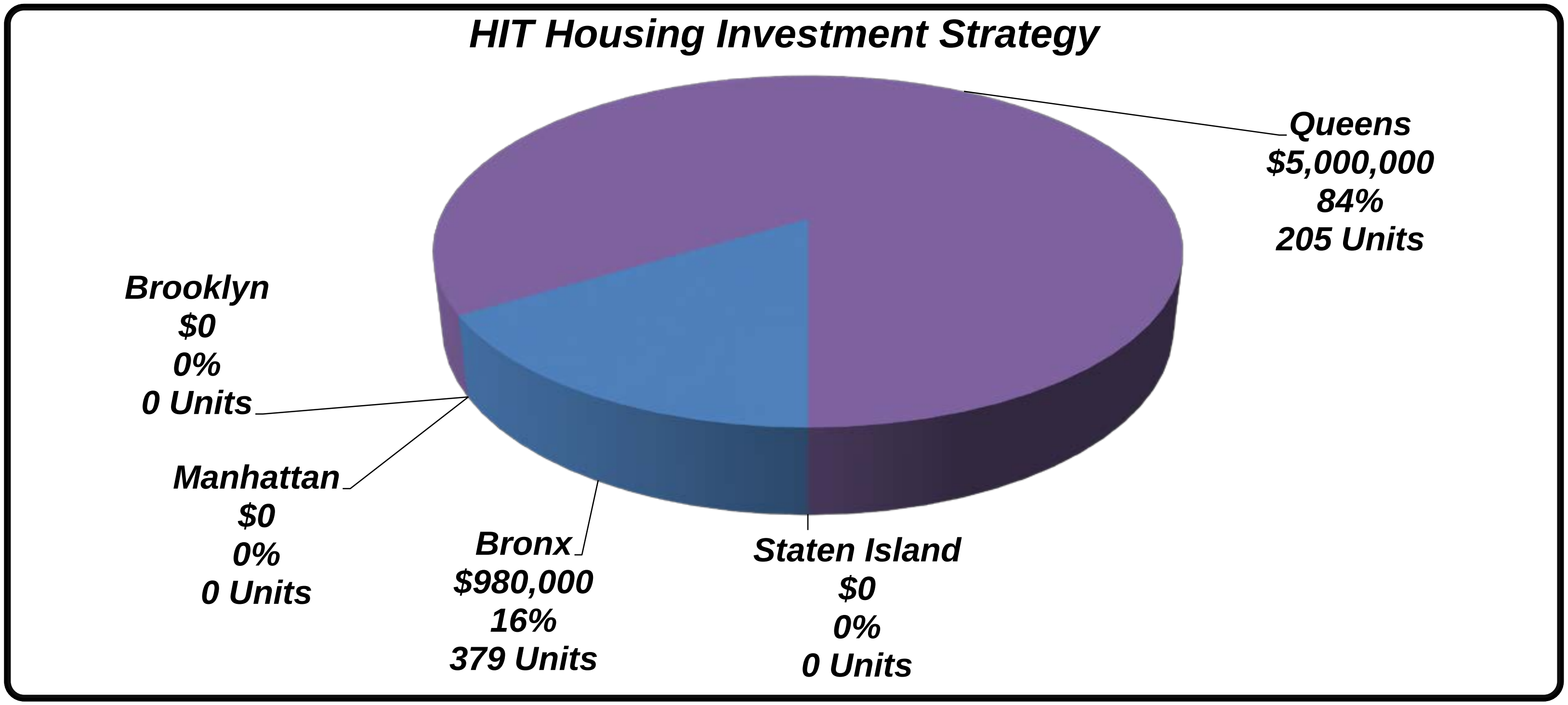
TRS Pension Fund - Economically Targeted Investments Quarterly Report

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

'Investments From Q4 2015 Through Q4 2015

Housing Investment Strategy Detail

Borough	4Q Investments	Investments Since Inception	4Q Housing Units	Housing Units Since Inception
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



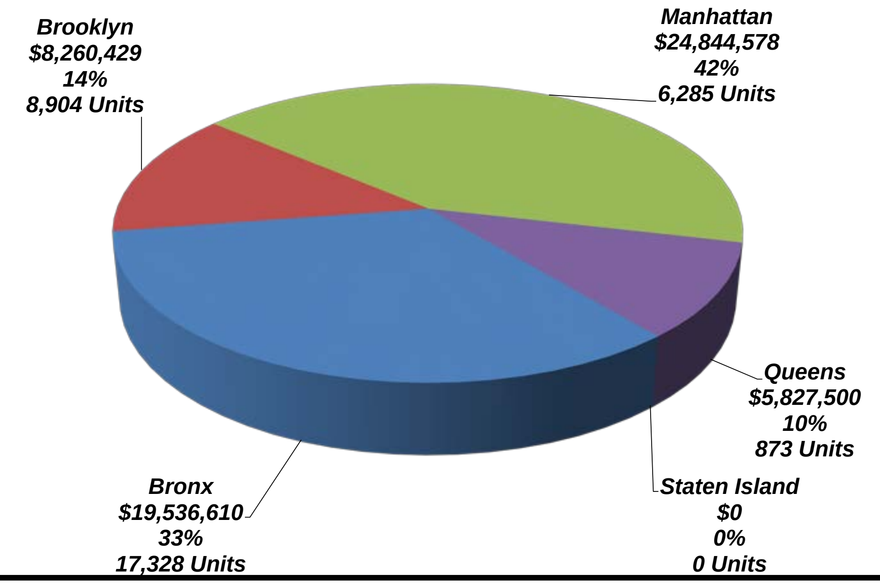
TRS Pension Fund - Economically Targeted Investments Quarterly Report

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

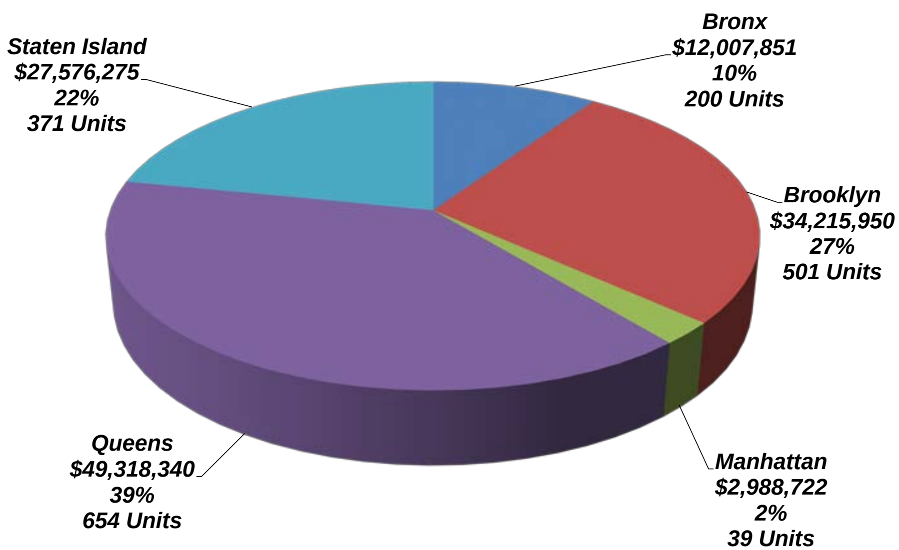
$105 million Allocated (35% of total account) Market Value $101.95 million				
Multifamily Investments Detail	**$ Invested[1]**		**Units[2]**	
	4Q	**Total**	**4Q**	**Total**
Bronx	$0	$19,536,610	0	17,328
Brooklyn	0	$8,260,429	0	8,904
Manhattan	0	$24,844,578	0	6,285
Queens	0	$5,827,500	0	873
Staten Island	0	$0	0	0
Total TRS Multifamily Investments	0	$58,469,117	0	33,390
Multifamily Total All Systems	0	$167,054,619	0	33,390
Single Family Investments Detail	**$ Invested**		**Units**	
	4Q	**Total**	**4Q**	**Total**
Bronx	0	$12,007,851	0	200
Brooklyn	0	$34,215,950	0	501
Manhattan	0	$2,988,722	0	39
Queens	0	$49,318,340	0	654
Staten Island	0	$27,576,275	0	371
Total TRS Single Family Investments	0	$126,107,139	0	1,765
Single Family Total All Systems	0	$360,306,111	0	1,765
Other Investments Detail	**$ Invested**		**Units**	
	4Q	**Total**	**4Q**	**Total**
Bronx	0	$236,250	0	1
Brooklyn	0	$1,886,641	0	8
Manhattan	0	$851,517	0	5
Queens	0	$190,201	0	3
Staten Island	0	$0	0	0
Total TRS Other Investments	0	$3,164,609	0	17
Other Investments Total All Systems	0	$9,041,740	0	17
Grand Total TRS	$0	$187,740,865		
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 TRS



Access Single Family Investment Since Inception TRS



- Private Equity Quarterly Report:

Hamilton Lane

Teachers’ Retirement System of the City of New York

Third Quarter 2015 Report

Content

Section 1:

Market Update

Teachers' Retirement System of the City of New York

Third Quarter 2015 Report

The Private Equity Market

Introduction

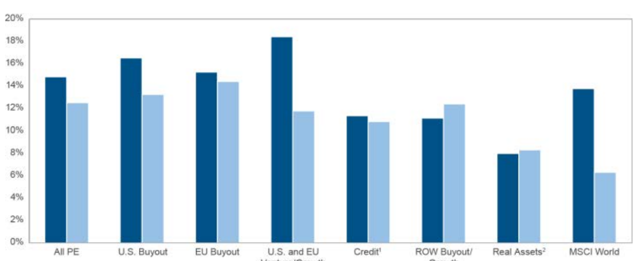
Global equity markets experienced higher volatility and fell sharply in the third quarter of 2015 as positive economic data out of the U.S increased the likelihood of the Federal Reserve raising interest rates, which was eventually proved true in December. This, along with fears of an economic slowdown in China, caused investors to consider whether global growth might be negatively affected. The MSCI All-Country World Index, falling 8.2%, posted its worst quarterly return since the third quarter of 2011. U.S. and international markets, as measured by the S&P 500 and MSCI EAFE Indices, were off 6.4% and 9.0%, respectively. The hardest hit class of equity by far, however, was emerging markets with the MSCI Emerging Markets Index down 12.1%, driven mainly by China, which fell 22.7%. A slowdown in global economic activity would also severely impact commodity-producing countries like Brazil, which dropped 14.9% during the quarter.[1]

Private equity currently sits at a unique point in its history. Fundraising and capital overhang are at higher but stable levels while deal activity and exit activity have cooled a bit after peaking in 2014. The amount and pace of high-yield debt issuance has become geographically dependent, while the major concern remains deal pricing with multiples at elevated levels. Despite this, limited partners continue to have a positive outlook on the asset class and plan on increasing allocations in the future.

Private Equity Performance

Regardless of the strategy, private equity returns remain strong compared against the MSCI World Index over the long term. Even the worst performing PE strategy, real assets, outperformed the public market benchmark by almost 200 basis points over 10 years, while PE as a whole outperformed by over 600 basis points. On a 5-year basis, returns are mixed. U.S. and European buyout, venture and growth strategies outperformed the benchmark with credit, real assets, and ROW buyout/growth lagging.

Chart 1: Time Weighted Returns: Private Equity vs. MSCI World

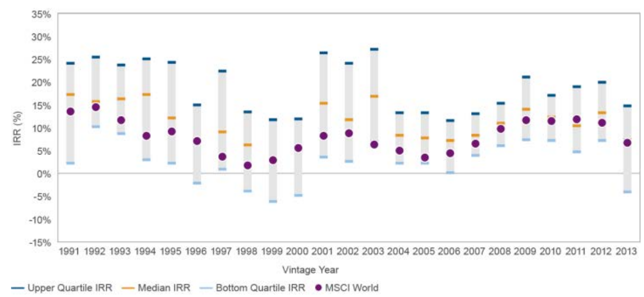


Source: Hamilton Lane Fund Investment Database (as of November 2015). Return figures are geometric averages of time-weighted returns in local currency. Returns longer than one year are annualized. MSCI World is net reinvested dividends.
1 Includes Mezzanine and Distressed Debt Strategies
2 Includes Natural Resources, Commodities, and Infrastructure strategies

[1] *MSCI returns are net of withholding taxes in local terms. Returns presented for China and Brazil are sourced from MSCI.*

Chart 2 provides another example of private equity's long term outperformance over public equities. In the 23 vintage years from 1991 to 2013, only twice have global developed market stocks, as measured by the MSCI World Index, beat median IRRs for private equity. Bottom quartile managers, however, beat the MSCI World Index just once. Over the last three years provided, upper quartile managers outperformed bottom quartile managers by 19.0% in 2013, 12.7% in 2012, and 14.2% in 2011. This demonstrates that smart selection in the PE universe is important and necessary to add value over the long term.

Chart 2: Private Equity IRR Quartiles by Vintage Year

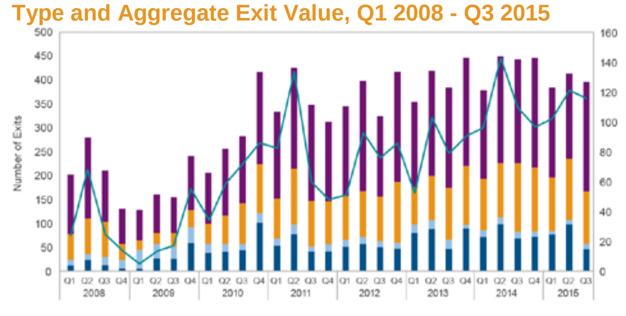


Source: Hamilton Lane Fund Investment Database (November 2015) MSCI World, net reinvested dividends. Benchmark calculated as PME (Public Market Equivalent) using All Private Equity pooled cash flows.

Exit Activity

After peaking in the latter half of 2014, exit activity has dropped off into 2015. Quarter-over-quarter, the number of exited deals fell from 413 to 397, a 4% decrease. The aggregate value of exits was also down, falling 5% and ending the quarter with a total of $116 billion. Weakness in the public markets curtailed the use of IPOs and secondary offerings as exit vehicles in the third quarter. Their aggregate value dropped 83%. To exit investments, GPs instead turned to trade sales which set a quarterly record of $97 billion in aggregate value.[2]

Chart 3: Global Number of Private Equity-Backed Exits by Type and Aggregate Exit Value, Q1 2008 - Q3 2015

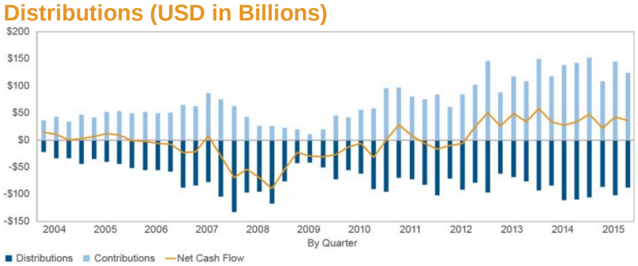


Source: Preqin Quarterly Update: Private Equity, Q3 2015

[2] *Preqin Quarterly Update, Private Equity (Q3 2015)*

The decrease in exit activity led to a decrease in distributions to LPs in the third quarter. As seen in Chart 4, distributions totaled $125 billion in the third quarter, a 15% drop from the second quarter. As has been the case since the second quarter of 2012, net cash flow remains positive with total contributions amounting to $88 billion. While positive net cash flow raises reinvestment risk, it also provides LPs flexibility to put excess cash to work as needed.

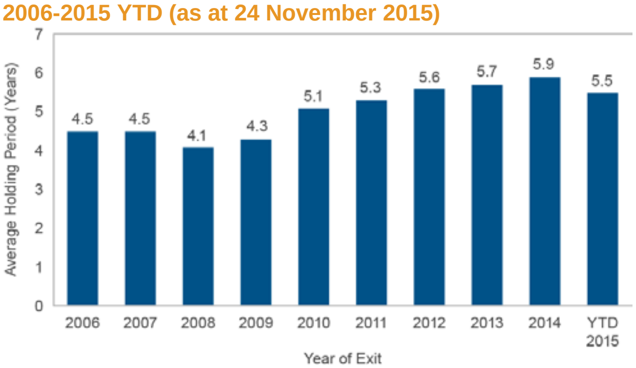
Chart 4: Industry Level All Private Equity Contributions & Distributions (USD in Billions)



Source: Hamilton Lane Fund Investment Database (November 2015).

Chart 5 highlights the average holding period for companies of private equity buyout fund managers. So far in 2015, the average holding period has decreased to 5.5 years, the first annual decrease since 2008. Holding periods had been on the rise since the Global Financial Crisis as GPs found it difficult to exit investments purchased at high valuations during the buyout boom. With the tailwind of rising equity markets, GPs have found market conditions more favorable to exit some of these longer-held investments.[3]

Chart 5: Global Average Holding Period by Year of Exit, 2006-2015 YTD (as at 24 November 2015)

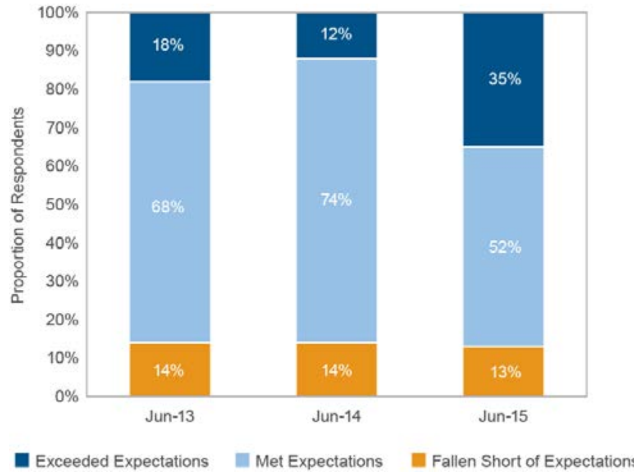


Source: Preqin Private Equity Spotlight (December 2015)

Increasing Allocations[4]

Private equity investors continue to view the asset class in a positive light. As seen in Chart 6, according to a recent Preqin survey, 35% of investors feel their private equity investments have exceeded their expectations, up from just 12% the year before. While 13% feel their investments have fallen short of expectations, that number has changed little over the last three years. At the regional level, 92% of investors believe their North America investments have met or exceeded their expectations, followed by 87% for the Rest of World and 86% for Asia. Europe had the lowest amount of investors responding met or exceeded with 81%, which is still a favorable result.

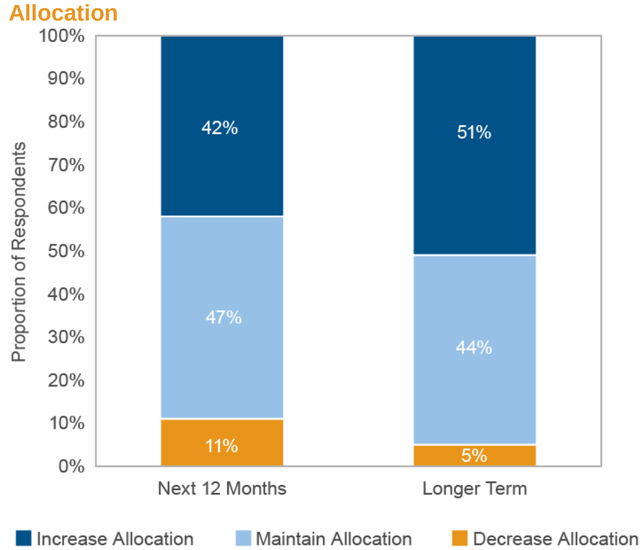
Chart 6: Proportion of Investors that Feel Their Private Equity Fund Investments Have Lived up to Expectations, June 2013 - June 2015



Source: Preqin Investor Outlook: Alternative Assets, H2 2015

In regards to current allocations, 45% of investors feel they are at their target allocation. 52% responded that they are below their target allocation and just 3% are above. With so many investors below their target allocations, many are expected to move additional money into the asset class. Chart 7 shows 42% of investors plan on increasing their allocations over the next 12 months while 51% plan on doing so over the longer term. Only 11% of investors plan on cutting their allocation to PE over the next year.

Chart 7: Investors' Intentions for Their Private Equity Allocation



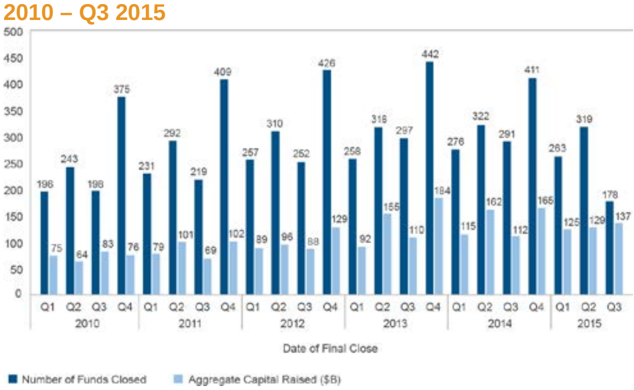
Source: Preqin Investor Outlook: Alternative Assets, H2 2015

[3] *Preqin Private Equity Spotlight (December 2015)*
[4] *Preqin Investor Outlook: Alternative Assets (H2 2015)*

Private Equity Fundraising

Highlighted in Chart 8, the aggregate capital raised in the third quarter saw a modest increase over the amount raised in the second quarter, going from $129 billion to $137 billion. The number of funds closed, however, fell by 44% to 178, meaning GPs were able to raise more money per fund. At $770 million per fund, this marks a significant increase over last quarter's amount of $404 million per fund and is well above the long term average of $383 million per fund. At the strategy level, the majority of capital went to buyout funds, which hauled in $46.7 billion. Real estate funds also did well, bringing in $37.7 billion. Both saw 34 funds closed. Venture capital saw the highest number of funds close at 43 but only raised $9.1 billion in capital.[5]

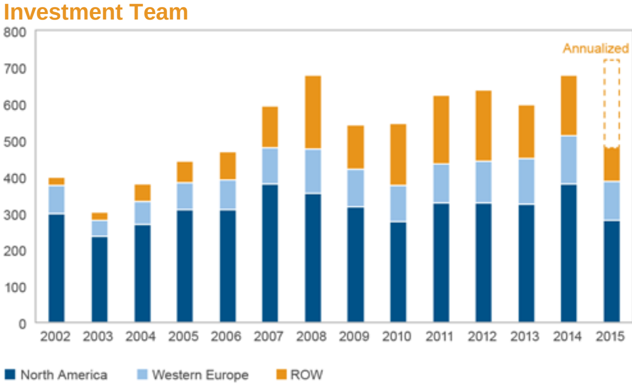
Chart 8: Global Quarterly Private Equity Fundraising, Q1 2010 – Q3 2015



Source: Preqin Quarterly Update: Private Equity, Q3 2015

While 2015 fundraising volumes through three quarters are modestly ahead of last year's pace, Hamilton Lane is expecting to receive the highest number of PPMs on record this year, as referenced in Chart 9. The increase is coming from non-traditional strategies including funds focused on Asia and Latin America, alternatives such as credit and infrastructure, and spin-outs from existing GPs.

Chart 9: PPMs Received by Hamilton Lane Fund Investment Team



Source: Hamilton Lane Diligence (September 2015)

Deal Activity

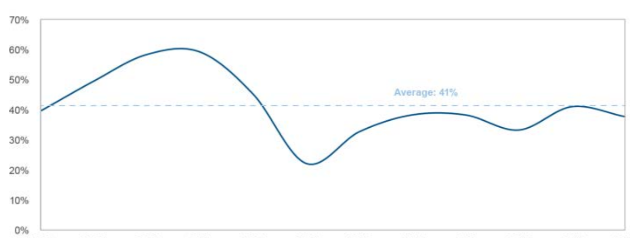
As seen in Chart 10, after trending higher through 2013 and 2014, the number of global buyout deals has dropped off in 2015 with 3Q15 registering the first uptick in deals since the last quarter of 2014. Even at that, the number rose just 7% to 889 deals for the quarter. Aggregate value on the other hand tumbled from $102 billion in the second quarter to $85 billion in the third quarter, a 17% decrease. Potentially recognizing that valuations have become stretched, GPs may be showing restraint in not overpaying for investments.

Chart 10: Quarterly Number and Aggregate Value of Private Equity-Backed Buyout Deals Globally, Q1 2008 - Q3 2015

Source: Preqin Quarterly Update: Private Equity, Q3 2015

As aggregate deal volume has decreased so have contributions being requested from LPs. As seen in Chart 11, using data from the Hamilton Lane Fund Investment Database, contributions relative to unfunded commitments have fallen to 38% in 2015. This is below the 2014 value and the long term average, both of which calculated to 41% of unfunded commitments.

