ALAMEDA COUNTY
EMPLOYEES RETIREMENT ASSOCIATION

REAL ESTATE STRATEGIC PLAN
OBJECTIVES, POLICIES AND PROCEDURES

Approved September 11, 2013

The Townsend Group

Cleveland  San Francisco  London  Hong Kong
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I. SCOPE

The Real Estate Strategic Plan: Objectives, Policies and Procedures ("R/E Policy") governs all investments in the Real Estate asset class made by Alameda County Employee’s Retirement Association ("ACERA"). The R/E Policy is subject to all provisions of applicable law and the applicable limitations and requirements of ACERA’s General Investment Guideline, Policies and Procedures ("General Policy"). If there is any conflict between this R/E Policy and ACERA’s General Policy pertaining to investments in the Real Estate asset class, this R/E Policy prevails. The ACERA Board ("Board") reserves the right to amend, supplement or rescind this R/E Policy at any time.

II. PURPOSE

The purpose of this Policy is to 1) set forth the real estate investment policies and guidelines which are deemed to be appropriate and prudent; 2) establish criteria against which real estate investment opportunities are to be measured; and 3) serve as a governance document and guide to the ongoing oversight of ACERA’s Real Estate Portfolio ("R/E Portfolio") on a consistent basis. The Policy also defines roles and responsibilities of the Board, the ACERA Investment Committee ("Investment Committee"), the ACERA Staff ("Staff"), the ACERA Real Estate Consultant ("Consultant") and the Real Estate Investment Managers hired by ACERA to manage its assets ("Investment Managers").

It is expected that this Policy will be a living document and that changes will be made from time-to-time to reflect experience, evolving investment products, and opportunities and changes in the economic and capital market environment.

ACERA has determined that, over the long term, inclusion of equity real estate investments should provide the following benefits (in order of relative importance):

- Lower portfolio risk due to low correlation with other portfolio asset classes
- Generate a stable, predictable income stream to assist in meeting cash flow needs
- Provide growth through appreciation
- Serve as a hedge against unanticipated inflation
- Provide an opportunity to enhance portfolio return through higher total return investments

In order to achieve the above benefits, this document establishes the specific objectives, policies and procedures involved in the implementation and oversight of the Association’s real estate program. The objectives define the specific risk tolerance and return expectations for the program. The policies provide specifications for acceptable investment styles and management of the various risks associated with the asset class. The procedures provide guidelines for the implementation and
III. INVESTMENT OBJECTIVES

A. Asset Allocation

ACERA has approved a long-term asset allocation target of six percent (6%) for investment in equity real estate investments.

B. Return Objectives

The Board has determined that the primary objective for the real estate asset class will be to provide a source of return that improves the diversification of the overall investment portfolio, as real estate investments generally have low or negative correlations to traditional asset classes. The secondary objective for the asset class will be to achieve total returns\(^1\) that are predominantly attributable to income\(^1\).

The Board seeks to achieve total net returns equivalent to the net returns of the National Council of Real Estate Investment Fiduciaries Fund Index Open-End Diversified Core Equity Index (“NFI-ODCE” or “ODCE”) as a minimum return for the total portfolio over rolling five-year periods.

IV. INVESTMENT POLICIES

A. Portfolio Composition

The universe of private equity real estate investment strategies (‘styles’) can be divided into three primary categories: (1) Core, (2) Value-Added, and (3) Opportunistic. The style groups are defined by their respective market risk/return characteristics:

Core Characteristics

- Operating and substantially leased (greater than 80%) core quality properties;
- Property types include office, apartment, retail, industrial;

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\(^1\) Total return is comprised of two components: income and appreciation. Income is defined as operating income from real estate after expenses and leverage but before the deduction of capital items (e.g. roof replacement, renovations, etc). Investment managers maintain control over the timing and amount of income that is distributed to Limited Partners in the form of cash, but it is reasonable to expect at least 50% of reported income will be distributed as cash. Appreciation / depreciation is defined as an increase or decrease in investment value based on an internal or third party appraisal or mark-to-market.
• Total return is primarily attributable to income; (generally 50% of total return);

• 0% to 50% leverage.

Value-Added Characteristics

• Institutional quality properties with identifiable deficiencies such as lease-up, rehabilitation, repositioning, expansion or those acquired through forward purchase commitments in order to reach stabilization;

• Strategies may include traditional (office, apartment, retail, industrial) or niche property types with demonstrated capital demand for disposition;

• Total return is attributable to a balance between income and appreciation;

• May include the use of leverage up to 65% Loan-to-Value.

Opportunistic Characteristics

• Properties or real estate companies offering recapitalization, turnaround, development, market arbitrage opportunities or offshore investments;

• No property types are excluded, and properties may include business operations (e.g. hotels, congregate care), as well as, office, apartment, retail, and industrial;

• Total return is primarily attributable to appreciation.

With respect to the three style groups, the Board has established the following portfolio composition target:

<table>
<thead>
<tr>
<th>Style</th>
<th>Return Benchmarks (Net of Fees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt; 70% Core</td>
<td>ODCE</td>
</tr>
<tr>
<td>0% - 30% Value-Added</td>
<td>NCREIF Open-End Diversified Value Index (“ODVE”)</td>
</tr>
<tr>
<td>0% - 15% Opportunistic</td>
<td>NCREIF/Townsend Opportunistic Funds Index</td>
</tr>
</tbody>
</table>

All investments will be classified based upon the strategy advocated at inception of the investment.

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1 Refer to Schedule II: ACERA’s policy index for Real Estate and Benchmarks for Real Estate Managers.
B. Risk Management

The primary risks associated with equity real estate investments relate to property type and geographic selection, illiquidity, investment manager risk, portfolio management risk and loss of principal. The following policies have been established to prudently manage and mitigate the risks involved in investing in equity real estate.

1. Defined Roles for Participants

All program participants must comply with ACERA policies, guidelines and contracts in addition to the conditions listed in this Strategic Plan. Additional roles and responsibilities specific to the real estate portfolio are detailed in Appendix A of this document.

2. Investment Structures

ACERA recognizes that, regardless of investment vehicle, real estate is an illiquid asset class. Vehicles that maximize investor control of the assets are preferred, particularly in Core and Value-Added investments. ACERA also recognizes that the Opportunistic style requires the assumption of additional risks including diminished investor control. The risk associated with reduced investor control in higher return strategies will be mitigated by limiting exposure to any single investment strategy and/or manager.

ACERA will utilize the following investment structures:

a) Individually Managed Accounts

The Core investment style is considered to be less risky (thereby providing lower returns) than higher returning investments. The lower risk assigned to stabilized investments is due to three primary characteristics: (1) the level and predictability of the income generated; (2) the higher proportion of the total return attributable to income; and (3) the limited use of debt (0% to 50%) usually associated with the style.

For the Core component, the ACERA portfolio may purchase assets on a wholly owned basis through Individually Managed Account (“IMA”) or Commingled Funds (“CF(s))”.

b) Commingled Funds

The Value-Added and Opportunistic investment styles seek to provide higher returns with higher risk than the Core component of the portfolio. Value-Added
investments depend upon the successful completion of an active management strategy and a timely disposition of the asset(s). Value-Added investments often use higher levels of debt, as compared to Core investments, to further increase total return expectations. Opportunistic investments seek to capitalize on market inefficiencies and opportunities (e.g. capital voids, market recovery, development, distressed sellers, financial engineering, non-domestic markets) and debt to provide excess returns. Because of the degree of reliance on active management necessary to capitalize on such market inefficiencies, investments will be accessed through structures that allow a high degree of manager discretion and a significant level of diversification.

In order to mitigate the increased risks associated with the style exposure, ACERA will make investments in the Value-Added and Opportunistic components through the ownership of units or shares of CF structures. Any legally permissible vehicle will be allowed including, but not limited to, joint ventures, limited partnerships, real estate investment trusts and limited liability corporations. The Association will invest in CFs in accordance with the procedures detailed in Section IV. B.

3. Diversification

To minimize the adverse impact of any single style, strategy, manager or investment property, the Association will seek to diversify its equity real estate portfolio by property type, property location, investment style, investment strategy, and manager.

Property Types and Location

Exposure to any single property type (i.e. office, retail, apartment, industrial) or geographic region (East, Mid-West, West or South) will be within a range of zero percent (0%) to forty percent (40%), excluding the Oakland Office Building. Any single property type or region found to be in excess of forty percent (40%) of the total real estate portfolio target must be approved as an exception by the Committee and Board.

Each IMA portfolio will be monitored through the use of annual Manager Investment Plans. Managers will be allowed to target the property type and locations each firm believes are most likely to provide the best risk adjusted returns based on their supporting research findings. However, any single property type or geographic region found to be in excess of the forty percent (40%) limit will be excluded from the ensuing years potential investments unless specifically approved by the Committee and Board.
Selection of specific CF investments will provide enhanced diversification characteristics based on its complimentary strategy/style so as to increase diversification benefits within the real estate portfolio.