Chart 11: Industry Level PE Contribution Pace (Annual Contributions as a % of Unfunded)



Source: Hamilton Lane Fund Investment Database (November 2015). Cashflows through 9/30/2015.

[5] *Preqin Quarterly Update, Private Equity (Q3 2015)*

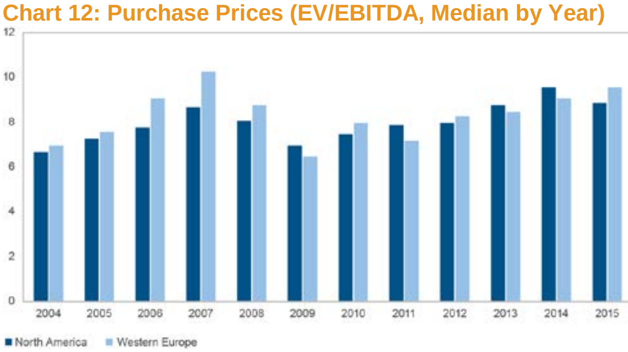
Teachers' Retirement System of the City of New York

Third Quarter 2015 Report

Deal Pricing

Higher purchase price multiples continue to be a worry among private equity investors. However, as seen in Chart 12, multiples for deals in North America have come down in 2015 to 8.9x EV/EBITDA after peaking at 9.6x in 2014. In Europe, 2015 multiples increased from 2014 to 9.6x but remain below their 2007 highs of 10.3x. Competition among GPs and rising equity markets have fueled the increases in valuations over the last several years.

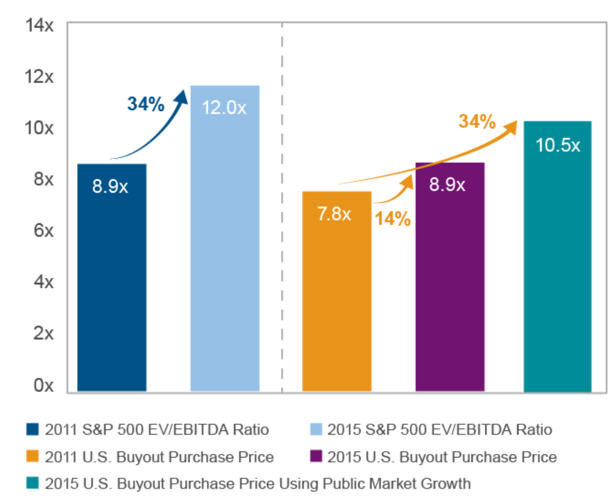
Chart 12: Purchase Prices (EV/EBITDA, Median by Year)



Source: Hamilton Lane Fund Investment Database (August 2015). EBITDA positive companies.

Even with private equity deal multiples near record highs, they remain below those in the public markets when considering U.S. buyout transactions. As seen in Chart 13, from 2011 to September 2015, the S&P 500 EV/EBITDA ratio went from 8.9x to 12.0x, a 34% increase. Over the same time period, purchase prices for U.S. buyouts rose from 7.8x to 8.9x, just a 14% increase. To match the valuation growth seen in public securities, buyout prices would have to rise an additional 18%.

Chart 13: Public vs. Private Valuation Growth

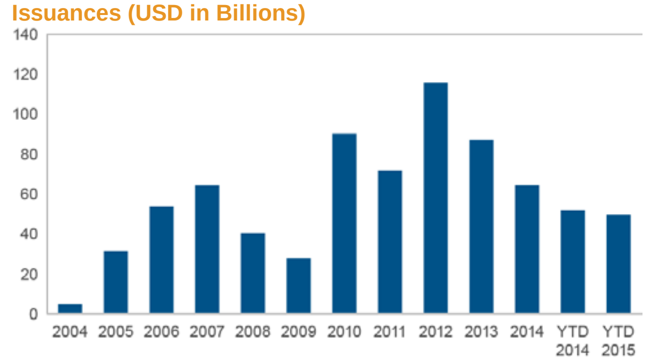


Source: Hamilton Lane Fund Investment Database, Bloomberg (September 2015)

Debt Markets

U.S. sponsored high-yield bond issuances increased 17% in the third quarter of 2015, pushing the year-to-date figure to $50.0 billion. As seen in Chart 14, current year issuance is trailing last year's pace and at this rate will be the lowest level of issuance since 2009. This is being driven by the same concerns affecting the equities markets, Fed tightening and Chinese growth, as well as by restrictions put on the banking sector by federal regulators.

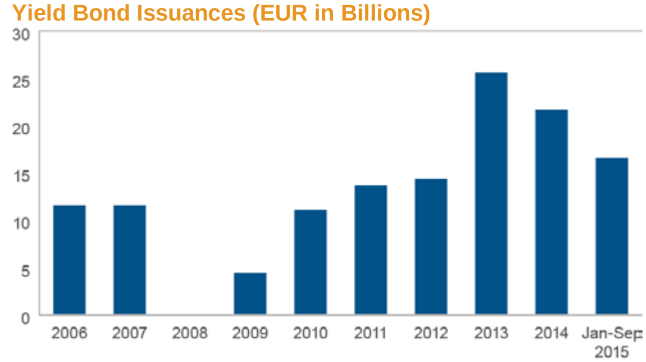
Chart 14: Annual Volume of Sponsored High-Yield Bond Issuances (USD in Billions)



Source: S&P Capital IQ M&A Stats September 2015

In Europe, however, high-yield debt markets are continuing to benefit from the European Central Bank's bond buying program. Year-to-date issuance stands at €16.7 billion through September and is on pace to top last year's total of €21.8 billion.

Chart 15: European Annual Volume of Sponsored High-Yield Bond Issuances (EUR in Billions)

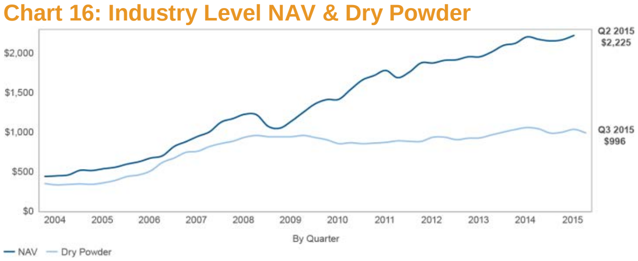


Source: S&P Capital IQ M&A Stats September 2015

Capital Overhang

Industry level dry powder decreased modestly in the third quarter, falling 4% to $996 billion. As seen in Chart 16, the amount of dry powder outstanding has stayed fairly consistent since 2008. At the strategy level, alternatives, such as real assets and credit, have seen reductions in dry powder but not at a significant level.

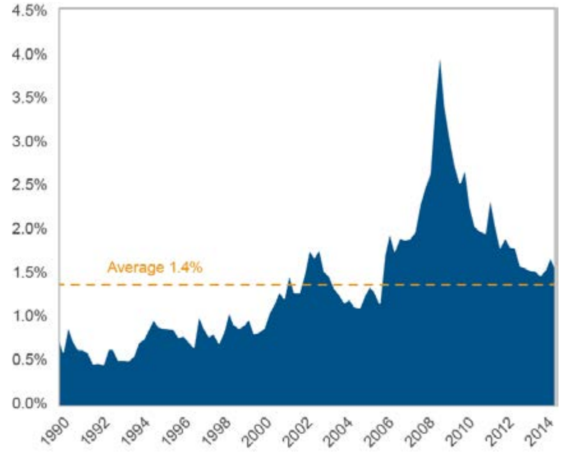
Chart 16: Industry Level NAV & Dry Powder



Source: Hamilton Lane Fund Investment Database (November 2015)

While capital overhang amounts are comparable to 2008 on an absolute basis, examining them on a relative basis tells a different story. For example, U.S. buyout dry powder, which accounts for almost one-third of total dry powder, when compared to the S&P 500 market cap is nowhere close to the extreme levels of 2008 and in line with its long term average, as seen in Chart 17.

Chart 17: U.S. Buyout Capital Overhang as a % of S&P 500 Market Cap



Source: Hamilton Lane Fund Investment Database (April 2015)

Spotlight: Credit Markets

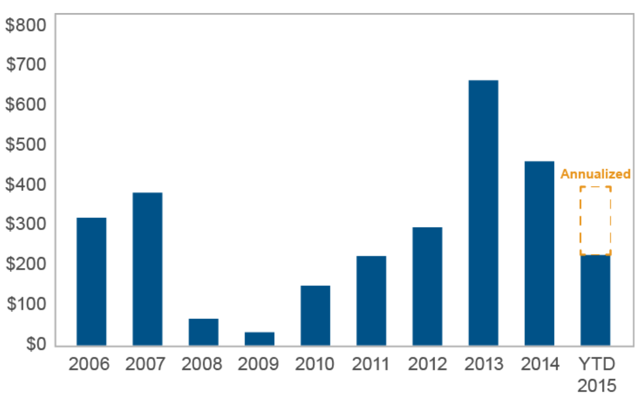
Introduction

Global stock performance has been inconsistent over the last year as U.S. and European markets are down compared to prior years. While India and Brazil continue to underperform, China and Japan have generated strong public market performance. Even with recent market volatility, however, the past five years have seen strong equity returns, particularly in developed markets. Within debt markets, as economic data and monetary policies among the world's major economic powers have begun to diverge, debt issuance by geography has also varied. On the PE credit fundraising front, after a less than stellar 2014, 2015 is on pace to be the strongest year since 2008. Cash flow activity has also been healthy, with this year setting up to be cash flow positive for limited partners. The current market environment and the impact of recent regulatory changes have created pockets of opportunity for credit investing including distressed energy opportunities, European non-performing loans, and unitranche lending.

Debt Issuance

While U.S. bank loan issuance, which is highlighted in Chart 1, has decreased as regulators constrain the participation of banks, which now have more stringent capital requirements, high-yield issuance continues at record levels. However, in Europe, loan issuance has grown considerably in the last five years, particularly in high-yield, where new issuance remains at record levels.

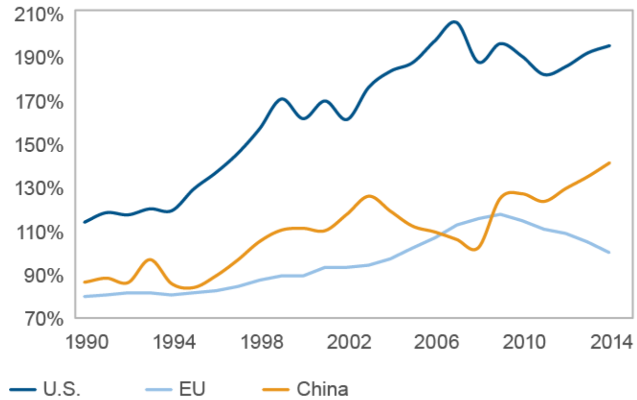
Chart 1: U.S. Bank Loan Issuance (USD in Billions)



Source: JP Morgan. As of July 31, 2015

Public and private sector debt issuance has also varied depending on region. Public sector debt, supported by easy monetary policies, has increased significantly as a percentage of GDP over the last 10 years in the developed world, while remaining relatively flat in China and emerging markets. As for the private debt markets, as seen in Chart 2, U.S. debt as a percentage of GDP remains elevated, while in Europe, levels have come down.

Chart 2: Private Debt (as a % of GDP)

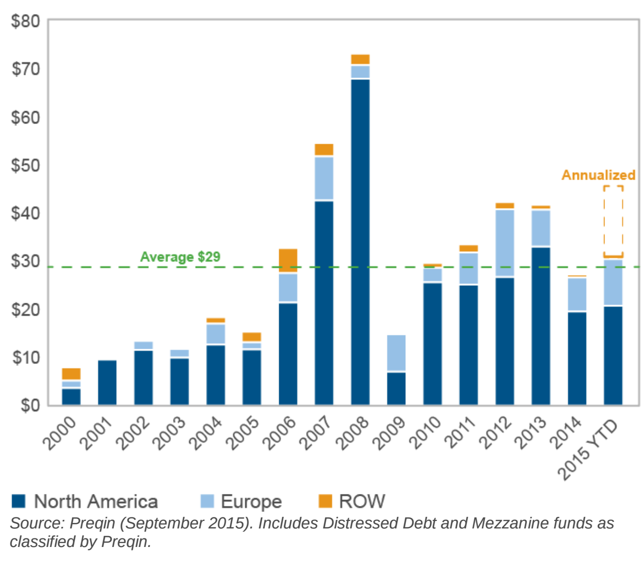


Source: Source: World Bank DataBank (Sept 2015)

Fundraising

After peaking in 2008 when a total of ~$75 billion was raised and then dropping substantially in 2009, credit fundraising has stabilized since 2010 at a rate slightly above the long term 15 year average of $29 billion. Chart 3 shows that at the current year's pace, 2015 is shaping up to be the best for fundraising since 2008. At the regional level, fundraising continues to be dominated by North America funds, which have accounted for 75% of the credit capital raised in the past 5 years.

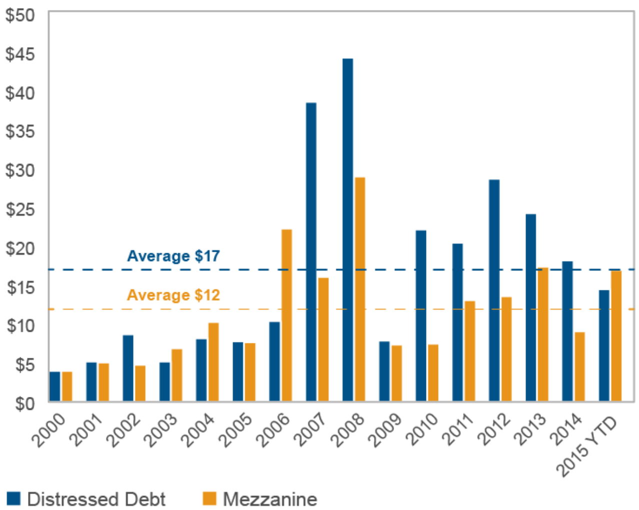
Chart 3: Credit Fundraising (USD in Billions)



Source: Preqin (September 2015). Includes Distressed Debt and Mezzanine funds as classified by Preqin.

By strategy, while distressed debt has generally raised more capital than mezzanine since 2007, thus far in 2015 distressed debt fundraising has lagged mezzanine fundraising, which is shown in Chart 4.

Chart 4: Distressed Debt vs. Mezzanine Fundraising (USD in Billions)

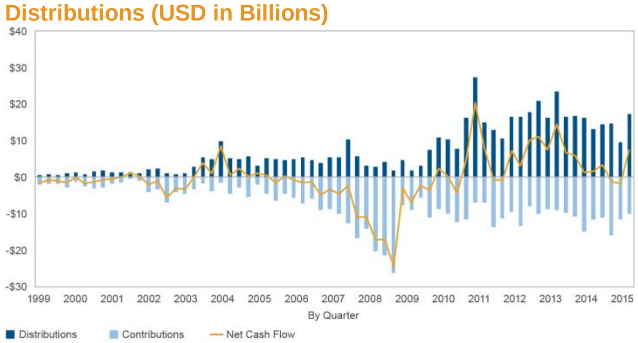


Source: Preqin (September 2015). Includes Distressed Debt and Mezzanine funds as classified by Preqin.

Flow of Funds

After raising more capital from 2006 to 2008, credit funds deployed more capital from 2008 to 2009. Since then, distributions increased and capital calls decreased, leading to a positive quarterly net cash flow across private equity credit funds (mezzanine and distressed debt). In fact, since the fourth quarter of 2011, there have been only two quarters when contributions outpaced distributions and even then, modestly so.

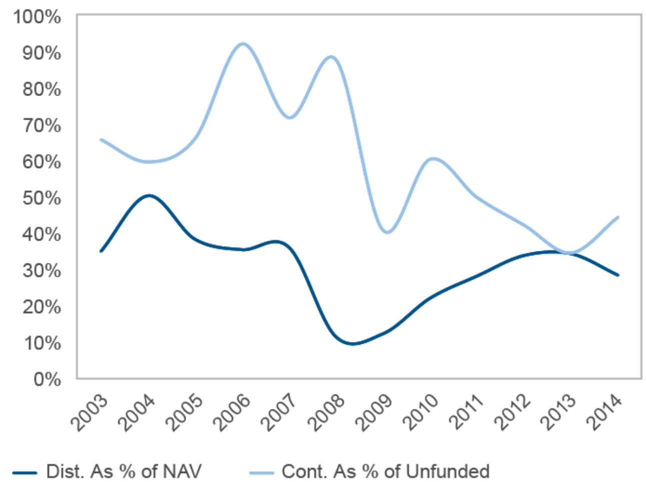
Chart 5: Industry Level Credit Contributions and Distributions (USD in Billions)



Source: Hamilton Lane Fund Investment Database (August 2015); includes data for Distressed Debt and Mezzanine funds.

Despite being higher on a dollar basis, both distribution and contribution pacing when measured as a percentage of NAV and unfunded, respectively, as seen in Chart 6, have been in line or below averages. Notably, contributions are significantly below levels seen in 2008. This has been driven by distressed debt funds having less opportunity today to deploy capital as only pockets of distress opportunities are available in what has otherwise been a growing market over recent years.

Chart 6: Distribution as % of NAV and Contribution as % of Unfunded

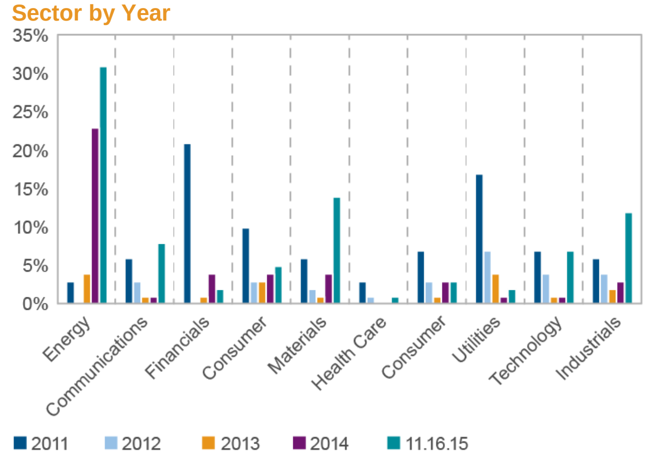


Source: Hamilton Lane Fund Investment Database (August 2015); includes data for Distressed Debt and Mezzanine funds.

Distressed Purchases

Measured by the percentage of loans trading at or below 80% of par, levels of distressed debt have been increasing over the last year and are approaching levels not seen since late 2011. However, the distressed opportunity is highly concentrated in North America and primarily in the energy sector, where more than 30% of loans are trading at or below 80% of par. This is a dramatic shift from just four years ago when financials and utilities made up the bulk of distressed loans, as seen in Chart 7.

Chart 7: Bloomberg High Yield Index Distress Ratio by Sector by Year

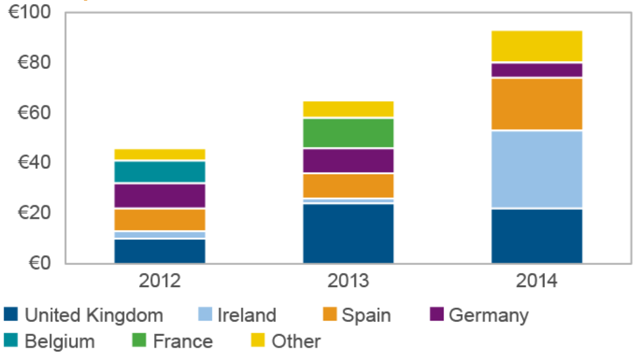


Source: Bloomberg High Yield Index as of 11/15/15; Percentage of loans trading at or below 80% of par

European Non-Performing Loans

The divestiture of European NPLs never lived up to expectations in 2010/2011 but the slow methodical divestiture of assets continues as regulations become increasingly stringent on equity requirements. As such, banks are increasing the pace of divestiture for NPLs and non-core assets. As seen in Chart 8, Spain and Ireland, two of the countries hit hardest by the European debt crisis, were the leaders in unloading NPLs in 2014.

Chart 8: Bank NPL Divestitures by Region (Euros in Billions)

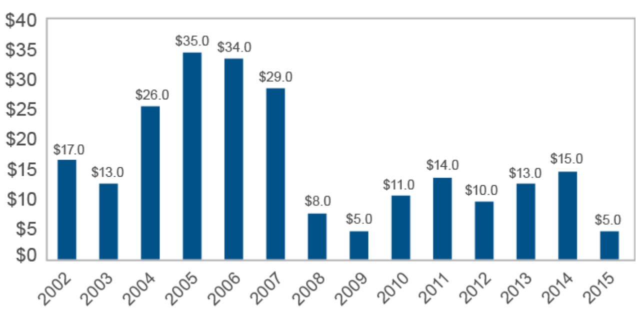


Source: Apollo EPF Overview - Originally sourced via PWC

Unitranche Lending

Within the unitranche lending space, loan volumes have recovered, but middle-market lending in unsponsored transactions remains limited. With new regulations, banks have reentered the market but are not pursuing middle-market loans as they avoid more illiquid assets. Furthermore, given illiquidity, hedge funds have also not pursued opportunities in the middle market space. Consequently, there is a supply demand imbalance in the middle-market leverage loan space that is not fully met by mezzanine and BDC capital alone. This can be seen in Chart 8, where 2015 loan volume matches 2009's lows.

Chart 8: Middle Market Loan Volume – by Year



Source: S&P LCD. Includes issuance in companies with less than $50m of EBITDA

Teachers' Retirement System of the City of New York

Third Quarter 2015 Report

Section 2:

Portfolio Update

Portfolio Snapshot

Hamilton Lane was engaged by the Teachers' Retirement System of the City of New York ("TRS") in October 2010 to provide alternative investment consulting services in accordance with the investment objectives of the TRS Private Equity portfolio (the "Portfolio"). This report represents the review by Hamilton Lane of TRS's Portfolio and is based upon information made available to Hamilton Lane by the general partners sponsoring each of the partnership investments in the Portfolio as of September 30, 2015, with highlights through December 31, 2015.

Private Equity Allocation: TRS has a target allocation of 6.0% to Private Equity. As of September 30, 2015, Private Equity constituted 5.0% of TRS plan. (Plan value is $57.279 billion as of September 30, 2015)

Performance: As of September 30, 2015, the Portfolio consists of 153 partnerships and 98 underlying fund managers. The Portfolio has generated a since inception internal rate of return ("IRR") of 9.24% and a total value multiple of 1.3x.

Portfolio Summary

$ in millions	6/30/2015	9/30/2015	Change
Active Partnerships	153	153	-
Active GP Relationships	98	98	-
Capital Committed [1]	$5,892.3	$5,896.5	$4.2
Liquidated Commitments	$83.0	$83.0	-
Commitments Sold	$288.5	$288.5	-
Unfunded Commitment	$2,295.5	$2,155.4	($140.1)
Capital Contributed	$4,483.7	$4,646.4	$162.7
Capital Distributed	$3,263.5	$3,375.2	$111.7
Market Value	$2,795.6	$2,849.6	$54.0
Total Value Multiple	1.4x	1.3x	(0.1x)
Since Inception IRR	9.50%	9.24%	(26 bps)
Avg. Age of Active Commitments	5.6 years	5.7 years	0.1 years

[1] The "change" in capital committed from the prior quarter reflects currency adjustments from existing foreign denominated funds.

Portfolio Exposures: The Corporate Finance/Buyout strategy represents 61% of the Portfolio's total exposure, Secondaries represent 12%, Growth Equity accounts for 7%, Special Situations/Turnaround represents 7%, Venture Capital represents 6%, Energy represents 3%, Co-Investment represents 3%, and Mezzanine represents the remaining 1%. The Portfolio has significant exposure to North America, with 77% of the underlying company market value based in the region.

Portfolio Overview

Commitments

The table below highlights the funds that have closed through the third quarter of the 2015 calendar year.

YTD Commitments - 2015			
Closing Date	Partnership	Investment Strategy	Commitment Amount ($ in Millions)
1/9/2015	American Securities Partners VII, L.P.	Corporate Finance/Buyout - Large	$111.0
2/4/2015	Siris Partners III, L.P.	Corporate Finance/Buyout - Mid	$45.0
5/28/2015	Valor Equity Partners III, L.P.	Growth Equity	$11.0
6/26/2015	Welsh, Carson, Anderson & Stowe XII, L.P.	Corporate Finance/Buyout - Large	$110.5
6/30/2015	Bridgepoint Europe V, L.P.	Corporate Finance/Buyout - Large	€77.3/$86.9
6/30/2015	Bridgepoint Europe V Co-Invest	Co/Direct Investment	€21.8/$24.5
6/30/2015	Patriot Financial Partners II, L.P.	Growth Equity	$9.9
Total			$398.8

The Portfolio closed on seven new investments, totaling $398.8 million, which are detailed below:

American Securities Partners VII, L.P. ($111.0 million) the fund will target control investments in the industrial and services sectors and will opportunistically invest in energy services, healthcare and consumer businesses.