**Investment Style/Strategy**

The risk profile of the real estate portfolio will be managed through the maintenance of the approved style composition (> 70% Core; 0%-30% Value-Added; 0%-15% Opportunistic) when allocating capital.

**Investment Vehicles/Managers**

a) Individually Managed Accounts (“IMA”)

   Historical data indicates that there are low or negative correlations between different manager organizations. As such, when investing through IMA’s, ACERA will implement a multiple IMA manager program in order to minimize volatility. Diversification across the aggregate IMA portfolio will be primary; diversification within a single IMA portfolio will be secondary.

b) Commingled Fund (“CF”)

   Diversification by Strategy and Manager will be used to minimize sponsor or strategy concentration, which might, in turn, impact the performance of the Value-Added and Opportunistic allocation and/or the total portfolio. CFs will provide reporting which will allow the Association to monitor its geographic and property type diversification.

4. **Leverage**

The Association has approved leverage limits in order to maximize returns to the total portfolio with minimum risk. The Board has approved a maximum of forty percent (40%) leverage for the total portfolio. In addition, targets are established for each investment style based on the risk/return profile of the underlying investments. At no time shall the origination of leverage exceed the established limits on a loan-to-value basis. In the event that either the portfolio level and/or style level leverage constraint is breached due to a contraction in market values, the Association’s Staff and Consultant will notify the Board and make a recommendation for action or exception.

a) Core

b) Core assets generally provide an established stream of rental revenue. Because of the predictability of the income stream, third-party debt can be used at
relatively low risk to enhance return. Core opportunities accessed through CFs will have pre-specified leverage limits stated in the offering documents. Core CF leverage will generally be limited to 40% at the portfolio level. For any single Core IMA asset, third-party debt will be limited to fifty percent (50%) of the market value of the asset, must provide positive debt-service coverage, be non-recourse and add a minimum of three basis points (3 bps) of additional return to the unleveraged internal rate of return for each one percent (1%) leverage. Property specific debt will be monitored through the Manager Investment Plans and Preliminary Investment Packages. Value-Added Investments classified as Value-Added generally provide a higher proportion of appreciation, as compared to income, than Core assets. Value-Added opportunities accessed through CFs will have pre-specified leverage limits stated in the offering documents. Value-Added CF leverage will generally be limited to 65% at the portfolio level. For any single Value-Added IMA asset, third-party debt will be limited to fifty percent (50%) of the market value of the asset, must provide positive debt-service coverage, be non-recourse and add a minimum of three basis points (3 bps) of additional return to the unleveraged internal rate of return for each one percent (1%) leverage. Property specific debt will be monitored through the Manager Investment Plans and Preliminary Investment Packages.

c)  Opportunistic

Investments classified as Opportunistic investments often utilize third-party debt as an integral part of their total return strategy. Such investments will be made through CFs and will therefore have a specified leverage target or maximum stated in the offering documents.

5.  Investment Size

The IMA manager(s) will maintain a minimum, equity investment of five ($5) million for any single asset so as to ensure that assets are of institutional quality. The preference is for larger assets except where property type limits total value (e.g. individual industrial assets). At no time shall the net investment amount in a single property within an IMA account exceed ten percent (10%) of the net investment value of the total ACERA targeted real estate portfolio. The Association’s investment in any single CF may not exceed 20% of the total net asset value of the CF at offering.

6.  Valuations

Annually, in the quarter of the anniversary date of each asset acquisition, the
Manager will arrange for valuations for such assets and will provide ACERA with valuations for all properties for which it has asset management responsibilities. Unless specifically directed by ACERA, the valuation will be prepared by a qualified independent third party entity (MAI) beginning on the third anniversary of ownership and every third year of ownership thereafter. Interim valuations may be conducted by the manager. This policy does not apply to the Fund’s commingled fund investments, where the Fund does not have control over the appraisal policies or implementation of appraisal practices.

All materials generated by the independent third party will be copied to ACERA for record keeping. Valuation adjustments made in the interim periods will be documented in a memo to ACERA and retained for record keeping.

C. Discretionary Authority

The Board controls the delegation of discretion. The Policies and Procedures described herein are structured to control investment risk.

1. Individually Managed Accounts

The Association will utilize established procedures for the evaluation of the performance, acquisition, management and disposition of wholly owned assets.

2. Commingled Funds

CFs are structured to give the highest level of discretion to the Manager. The limited investor control of management decisions inherent in CF investments is appropriate given the flexibility required to achieve higher expected returns. Nonetheless, preference will be given to CFs extending greater investor rights (eg. redemptions, termination, and alignment). Investments made in CFs are monitored for compliance with vehicle documents through quarterly performance measurement procedures.

V. INVESTMENT PROCEDURES

The ACERA Annual Real Estate Investment Plan identifies the investment needs of the portfolio and establishes the parameters for the selection of appropriate investments. The particular needs for each Annual Real Estate Investment Plan will be established in light of the structure, objectives and performance of the existing portfolio as well as current market opportunities. All Annual Investment Plans will be consistent with the policies detailed in Section III.A-C.

A. Individually Managed Accounts
The following procedures will be utilized for selection of IMA Managers if requested by the Board.

1. **Manager Selection Process**
   a) Working with Staff, the Consultant shall establish qualification criteria consistent with the purpose of the search.
   b) Working with Staff, the Consultant shall establish evaluation areas, desired levels of competency and respective weightings for evaluation factors.
   c) Working with Staff, the Consultant may prepare a Request for Proposal (RFP) to further define Manager capabilities specific to the candidates and the evaluation factors previously defined.
   d) When appropriate, the RFP shall be published and/or forwarded to the Manager candidates.
   e) Working with Staff, the Consultant shall review and evaluate RFP responses, identify material issues related to each candidate, including proposed fee structures.
   f) Investment Committee (“Committee”) shall select finalists for interview/formal presentations based on the recommendation of Staff and Consultant.
   g) Committee recommends the Manager selection to the Board for approval.

2. **Investment**
   a) Manager Investment Plan
      Each IMA Manager shall prepare an annual Manager Investment Plan, which sets forth the investment criteria for said Manager’s allocation including the reinvestment of proceeds from sales or refinancings. The investment criteria shall be consistent with the approved Strategic Plan and Investment Plan.
   b) Preliminary Investment Package
      Prior to making an investment, the Manager shall provide a Preliminary Investment Package to Staff and Consultant. The preliminary package shall include a compliance analysis of the investment relative to the currently approved Manager Investment Plan and the ACERA Strategic Plan and Investment Plan, including a projected hold/sell analysis for the proposed asset. Additional materials to be included are: a locator map, photograph, site plan, a
financial summary including cash flow projections, metropolitan market overview, no less than a five year lease expiration schedule, and a list of major tenants.

3. **Control and Monitoring**

   a) **Budget and Management Plan**

      Not less than 60 days after the end of the calendar year, each IMA Manager shall submit a Budget and Management Plan for the upcoming year for each direct investment and the aggregate IMA portfolio. The Budget and Management Plan must include a narrative strategy and an estimated income and cash flow statement for the ensuing year. The statement will include gross revenues, expenses, percentage rent, additional interest, property management fees, net operating income, tenant improvements, leasing commissions, capital expenditures, cash flow before and after debt service and asset management, incentive and other fees along with quarterly distribution projections.

      Not more than 90 days after the end of the calendar year, Staff and Consultant will meet with the Manager personnel directly responsible for portfolio and asset management for a review and evaluation of the reasonableness of the submitted Budget and Management Plan.

   b) **Annual Disposition Review**

      IMA Managers shall provide an annual disposition analysis of each asset under management. The disposition analysis shall include hold/sell scenarios over long and short-term periods and incorporate an opportunity cost analysis. In addition, the Manager will provide a discussion of the current condition of the market in which each asset is located.

      The Annual Disposition Review shall be included in the Budget and Management Plan.

B. **Commingled Funds**

The following procedures will be utilized in the selection, closing and monitoring of specific CF investments.

1. **CF Selection Process**
a) The Consultant will maintain an ongoing review of offerings within the institutional market place and, based on due diligence findings, refer appropriate CF investments to Staff.

b) Staff shall review the Consultant recommendations for compliance with agreed upon due diligence procedures for each fund recommendation.

c) Staff shall verify and opine as to the compliance of each recommended fund with the approved Strategic and Investment Plans.

d) Staff shall arrange presentations to the Committee in order to allow the Committee to recommend a selection to the Board for approval.

C. Performance Measurement Reports

On a quarterly basis, the Consultant will prepare a report and evaluation of the real estate portfolio relative to the Strategic Plan. The evaluation shall provide such information as may be required by the Association to understand and administer its investments and Managers.