Siris Partners III, L.P. ($45.0 million) the fund will target investments in complex middle-market technology businesses that possess both a mature business line that generates stable cash flows, as well as next-generation growth assets.

Valor Equity Partners III, L.P. ($11.0 million) the fund, an Emerging Manager 2012 Program commitment, will target growth equity investments within North America. The fund utilizes an opportunistic approach targeting disruptive businesses with significant growth potential across sectors.

Welsh, Carson, Anderson & Stowe XII, L.P. ($110.5 million) the fund will pursue control investments in the information/business services and healthcare sectors, focusing primarily on businesses in the United States.

Bridgepoint Europe V, L.P. (€77.3/$86.9 million) the fund will target mid-market companies with predominant exposure to Western Europe. Investments will be made across sectors and geographies with no more than 10% of investments outside of Europe.

Bridgepoint Europe V Co-Invest (€21.8/$24.5 million) the fund is a co-investment vehicle related to the Bridgepoint Europe V, L.P. commitment.

Patriot Financial Partners II, L.P. ($9.9 million) the fund, an Emerging Manager 2012 Program commitment, will target growth equity investments in the North American financial services sector. The fund seeks to make smaller toe-hold investments in certain publicly traded community banks with the goal of obtaining board representation and eventually consummating a transaction

Subsequent Closings

Subsequent to the quarter end September 30, 2015, the portfolio closed on four additional commitments totaling $363.0 million.

Subsequent Closings			
Investment	Investment Strategy	Commitment ($ in Millions)	Closing Date
ASF VII, L.P.	Secondaries	$134.0	12/17/2015
ASF VII B NYC Co-Invest, L.P.	Co/Direct Investment	$67.0	12/17/2015
Ares Corporate Opportunities Fund V, L.P.	Special Situations/Turnaround	$134.0	12/28/2015
Stellex Capital Partners, L.P.	Special Situations/Turnaround	$28.0	1/15/2016
Total		**$363.0**	

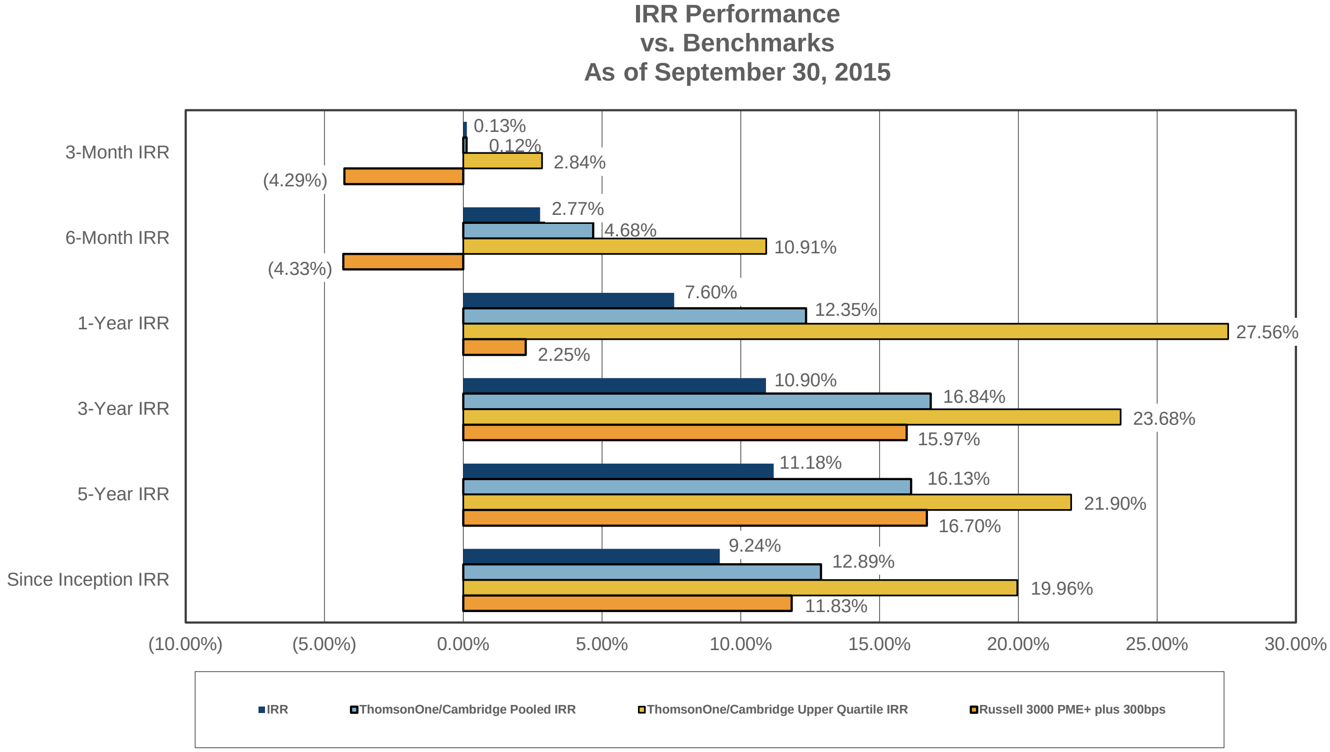
ASF VII, L.P. & Side Car ($134.0/$67.0 million) the fund will pursue a secondary investment strategy and will be focused primarily in Europe and North America. The General Partner seeks to invest in limited partners' interests in buyout and growth equity funds that are greater than 50% called as well as direct interests in underlying portfolio companies.

Ares Corporate Opportunities Fund V, L.P. ($134.0 million) the fund will pursue control investments primarily within North America and Europe. The General Partner will target franchise businesses via leveraged buyouts, distressed buyouts, rescue capital and growth equity.

Stellex Capital Partners, L.P. ($28.0 million) the fund, the first Emerging Manager 2015 Program commitment, will target middle-market distressed and special situation opportunities primarily within the United States but may also opportunistically invest in Europe. The fund will seek control through equity buyouts or debt restructuring.

Portfolio Performance Summary

The chart below is a graphical depiction of the IRR performance of the Portfolio with respect to 3-Month, 6-Month, 1-Year, 3-Year, 5-Year, and Since Inception time periods. The Portfolio is benchmarked against the ThomsonOne/ Cambridge Pooled IRR, ThomsonOne/Cambridge Upper Quartile IRR and the Russell 3000 Public Market Equivalent ("PME+") plus 300 basis points.



Note: Private Equity benchmark is provided by ThomsonOne/Cambridge and reflects U.S. Buyout Funds Pooled IRR and Upper Quartile IRR as of September 30, 2015, for funds with vintage years 1999 to 2015. PME+ is the Russell 3000 Total Return Index and incorporates the PME + methodology for all partnerships where distributions have occurred, and incorporates the Long Nickels methodologies for those partnerships that have not yet had any distributions to date. This calculation includes a 3% premium.

- As private equity is a long term asset class, the most significant time horizon is the since inception time period. Performance on a since inception basis for the third quarter of 2015 decreased 26 basis points from the prior quarter, with the Portfolio generating an IRR of 9.24%.
  - Relative to the benchmarks, the since inception IRR is underperforming the ThomsonOne/ Cambridge Pooled IRR by 365 basis points, the ThomsonOne/Cambridge Upper Quartile IRR by 1,072 basis points, and Russell 3000 PME+ plus 300 basis points by 259 basis points.
- Performance on a one-year basis for the third quarter 2015 decreased 123 basis points from the second quarter 2015, with the Portfolio generating an IRR of 7.60% as of September 30, 2015.
  - Relative to the benchmarks, the one-year IRR is underperforming the peer benchmarks, ThomsonOne/Cambridge Pooled IRR by 475 basis points, the ThomsonOne/Cambridge Upper Quartile IRR by 1,996 basis points, and outperforming the public benchmarks, the Russell 3000 PME+ plus 300 basis points by 535 basis points.

Quarterly Value Analysis

The table below details quarterly performance of the Portfolio for the year ending September 30, 2015.

Portfolio Summary					
	Quarter Ending				Year Ending
in $ millions	12/31/2014	3/31/2015	6/30/2015	9/30/2015	9/30/2015
Beginning Market Value	$2,712.4	$2,720.4	$2,817.5	$2,795.6	$2,712.4
Paid-in Capital	131.5	115.9	112.1	162.7	522.2
Distributions	(152.9)	(115.4)	(207.3)	(111.7)	(587.3)
Net Value Change	**29.4**	**96.6**	**73.3**	**2.8**	**202.1**
Ending Market Value	$2,720.4	$2,817.5	$2,795.6	$2,849.4	$2,849.4
Unfunded Commitments	**$2,116.4**	**$2,144.3**	**$2,295.5**	**$2,155.4**	**$2,155.4**
Total Exposure	$4,836.8	$4,961.8	$5,091.1	$5,004.8	$5,004.8
Point to Point IRR	1.08%	3.55%	2.65%	0.11%	7.60%
Since Inception IRR	9.29%	9.45%	9.50%	9.24%	9.24%

- Over the past twelve months, the Portfolio has experienced a total of $202.1 million in net value appreciation.
    - The since inception IRR of 9.24% represents a decrease of 26 basis points when compared to the since inception IRR from the prior quarter.

Performance by Strategy

The table below details IRR performance of the Portfolio with respect to Investment Strategy. The Portfolio is benchmarked against the ThomsonOne/Cambridge Median Quartile IRR, and the ThomsonOne/Cambridge Upper Quartile IRR.

Performance by Investment Strategy

Investment Strategy	Capital Committed	IRR	ThomsonOne/ Cambridge Median Quartile IRR	ThomsonOne/ Cambridge Upper Quartile IRR
Corporate Finance/Buyout	$ 3,598,467,361	10.37%	12.38%	19.96%
Corporate Finance/Buyout - Mega	1,152,029,804	10.45%	10.27%	14.96%
Corporate Finance/Buyout - Large	852,494,773	16.96%	13.74%	18.63%
Corporate Finance/Buyout - Mid	876,537,139	9.95%	10.57%	17.11%
Corporate Finance/Buyout - Small	717,405,645	7.55%	13.02%	21.83%
Co-Invest	207,262,553	5.11%	N/A	N/A
Energy	217,500,000	(0.25%)	7.21%	12.32%
Growth Equity	338,271,863	7.12%	8.40%	16.84%
Secondary	665,000,000	14.64%	14.70%	24.70%
Special Situations/Turnaround	385,000,000	18.36%	12.22%	17.84%
Other	485,000,000	4.36%	5.41%	11.90%
Venture Capital	435,000,000	3.70%	4.57%	12.04%
Mezzanine	50,000,000	13.13%	7.62%	8.73%

Note: Commitments in the above table do not include liquidated/sold investments.

Vintage Year Performance

The table below details IRR performance of the Portfolio with respect to Vintage Year. The Portfolio is benchmarked against the ThomsonOne/Cambridge Median Quartile IRR, ThomsonOne/Cambridge Upper Quartile IRR, and the Russell 3000 Public Market Equivalent ("PME+").

Performance by Vintage Year

Vintage Year	Capital Committed[1]	IRR	ThomsonOne/ Cambridge Median Quartile IRR	ThomsonOne/ Cambridge Upper Quartile IRR	PME Benchmark[2]	PME Spread[3]
1999	$ 95,000,000	6.96%	9.75%	14.17%	6.11%	0.85%
2000	35,000,000	6.32%	14.32%	21.59%	5.57%	0.75%
2001	65,000,000	19.01%	20.85%	29.27%	7.60%	11.41%
2002	150,000,000	10.85%	17.40%	26.43%	7.62%	3.23%
2003	85,000,000	20.01%	14.49%	19.86%	6.47%	13.54%
2004	234,000,000	5.94%	11.12%	14.59%	7.27%	(1.33%)
2005	299,859,382	4.96%	8.34%	13.55%	6.03%	(1.07%)
2006	559,036,781	7.79%	9.27%	15.51%	8.16%	(0.37%)
2007	506,323,513	7.64%	12.86%	16.38%	10.87%	(3.23%)
2008	776,564,144	12.41%	14.73%	21.86%	13.13%	(0.72%)
2009	42,500,000	10.75%	20.40%	28.52%	14.57%	(3.82%)
2010	45,000,000	9.46%	12.13%	31.53%	11.07%	(1.61%)
2011	572,505,468	15.91%	15.19%	20.35%	11.88%	4.03%
2012	589,750,000	13.39%	11.80%	28.09%	6.58%	6.81%
2013	828,045,236	4.70%	7.45%	18.63%	0.94%	3.76%
2014	659,200,000	N/M	N/M	N/M	N/M	N/M
2015	353,717,254	N/M	N/M	N/M	N/M	N/M

[1] Commitments in the above table do not include liquidated/sold investments.

[2] PME is the Russell 3000 Total Return Index and incorporates the PME+ methodology for all partnerships where distributions have occurred, and incorporates the Long Nickels methodologies for those partnerships that have not yet had any distributions to date.

[3] PME Spread is the percentage difference between the IRR and PME Benchmark for each respective partnership.

Performance by Geographic Focus

The table below details IRR performance of the Portfolio with respect to Geographic Focus.

Performance Summary by Region[1]

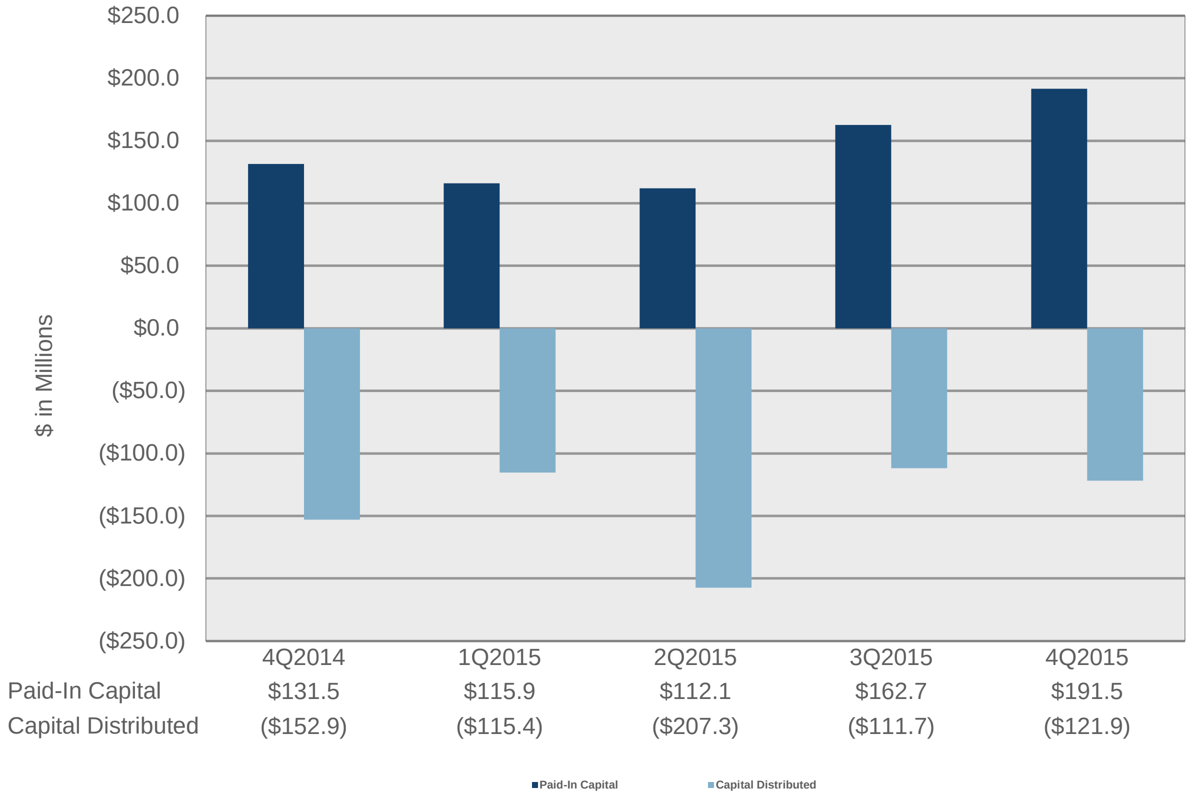
Region	Capital Committed	Paid-In Capital	Capital Distributed	Reported Market Value	IRR	Total Value Multiple
North America	$4,381,090,910	$3,629,665,401	$2,669,598,610	$2,290,119,066	9.79%	1.37x
Western Europe	$559,810,868	$307,603,014	$135,508,302	$192,566,868	1.86%	1.07x
Global/Rest of World	$955,600,000	$709,089,034	$570,063,388	$366,948,889	9.25%	1.32x
Total	**$5,896,501,778**	**$4,646,357,448**	**$3,375,170,300**	**$2,849,634,823**	**9.24%**	**1.34x**

Note: Commitments in the above table do not include liquidated/sold investments.

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

Cash Flow Drivers

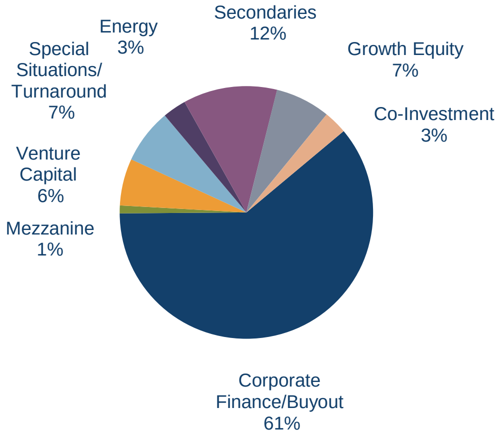
The chart below highlights the cash flows of the Portfolio over the past five quarters ended December 31, 2015.



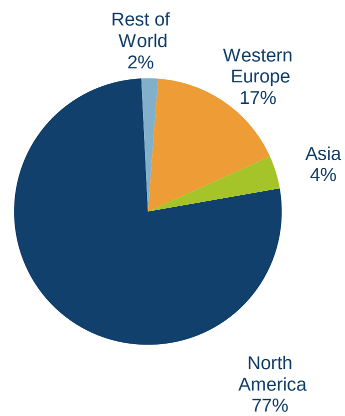
Portfolio Exposures

The pie charts below represent the strategic and geographic diversification of the Portfolio as of September 30, 2015. Strategy is measured by total exposure, which is the sum of the market value and the unfunded commitments and provides a snapshot of the Portfolio's future diversification. Geography is measured by the Portfolio's exposed market value of the underlying portfolio companies.

Strategic Diversification by Total Exposure As of September 30, 2015



Underlying Investment Diversification by Geographic Location As of September 30, 2015



As of September 30, 2015

	Sum of Current Exposed Market Value	% of Total
North America	**$2,464.2**	**77%**
U.S. (non-NY State)	*$2,198.4*	*69%*
U.S. (NY State)	*$266.4*	*8%*
New York City	*$113.5*	*4%*
Non-New York City	*$152.9*	*4%*
Western Europe	**$530.7**	**17%**
Rest of World	**$81.0**	**2%**
Asia	**$117.3**	**4%**
Total	**$3,193.2**	**100%**

- The Portfolio is focused in the Corporate Finance/Buyout strategy, with 61% of the total exposure attributable to this strategy.
- With respect to geography, the Portfolio is concentrated in North America, with 77% of the Portfolio's underlying market value attributable to this region.
  - The remaining 23% of the Portfolio's exposure is diversified between Western Europe, Asia and 'Rest-of-World'.
  - Roughly 8% of the Portfolio's current exposed market value is based in New York.
    - About 4%, or roughly $113.5 million, of the Portfolio's current exposed market value is based in New York City.

Section 3:

Portfolio Assessment

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

Vintage Year	Investment	First Drawdown	Committed Capital	Paid-In Capital	Distributed Capital	Market Value	Multiple	IRR[2]	PME Benchmark[3]	PME Spread[4]
Active Investments										
1999	Cypress Merchant Banking Partners II, LP	7/8/1999	$ 50,000,000	$ 53,874,600	43,453,284	$ 7,242,488	0.94x	(1.14%)	5.40%	(6.54%)
1999	FdG Capital Partners, L.P.	6/2/1999	30,000,000	34,517,861	51,547,118	5,356,793	1.65x	14.50%	6.44%	8.06%
1999	Lincolnshire Equity Fund II, L.P.	2/26/2001	15,000,000	14,446,100	27,347,315	897,924	1.96x	24.63%	6.85%	17.78%
2000	SCP Private Equity Partners II, L.P.	1/19/2001	20,000,000	22,196,012	6,682,699	5,302,326	0.54x	(7.68%)	5.08%	(12.76%)
2000	Solera Partners, L.P.	7/8/2002	15,000,000	19,809,674	31,226,365	3,608,340	1.76x	8.84%	6.37%	2.47%
2001	Apollo Investment Fund V, L.P.	8/23/2001	30,000,000	46,743,989	91,849,314	1,123,809	1.99x	38.81%	8.29%	30.52%
2001	New Mountain Partners, L.P.	7/20/2001	15,000,000	12,984,277	18,470,548	331,114	1.45x	12.35%	6.20%	6.15%
2001	RRE Ventures III, L.P.	6/13/2002	20,000,000	26,146,917	33,022,260	3,224,795	1.39x	6.05%	6.51%	(0.46%)
2002	BDCM Opportunity Fund, L.P.	11/10/2003	25,000,000	54,583,604	91,229,261	126,933	1.67x	23.04%	6.05%	16.99%
2002	Coller International Partnership IV, L.P.	11/6/2002	35,000,000	31,222,054	40,595,819	1,916,712	1.36x	11.74%	7.03%	4.71%
2002	Landmark Equity Partners XI, L.P.	9/15/2004	20,000,000	21,259,660	30,035,033	1,794,298	1.50x	23.69%	7.27%	16.42%
2002	Thomas McNerney & Partners, L.P.	11/26/2002	15,000,000	15,000,000	5,252,354	3,899,136	0.61x	(10.06%)	10.36%	(20.42%)
2002	Yucaipa American Alliance Fund I, L.P.	10/1/2004	55,000,000	80,828,995	69,484,670	25,271,874	1.17x	4.66%	9.64%	(4.98%)
2003	Ares Corporate Opportunities Fund, L.P.	5/4/2004	15,000,000	18,004,666	25,779,114	1,925,719	1.54x	13.63%	7.31%	6.32%
2003	Blackstone Capital Partners IV L.P.	1/10/2003	30,000,000	30,690,321	72,555,992	3,818,594	2.49x	37.87%	8.07%	29.80%
2003	FS Equity Partners V, L.P.	5/30/2003	25,000,000	21,699,212	38,694,048	5,604,283	2.04x	15.77%	5.05%	10.72%
2003	Leeds Weld Equity Partners IV, L.P.	12/13/2004	15,000,000	15,356,325	15,910,243	4,443,035	1.33x	4.67%	5.11%	(0.44%)
2004	Aurora Equity Partners III, L.P.	5/19/2005	20,000,000	21,706,212	34,553,138	2,108,936	1.69x	14.36%	9.75%	4.61%
2004	Celtic Pharmaceutical Holdings, L.P.	7/10/2006	15,000,000	15,241,256	241,256	13,818,472	0.92x	(0.99%)	7.72%	(8.71%)
2004	FdG Capital Partners II, L.P.	8/30/2004	35,000,000	37,462,592	42,562,842	2,090,030	1.19x	3.52%	6.55%	(3.03%)
2004	Lincolnshire Equity Fund III, L.P.	12/23/2004	25,000,000	24,214,574	31,533,522	12,877,741	1.83x	31.06%	9.81%	21.25%
2004	Markstone Capital Partners, L.P.	7/21/2004	35,000,000	40,766,689	16,852,082	1,934,107	0.46x	(44.84%)	10.33%	(55.17%)
2004	New York/Fairview Emerging Managers (Tranche A), L.P.	10/21/2004	24,000,000	24,339,311	14,140,536	14,829,035	1.19x	3.36%	8.36%	(5.00%)
2004	Paladin Homeland Security Fund (NY), L.P	10/1/2004	15,000,000	16,217,966	4,900,699	3,003,584	0.49x	(10.08%)	5.84%	(15.92%)
2004	Trilantic Capital Partners III (fka LBMB III), L.P.	9/22/2005	30,000,000	23,733,854	34,937,426	980,043	1.51x	12.50%	4.89%	7.61%
2005	Blackstone Mezzanine Partners II, L.P.	5/26/2006	20,000,000	19,315,499	22,986,255	2,111,480	1.30x	7.28%	3.44%	3.84%
2005	Bridgepoint Europe III, L.P.	12/6/2005	30,633,582	26,996,441	17,702,271	16,560,319	1.27x	3.80%	5.24%	(1.44%)
2005	GI Partners Fund II, L.P.	6/19/2006	25,000,000	25,281,163	29,345,633	9,458,846	1.53x	7.29%	5.33%	1.96%
2005	JP Morgan Fleming (Tranche A), L.P.	12/21/2005	31,000,000	29,852,009	22,365,241	20,726,055	1.44x	8.41%	10.01%	(1.60%)
2005	NB NYC Growth Fund, LLC	8/16/2005	30,000,000	26,117,536	23,989,729	-	0.92x	(1.71%)	2.79%	(4.50%)
2005	New Mountain Partners II, L.P.	1/12/2005	23,225,800	21,335,293	39,291,422	2,151,154	1.94x	13.78%	4.54%	9.24%
2005	Palladium Equity Partners III, L.P.	8/10/2005	35,000,000	36,963,663	48,978,555	23,141,553	1.95x	17.11%	10.47%	6.64%
2005	Prism Venture Partners V-A, L.P.	7/14/2005	20,000,000	20,931,568	10,213,652	6,265,375	0.79x	(4.87%)	7.73%	(12.60%)
2005	Psilos Group Partners III, L.P.	10/17/2007	25,000,000	26,575,585	12,820,541	20,695,982	1.26x	4.93%	7.01%	(2.08%)
2005	Quadrangle Capital Partners II, L.P.	2/28/2006	35,000,000	29,806,644	33,678,573	6,323,604	1.34x	6.07%	6.11%	(0.04%)
2005	Snow Phipps Group, L.P.	8/2/2007	15,000,000	17,147,961	13,274,178	9,387,174	1.32x	7.81%	9.96%	(2.15%)
2005	USPF II Institutional Fund, L.P.	11/23/2005	35,000,000	46,164,567	31,083,781	29,315,278	1.31x	5.62%	6.57%	(0.95%)
2005	VSS Communications Partners IV, L.P.	6/2/2006	10,000,000	11,280,602	6,090,858	2,618,924	0.77x	(4.57%)	7.05%	(11.62%)
2006	Aisling Capital II, L.P.	1/12/2006	4,500,000	5,073,948	3,322,003	2,084,585	1.07x	1.37%	7.12%	(5.75%)
2006	Ampersand 2006, L.P.	7/6/2007	15,000,000	15,000,000	15,019,347	13,812,008	1.92x	13.55%	7.64%	5.91%
2006	Apollo Investment Fund VI, L.P.	5/10/2006	35,000,000	45,048,207	55,500,244	13,425,690	1.53x	9.67%	7.24%	2.43%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	30,000,000	32,894,911	49,684,375	6,273,657	1.70x	13.76%	3.96%	9.80%
2006	Arsenal Capital Partners II, L.P.	12/19/2006	13,500,000	16,168,102	14,695,563	10,448,795	1.56x	10.10%	11.29%	(1.19%)
2006	Avista Capital Partners, L.P.	8/11/2006	30,000,000	39,055,553	32,330,117	17,914,119	1.29x	5.78%	5.72%	0.06%
2006	BDCM Opportunity Fund II, L.P.	12/28/2006	25,000,000	36,038,045	33,989,275	34,151,435	1.89x	16.82%	10.32%	6.50%
2006	Blackstone Capital Partners V, L.P.	4/13/2006	75,600,000	76,283,705	84,584,713	39,993,504	1.63x	8.51%	7.97%	0.54%
2006	Catterton Partners VI, L.P.	12/14/2006	30,000,000	33,018,043	39,841,631	22,258,625	1.88x	13.54%	8.00%	5.54%
2006	CCMP Capital Investors II, L.P.	5/22/2007	20,000,000	21,728,567	23,532,035	11,995,334	1.64x	13.62%	9.96%	3.66%
2006	Cinven Fourth Fund	1/22/2007	43,996,666	44,538,000	47,216,981	15,108,345	1.40x	6.98%	7.55%	(0.57%)
2006	CLP 2014 (fka Perseus VII)	8/6/2007	381,908	22,594,675	5,956,644	262,155	0.28x	(36.61%)	12.92%	(49.53%)
2006	Fairview Ventures Fund III, L.P.	7/13/2007	20,000,000	20,303,018	12,965,156	23,290,884	1.79x	15.62%	11.45%	4.17%
2006	First Reserve Fund XI, L.P.	12/22/2006	30,000,000	34,241,400	20,110,036	4,861,273	0.73x	(8.37%)	5.86%	(14.23%)
2006	GF Capital Private Equity Fund, L.P.	3/20/2008	15,000,000	15,479,430	12,829,644	14,073,048	1.74x	15.29%	11.88%	3.41%
2006	GSC Recovery III, L.P.	5/4/2006	10,000,000	11,215,421	11,794,333	1,127,132	1.15x	3.74%	6.40%	(2.66%)
2006	InterMedia Partners VII, L.P.	6/8/2006	25,000,000	28,671,799	16,147,307	28,128,418	1.54x	6.81%	9.31%	(2.50%)
2006	Landmark Equity Partners XIII, L.P.	5/15/2006	25,000,000	23,555,379	18,931,046	12,157,873	1.32x	5.99%	5.82%	0.17%
2006	MidOcean Partners III, L.P.	6/19/2007	40,000,000	44,565,323	30,346,647	33,008,346	1.42x	8.19%	8.61%	(0.42%)
2006	RRE Ventures IV, L.P.	10/25/2006	25,000,000	30,629,145	7,471,740	39,734,267	1.54x	8.94%	9.71%	(0.77%)
2006	Terra Firma Capital Partners III, L.P.	2/26/2007	31,058,206	31,201,865	1,535,624	15,495,254	0.55x	(10.24%)	7.47%	(17.71%)
2006	Thomas, McNerney & Partners II, L.P.	11/30/2006	15,000,000	14,267,607	24,226,102	6,780,660	2.17x	16.83%	11.09%	5.74%
2007	Carlyle Partners V, L.P.	9/28/2007	50,000,000	49,526,237	48,127,352	33,430,949	1.65x	13.59%	10.26%	3.33%
2007	Co-Investment Partners Europe, L.P.	12/5/2008	26,430,227	28,867,565	16,034,014	20,648,794	1.27x	5.55%	15.31%	(9.76%)
2007	Constellation Ventures III, L.P.	11/20/2008	15,000,000	16,116,750	3,405,627	8,553,913	0.74x	(6.60%)	17.88%	(24.48%)
2007	Craton Equity Investors I, L.P.	3/11/2008	10,000,000	9,266,168	35,559	3,575,731	0.39x	(16.61%)	19.33%	(35.94%)
2007	FTVentures III, L.P.	3/1/2007	14,081,947	14,882,466	10,183,945	14,631,394	1.67x	11.35%	9.19%	2.16%
2007	GSO Capital Opportunities Fund, L.P.	8/15/2008	30,000,000	48,130,592	63,929,561	4,335,115	1.42x	18.10%	10.07%	8.03%
2007	Halyard Capital Fund II, L.P.	11/2/2007	15,000,000	12,622,161	6,078,134	12,280,054	1.45x	7.69%	8.82%	(1.13%)
2007	Montreux Equity Partners IV, L.P.	3/27/2007	15,000,000	14,930,359	8,077,322	15,811,062	1.60x	11.95%	9.58%	2.37%
2007	Nautic Partners VI, L.P.	6/30/2008	20,000,000	21,431,400	26,313,460	20,098,019	2.17x	18.42%	11.21%	7.21%
2007	New Mountain Partners III, L.P.	9/25/2007	35,000,000	34,386,760	20,473,985	31,721,376	1.52x	10.98%	11.90%	(0.92%)
2007	PCG Clean Energy & Technology Fund East, L.P.	4/25/2008	60,000,000	50,496,929	6,230,474	25,792,298	0.63x	(9.48%)	12.92%	(22.40%)
2007	Pegasus Partners IV, L.P.	10/9/2007	20,000,000	24,648,025	12,029,295	13,464,723	1.03x	0.85%	10.67%	(9.82%)
2007	Pine Brook Capital Partners, L.P.	4/7/2008	22,500,000	22,079,985	13,242,775	14,916,821	1.28x	8.40%	10.71%	(2.31%)
2007	Quaker BioVentures II, L.P.	4/18/2008	15,000,000	13,702,775	8,286,825	9,749,103	1.32x	7.80%	11.90%	(4.10%)
2007	RLJ Equity Partners Fund I, L.P.	4/14/2009	15,000,000	14,567,589	6,276,116	13,975,278	1.39x	10.69%	13.43%	(2.74%)
2007	SCP Vitalife Partners II, L.P.	1/10/2008	15,000,000	15,007,274	1,184	12,873,064	0.86x	(3.33%)	9.94%	(13.27%)
2007	StarVest Partners II, L.P.	12/8/2008	20,000,000	19,287,177	912,803	15,829,081	0.87x	(3.64%)	15.07%	(18.71%)
2007	Trilantic Capital Partners IV L.P.	10/22/2007	53,311,339	53,435,019	61,384,087	23,089,878	1.58x	14.86%	10.81%	4.05%
2007	USPF III Institutional Fund, L.P.	7/10/2007	30,000,000	29,984,326	14,596,209	25,278,623	1.33x	5.87%	7.95%	(2.08%)
2007	Vista Equity Partners Fund III, L.P.	11/30/2007	25,000,000	26,587,242	56,546,571	11,367,495	2.55x	28.77%	9.69%	19.08%
2008	Aisling Capital III, L.P.	11/20/2008	10,500,000	10,607,077	9,676,189	7,831,211	1.65x	23.87%	13.89%	9.98%
2008	Apollo Investment Fund VII, L.P.	4/16/2008	50,000,000	57,603,928	86,134,460	17,087,286	1.79x	25.71%	13.32%	12.39%

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

Vintage Year	Investment	First Drawdown	Committed Capital	Paid-In Capital	Distributed Capital	Market Value	Multiple	IRR[2]	PME Benchmark[3]	PME Spread[4]
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	60,000,000	67,787,377	63,217,918	56,011,736	1.76x	21.96%	11.27%	10.69%
2008	Avista Capital Partners II, L.P.	12/31/2008	50,000,000	59,368,504	59,919,916	49,283,797	1.84x	18.93%	14.22%	4.71%
2008	Blue Wolf Capital Fund II, L.P.	11/14/2008	20,000,000	21,395,770	7,984,160	15,963,125	1.12x	4.27%	16.17%	(11.90%)
2008	Bridgepoint Europe IV, L.P.	9/30/2008	26,564,144	23,858,185	15,616,666	17,285,723	1.38x	9.98%	15.08%	(5.10%)
2008	Carpenter Community BancFund-A, L.P.	6/5/2008	15,000,000	14,639,741	8,494,912	13,707,026	1.52x	8.25%	14.95%	(6.70%)
2008	GCM Grosvenor TRSCNY Emerging Manager Co-Investment Fun	8/22/2008	12,626,263	7,138,421	9,528,883	2,697,658	1.71x	13.59%	11.35%	2.24%
2008	GCM Grosvenor TRSCNY Emerging Manager Fund, L.P.	8/22/2008	59,373,737	58,651,920	31,141,446	43,713,892	1.28x	10.55%	12.65%	(2.10%)
2008	First Reserve Fund XII, L.P.	11/14/2008	30,000,000	30,358,924	14,346,766	10,904,861	0.83x	(5.29%)	16.60%	(21.89%)
2008	GI Partners III, L.P.	7/29/2008	30,000,000	31,902,818	30,340,573	17,529,676	1.50x	14.20%	15.00%	(0.80%)
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	50,000,000	46,128,459	32,971,685	30,841,646	1.38x	15.26%	11.92%	3.34%
2008	Lee Equity Partners, L.P.	4/23/2008	30,000,000	35,108,814	16,258,471	29,775,554	1.31x	9.01%	13.09%	(4.08%)
2008	Leeds Equity Partners V, L.P.	7/28/2008	40,000,000	36,344,663	25,245,651	29,109,413	1.50x	14.81%	13.42%	1.39%
2008	Levine Leichtman Capital Partners IV, L.P.	9/22/2008	25,000,000	24,890,319	28,675,173	13,131,769	1.68x	20.18%	14.14%	6.04%
2008	New York/Fairview Emerging Managers (Tranche B), L.P.	5/28/2008	35,000,000	30,201,500	14,357,322	30,224,459	1.48x	14.25%	12.32%	1.93%
2008	NGN BioMed Opportunity II, L.P.	10/31/2008	15,000,000	13,988,866	2,959,657	7,523,887	0.75x	(7.05%)	15.64%	(22.69%)
2008	Onex Partners III, L.P.	3/31/2009	40,000,000	43,144,479	24,522,224	37,158,857	1.43x	12.75%	14.80%	(2.05%)
2008	Paladin III (HR), L.P.	1/8/2008	20,000,000	20,816,701	11,160,998	14,218,794	1.22x	6.09%	10.69%	(4.60%)
2008	Relativity Fund, L.P.	1/17/2008	15,000,000	8,181,270	1,827,612	2,757,296	0.56x	(11.27%)	11.38%	(22.65%)
2008	Riverstone/Carlyle Global Energy & Power Fund IV	9/29/2008	32,500,000	32,342,795	24,241,291	14,537,596	1.20x	6.28%	13.34%	(7.06%)
2008	Yucaipa American Alliance Fund II, L.P.	3/28/2008	75,000,000	101,460,395	69,196,787	84,360,252	1.51x	12.63%	11.71%	0.92%
2008	Yucaipa Corporate Initiatives Fund II, L.P.	6/23/2008	35,000,000	31,778,476	9,110,803	18,557,846	0.87x	(3.39%)	11.21%	(14.60%)
2009	Lincolnshire Equity Fund IV, L.P.	8/7/2009	12,500,000	11,447,679	3,745,074	10,214,314	1.22x	8.03%	12.82%	(4.79%)
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	30,000,000	28,632,255	21,736,384	21,852,432	1.52x	14.43%	14.13%	0.30%
2010	JP Morgan Fleming (Tranche B), L.P.	3/31/2008	10,000,000	8,801,339	2,743,034	9,429,405	1.38x	12.57%	12.38%	0.19%
2010	Trident V, L.P.	12/30/2010	35,000,000	36,616,756	7,298,190	37,449,354	1.22x	8.56%	10.67%	(2.11%)
2011	Ampersand 2011, L.P.	3/11/2011	17,500,000	16,887,500	987,648	26,767,041	1.64x	17.84%	11.13%	6.71%
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	60,000,000	43,267,972	7,678,847	44,869,120	1.21x	11.77%	9.55%	2.22%
2011	EQT VI, L.P.	8/1/2011	48,422,472	40,889,401	1,398,208	42,745,269	1.08x	3.93%	9.24%	(5.31%)
2011	BC European Capital IX, L.P.	9/19/2011	65,793,080	51,809,579	10,133,336	45,991,892	1.08x	4.19%	12.44%	(8.25%)
2011	AXA Secondary Fund V L.P.	8/11/2011	160,000,000	77,675,823	43,831,294	68,614,468	1.45x	16.07%	14.97%	1.10%
2011	Pegasus Partners V, L.P.	8/16/2011	20,789,916	13,361,045	3,737,465	12,416,503	1.21x	7.92%	14.61%	(6.69%)
2011	Green Equity Investors VI, L.P.	11/30/2012	100,000,000	66,676,175	3,284,472	75,102,027	1.18x	13.12%	5.41%	7.71%
2011	Vista Equity Partners IV, L.P.	11/30/2011	100,000,000	89,177,516	36,765,286	109,659,869	1.64x	22.34%	11.47%	10.87%
2011	American Securities Partners VI, L.P.	1/10/2012	100,000,000	92,374,616	29,395,808	99,073,304	1.39x	22.26%	9.40%	12.86%
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	105,000,000	79,593,924	12,073,058	76,646,898	1.11x	9.92%	3.11%	6.81%
2012	Warburg Pincus Private Equity XI, L.P.	5/24/2012	175,000,000	100,141,976	5,860,588	106,229,273	1.12x	7.85%	7.53%	0.32%
2012	Trilantic Capital Partners V, L.P.	9/20/2012	70,000,000	22,825,902	348,938	20,309,224	0.91x	(5.76%)	7.62%	(13.38%)
2012	Platinum Equity Capital Partners III, L.P.	1/14/2013	115,000,000	63,759,554	46,661,632	44,574,012	1.43x	45.42%	9.73%	35.69%
2012	NYCTRS - 2012 Emerging Manager Program*	2/7/2013	175,000,000	76,706,759	5,429,949	77,490,231	1.08x	8.88%	0.48%	8.40%
2013	American Securities Partners VII, L.P.	N/A	111,000,000	-	-	-	0.00x	N/M	N/M	N/M
2013	Apollo Investment Fund VIII, L.P.	12/11/2013	200,000,000	44,915,507	1,069,674	42,991,939	0.98x	-2.53%	-4.20%	1.67%
2013	Carlyle Partners VI, L.P.	7/3/2013	125,000,000	43,456,257	1,887,835	41,119,607	0.99x	-0.90%	1.80%	(2.70%)
2013	Carlyle Partners VI, L.P. - Side Car	9/23/2014	13,750,000	3,035,520	2	2,806,231	0.92x	N/M	N/M	N/M
2013	CVC Capital Partners VI, L.P.	2/18/2014	175,595,236	25,601,307	25,999	18,731,271	0.73x	N/M	N/M	N/M
2013	Landmark Equity Partners XV, L.P.	10/30/2013	113,000,000	32,549,595	8,779,930	30,067,163	1.19x	17.90%	4.29%	13.61%
2013	Landmark Equity Partners XV, L.P. - Side Car	12/24/2013	37,000,000	10,005,111	1,443,727	11,712,262	1.31x	30.31%	-2.35%	32.66%
2013	Olympus Growth Fund VI, L.P.	1/21/2014	100,000,000	20,747,937	7,217,579	18,015,145	1.22x	N/M	N/M	N/M
2014	ASF VI, L.P.	5/9/2014	112,000,000	39,915,589	997,513	47,888,190	1.22x	N/M	N/M	N/M
2014	ASF VI NYC Co-Invest, L.P.	5/9/2014	38,000,000	22,193,240	2,850,000	24,746,120	1.24x	N/M	N/M	N/M
2014	Centerbridge Capital Partners III, L.P.	5/21/2015	33,500,000	5,331,002	-	5,381,313	1.01x	N/M	N/M	N/M
2014	Crestview Partners III, L.P.	3/3/2015	75,000,000	10,175,802	206,461	9,472,080	0.95x	N/M	N/M	N/M
2014	Crestview Partners III (Co-Investment B), L.P.	N/A	25,000,000	-	-	-	0.00x	N/M	N/M	N/M
2014	Lexington Capital Partners VIII, L.P.	1/8/2015	150,000,000	15,132,735	26,185	22,798,581	1.51x	N/M	N/M	N/M
2014	Siris Partners III, L.P.	5/4/2015	45,000,000	451,474	-	-	0.00x	N/M	N/M	N/M
2014	Vista Equity Partners Fund V, L.P.	9/8/2014	125,000,000	79,943,591	67,818	84,713,990	1.06x	N/M	N/M	N/M
2015	Bridgepoint Europe V, L.P.	N/A	86,861,191	-	-	-	0.00x	N/M	N/M	N/M
2015	Bridgepoint Europe V Co-Invest	N/A	24,456,063	-	-	-	0.00x	N/M	N/M	N/M
2015	Welsh, Carson, Anderson & Stowe XII, L.P.	8/26/2015	110,500,000	23,186,257	-	21,448,890	0.00x	N/M	N/M	N/M
Total Active Investments			**$ 5,906,451,778**	**$ 4,327,330,292**	**$ 2,993,484,990**	**$ 2,849,634,823**	**1.35x**	**9.52%**		
Total Exited Investments			**$ 83,000,000**	**$ 319,027,156**	**$ 381,700,085**	**$ -**	**1.20x**	**5.90%**		
Total Portfolio[1]			**$ 5,989,451,778**	**$ 4,646,357,448**	**$ 3,375,185,075**	**$ 2,849,634,823**	**1.34x**	**9.24%**		

Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR[2]	PME Benchmark[3]	PME Spread[4]
Commitments Closed Subsequent to as of Date										
2015	ASF VII, L.P.	N/A	134,000,000	-	-	-	N/A	N/A	N/A	N/A
2015	ASF VII B NYC Co-Invest, L.P.	N/A	67,000,000	-	-	-	N/A	N/A	N/A	N/A
2015	Ares Corporate Opportunities Fund V, L.P.	N/A	134,000,000	-	-	-	N/A	N/A	N/A	N/A
2016	Stellex Capital Partners, L.P.**	N/A	28,000,000	-	-	-	N/A	N/A	N/A	N/A
Total Commitments Closed Subsequent to as of Date			**$ 363,000,000**	**$ -**	**$ -**	**$ -**	**N/A**	**N/A**	**N/A**	**N/A**

*Please note that the NYCTRS - 2012 Emerging Manager Program total commitment amount includes the full amount allocated to the Program, of which $165.1 million has been committed as of September 30, 2015.

**The first commitment of the NYCTRS - 2015 Emerging Manager Program. Full allocated commitments to the 2015 Emerging Manager Program is $200.0M

[1]Please note that the Total Portfolio is inclusive of liquidated investments in the TRS Portfolio and include sales proceeds from the 2012 Secondary Sale Partnerships.

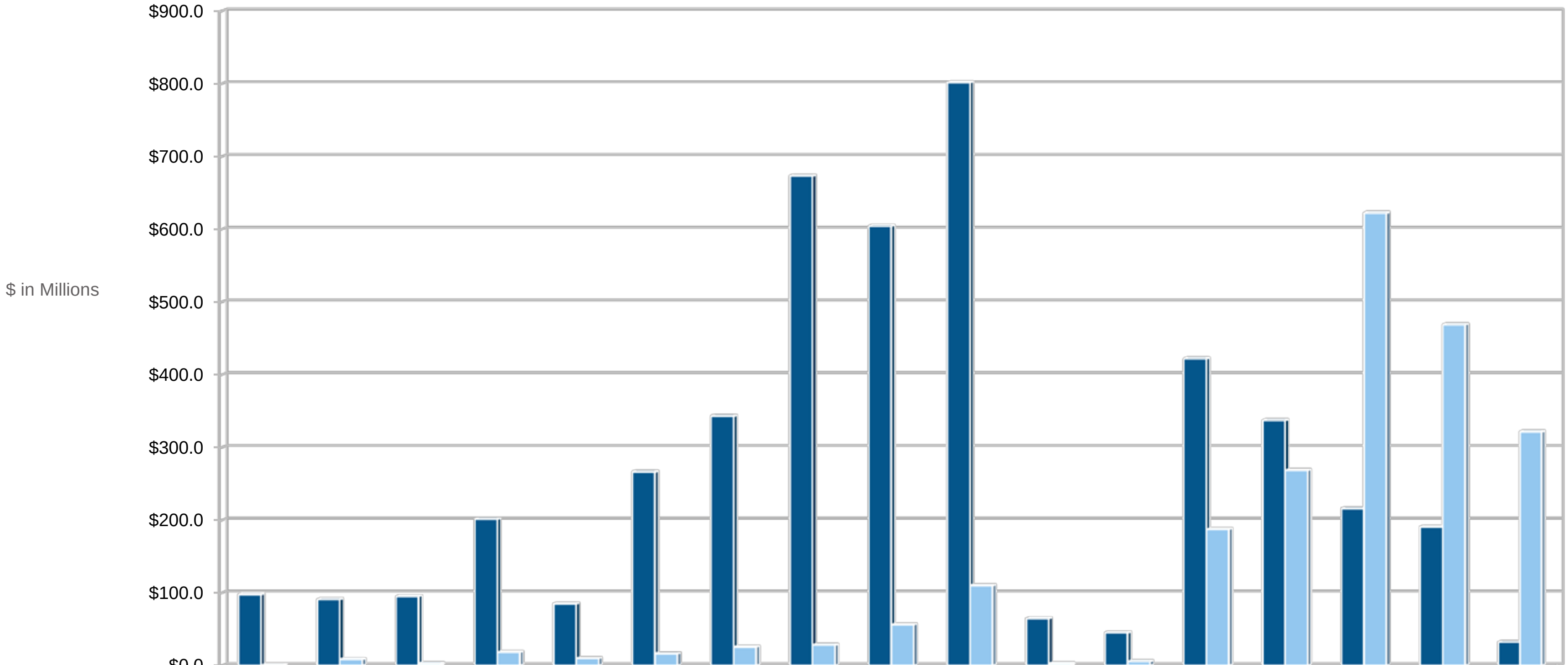
[2]All partnerships for which return details are provided above have been active, starting at the initial drawdown date, for at least 8 quarters.