The content of the report shall include return analysis for both the investment managers and the total portfolio including: income, appreciation, gross and net returns for the portfolio and each manager, cash-flow, internal rate of return, diversification, comparisons to relevant industry performance indices and information reporting standards, and Strategic Plan and Investment Plan compliance.

Quarterly reports will also provide the ACERA Staff and Board with notification of any manager appearing on the ACERA ‘Watch list’ for additional oversight and evaluation.

Watch List Qualification

1. A manager may be placed on the Watch List at any time for material organizational changes or instability. Material organizational changes may include, but are not limited to, key personnel changes, ownership changes or other firm level issues.

2. A manager will automatically be placed on the Watch List if net of fee performance falls below the net of fee performance of the relevant manager account benchmark for three (3) consecutive quarters. Performance will be measured on a quarterly basis using the longest rolling time period possible (one, three or five year rolling returns).

Watch List Removal

1. With respect to material organizational changes, a manager may be removed from the Watch List after a minimum one year period and with satisfaction by and
recommendation from the Staff and Consultant. The Staff and Consultant will provide notification to the Board when such changes are made.

2. With respect to performance, any manager placed on the Watch List for underperformance will automatically be eligible for removal from the Watch List once net of fee performance exceeds the relevant manager account benchmark for three (3) consecutive quarters. Performance will be measured on a quarterly basis using the longest rolling time period possible (one, three, or five year rolling returns).

The Consultant shall prepare and forward to the Association’s Staff, a Performance Measurement Report within ninety (90) days following the last day of each quarter pending receipt of all manager supplied data requests.
Schedule I

Manager Structure Targets

No manager may represent more than 35% of ACERA’s total real estate target allocation. Other guidelines are set forth in the chart below.

<table>
<thead>
<tr>
<th>Style</th>
<th>Target Allocation within Asset Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Investments</td>
<td>70%</td>
</tr>
<tr>
<td>Value-Added Investments</td>
<td>30%</td>
</tr>
</tbody>
</table>
## Schedule II

**Policy Index for Real Estate and Benchmarks for Real Estate Managers**

**POLICY INDEX FOR REAL ESTATE PORTFOLIO**

**RETURN BENCHMARKS FOR REAL ESTATE MANAGER**

<table>
<thead>
<tr>
<th>Core Investments</th>
<th>BENCHMARK (Net of Fees)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NCREIF Open-End Core Diversified Equity Index (“ODCE”)</td>
</tr>
<tr>
<td>ACERA Oakland Building Portfolio</td>
<td>ODCE</td>
</tr>
<tr>
<td>Clarion Lion Industrial Trust&lt;sup&gt;1&lt;/sup&gt;</td>
<td>ODCE</td>
</tr>
<tr>
<td>Heitman America Realty Trust (HART)&lt;sup&gt;1&lt;/sup&gt;</td>
<td>ODCE</td>
</tr>
<tr>
<td>Jamestown Premier Property Fund</td>
<td>ODCE</td>
</tr>
<tr>
<td>JP Morgan Strategic Property Fund</td>
<td>ODCE</td>
</tr>
<tr>
<td>PRISA</td>
<td>ODCE</td>
</tr>
<tr>
<td>RREEF Core Separate Account (Takeover)&lt;sup&gt;2&lt;/sup&gt;</td>
<td>ODCE</td>
</tr>
<tr>
<td>UBS Trumbull Property Fund&lt;sup&gt;1&lt;/sup&gt;</td>
<td>ODCE</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Value-Added Investments</th>
<th>BENCHMARK (Net of Fees)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NCREIF Open-End Value Diversified Equity Index (“ODVE”)</td>
</tr>
<tr>
<td>AEW Value Investors II</td>
<td>ODVE</td>
</tr>
<tr>
<td>CIM Urban REIT</td>
<td>ODVE</td>
</tr>
<tr>
<td>CIM VI-2 (Urban REIT)</td>
<td>ODVE</td>
</tr>
<tr>
<td>Heitman Value Partners II</td>
<td>ODVE</td>
</tr>
<tr>
<td>JP Morgan Alternative Property Fund&lt;sup&gt;2&lt;/sup&gt;</td>
<td>ODVE</td>
</tr>
<tr>
<td>PRISA II</td>
<td>ODVE</td>
</tr>
<tr>
<td>PRISA III&lt;sup&gt;3&lt;/sup&gt;</td>
<td>ODVE</td>
</tr>
</tbody>
</table>

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1 Approved by ACERA in 2012.
2 Funds will be removed from the ACERA Portfolio upon full liquidation due to redemption and/or wind-down.
3 Approved by ACERA in 2013.
Appendix A

The real estate program shall be planned, implemented, and monitored through the coordinated efforts of the Board, Investment Committee (“Committee”), Staff, Real Estate Consultant (“Consultant”) and Investment Managers (“Manager” or “Managers”). Set forth below is the delegation of the major responsibilities of each participant.

Responsibilities of the ACERA Board

• Approves Committee recommendations.

Responsibilities of the Investment Committee

• Reviews the Strategic Plan (Objectives, Policies and Procedures) and the Investment Plan for the real estate program.
• Reviews annual Manager Investment Plans (“MIP”).
• Evaluates the selection and/or termination of Managers and Real Estate Consultants, and recommends such selection and/or termination to the Board for approval.
• Conducts the Annual Real Estate Portfolio Review.
• Reviews the real estate portfolio to evaluate the investment performance and to ensure compliance with policy guidelines and approved Investment Plans.
• Makes recommendations to the Board for approval.

Responsibilities of the ACERA Staff

• Recommends the Strategic Plan and the Investment Plan to the Committee.
• Ensures compliance with investment policies, objectives and procedures and with contracts by consultants and by managers.
• Implements Board and Committee decisions.
• Provides day-to-day oversight of program activities.
• Makes recommendations to the Committee regarding the management of the portfolio.
• Monitors the performance of managers.
• Completes any other activity as directed by the Committee and/or Board.

Responsibilities of the Consultant

• Recommends the Strategic Plan and the Investment Plan to the Committee.
• Makes recommendations to the Committee regarding ACERA’s real estate portfolio.
• Brings any non-conforming items or significant issues to the attention of the Staff, Committee and/or Board.
Prepares the Strategic Plan (with annual reviews) and Real Estate Investment Plan and, in conjunction with Staff, presents the Plans to the Committee for review no later than May 31st of the Plan year.

Prepares the Annual Real Estate Portfolio Review including the review of annual Budget and Management Plans prepared by Managers and, in conjunction with Staff, recommends approval to the Committee.

Oversees Manager preparation of annual Manager Investment Plans, and, in conjunction with Staff, presents Plans to the Committee.

Reviews Preliminary Investment Packages (submitted by IMA Managers) for program compliance.

Presents portfolio performance reports (as described in Section IV.C. of this document) to evaluate investment performance and to ensure compliance with policy guidelines and approved Investment Plans to the Committee quarterly.

Provides any additional real estate related information (within the agreed upon scope of work) as requested by the Board and ACERA Staff.

Responsibilities of the Manager

- Provides performance measurement data in form and substance as requested by the Association or its Consultant.
- Promptly reports any non-conforming items or significant issues to the Staff or Consultant.
- Provides any additional real estate related information as requested by the Board, ACERA Staff and the Consultant.
- Attends ACERA’s meetings as requested.

Individually Managed Account Managers:

- Acquires, manages and disposes of assets on behalf of ACERA.
- Adheres to the most recent version of the Real Estate Information Standards established jointly by the National Council of Real Estate Investment Fiduciaries (“NCREIF”), the Pension Real Estate Association (“PREA”) and the National Association of Real Estate Investment Managers (“NAREIM”) (“Information Standards”).
- Provides quarterly financial statements and annual reports to Staff and Consultant.
- Prepares Manager Investment Plans (as described in Section IV.A.2a of this document) to be submitted to Staff and Consultant.
- Prepares Preliminary Investment Packages (as described in Section IV.A.2b of this document) to be submitted to Staff and Consultant.
- Prepares Budget and Management Plans (as described in Section IV.A.3a of this document) to be submitted to Staff and Consultant.
Meets with Staff and Consultant for the Annual Real Estate Portfolio Review (as described in Section IV.A.3b of this document).

Prepares an Annual Disposition Review (as described in Section IV.A.3c of this document).

Commingled Fund Managers:

- Adheres to the most recent version of the Real Estate Information Standards established jointly by the National Council of Real Estate Investment Fiduciaries (“NCREIF”), the Pension Real Estate Association (“PREA”) and the National Association of Real Estate Investment Managers (“NAREIM”) (“Information Standards”).

- Provides all compliance reports, including quarterly financial statements and annual reports to Staff and Consultant.

- Executes and performs its responsibilities under the terms of the investment vehicle documents.

- Provides timely notices for capital contributions and distributions.

- Conducts annual portfolio review meetings with the Consultant, Staff, the Committee and/or the Board, and provides timely information to discuss important developments regarding investment and management issues.