[3]PME is the Russell 3000 Total Return Index and incorporates the PME + methodology for all partnerships where distributions have occurred, and incorporates the Long Nickels methodologies for those partnerships that have not yet had any distributions to date.

[4]PME Spread is the percentage difference between the IRR and PME Benchmark for each respective partnership.

Note: Where available, September 30, 2015 reported valuations were used. In the absense of September 30, 2015 reported values, market values have been adjusted forward using interim cashflows through September 30, 2015. The IRR calculated in the early years of a fund is not meaningful given the j-curve effect. The aggregate portfolio performance figures for IRR and multiple are as of September 30, 2015.

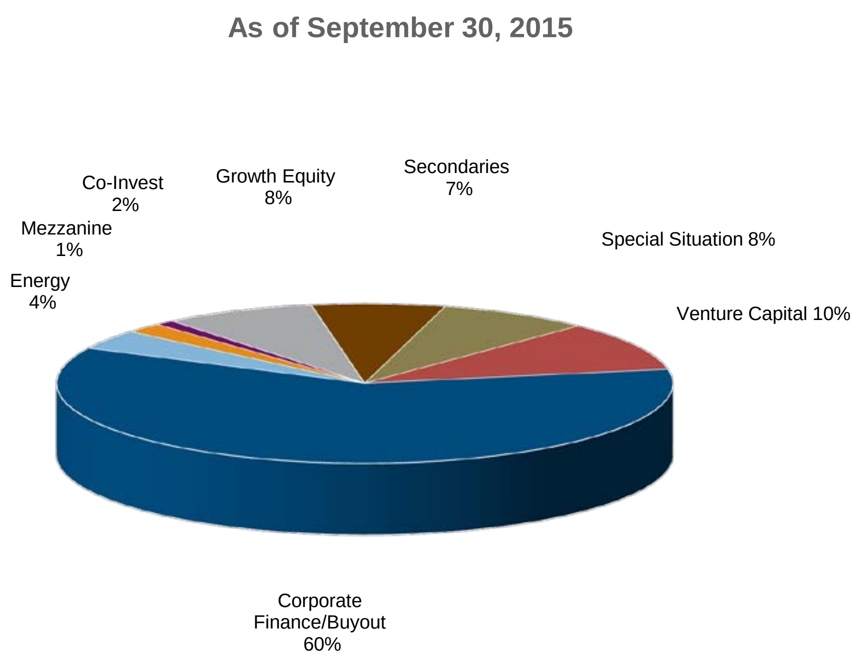
Teachers' Retirement System of the City of New York
Commitments By Vintage Year
As of September 30, 2015

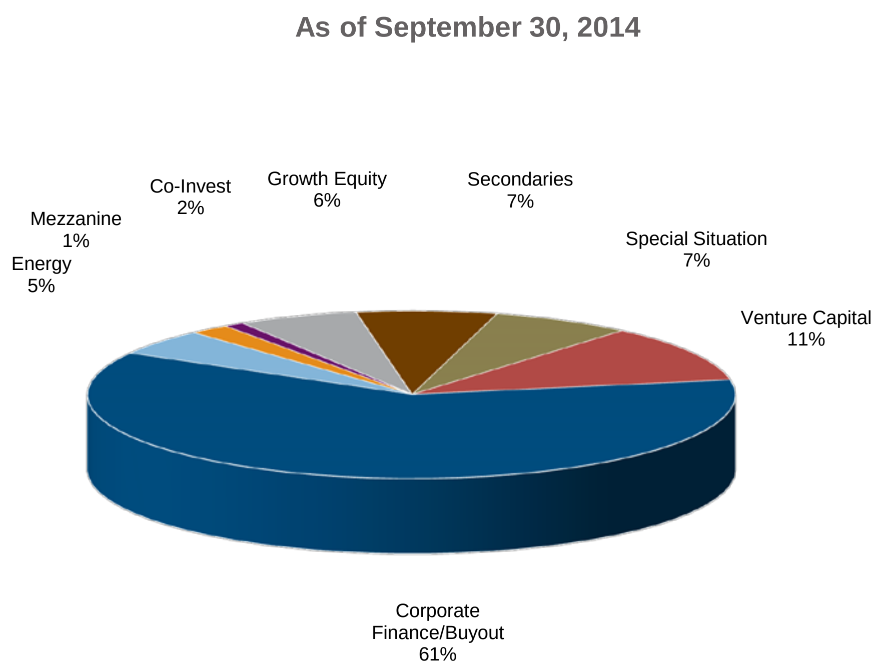


	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Funded Commitments	$97.8	$91.0	$95.1	$201.4	$85.1	$266.5	$343.2	$673.2	$604.2	$801.9	$64.7	$45.2	$422.0	$337.1	$216.0	$190.9	32.2
Unfunded Commitments	$0.8	$8.8	$2.8	$18.5	$10.0	$16.7	$25.8	$28.3	$56.3	$110.2	$2.8	$5.7	$187.5	$268.6	$622.3	$468.7	$321.5

Funded Commitments exclude additional fees.
Unfunded Commitments include recallable returns of capital.

Teachers' Retirement System of the City of New York
Portfolio Strategic Diversification As
Measured By Reported Market Value

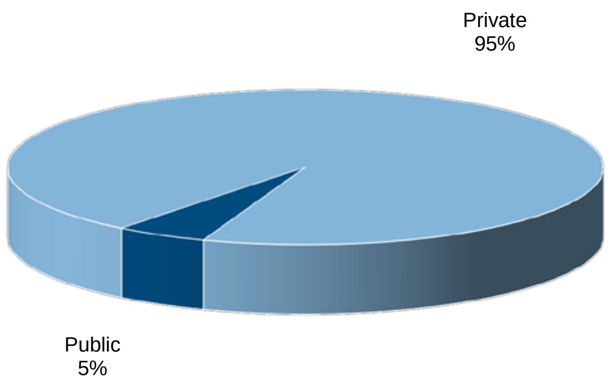




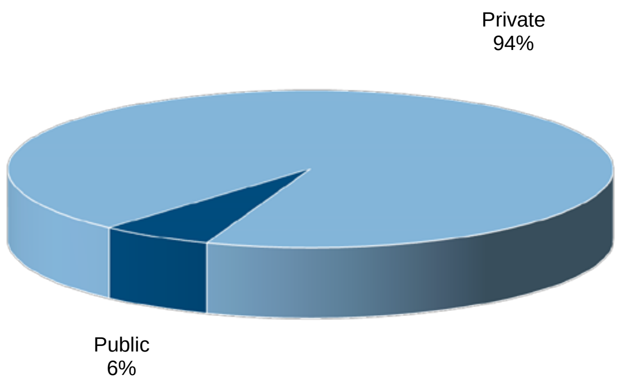
Note: The September 30, 2015 financial statement for NB NYC Growth Fund, L.P. was not available from the general partner at the time of completion of this report. The remaining market value is based upon the last reported market value and adjusted forward for net cash flows.

Teachers' Retirement System of the City of New York
Public Vs. Private Holdings
As of September 30, 2015

Based on Number of Companies (1)



Based on Reported Market Value (1)



(1) Portfolio Company information as of September 30, 2015 for ASF VI NYC Co-Invest, L.P., ASF VI, L.P., AXA Secondary Fund V, L.P., Lincolnshire Equity Fund II, L.P. and Markstone Capital Partners, L.P. was not available at the time of this analysis. Market values for underlying holdings have been carried forward from last quarter.

Appendix A:

Glossary of Terms

Additional Fees: The amount of capital an investor pays into a fund/investment that does not count against the investors' commitment. Additional fees typically consist of management fees or late-closing interest expense.

Capital Committed: An investor's financial obligation to provide a set amount of capital to the investment.

Capital Contributed: Capital contributed from an investor's capital commitment to fund partnership investments, organizational expenses and management fees.

Capital Distributed: Cash or stock disbursed to the investors of an investment.

Co/Direct Investment: A direct investment is a purchased interest of an operating company. A co-investment is a direct investment made alongside a partnership.

Corporate Finance/Buyout: Funds seeking to make controlling and non-controlling investments in established companies which have the potential to achieve greater value through improved performance.

Cost Basis: Capital contributions less return of principal.

Fund-of-Funds: An investment vehicle which invests in other private equity partnerships.

Fund/Investment Size: The total amount of capital committed by investors to a fund.

Investment Category: Used to identify investments in one of the following categories: co/direct investments, fund-of-funds, primary funds, secondary fund-of-funds or secondary purchases.

Investment Strategy: A sub-classification of a partnership's investment type, such as Co/Direct Investment, Corporate Finance/Buyout, Mezzanine, Real Estate, Special Situation, Venture Capital.

Life Cycle Period: The current stage of a partnership depending on the percentage contributed to date. Life cycle periods are investment and realization.

Mezzanine: An investment strategy involving the purchase of subordinated debt. These securities exist between the senior debt and equity of a holding's capital structure. Subordinated debt carries a lower level of risk than pure equity structures because they generate current income and have a more senior position in the company's capital structure.

Net Internal Rate Of Return ("IRR"): The discount rate that equates the net present value of the partnership's cash outflows with its inflows and residual value at the time of calculation. The calculation is net of management fees and the general partner's carried interest.

Originator: The institution responsible for recommending a client commit to an investment.

Ownership Percentage: The investor's percent of ownership as measured by capital committed divided by fund/investment size.

Paid-In Capital: The amount of capital an investor has contributed to a partnership, which includes capital contributions and additional fees.

Pooled Average IRR: An IRR calculation which aggregates cash flows (paid-in capital and capital distributed) and the reported market values of each investment within a portfolio to create one portfolio investment and return.

Portfolio Holding Exposure: The limited partner's pro rata allocation to an underlying investment based on the ownership percentage of the partnership.

Primary Fund: Defines when the investor acquired an interest in the partnership. Primary fund is the investment category when an investor participates in a closing at the inception of the partnership.

Private Equity Partnership: A professionally managed pool of capital that generally invests in unlisted companies or securities. Common investment strategies include corporate finance/buyout, mezzanine, special situations and venture capital.

Realized Multiple: Ratio of cumulative distributions to paid-in capital.

Return On Investment ("ROI"): A calculation based on the total value (market value plus distributions) divided by paid-in capital for an investment.

Reported Market Value: The investment's capital account balance at quarter end, which includes the general partner's reported value of the underlying holdings and other assets and liabilities.

Secondary Fund-of-Funds: A private equity vehicle formed to purchase active partnership interests from an investor.

Secondary Purchase: A purchase of an existing partnership interest or pool of partnership interests from an investor.

Special Situation: Partnerships that invest using a unique strategy. Examples include distressed and turnaround, industry focused and multi-stage partnerships.

Total Exposure: Calculated by the summation of market value and unfunded commitments.

Venture Capital: An investment strategy that provides start-up or growth capital to companies in the early stages of development. Venture investments generally involve a greater degree of risk, but have the potential for higher returns.

Vintage Year: The year in which a partnership makes its first capital call for an investment into a portfolio company/holding.

Appendix B:

Disclosure Statement

Teachers’ Retirement System of the City of New York

Third Quarter 2015 Report

The information contained in this report may include forward-looking statements regarding the funds presented or their portfolio companies. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the funds or the portfolio companies, which may result in material differences in actual results, performance or other expectations. The information presented is not a complete analysis of every material fact concerning each fund or each company. The opinions, estimates and analyses reflect our current judgment, which may change in the future.

All opinions, estimates and forecasts of future performance or other events contained herein are based on information available to Hamilton Lane as of the date of this presentation and are subject to change. Past performance of the investments described herein is not indicative of future results. Certain of the information included in this presentation has not been reviewed or audited by independent public accountants. Certain information included herein has been obtained from sources that Hamilton Lane believes to be reliable but the accuracy of such information cannot be guaranteed.

The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the funds will achieve comparable results or that they will be able to implement their investment strategy or achieve their investment objectives. The actual realized value of currently unrealized investments will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based.

Any tables, graphs or charts relating to past performance included in this report are intended only to illustrate the performance of the funds or the portfolio companies referred to for the historical periods shown. Such tables, graphs and charts are not intended to predict future performance and should not be used as the basis for an investment decision.

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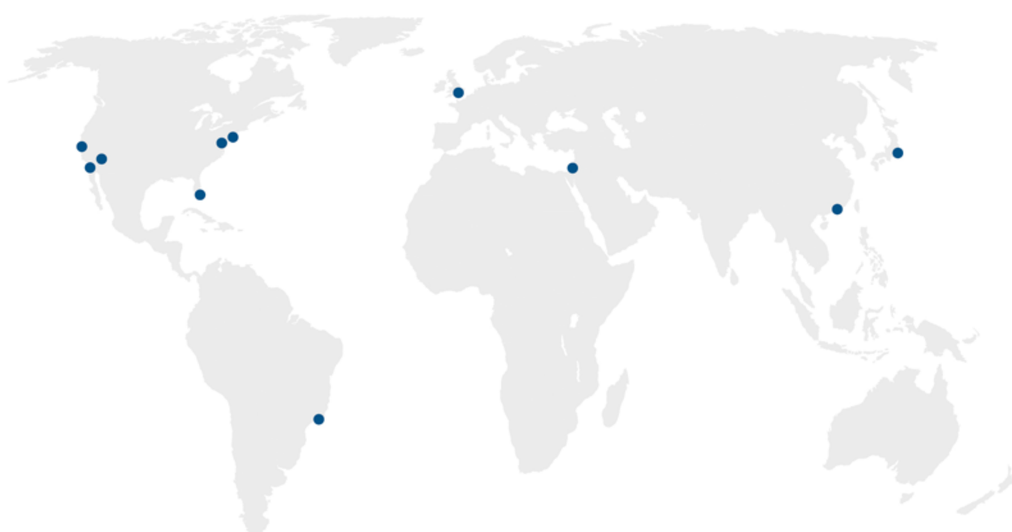


- Real Assets Quarterly Report:

Teachers’ Retirement System of the City of New York

Executive Summary: Third Quarter 2015 Performance Measurement Report
Real Estate

Portfolio Profile

The Teachers’ Retirement System of the City of New York 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	$57.3 billion
Target Real Assets Allocation (%)	6%
Target Real Assets Allocation ($)	$3.4 billion
Total Real Estate Market Value	$1.6 billion
Real Estate Unfunded Commitments	$712 million
Total Real Estate Exposure	$2.3 billion
Number of Investments	47
Number of Managers	36

Net Returns (as of September 30, 2015)

3Q15 Time-Weighted Net Return:	3.1%
1 Year Time Weighted Net Return:	14.7%
3 Year Time Weighted Net Return:	13.0%
Inception-to-Date (ITD) Time-Weighted:	9.5%
ITD Net IRR:	9.6%
ITD Net Equity Multiple:	1.3x

Investment Guidelines

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

Third Quarter Investment Activity

During the Quarter, the Board made a $78.0 million commitment to an open end core fund and a $63.8 million commitment to a European opportunistic closed-end fund.

OVERVIEW

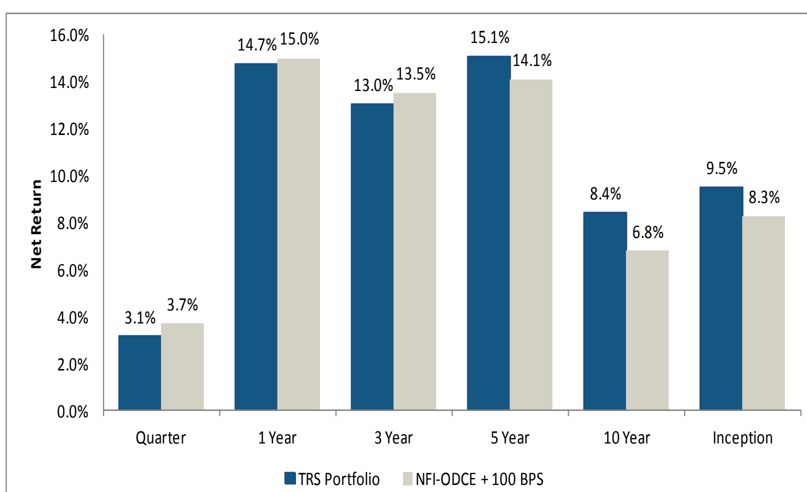
A robust and healthy commercial real estate market atmosphere was prevalent during the Third Quarter of 2015 as a result of a demand for expansion and improving lease growth across major markets in addition to affordable and available financing. Due to this environment leasing volumes increased to 7.0% 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

$ US Billions	Q2 15	Q3 15	% Change Q2 15 -Q3 15	Q3 14	% Change Q3 14 - Q3 15	YTD 2014	YTD 2015	% Change 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 Teachers’ Retirement System of the City of New York (“NYCTRS”) Real Estate Portfolio is, and has been, well positioned to take advantage of conditions in the real estate marketplace. Post economic downturn, in the period reflected in the rolling five-year returns, NYCTRS performance exceeds the benchmark by 98 basis points. At the end of the Third Quarter 2015, the Portfolio achieved a total gross return of 3.5% which was comprised of 1.3% income and 2.2% appreciation. The net return for the Quarter was 3.1%. A detailed analysis of NYCTRS’ real estate performance is found later in this Executive Summary.



FUNDING AND COMPOSITION

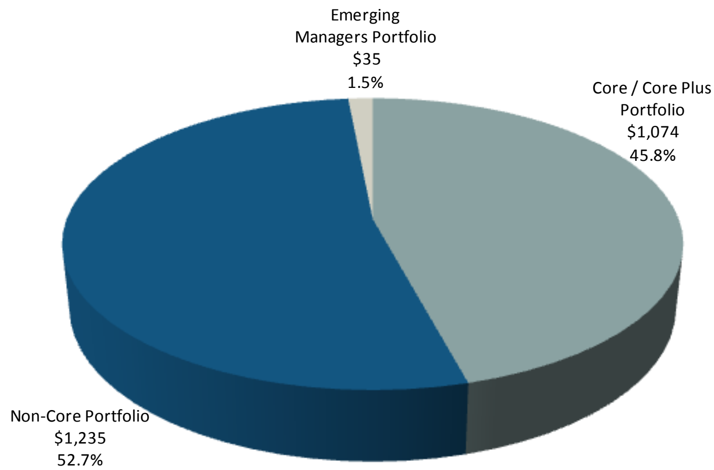
At the end of the Third Quarter, the Portfolio was funded at \$1.6 billion, or 2.9% of total plan assets. A total of \$712 million in unfunded commitments are still outstanding. Unfunded commitments are down from \$802 million in the second quarter 2015. New commitment activity will continue throughout 2015.

New contributions for the Quarter totaled \$112.5 million, offset by just over \$64.6 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 Values + Unfunded Commitments. The Core/ Core Plus component accounts for 45.8% of the Portfolio exposure during the Quarter. The Non-Core component accounts for 52.7% of the Portfolio exposure. The Emerging Manager component accounts for 1.5% 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



Teachers' Retirement System of the City of New York		
Total Plan Assets	9/30/2015	57,279
Real Assets Allocation (%)		6.0
Real Assets Allocation ($)		3,437
Style Sector Statistics		
Funded (Market Value) Core / Core Plus Portfolio		$903
Funded (Market Value) Non-Core Portfolio		$705
Funded (Market Value) Emerging Managers Portfolio		$25
Unfunded Core / Core Plus Portfolio		$171
Unfunded Non-Core Portfolio		$531
Unfunded Emerging Managers Portfolio		$10
Funded (Market Value) and Committed Statistics		
Core / Core Plus Portfolio		45.8%
Non-Core Portfolio		52.7%
Emerging Managers Portfolio		1.5%
$ Committed		2344.4
% Committed on Real Asset Allocation		68.2%
% Committed on Total Plan Assets		4.1%
Funded (Market Value) Statistics		
% Funded (Market Value) of Total Plan Assets		2.9%
% Funded (Market Value) of Total Real Assets Allocation		47.5%

PERFORMANCE

During the Quarter under review, the NYCTRS Real Estate Portfolio produced a 3.5% total gross return. The total net return for the Quarter was 3.1%. On a rolling one-year basis the total gross return of 17.5% was recorded. On a net basis the total return was 14.7%. On a gross basis the NYCTRS Portfolio exceeds the NFI-ODCE over all relevant time periods except the Quarter. The benchmark return contemplates a 100 bps premium over the ODCE net return over full market cycles (10-year). This benchmark is exceeded over the five-year, ten-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 $903 million, or 55.3% on an invested basis. On a funded and committed basis, the Core/ Core Plus Portfolio totaled $1.1 billion, or 45.8% 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 2.6% in appreciation. The total net return for the Quarter was 3.6%.

The most significant contributor to the Quarterly return for the Core/Core Plus Portfolio was PRISA II, which added 0.11% to the total return. The largest detractor from the Core/Core Plus Portfolio was JP Morgan Strategic Property Fund, which detracted (0.09)% 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 0.16% to the overall performance of the Portfolio. UBS Trumbull Property Fund was the largest detractor, taking away (0.66)% from the overall performance of the Core/Core Plus Portfolio.

Non-Core

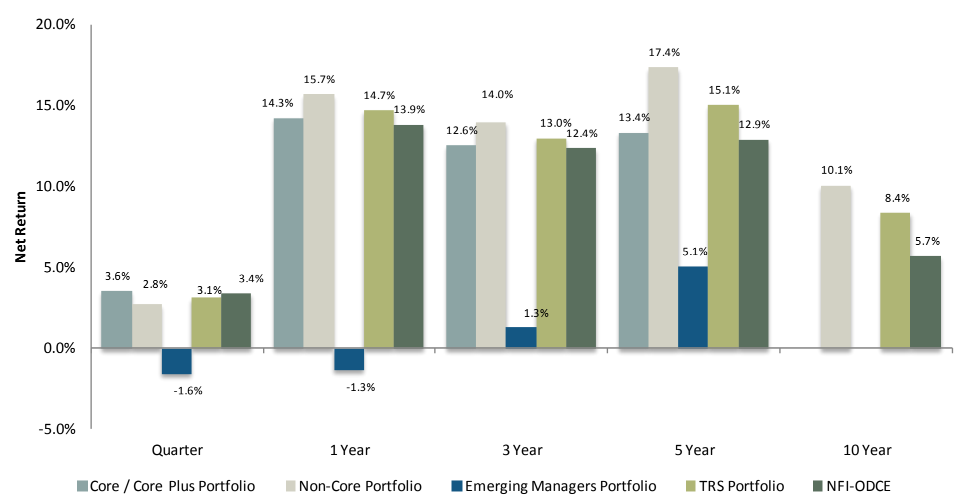
As of September 30, 2015 the market value of the Non-Core Portfolio was $704 million, or 43.2% on an invested basis. On a funded and committed basis, the Non-Core Portfolio totaled $1.2 billion, or 52.7% of the total Portfolio. The Non-Core Portfolio generated a 3.3% total gross return for the Quarter comprised of 1.5% in income and 1.8% in appreciation. The total net return for the Quarter was 2.8%.

Of the 27 Non-Core Funds that contributed to the Quarterly return, Vanbarton Interborough Fund contributed the most, adding 0.65%. Blackstone Real Estate Partners VI was the largest detractor for the Quarter, taking away (0.67)% from the overall performance of the Non-Core Portfolio.

The Non-Core Portfolio generated a three-year net return of 14.0%. Of the 27 Non-Core Funds that contributed to the three-year performance of the Portfolio, Carlyle Realty Partners VI was the largest contributor, adding 1.19%. The largest detractor among these Funds was Tishman Speyer Separate Account, which took away (1.50)% from overall Non-Core performance.

Emerging Managers

As of September 30, 2015 the market value of the Emerging Managers Portfolio was $25 million, or 1.5% on an invested basis. On a funded and committed basis, the Emerging Managers Portfolio totaled $35 million, or 1.5% of the total Portfolio. The Emerging Managers Portfolio generated a (0.4)% total gross return for the Quarter comprised of (0.9)% in income and 0.5% in appreciation. The total net return for the Quarter was (1.6)%. The Emerging Managers Portfolio has underperformed for a number of reasons including the fact that performance has been adversely impacted by virtue of the vintage years of these funds.

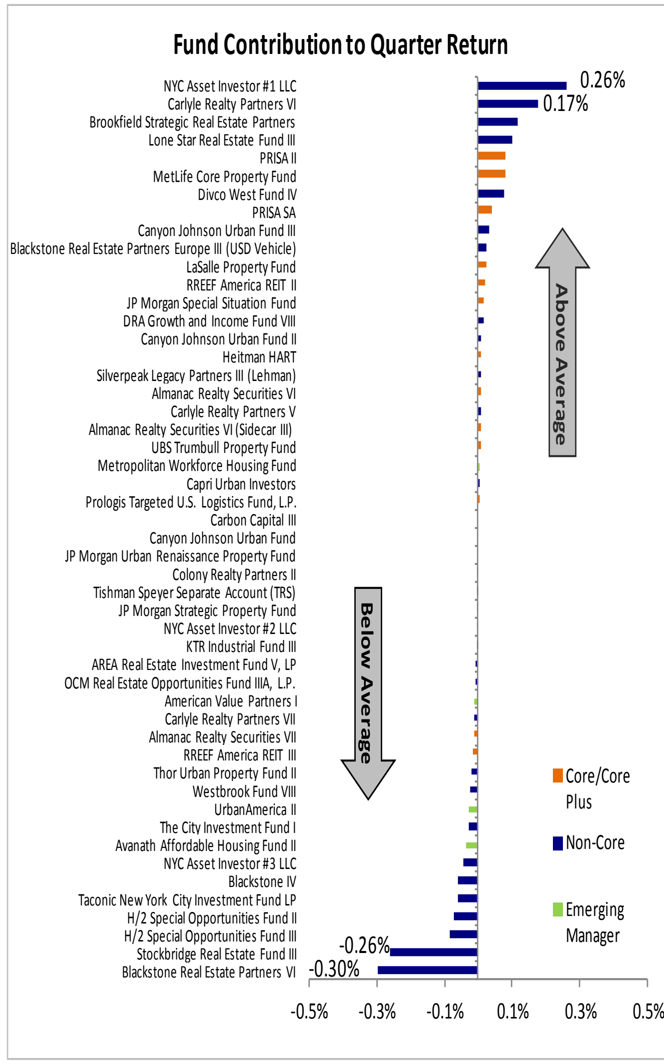


PERFORMANCE

Portfolio Performance

At the end of the Third Quarter 2015, the Portfolio had a cumulative market value of $1.6 billion. Total market value plus unfunded commitments was $2.3 billion, or 68.3% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 3.5% which was comprised of 1.3% in income and 2.2% in appreciation. The Portfolio achieved a total net return of 3.1%. Since inception, the Portfolio has a net IRR of 9.6% and an equity multiple of 1.3x as of September 30, 2015. Note, attached as Exhibit B are performance metrics relating to each investment within the Portfolio.

The Quarterly return was driven by Vanbarton Interborough Fund, which contributed 0.26% to the overall performance. The primary laggards in the Portfolio were Stockbridge Real Estate Fund III and Blackstone Real Estate Partners VI, detracting (0.26)% and (0.30)%, 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.



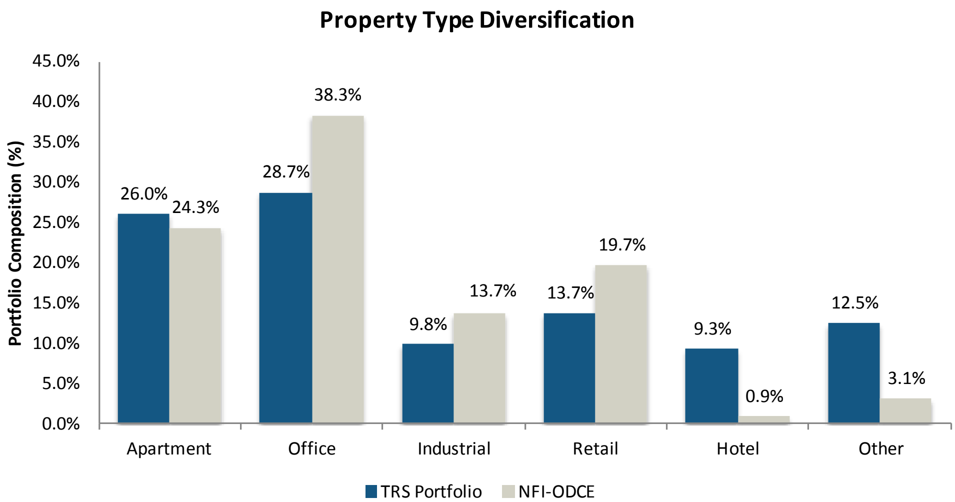
NYC Asset Investor #1 LLC (VanBarton). The Fund's total gross return for the Quarter was 11.6% comprised of 0.5% in income and 11.0% in appreciation. The net return after fees was 11.3%. As of September 30, 2015 total fund capitalization was $251.0 million consisting of $143.0 million in equity. Overall, 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.

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

Brookfield Strategic Real Estate Partners (BSREP). BSREP produced a total gross return of 6.4% comprised of 1.0% in income and 5.4% in appreciation. The net return after fees was 4.9%. The European industrial platform acquired approximately $240 million of logistics warehouses that are located throughout the Netherlands and France. An office property out of the Southern Californian Office Portfolio was sold during the Quarter for $19.2 million and two multifamily assets located in South Carolina were sold for $36.7 million and $21.8 million generating approximate IRRs of 40% each. In addition, an office in Shanghai was sold for approximately $1.1 billion or an approximate 87% IRR. As a result, distributions totaled $97.5 million for the Third Quarter.

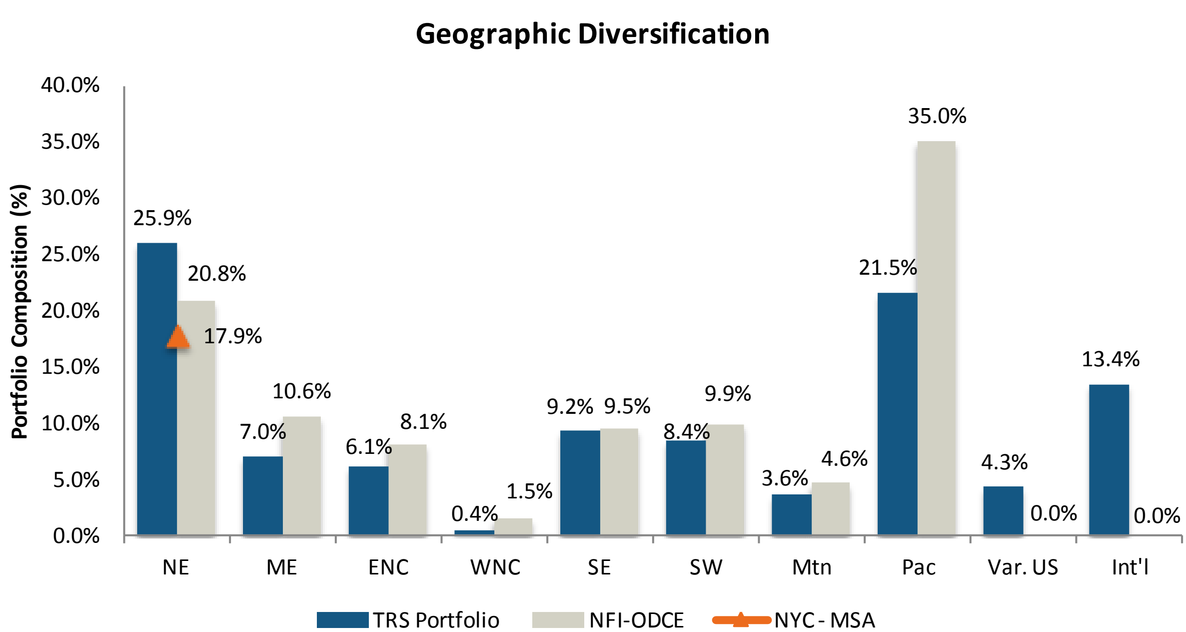
PROPERTY TYPE DIVERSIFICATION

The diversification of the current Portfolio by property type is shown below and compared to the diversification of the NCREIF-ODCE at the end of the Quarter. Relative to the ODCE, the Portfolio is underweight to office, industrial and retail. The Portfolio is overweight to hotel, and other property types which includes debt-related investments and other investments within diversified funds which may include 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 overweight to the Northeast and a slight underweight to the Mid East, East North Central, Mountain and Pacific. The 13.4% international exposure is appropriate for the risk and return profile of TRS and consistent with our long-term target.



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.

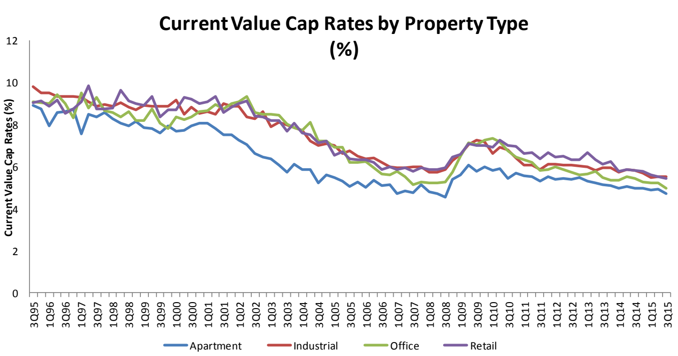
Commercial Real Estate

•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.



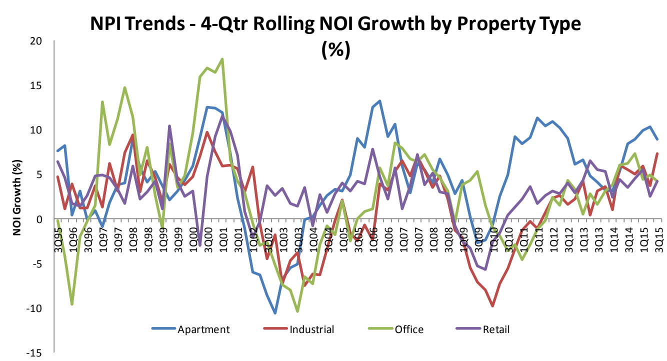


EXHIBIT A: COMPLIANCE MATRIX

Category	Requirement	Portfolio Status
Benchmark	NFI-ODCE (net) +100 bps over full market cycles	*Portfolio returns outperform the benchmark over the five and ten year time periods.*
Portfolio Composition	Core/Core Plus (minimum of 40%)	*The portfolio is funded (market value) and committed at 68.2 % of real asset allocation with a portfolio composition of 45.8% core, 52.7% non-core, and 1.5% emerging.*
	Non Core (minimum of 40%)	
	Non Core Emerging	
Real Asset Allocation	Target of 6.0%	*Funded (market value) and committed dollars place the portfolio at 4.1 % of total plan assets.*
	Currently Funded at 2.9%	
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	*All property type locations are in compliance.*
Geographic Diversification	Diversified geographically Max 25% Ex-US	*All geographic type locations are in compliance*
LTV	65%	*Portfolio is in compliance (40.3 %).*
Manager Exposure	15% of real estate allocation	*Manager exposure is in compliance based on market value.*

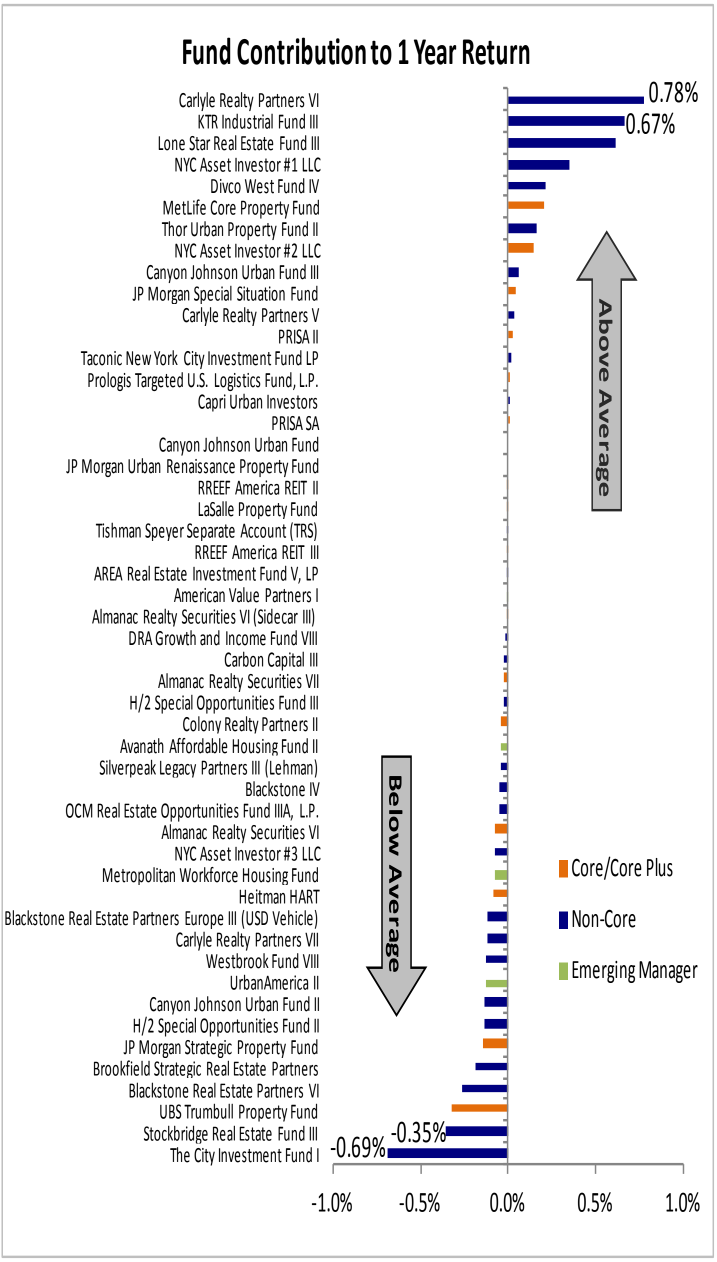
EXHIBIT B: THIRD QUARTER 2015 FOIL

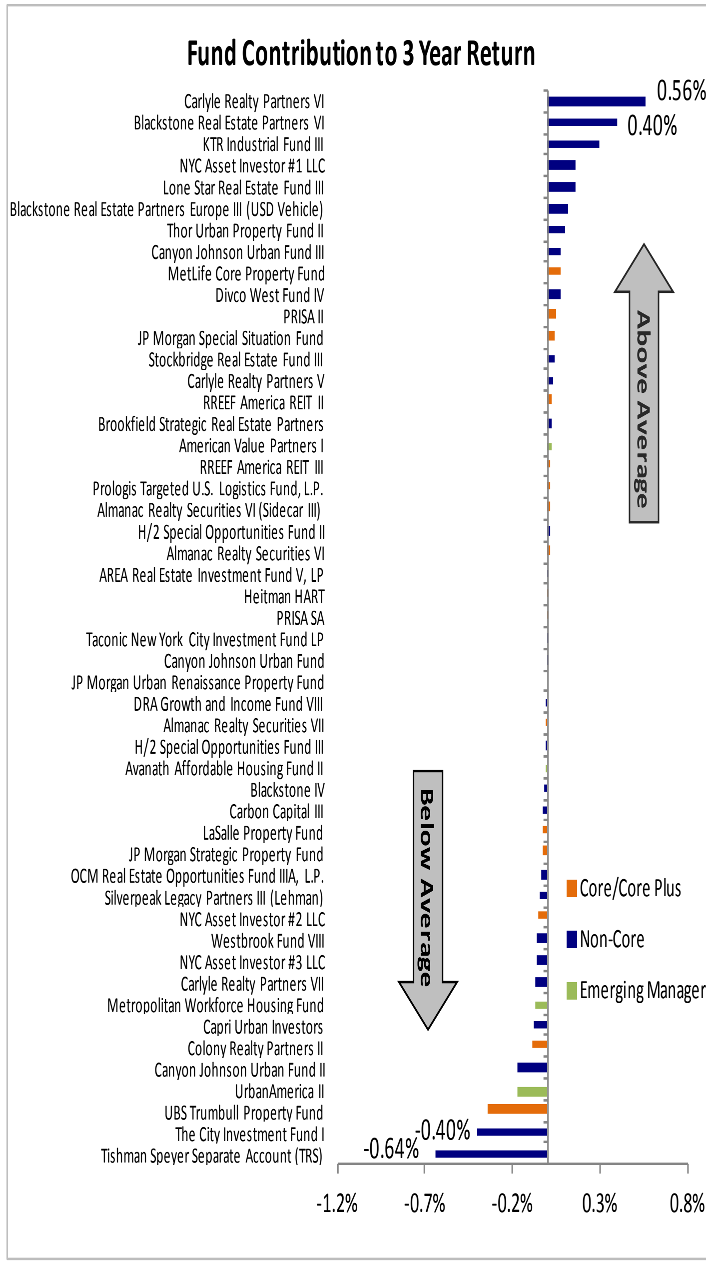
Teachers' Retirement System of the City of New York

Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2012	Almanac Realty Securities VI	6/6/2012	100,000,000	57,534,871	-37,604,023	32,349,170	1.2	13.8
2012	Almanac Realty Securities VI (Sidecar III)	7/31/2012	35,000,000	8,410,631	-5,116,196	5,298,678	1.2	20.0
2015	Almanac Realty Securities VII	4/24/2015	65,000,000	13,345,422	0	13,290,422	1.0	-2.3
2007	Colony Realty Partners II	12/20/2006	15,000,000	16,065,058	-499,580	6,093,500	0.4	-10.9
2007	Heitman HART	3/29/2007	48,000,000	64,055,911	-16,055,867	81,731,892	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	86,000,000	92,614,395	0	152,040,282	1.6	8.2
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	80,000,000	80,000,000	-2,811,268	86,688,482	1.1	20.2
2013	NYC Asset Investor #2 LLC	7/9/2013	145,000,000	100,076,706	-17,196,319	96,180,620	1.1	12.2
2007	PRISA II	6/30/2007	63,374,139	67,006,041	-10,682,005	79,662,812	1.3	4.5
2006	PRISA SA	9/29/2006	36,000,000	38,585,539	-8,043,248	44,962,139	1.4	3.9
2006	Prologis Targeted U.S. Logistics Fund	10/1/2006	10,000,000	12,604,745	-2,714,785	11,375,362	1.1	1.6
2006	RREEF America REIT II	10/1/2006	36,000,000	47,527,452	-19,306,429	44,762,682	1.3	4.5
2007	RREEF America REIT III - 1410	10/1/2007	15,000,000	14,836,751	-7,152,378	1,358,615	0.6	-7.5
2006	UBS Trumbull Property Fund	9/28/2006	106,000,000	135,806,099	-23,782,547	164,730,588	1.4	7.1
	Core / Core Plus Portfolio		**905,374,139**	**815,391,488**	**-162,973,300**	**902,942,312**	**1.3**	**6.1**
2006	AREA Real Estate Investment Fund V, LP	6/15/2006	5,000,000	5,000,001	-1,853,705	2,572,457	0.9	-2.0
2004	Blackstone Fund IV	5/10/2004	25,000,000	32,033,922	-35,075,807	10,931,159	1.4	11.5
2010	Blackstone Real Estate Partners Europe III (USD Ve	10/24/2008	50,000,000	40,197,072	-31,766,519	29,867,211	1.5	16.4
2007	Blackstone Real Estate Partners VI	9/27/2007	50,000,000	53,761,989	-68,606,828	33,171,500	1.9	13.6
2012	Brookfield Strategic Real Estate Partners	9/20/2012	125,000,000	111,407,926	-38,636,160	97,580,059	1.2	15.7
2003	Canyon Johnson Urban Fund	12/6/2002	15,000,000	13,590,364	-15,874,432	0	1.2	10.2
2005	Canyon Johnson Urban Fund II	5/11/2005	30,000,000	26,966,112	-5,795,945	7,641,121	0.5	-9.2
2010	Canyon Johnson Urban Fund III	3/29/2010	25,000,000	24,655,816	-31,656,534	2,186,820	1.4	12.7
2008	Capri Urban Investors	6/3/2008	40,000,000	39,987,138	-10,513,450	23,689,352	0.9	-2.9
2009	Carbon Capital III	7/2/2009	40,000,000	43,757,162	-53,134,591	0	1.2	8.5
2007	Carlyle Realty Partners V	8/27/2007	15,000,000	18,371,364	-19,537,462	5,476,651	1.4	8.6
2011	Carlyle Realty Partners VI	9/14/2011	70,000,000	63,286,685	-52,219,201	48,455,483	1.6	29.8
2014	Carlyle Realty Partners VII	6/30/2014	120,000,000	29,596,016	0	28,303,712	1.0	-11.3
2014	Divco West Fund IV	1/15/2014	25,000,000	22,734,479	-3,073,453	25,620,605	1.3	27.3
2014	DRA Growth and Income Fund VIII	9/29/2014	75,000,000	27,222,222	-1,586,483	27,701,128	1.1	14.1
2011	H/2 Special Opportunities Fund II	1/31/2011	40,000,000	39,999,999	-21,920,972	31,931,949	1.3	16.2
2015	H/2 Special Opportunities Fund III	12/29/2014	65,000,000	16,457,620	0	16,909,077	1.0	7.4
2009	JP Morgan Urban Renaissance Property Fund	12/18/2008	16,360,625	4,206,523	-4,206,523	0	1.0	0.0
2013	KTR Industrial Fund III	6/28/2013	70,000,000	30,589,081	-47,980,929	387,999	1.6	40.6
2014	Lone Star Real Estate Fund III	5/20/2014	190,000,000	136,417,809	-22,716,494	133,339,307	1.1	20.0
2013	NYC Asset Investor #1 LLC	6/25/2013	60,000,000	47,567,655	-6,446,318	54,857,365	1.3	26.5
2013	NYC Asset Investor #3 LLC	9/20/2013	96,000,000	21,888,573	-375,692	22,298,551	1.0	3.4
2003	OCM Real Estate Opportunities Fund IIIA	5/30/2003	15,000,000	15,000,000	-23,027,038	1,003,060	1.6	10.2
2008	Silverpeak Legacy Partners III	5/28/2008	30,000,000	11,748,148	-2,969,883	2,742,797	0.5	-14.9
2008	Stockbridge Real Estate Fund III	9/9/2008	22,500,000	21,904,458	0	30,230,696	1.4	6.7
2012	Taconic New York City Investment Fund LP	7/5/2012	70,000,000	28,954,546	-636,364	39,426,566	1.4	12.8
2004	The City Investment Fund I	3/16/2004	120,000,000	118,337,757	-118,271,891	1,625,126	1.0	0.3
2009	Thor Urban Property Fund II	10/30/2008	12,500,000	16,173,958	-10,250,315	11,538,679	1.3	10.5
2004	Tishman Speyer Separate Account (TRS)	8/5/2004	100,000,000	72,402,952	-249,109,243	177,352	3.4	57.5
2010	Westbrook Real Estate Fund VIII	12/28/2009	50,000,000	59,156,035	-62,311,307	14,952,102	1.3	12.9
2008	American Value Partners Fund I	10/18/2007	25,000,000	17,795,166	-10,998,590	9,187,548	1.1	3.1
2015	Avanath Affordable Housing Fund II	7/14/2015	10,000,000	8,152,988	0	7,785,375	1.0	-24.4
2007	Metropolitan Workforce Housing Fund	7/13/2007	10,500,000	10,509,770	-4,638,567	7,022,868	1.1	2.4
2007	UrbanAmerica II	1/30/2007	11,000,000	10,218,031	-412,785	1,188,550	0.2	-22.3
	Non Core and Emerging Manager Portfolio		**1,723,860,625**	**1,240,049,337**	**-955,603,483**	**729,802,222**	**1.4**	**14.1**
	Teachers' Retirement System of the City of New York		**2,629,234,764**	**2,055,440,826**	**-1,118,576,783**	**1,632,744,534**	**1.3**	**9.6**

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





Infrastructure Monitoring Report

For the period ended September 30, 2015

Report Prepared For:

Teachers' Retirement System of the City of New York

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

I. Executive Summary

The Teachers' Retirement System of the City of New York ("NYC TRS") 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 TRS 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 TRS 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$470.0 million to four partnership investments (the "Portfolio"). This quarterly monitoring report covers the performance of the Portfolio as of September 30, 2015 as well as significant activity that occurred during the third quarter of 2015.

Allocation Summary

NYC TRS 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 TRS Real Assets investment program.

As of September 30, 2015, the market value of NYC TRS Real Assets Program represented approximately 3.3% of total pension assets. The market value of NYC TRS Infrastructure Program represented approximately 0.4% of total pension assets, a four basis point increase from the prior quarter.

As the Program matures, the percentage of its market value relative to the total NYC TRS 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*	$57,279.0	$60,111.0	$57,649.0	($2,832.0)	($370.0)
Total Real Assets*	$1,866.0	$1,771.0	$1,407.0	$95.0	$459.0
% Allocation to Real Assets (Target of 6% +/- 2%)	3.3%	2.9%	2.4%	+ 31 bps	+ 82 bps
Total Infrastructure Assets	$225.1	$212.2	$47.6	$12.9	$177.5
% Allocation to Infrastructure vs. Total Pension Assets	0.4%	0.4%	0.1%	+ 4 bps	+ 31 bps
% Allocation to Infrastructure vs. Total Real Assets	12.1%	12.0%	3.4%	+ 8 bps	+ 868 bps

*NYC TRS 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 13.4%. Note that, given the relative immaturity of the Portfolio and underlying fund investments, the current performance to-date is not meaningful.

US$ in millions *	September 30, 2015	June 30, 2015	September 30, 2014	Quarterly Change	Yearly Change
Number of Managers	4	4	3	0	1
Number of Investments	4	4	3	0	1
Committed Capital [1]	$470.0	$470.0	$370.0	$0.0	$100.0
Contributed Capital	$216.6	$209.3	$47.7	$7.2	$168.9
Distributed Capital	$7.8	$5.9	$1.6	$1.9	$6.2
Market Value	$225.1	$212.2	$47.6	$12.9	$177.5
Total Value	$232.9	$218.2	$49.2	$14.8	$183.7
Total Gain/(Loss)	$16.4	$8.8	$1.5	$7.5	$14.9
Unfunded Commitment	$253.9	$260.7	$322.4	($6.9)	($68.5)
Exposure [2]	$479.0	$472.9	$370.0	$6.0	$109.0
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]	**13.4%**	**12.5%**	**8.2%**	**0.9%**	**5.2%**
TVPI Net of StepStone Fees [6]	1.08x	1.04x	1.03x	0.03x	0.05x
IRR Net of StepStone Fees [6]	13.3%	12.4%	8.2%	1.0%	5.2%

[*] 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.

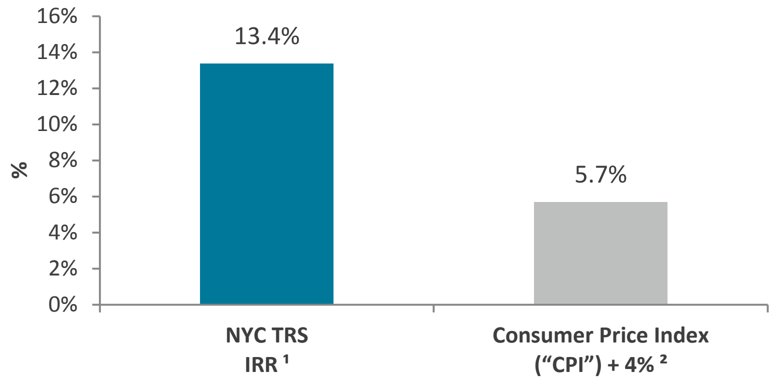
[5] IRR, or Internal Rate of Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund managers' fees, expenses and carried interest.

[6] TVPI and IRR Net of StepStone fees represent TVPI and IRR net of fees paid by NYC TRS 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 7.7%. 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.



[1]NYC TRS 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.**

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

Portfolio Diversification

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

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

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

	Market Value		Unfunded Commitment		Exposure	
As of September 30, 2015 (US$ in millions)	$	% of Total	$	% of Total	$	% of Total
By Strategy:						
Core	225.1	100.0%	253.9	100.0%	479.0	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
Total	**225.1**	**100.0%**	**253.9**	**100.0%**	**479.0**	**100.0%**
By Geographic Focus:						
Global	69.8	31.0%	75.7	29.8%	145.5	30.4%
OECD	155.3	69.0%	178.2	70.2%	333.5	69.6%
Total	**225.1**	**100.0%**	**253.9**	**100.0%**	**479.0**	**100.0%**
By Industry Focus:						
Diversified	221.0	98.2%	169.2	66.6%	390.2	81.5%
Energy	4.1	1.8%	84.7	33.4%	88.8	18.5%
Total	**225.1**	**100.0%**	**253.9**	**100.0%**	**479.0**	**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.

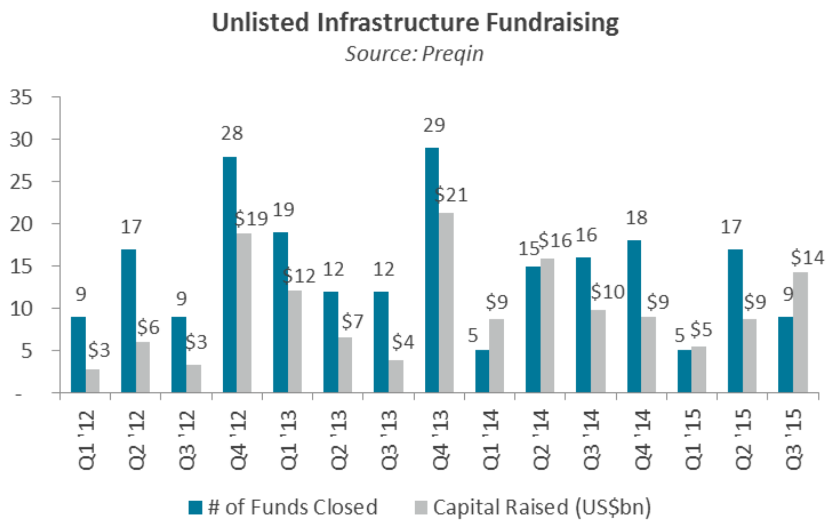
While infrastructure investment in Japan has traditionally been dominated by government-related entities and infrastructure companies with limited private participation by institutional investors, the country recently announced the privatization act for infrastructure assets. The tender processes for 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.

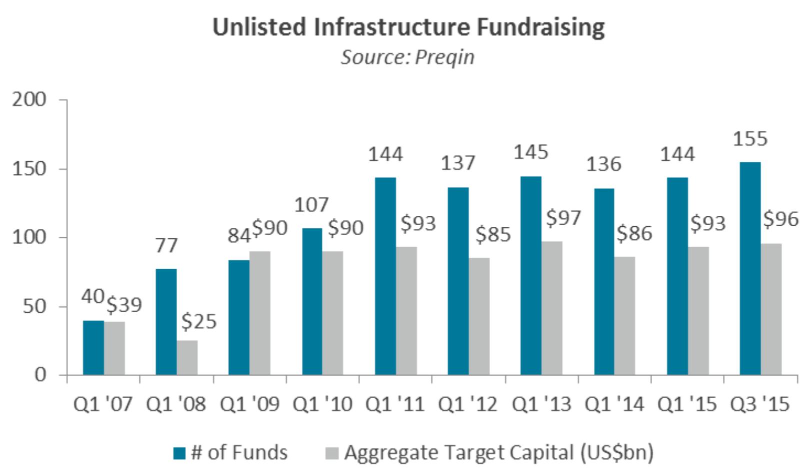
During the third quarter, nine funds held final closings. Aggregate capital raised was US$14.2 billion. The amount represented a year over year increase of 45% compared to Q3 2014, when 16 funds held a final close raising US$9.8 billion.

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.



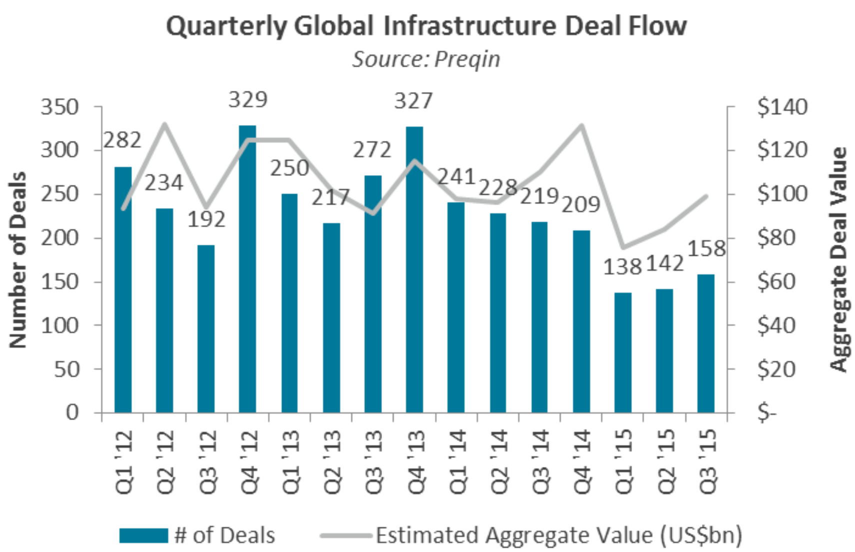
Fund	General Partner	Size		Final Close Date	Location Focus
ArcLight Energy Partners Fund VI	ArcLight Capital Partners	$	5,575	Jul-15	North America, West Europe
KKR Global Infrastructure Investors II	KKR	$	3,100	Jul-15	Global
Copenhagen Infrastructure II	Copenhagen Infrastructure Partners	€	2,000	May-15	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.



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$7.2 million of contributions and received US$1.9 million of distributions, for a net cash outflow of US$5.4 million. This compared to a net cash outflow of US$141.7 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$7.5 million, or 3.5%, from the prior quarter. The valuation increase reflects the increase in value of underlying investments in Brookfield Infrastructure Fund II, KKR Global Infrastructure Investors II, and IFM Global Infrastructure Fund.

- **One New Underlying Fund Investment** – During the third quarter of 2015, the Portfolio made a new investment in FR Warehouse Holdings LLC, a portfolio of renewable assets in North America.

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

Performance by Vintage Year

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

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

Vintage Year	Committed Capital	Contributed Capital	Distributed Capital	Market Value	Total Value	Total Gain/ (Loss)	Unfunded Commitment	Exposure	DPI	TVPI	IRR
2013	$140.0	$64.4	$7.5	$69.8	$77.4	$12.9	$75.7	$145.5	0.1x	1.2x	18.4%
2014	330.0	152.2	0.3	155.3	155.6	3.4	178.2	333.5	NM	NM	NM
Total	**$470.0**	**$216.6**	**$7.8**	**$225.1**	**$232.9**	**$16.4**	**$253.9**	**$479.0**	**0.0x**	**1.1x**	**13.4%**

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	**$470.0**	**$216.6**	**$7.8**	**$225.1**	**$232.9**	**$16.4**	**$253.9**	**$479.0**	**0.0x**	**1.1x**	**13.4%**
Diversified	380.0	211.2	7.8	221.0	228.8	17.6	169.2	390.2	0.0x	1.1x	14.7%
Energy	90.0	5.3	-	4.1	4.1	(1.2)	84.7	88.8	NM	NM	NM
Total	**$470.0**	**$216.6**	**$7.8**	**$225.1**	**$232.9**	**$16.4**	**$253.9**	**$479.0**	**0.0x**	**1.1x**	**13.4%**

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	$140.0	$64.4	$7.5	$69.8	$77.4	$12.9	$75.7	$145.5	0.1x	1.2x	18.4%
OECD	330.0	152.2	0.3	155.3	155.6	3.4	178.2	333.5	NM	NM	NM
Total	**$470.0**	**$216.6**	**$7.8**	**$225.1**	**$232.9**	**$16.4**	**$253.9**	**$479.0**	**0.0x**	**1.1x**	**13.4%**

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:

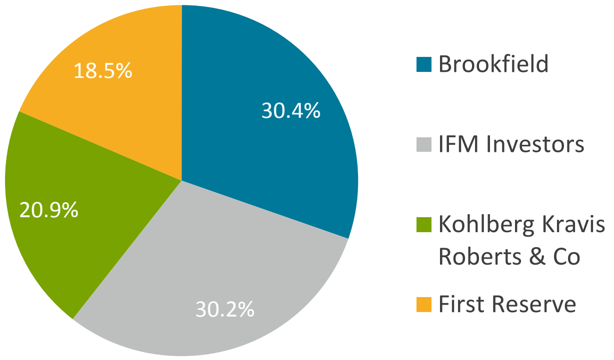
- Core Infrastructure Investments: 60% to 100%; and
- Non-Core Infrastructure Investments: 0% to 40%.

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.

	Market Value		Unfunded Commitment		Exposure	
As of September 30, 2015 (US$ in millions)	$	% of Total	$	% of Total	$	% of Total
By Strategy:						
Core	225.1	100.0%	253.9	100.0%	479.0	100.0%
Non-Core	-	0.0%	-	0.0%	-	0.0%
Total	**225.1**	**100.0%**	**253.9**	**100.0%**	**479.0**	**100.0%**
By Geographic Focus:						
Global	69.8	31.0%	75.7	29.8%	145.5	30.4%
OECD	155.3	69.0%	178.2	70.2%	333.5	69.6%
Total	**225.1**	**100.0%**	**253.9**	**100.0%**	**479.0**	**100.0%**
By Industry Focus:						
Diversified	221.0	98.2%	169.2	66.6%	390.2	81.5%
Energy	4.1	1.8%	84.7	33.4%	88.8	18.5%
Total	**225.1**	**100.0%**	**253.9**	**100.0%**	**479.0**	**100.0%**

By Investment Manager

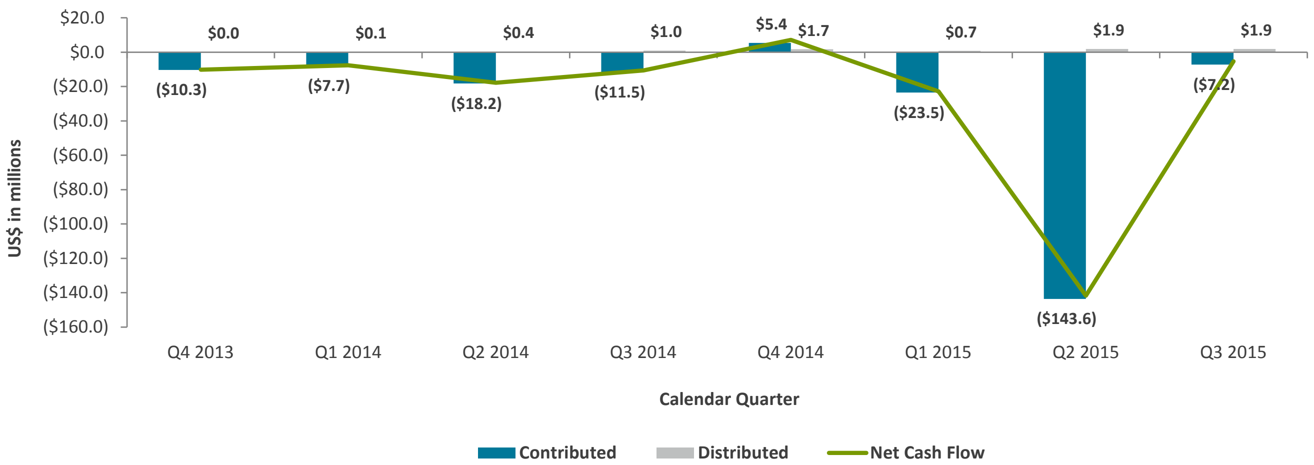
As of September 30, 2015, the Program had made four investment commitments to four managers. NYC TRS seeks to limit its exposure to any single manager to no more than 10% of the total Real Assets Program when fully invested. As the Program matures and closes on additional commitments, the single manager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



Portfolio Cash Flow Analysis

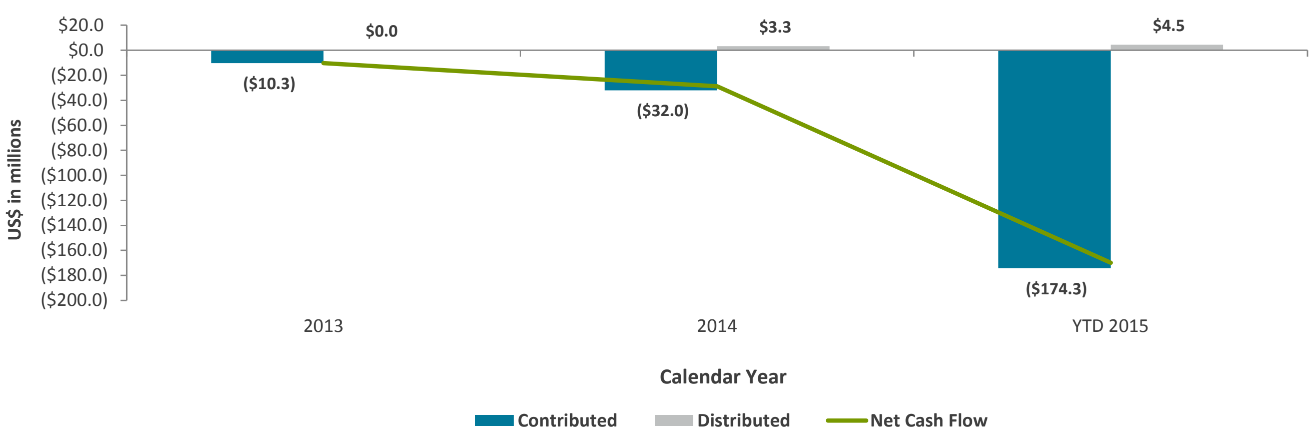
Quarterly Cash Flow Activity

During the third quarter of 2015, the Program made US$7.2 million of contributions and received US$1.9 million of distributions, for a net cash outflow of US$5.4 million. As of September 30, 2015, four fund investments in the Portfolio had cash flow activity. As the Program's commitment and investment activity increases, net cash outflow is expected to increase. The graph below illustrates cash flow activity since inception by calendar quarter.



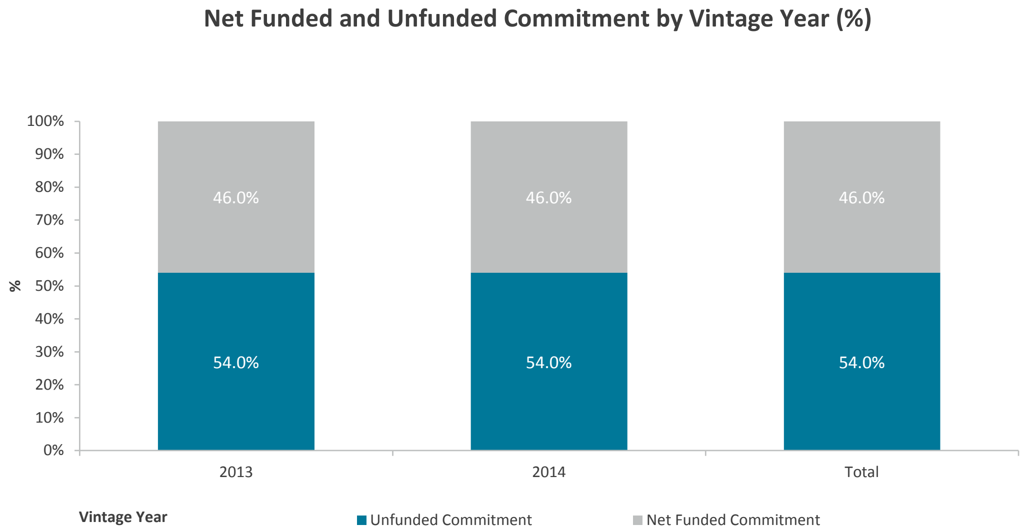
Annual Cash Flow Activity

During the first nine months of 2015, the Program made US$174.3 million of contributions and received US$4.5 million of distributions, for a net cash outflow of US$169.8 million. The graph below illustrates cash flow activity since inception by calendar year.

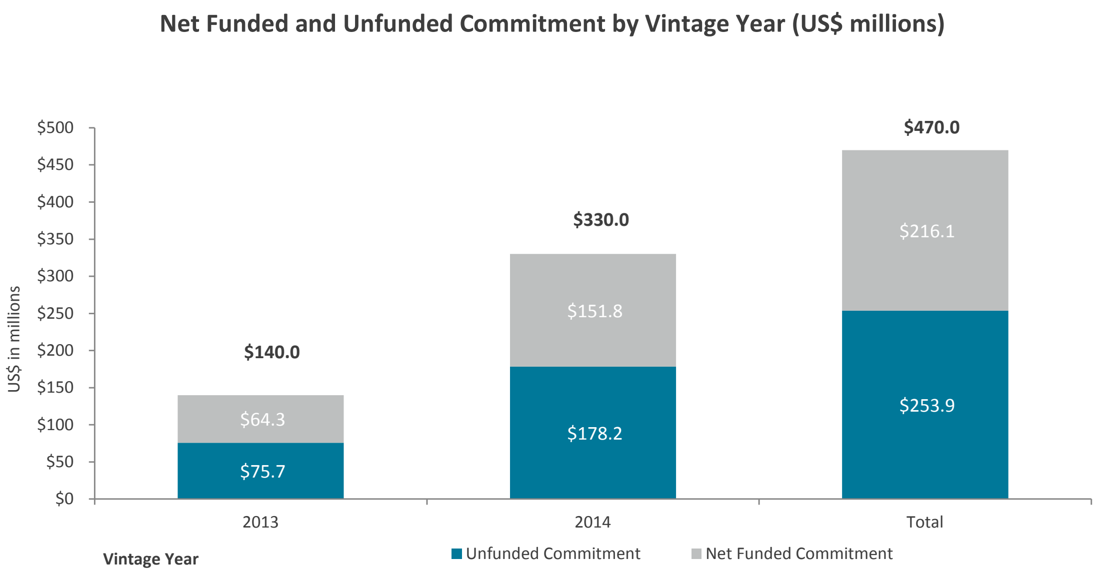


Net Funded and Unfunded Commitments by Vintage Year

The following chart illustrates the Portfolio's net funded commitments (defined as total contributions inside commitment less any returns of excess capital and recallable distributions) as a percentage of total capital commitments, by fund vintage year, as of September 30, 2015. Overall, the Portfolio was 54.0% unfunded as of quarter-end.



The following chart illustrates the Portfolio's net funded commitments relative to total capital commitments, by fund vintage year, as of September 30, 2015. Overall, the Portfolio had US$253.9 million of unfunded commitments as of quarter-end.

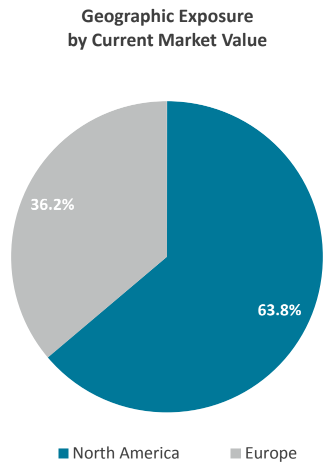


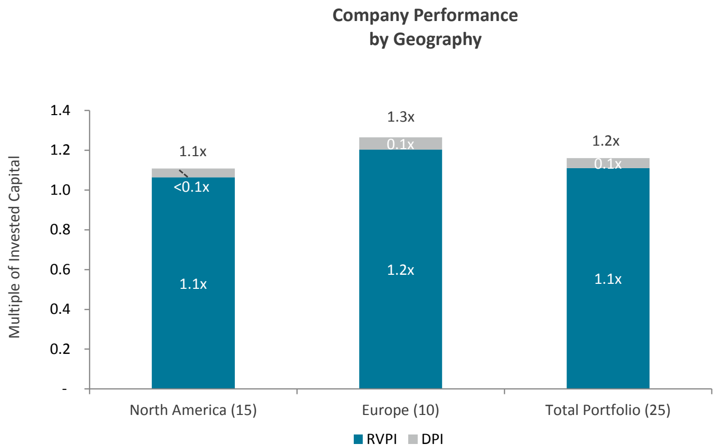
Portfolio Company-Level Analysis

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

Geographic Exposure and Performance

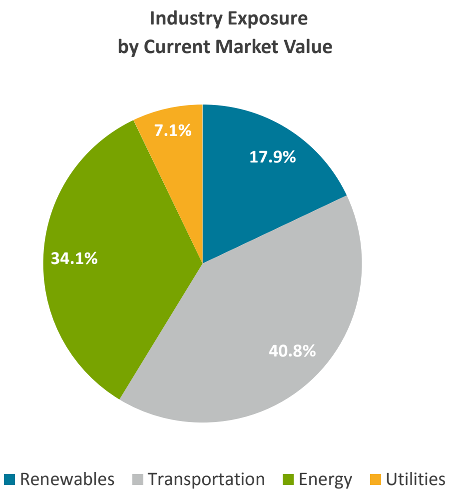
The following charts illustrate the Portfolio's current exposure and performance by geographic region at the portfolio company level.

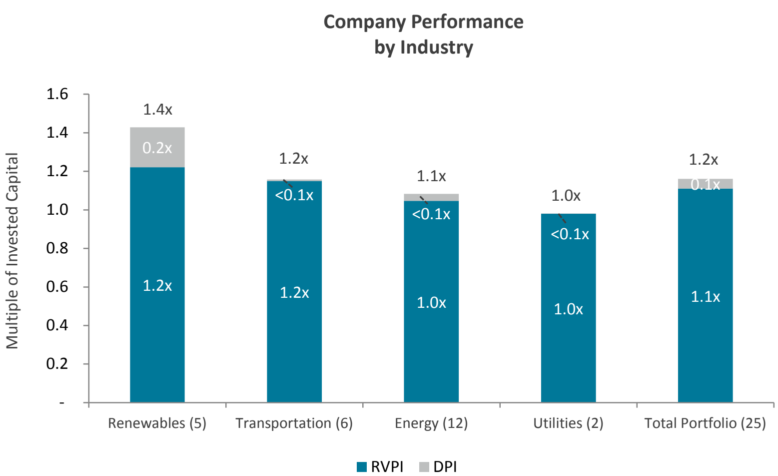




Industry Exposure and Performance

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

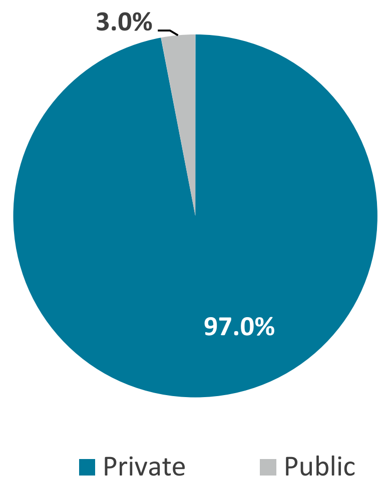




Public Market Exposure

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

Public Market Exposure Current Market Value



IV. Risk Management Matrix

Category	Requirement	Status	Status Notes
Allocation	NYC TRS 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 TRS Real Assets investment program.	✓	The market value of NYC TRS Real Assets Program currently represents approximately 3.3% of total pension assets and the market value of NYC TRS Infrastructure Program represents approximately 0.4% of total pension assets. As the Program matures, its market value as a percentage of the total NYC TRS pension assets and the total Real Assets Program is expected to increase.
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 Portfolio outperformed the benchmark by 7.7%. However, given the relative immaturity of the Portfolio, the current performance to-date versus benchmarks is not meaningful.
Strategy Diversification	Core Infrastructure Investments: 60-100% Non-Core Infrastructure Investments: 0-40% Actual percentages may differ substantially from these targets during the initial years of the Program.	✓	The Program is in compliance with the Core/Non-Core allocation ranges. Currently the Program only has exposure to Core investments.
Asset Type & Location Diversification	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.	✓	Given the relative immaturity of the Portfolio, it is not yet diversified by asset type. The asset types and geographic location of current Portfolio investments are in compliance with the Program's Investment Policy Statement and Permissible Markets.
Leverage	The average leverage of all investments in the Program is to be no higher than 65%.	✓	The Program is in compliance with the average leverage limitation. The current leverage level is 40.6%*.
Single Investment Size & Manager Diversification	The maximum commitment to a single investment is limited to no more than 15% of the aggregate committed capital of each fund. The maximum commitment to a single manager is limited to 10% of the total Real Assets Program allocation when fully invested.	✓	On the individual fund level, all current investments are in compliance with the single investment limitation of 15% of total fund size. The Program is in compliance with the single manager limitation of 10% of the total Real Assets Program. 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.

*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

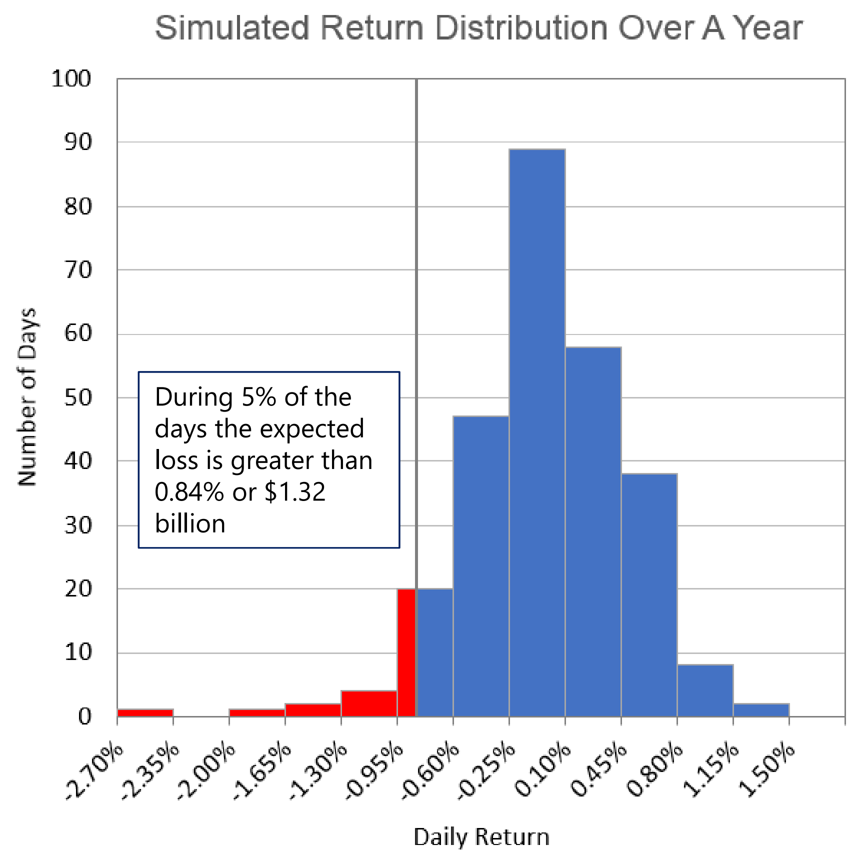
2016 Priorities: Market Risk Initiatives

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.

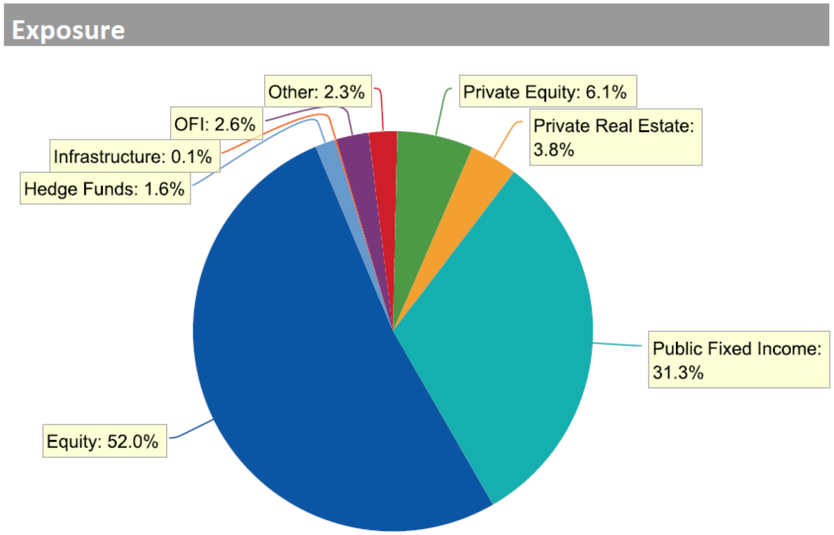
VaR (Continued)

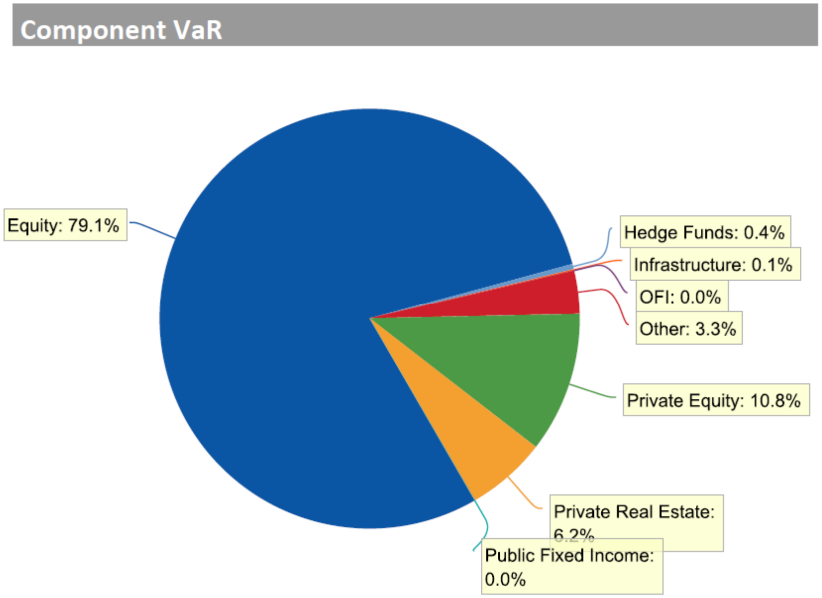
	Combined Plan
NAV	158,156,478,435
95%VaR	1,321,051,696
95%VaR / NAV	0.84%

- 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

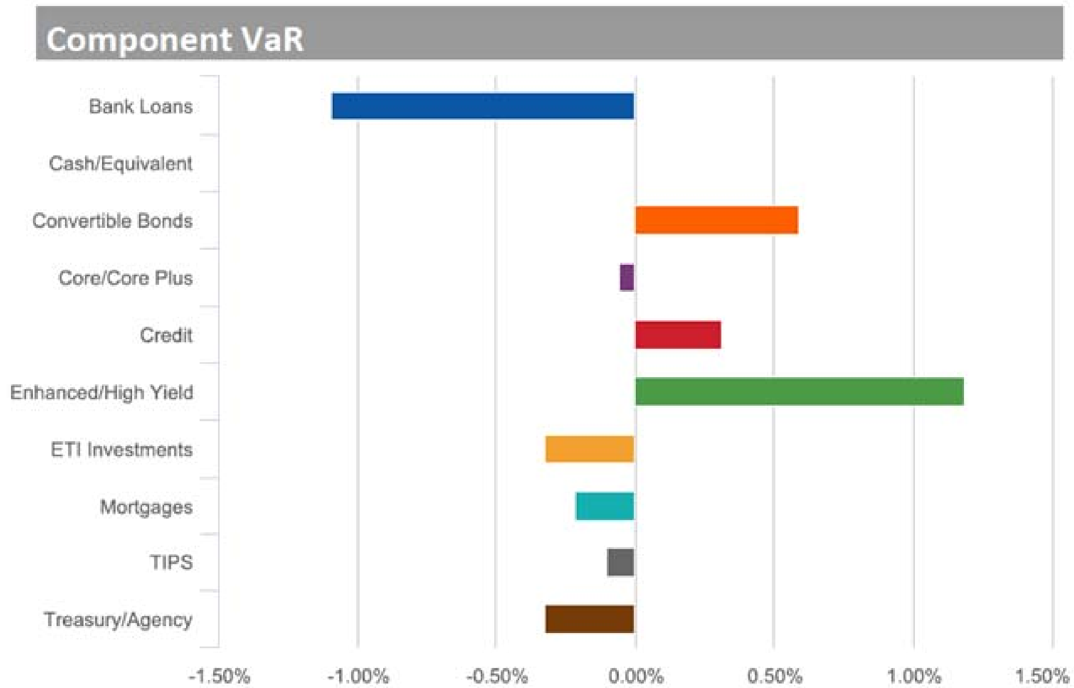




- Component VaR is calculated using the correlations between asset classes and their VaR

Component VaR (Continued)

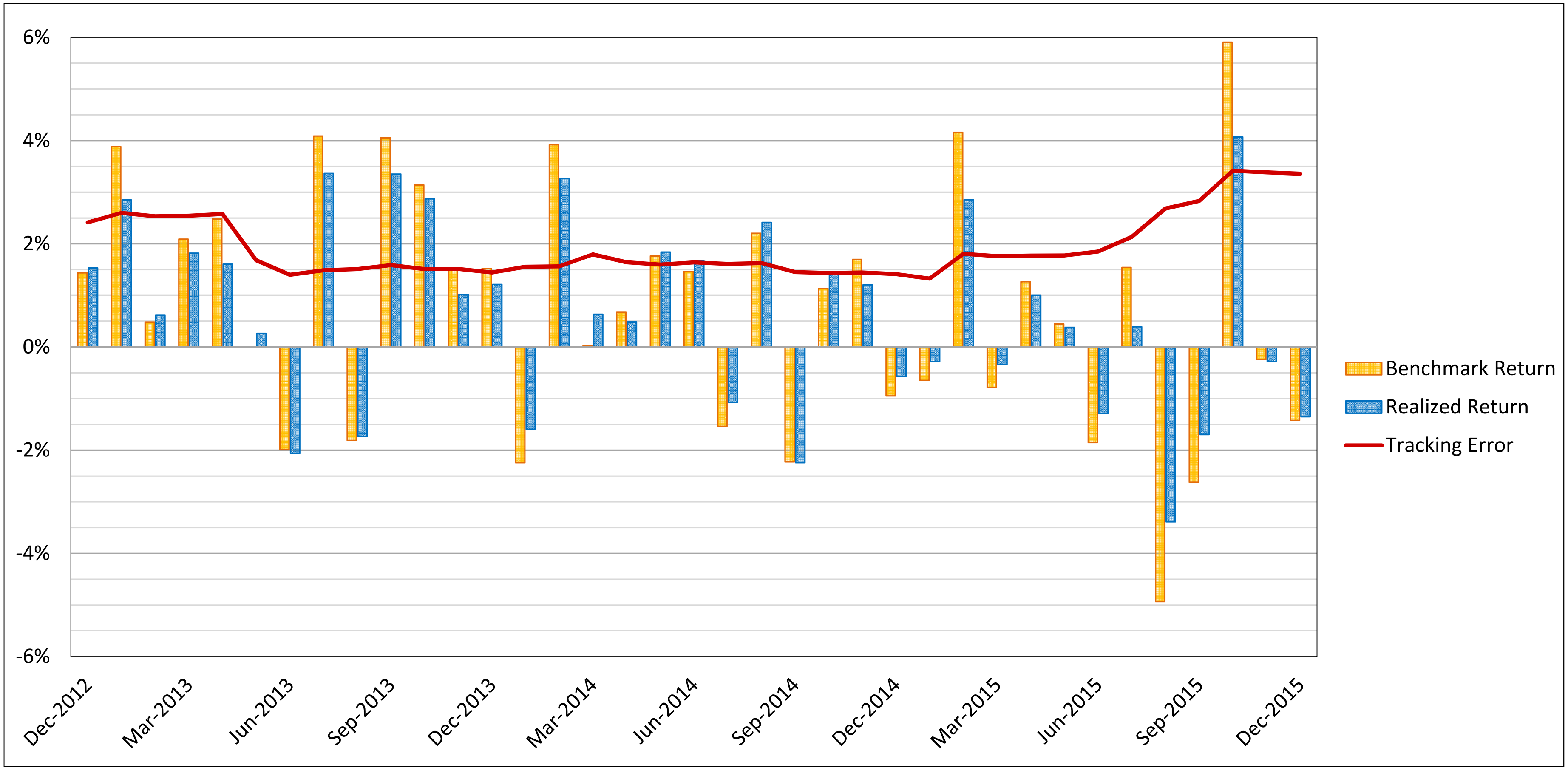
- Negative Component VaR shows that the prices of certain fixed income investments are negatively correlated with the prices of other investments.
- Such investments diversify the portfolio and reduce its VaR.



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:

$$\frac{\textbf{Average of (Portfolio Return} - \textbf{Risk Free Return)}}{\textbf{Standard deviation of (Portfolio Return} - \textbf{Risk Free Return)}}$$

- 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.

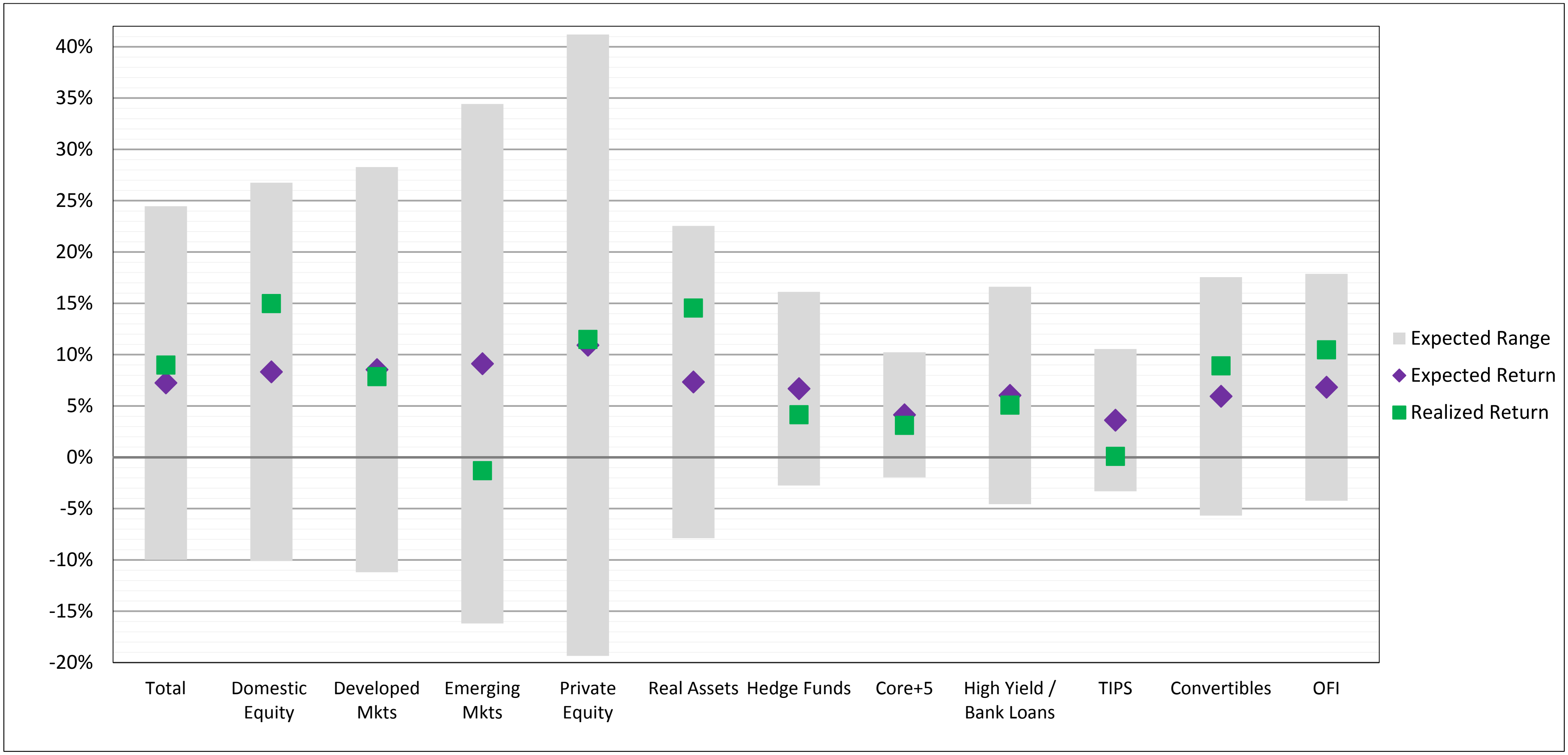
- The Information Ratio measures the risk adjusted Excess Return earned as a result of choosing active management. The Information Ratio is:

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

- 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

TRS - BASKET/NON BASKET SUMMARY

As of December 31st, 2015	Adjusted Fund Policy			Fund Actual (PE & RE on an invested basis)		
Equity	**Non Basket***	**Basket***	**Total**	**Non Basket***	**Basket***	**Total**
Domestic Equity	33.8%	0.0%	33.8%	34.3%	0.0%	34.3%
Non-U.S. Equity	10.0%	7.8%	17.8%	10.0%	7.2%	17.2%
Private Equity	0.0%	5.0%	5.0%	0.0%	5.0%	5.0%
Real Assets	3.4%	0.0%	3.4%	3.4%	0.0%	3.4%
REITS	2.8%	0.2%	3.0%	3.2%	0.2%	3.4%
Total Equity	50.0%	13.0%	63.0%	51.0%	12.4%	63.4%
Fixed Income						
Core+5	18.8%	0.5%	19.3%	18.0%	0.5%	18.5%
U.S. Gov't Sector	*4.0%*	*0.0%*	*4.0%*	*2.0%*	*0.0%*	*2.0%*
Mortgage Sector	*7.0%*	*0.0%*	*7.0%*	*7.5%*	*0.0%*	*7.5%*
Credit Sector	*7.8%*	*0.5%*	*8.3%*	*8.2%*	*0.5%*	*8.7%*
High Yield	4.0%	1.0%	5.0%	3.9%	1.0%	4.9%
Bank Loans	0.0%	2.6%	2.6%	0.0%	2.6%	2.6%
TIPS	3.6%	0.4%	4.0%	2.1%	0.2%	2.3%
Convertibles	2.4%	0.6%	3.0%	1.4%	0.3%	1.7%
Opportunistic Fixed Income	0.0%	2.4%	2.4%	0.0%	2.4%	2.4%
Other Fixed Income	0.8%	0.0%	0.8%	4.2%	0.0%	4.2%
Total Fixed Income	29.6%	7.4%	37.0%	29.6%	7.0%	36.6%
Total Fund	79.6%	20.4%	100.0%	80.6%	19.4%	100.0%
Remaining Capacity		4.6%			5.6%	

* Note: Basket amounts are estimates

- Liquidity Analysis

TRS Liquidity Profile - Static Analysis

3/7/16

AUM as of December 31, 2015

		Liquid Assets		
	Current MV	**Today**	**1 Year**	**2 Years**
Domestic Equity	$20,098	$20,098	$20,098	$20,098
International Equity	5,259	5,259	5,259	5,259
Emerging Markets	4,818	4,818	4,818	4,818
REITS	2,006	2,006	2,006	2,006
Private Equity	2,935	0	0	0
Private Real Estate	2,007	0	0	0
Core + 5	10,864	10,864	10,864	10,864
TIPS	1,368	1,368	1,368	1,368
Opportunistic Fixed Income	1,396	1,047	1,396	1,396
Enhanced Yield	2,857	2,857	2,857	2,857
Bank Loans	1,516	1,516	1,516	1,516
Convertible Bonds	991	991	991	991
ETI	558	102	384	384
Cash	1,908	1,908	1,908	1,908
Total Assets	**$58,581**	**$52,833**	**$53,464**	**$53,464**
Total Illiquid $		$5,748	$5,116	$5,116
Total Illiquid %		9.8%	8.7%	8.7%

Unfunded PE Commitments	$2,065
Unfunded RE Commitments	$1,136
Unfunded OFI Commitments	$386
Total commitments $	$3,588
Total commitments %	6.1%

TRS Liquidity Profile - Static Analysis

3/7/16

AUM as of December 31, 2015

Denominator Effect - Decrease AUM by One-Third				
Total Illiquid $		$5,748	$5,116	$5,116
Total Illiquid %		14.7%	13.1%	13.1%

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

		Liquid Assets		
	Current MV	**Today**	**1 Year**	**2 Years**
Total Assets	**$58,581**	**$52,833**	**$53,464**	**$53,464**
Private Equity, Real Estate and Opportunistic Fixed Income Stress Case				
Unfunded PE Commitments Drawn			$413	$826
Unfunded RE Commitments Drawn			227	455
Unfunded OFI Commitments Drawn			193	0
Total commitments $			**$834**	**$1,281**
Total commitments %			1.4%	2.2%
Total Illiquid $			$5,950	$6,397
Total Illiquid %			10.2%	10.9%

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 $		$5,748	$5,950	$6,397
Total Illiquid %		14.7%	15.2%	16.4%

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